

2020/21 Annual Plan



December 2020

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1 About IBAC

The Independent Broad-based Anti-corruption Commission (IBAC) is Victoria's independent anti-corruption agency responsible for identifying and preventing public sector corruption and police misconduct.

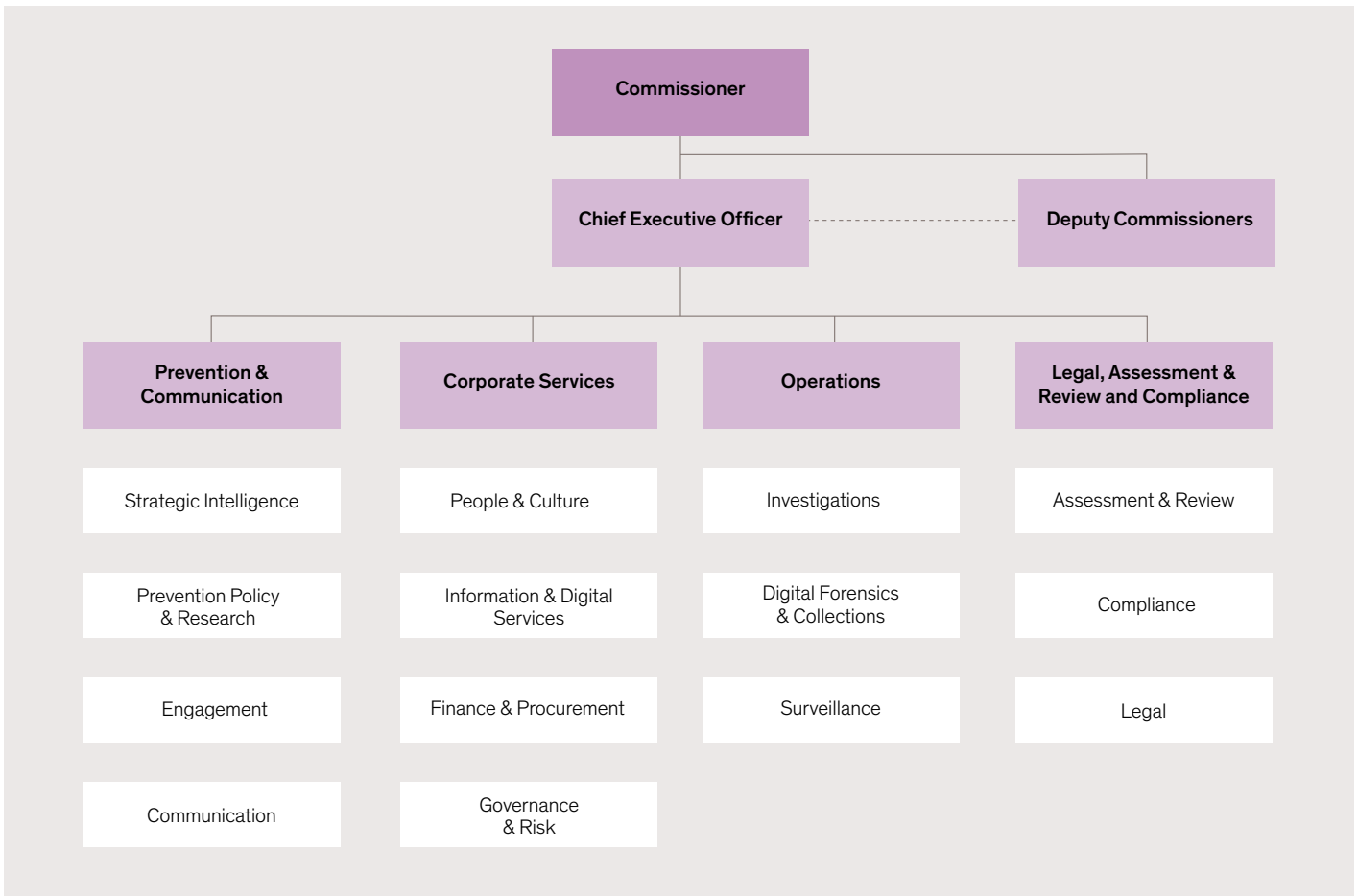
Working towards a vision of a corruption-resistant Victoria, we:

- inform the public sector and the wider community about corruption, its impacts and ways in which it can be prevented
- undertake strategic intelligence and research to alert the public sector to corruption issues and risks
- assess complaints, notifications and public interest disclosures for serious corruption or misconduct
- investigate allegations of serious or systemic corruption and misconduct, holding public examinations in exceptional circumstances.

