ACT INTEGRITY COMMISSION

FROM THE OFFICE OF THE COMMISSIONER

Our Ref: REC26/133208
Your Ref:

Mr Jeremy Hanson MLA
Speaker
ACT Legislative Assembly
London Circuit, Canberra City, ACT
Via email: speaker@parliament.act.gov.au

Dear Mr Speaker

Integrity Commissioner – 2026-27 Recommended Appropriation

Section 20AB of the *Financial Management Act 1996* sets out a consultation process to be undertaken each year in relation to the budget for the Integrity Commissioner as an Officer of the Assembly.

Before the beginning of a financial year and after consultation with the Integrity Commissioner and the appropriate Assembly committee, the Speaker must advise the Treasurer of the recommended appropriation for the Integrity Commissioner.

The Commission's recommended appropriation for 2026-27 amounts to **$8.911 million** and is consistent with the Commission's draft 2026-27 draft budget statements (attached). The recommended appropriation comprises:

- base funding - $7.948m
- budget policy decisions – ($0.020m)
- technical adjustments - $0.983m

The Commission did not make any submissions for additional funding in the 2026-27 budget process.

Please provide confirmation of your support or otherwise of the above proposed appropriation. We have included a draft letter from you to the Treasurer endorsing the recommended appropriation, for your consideration.

I would be happy to meet with you to discuss the Commission's recommended appropriation if you require further information.

Yours sincerely

The Hon Michael F Adams KC
Commissioner

26 May 2026

BUDGET STATEMENTS

2026-27

for

ACT Integrity Commission

ACT INTEGRITY COMMISSION

Purpose

The ACT Integrity Commission (the Commission) is established by the ***Integrity Commission Act 2018*** (the Act). The Commission consists of the commissioner who is an independent officer of the Legislative Assembly. Subject to the Act and to other Territory laws, the Commissioner has complete discretion in the exercise of the Commission's functions. The Commissioner is assisted by staff employed under the ***Public Sector Management Act 1994*** and the ***Integrity Commission Act 2018***. The staff of the Commission are not subject to direction from anyone other than the Commissioner or another member of staff of the Commission authorised by the Commissioner to give directions. The Commission is also responsible for administering the ***Public Interest Disclosure Act 2012*** **(PID Act).** **The PID Act** provides a way for people to disclose wrongdoing in the public sector and protect whistleblowers who do so.

Commission Functions

Under Section 23 of the Act, the Commission's functions are to:

- investigate conduct that is alleged to be corrupt conduct;
- refer suspected instances of criminality or wrongdoing to the appropriate authority for further investigation and action;
- prevent corruption, including by:
    - researching corrupt practices; and
    - mitigating the risks of corruption.
- publish information about investigations conducted by the Commission, including lessons learned;
- provide education programs about the operation of this Act and the Commission, including providing advice, training and education services to:
    - the Legislative Assembly and the public sector to increase capacity to prevent corrupt conduct;
    - people who are required to report corrupt conduct under this Act; and
    - the community about the detrimental effects of corruption on public administration and ways in which to assist in preventing corrupt conduct.
- foster public confidence in the Legislative Assembly and public sector.
    - Under Sections 17A and 19 of the PID Act, the Commission's functions are to:
    - Assess disclosures of disclosable conduct (s 17(A));
    - Investigate or refer the public interest disclosures for investigation to an investigating entity (s 19).

Strategic Objectives

- Increase the impact of the Commission's work through timely completion of assessments and investigations of corruption allegations, and engagement with Directorates, to prevent and address corruption risks.
- Deepen engagement and cooperative arrangements with the ACT public sector and other integrity bodies to facilitate and expedite the work of the Commission.
- Continuously improve organisational capabilities through investment in learning and development for Commission staff, including technology investments, to achieve efficiencies and evolve practices across all functions.
- Raise awareness and educate the ACT public sector and the public on the functions of the Commission to assist in preventing corrupt conduct.

2026-27 Priorities

- Assess and respond to corruption allegations in a timely manner.
- Conduct, finalise and report on corruption investigations undertaken by the Commission in a timely manner.
- Complete the Commission's inquiry into lobbying arrangements in the ACT to improve understanding of and mitigate risks associated with lobbying.
- Update or establish memoranda of understanding with relevant Directorates and agencies to facilitate cooperation, collaboration and ensure compliance with requirements to provide information to the Commission.
- Participate in law reform processes to address statutory defects in the Act that are impeding the functions of the Commission.
- Progress the establishment of permanent powers for the Commission under the *Telecommunications (Interception and Access) Act 1979* (TIA Act).
- Build capability in the use of the Commission's IT systems and infrastructure to harvest efficiencies and allow secure and sensitive data handling to be conducted in a protected environment.
- Use lessons learned from ACT and other integrity entity investigations to educate the ACT public sector and the public on how to identify, report and prevent corrupt conduct and disclosable conduct.

Estimated Employment Levels

Table 1: Estimated Employment Levels

	2024-25 Actual Outcome	2025-26 Budget	2025-26 Estimated Outcome [2]	2026-27 Budget
Staffing (FTE) [1]	25.4	26.8	30.4	26.8

Note(s):

1. Staffing (FTE) figures include the Integrity Commissioner's position.
2. The increase in FTE between the 2025-26 Budget and 2025-26 Estimated Outcome is due to the Commission using short term funding to support additional staffing, particularly in legal, investigative and assessment roles.

Changes to Appropriation

Table 2: Changes to appropriation – Controlled Recurrent Payments ($'000)

	2025-26 Estimated Outcome	2026-27 Budget	2027-28 Estimate	2028-29 Estimate	2029-30 Estimate
2025-26 Budget	9 417	7 948	8 075	8 199	8 334
2026-27 Budget Policy Decisions					
CMTEDD Direct Appropriation In Accordance With ERC 2024-25 Decision	0	-20	-21	-21	-22
2026-27 Budget Technical Adjustments					
Estimated Outcome and Flow On Effects	-1 249	940	0	0	0
Revised Employee Expenses Estimates - Allocation of Central Wages Provision	0	43	0	0	0
2026-27 Budget	**8 168**	**8 911**	**8 054**	**8 178**	**8 312**

Table 3: Changes to appropriation – Capital Injections, Controlled ($'000)

	2025-26 Estimated Outcome	2026-27 Budget	2027-28 Estimate	2028-29 Estimate	2029-30 Estimate
2025-26 Budget	226	0	0	0	0
2026-27 Budget Technical Adjustments					
2026-27 Budget	**226**	**0**	**0**	**0**	**0**

Financial Statements

Presentational changes have been made to streamline the financial statements and the 2025-26 Budget column also reflects this change. These changes will be consistent with future annual financial statements and ensure comparability of the annual financial statements with the budget estimates as required under section 27 of the *Financial Management Act 1996*.

Table 4: ACT Integrity Commission: Operating Statement ($'000)

	2025-26 Budget	2025-26 Estimated Outcome	2026-27 Budget	Var %	2027-28 Estimate	2028-29 Estimate	2029-30 Estimate
Income							
Controlled Recurrent Payments	9 417	8 168	8 911	9	8 054	8 178	8 312
Grants and Contributions Income	398	398	430	8	445	459	460
Interest Revenue	38	48	48	-	48	49	50
Total Income	**9 853**	**8 614**	**9 389**	**9**	**8 547**	**8 686**	**8 822**
Expenses							
Employee Expenses	5 883	5 344	6 045	13	5 564	5 634	5 706
Supplies and Services	3 944	3 238	3 318	2	2 947	3 014	3 078
Depreciation and Amortisation	310	366	335	-8	335	335	330
Borrowing Costs	15	3	15	400	15	15	15
Total Expenses	**10 152**	**8 951**	**9 713**	**9**	**8 861**	**8 998**	**9 129**
Operating Result	**-299**	**-337**	**-324**	**4**	**-314**	**-312**	**-307**
Total Comprehensive Result	**-299**	**-337**	**-324**	**4**	**-314**	**-312**	**-307**