We live by our five organisational values:

- **Fairness** — we are objective, consistent and impartial in everything we do demonstrating the highest standards of integrity and independence.
- **Professionalism** — we are responsive and accountable for our actions. We strive for excellence and take pride in our work.
- **Courage** — we are committed and tenacious in realising our purpose.
- **Respect** — we work in the spirit of cooperation and understanding, drawing on the skills and expertise of others. We are open and responsive, valuing the views of others.
- **Trust** — we promote and sustain public confidence through the quality of our work. We implicitly trust the competence of the people we work with.

2 IBAC structure



IBAC is comprised of four directorates:

2.1 Prevention & Communication

The Prevention & Communication directorate plays a lead role in IBAC's work to prevent and expose public sector corruption and police misconduct. The directorate provides strategic intelligence and research insights on corruption and police misconduct issues and risks, and identifies ways for public sector agencies to strengthen their policies, systems and practices to prevent corruption. The directorate produces reports and other resources to inform the Victorian public sector and the community on the impacts of corruption, and engages with the public sector, Victoria Police and other stakeholders to help build the capacity to prevent corruption.

2.2 Assessments, Reviews, Compliance & Legal

This directorate receives and assesses complaints and notifications of corruption and misconduct, engaging directly with the public, public sector and police. The directorate also supports the organisation by representing IBAC in court, responding to and conducting litigation and providing a range of in-house legal advice services.

This directorate also manages IBAC's statutory compliance, engagement with external oversight bodies and monitors Victoria Police's statutory compliance. The directorate also conducts reviews of Victoria Police and public sector investigations, providing recommendations for improvement.

2.3 Operations

This directorate investigates allegations of serious and systemic public sector corruption and police misconduct, working in collaboration with other directorates. Investigations are supported by high quality operational intelligence, financial analysis and tactical capabilities, robust technical solutions and physical and technical surveillance. A proactive approach enables us to identify and expose systemic corruption and police misconduct, and to recommend prevention strategies to help shape a Victorian public sector and police force that actively resists corruption.

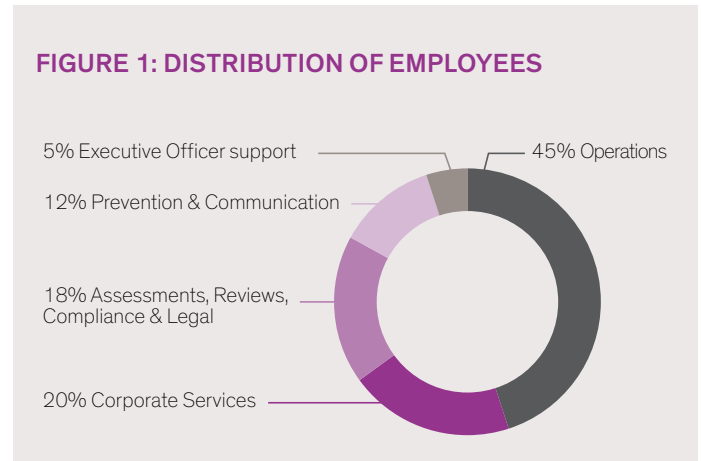
2.4 Corporate Services

Corporate Services leads IBAC's strategic planning and provides finance and procurement, governance and risk, human resources, and information and digital services. The directorate works collaboratively across the whole organisation to ensure IBAC has the people, capability, resources and support services to achieve its vision.

This directorate drives delivery of capable and forward-looking technology and information systems, and ensures strong people leadership practices are in place to develop our people, and promote an inclusive workplace that operates in line with our values and preferred culture.

2.5 Employees

The figure below shows the distribution of employees across the organisation by directorate.



3 Core business

3.1 Prevention and communication

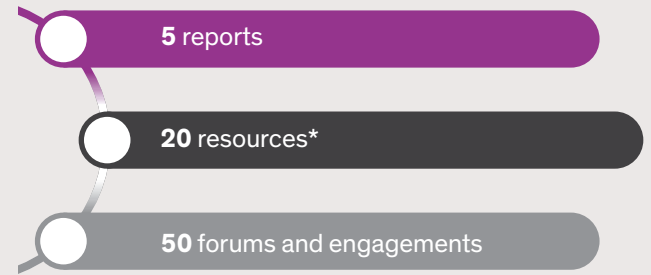
3.1.1 Business as usual

Business as usual activities include:

- providing strategic intelligence insights to inform IBAC's prevention and operational activities
- conducting research and strategic policy analysis to identify ways for public sector agencies to strengthen their policies, systems and practices
- producing reports and other resources shared through our strategic communication and engagement channels to improve understanding of corruption and police misconduct and ways in which it can be prevented
- engaging with public sector, police and other stakeholders to help build the capacity to prevent corruption (including through events, forums and training programs).

The following figures summarise our corruption prevention initiatives in 2019/20 and provide an indication of workload for the year.

FIGURE 2: PREVENTION INITIATIVES BY TYPE



* includes newsletters, info sheets, guidelines, etc.

FIGURE 3: PREVENTION INITIATIVES BY AUDIENCE



3.1.2 Annual business actions

The key business actions for the year are:

3.1.2.1 Produce special reports to expose and prevent corruption

Special reports will be prepared and tabled before Parliament to assist in exposing and preventing corruption, including on:

- Operation Gloucester - alleged serious misconduct by Victoria Police officers in relation to certain aspects of the investigation into the murders of Sergeant Gary Silk and Senior Constable Rodney Miller.
- Operation Meroo – alleged serious corrupt conduct in relation to regional health service.
- Corruption risks associated with corrections.
- Operation Sandon – alleged serious corrupt conduct in relation to planning and property development decisions at the City of Casey council, and related matters.
- Victoria Police culture and leadership.

3.1.2.2 Developing and implementing strategies to improve engagement with public sector and community stakeholders

Engagement strategies will be developed and implemented for:

- vulnerable and diverse communities, including activities to support improvements to how IBAC handles complaints and engages with complainants and victims, and to provide more accessible information and resources
- local councils and state government, including targeted activities to support reporting of corruption by raising awareness of the Public Interest Disclosure (PID) scheme and mandatory notification obligations.

3.1.2.3 Strengthening Victoria Police integrity and preventing police misconduct

As part of IBAC's independent oversight of Victoria Police, key activities to improve the way police handle complaints and strengthen police integrity will include:

- preparation and publication of a research report on IBAC's audit of how Victoria Police handles complaints made by Aboriginal people.
- expanding IBAC's input to Victoria Police education programs, and developing new digital resources to support Victoria Police integrity.

3.1.2.4 Highlighting the lessons learned from IBAC's investigations

A project will be initiated to review public sector agencies' responses to recommendations made as a result of IBAC's investigations. IBAC will engage with relevant agencies on how they have strengthened their systems, policies and practices to prevent corruption. A report will be prepared to help highlight the lessons learned and build public sector capacity to prevent corrupt conduct.

3.1.2.5 Informing IBAC's operations and prevention work through strategic intelligence

Strategic intelligence assessment informs IBAC's understanding of corruption and police misconduct risks, and the development of prevention and engagement strategies. Strategic intelligence projects will be undertaken to examine corruption vulnerabilities, including those associated with public sector major projects.

3.2 Assessing complaints/ notifications and conducting reviews

3.2.1 Business as usual

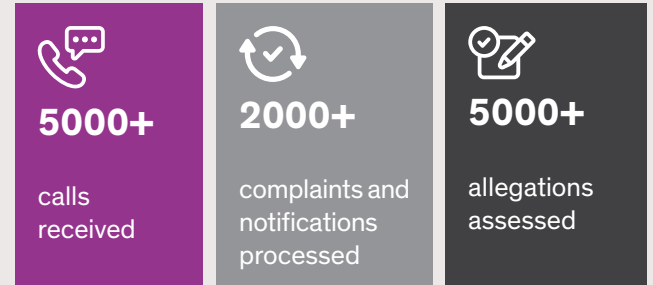
Business as usual activities are:

- receiving, processing and assessing complaints and notifications
- undertaking reviews of external agency investigations and identifying themes and trends
- assessing public interest disclosure status for complaints and notification.
- managing the phone enquiry line.