Table 5: ACT Integrity Commission: Balance Sheet ($’000)

	Budget at 30/6/26	Estimated Outcome at 30/6/26	Budget at 30/6/27	Var %	Estimate at 30/6/28	Estimate at 30/6/29	Estimate at 30/6/30
Current Assets							
Cash and Cash Equivalents	1 255	1 192	970	-19	969	1 018	1 067
Receivables	47	40	40	-	40	40	40
Other Assets	132	140	140	-	140	140	140
Total Current Assets	**1 434**	**1 372**	**1 150**	**-16**	**1 149**	**1 198**	**1 247**
Non-Current Assets							
Property, Plant and Equipment	1 287	1 331	1 025	-23	719	413	112
Intangible Assets	47	14	2	-86	0	0	0
Total Non-Current Assets	**1 334**	**1 345**	**1 027**	**-24**	**719**	**413**	**112**
TOTAL ASSETS	**2 768**	**2 717**	**2 177**	**-20**	**1 868**	**1 611**	**1 359**
Current Liabilities							
Payables	135	155	155	-	155	155	155
Lease Liabilities	11	11	11	-	11	11	11
Employee Benefits	687	716	544	-24	549	604	659
Total Current Liabilities	**833**	**882**	**710**	**-20**	**715**	**770**	**825**
Non-Current Liabilities							
Lease Liabilities	59	48	4	-92	4	4	4
Employee Benefits	94	57	57	-	57	57	57
Total Non-Current Liabilities	**153**	**105**	**61**	**-42**	**61**	**61**	**61**
TOTAL LIABILITIES	**986**	**987**	**771**	**-22**	**776**	**831**	**886**
NET ASSETS	**1 782**	**1 730**	**1 406**	**-19**	**1 092**	**780**	**473**
Equity							
Accumulated Funds	1 782	1 730	1 406	-19	1 092	780	473
TOTAL EQUITY	**1 782**	**1 730**	**1 406**	**-19**	**1 092**	**780**	**473**

Table 6: ACT Integrity Commission: Statement of Changes in Equity ($'000)

	Budget at 30/6/26	Estimated Outcome at 30/6/26	Budget at 30/6/27	Var %	Estimate at 30/6/28	Estimate at 30/6/29	Estimate at 30/6/30
Opening Equity							
Opening Accumulated Funds	1 855	1 841	1 730	-6	1 406	1 092	780
Balance at the Start of the Reporting Period	**1 855**	**1 841**	**1 730**	**-6**	**1 406**	**1 092**	**780**
Comprehensive Income							
Operating Result	-299	-337	-324	4	-314	-312	-307
Total Comprehensive Result	**-299**	**-337**	**-324**	**4**	**-314**	**-312**	**-307**
Transactions Involving Owners Affecting Accumulated Funds							
Capital Injections	226	226	0	-100	0	0	0
Total Transactions Involving Owners Affecting Accumulated Funds	**226**	**226**	**0**	**-100**	**0**	**0**	**0**
Closing Equity							
Closing Accumulated Funds	1 782	1 730	1 406	-19	1 092	780	473
Balance at the end of the Reporting Period	**1 782**	**1 730**	**1 406**	**-19**	**1 092**	**780**	**473**

Table 7: ACT Integrity Commission: Cash Flow Statement ($’000)

	2025-26 Budget	2025-26 Estimated Outcome	2026-27 Budget	Var %	2027-28 Estimate	2028-29 Estimate	2029-30 Estimate
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts							
Controlled Recurrent Payments	9 417	8 168	8 911	9	8 054	8 178	8 312
Interest Receipts	38	48	48	-	48	49	50
Goods and Services Tax Input Tax Credits from the Australian Taxation Office	187	187	155	-17	155	155	155
Total Receipts from Operating Activities	**9 642**	**8 403**	**9 114**	**8**	**8 257**	**8 382**	**8 517**
Payments							
Employee Payments	5 879	5 358	6 217	16	5 648	5 668	5 740
Supplies and Services	2 677	1 971	2 077	5	1 664	1 719	1 782
Borrowing Costs	15	3	15	400	15	15	15
Goods and Services Tax Paid to Suppliers	187	187	155	-17	155	155	155
Other	876	876	862	-2	766	766	766
Total Payments from Operating Activities	**9 634**	**8 395**	**9 326**	**11**	**8 248**	**8 323**	**8 458**
Net Cash Inflows/(Outflows) from Operating Activities	**8**	**8**	**-212**	**#**	**9**	**59**	**59**
CASH FLOWS FROM INVESTING ACTIVITIES							
Payments							
Purchase of Property, Plant and Equipment	5	5	5	-	5	5	5
Total Payments from Investing Activities	**5**	**5**	**5**	**-**	**5**	**5**	**5**
Net Cash Inflows/(Outflows) from Investing Activities	**-5**	**-5**	**-5**	**-**	**-5**	**-5**	**-5**
CASH FLOWS FROM FINANCING ACTIVITIES							
Receipts							
Capital Injections	226	226	0	-100	0	0	0
Total Receipts from Financing Activities	**226**	**226**	**0**	**-100**	**0**	**0**	**0**
Payments							
Repayment of Lease Liabilities - Principal	5	5	5	-	5	5	5
Total Payments from Financing Activities	**5**	**5**	**5**	**-**	**5**	**5**	**5**
Net Cash Inflows/(Outflows) from Financing Activities	**221**	**221**	**-5**	**-102**	**-5**	**-5**	**-5**

Net Increase/(Decrease) in Cash and Cash Equivalents	**224**	**224**	**-222**	**-199**	**-1**	**49**	**49**
Cash and Cash Equivalents at the Beginning of the Reporting Period	**1 031**	**968**	**1 192**	**23**	**970**	**969**	**1 018**
Cash and Cash Equivalents at the End of the Reporting Period	**1 255**	**1 192**	**970**	**-19**	**969**	**1 018**	**1 067**

Notes to the Controlled Budget Statements

Significant variations are as follows:

Operating Statement

- Controlled Recurrent Payments:
  - the variance of $1.249 million (13 percent) between the 2025-26 Budget and the 2025-26 Estimated Outcome is mainly due to the Commission having lower than anticipated funding requirements. This is largely attributable to delays in recruitment and the timing of operational activities, and does not represent a reduction in the Commission's overall resourcing requirements.
  - the increase of $0.743 million (9 percent) between the 2025-26 Estimated Outcome and the 2026-27 Budget mainly relates to the deferral of $0.940 million from the 2025-26 Budget into the 2026-27 Budget to support the Commission's future operational requirements.
- Employee Expenses:
  - the variance of $0.539 million (9 percent) between the 2025-26 Estimated Outcome and the 2026-27 Budget is mainly reflects recruitment delays and workforce constraints, which temporarily reduced expenditure below planned levels.
  - The increase of $0.701 million (13 percent) between the 2025-26 Estimated Outcome and the 2026-27 Budget reflects the filling of previously vacant positions; and the targeted use of short term funding to support additional staffing, particularly in legal, investigative and assessment roles.
- Supplies and Services:
  - the variance of $0.706 million (18 percent) between the 2025-26 Budget and the 2025-26 Estimated Outcome is primarily due to the delayed commencement of outsourced ICT arrangements. These costs are expected to align with budget in 2026–27 and beyond, as the outsourced ICT services and supporting infrastructure are fully implemented.

Balance Sheet, Statement of Changes in Equity and Cash Flow Statement

Variations in these Statements are explained in the notes above.