Figure four shows averages for the last two complete financial years.

Based on current trends, the volume of calls, complaints, notifications and allegations assessed is likely to increase.

FIGURE 4: ASSESSMENT SUMMARY



3.2.2 Annual business actions

The key business actions for the year are:

3.2.2.1 Review of assessment systems and processes

Review approach to assessments and incorporate a complainant-centric or customer service-based approach to how complaints and complainants are managed end-to-end, recognising the role of IBAC and its legislative mandate in determining complaints that fall within its jurisdiction. This work includes development of a service charter, streamlining of the assessment systems and processes to improve accessibility and timeliness, referral pathways and the creation of better links to strategic intelligence, prevention and education work. It will also consider the experience of vulnerable Victorians and the Victims Charter.

3.2.2.2 Continuous improvement of the review process

Constrained resources mean IBAC has a limited ability to deliver more reviews. We aim to make those we do deliver have as large an impact as possible. The focus of this improvement work is to uplift the function of reviews of external investigations across Victoria Police and the public sector by targeting existing resources more strategically. This means IBAC will consider the type of reviews prioritised, how they are conducted and how they are reported upon, including more public reporting of trends and outcomes.

3.3 Investigations

3.3.1 Business as usual

Business as usual activities are:

- undertaking investigations, which can result in public and private examinations.
- Identifying relevant evidence for investigations, and conducting forensic examinations of seized digital media
- providing physical and technical surveillance, and continually researching and developing new physical and technical surveillance solutions
- managing the administration of powers under the *Crimes Assumed Identities Act 2004*.

Figure five gives a summary of activity in 2019/20 and provides a guide as to the anticipated volume of investigations and preliminary inquiries over the coming year.

The complexity of our investigations has increased in recent years.

3.3.2 Annual business actions

The key business actions for the year are:

3.3.2.1 Additional technological enablement

Implementation of technological enhancements including a managed file transfer solution, cyber security incident monitoring and digital evidence upload and storage.

3.3.2.2 Implementation of Case Management System

Continuing to implement the Case Management System, which is essential to effectively manage of complex investigations and oversight of investigative activities.

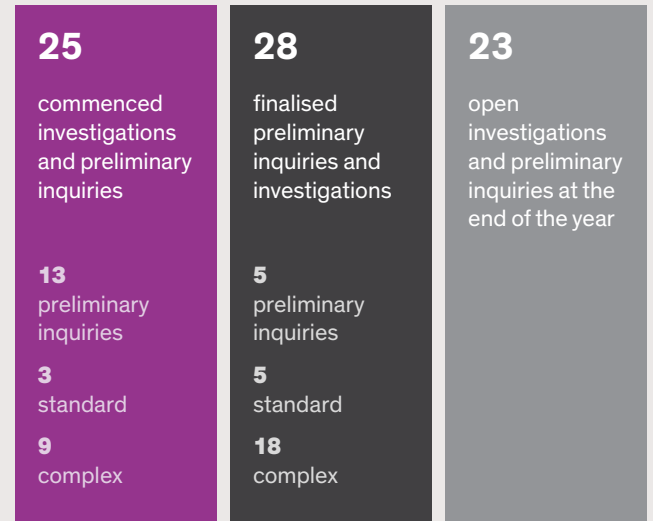
3.3.2.3 Review and development of key policies and procedures

Review and update of key investigations and surveillance policies and procedures to ensure documents remain current and fit for purpose.

3.3.2.4 Review of Investigations structure to support workforce planning

Review of the current structure with a focus on enhancing capacity to effectively investigate complex and serious corruption and misconduct.

FIGURE 5: 2019/20 SUMMARY



3.4 Legal services

3.4.1 Business as usual

Business as usual activities are:

- providing timely and effective legal services to support IBAC's operations, including assessments, investigations, prevention and education activities
- supporting prosecutions including liaising with the Director Public Prosecutions
- providing timely and effective corporate legal advice and support for IBAC's corporate compliance, commercial activity and corporate governance requirements
- representing IBAC and providing legal advice to the Commissioner and Executive.

3.4.2 Annual business actions

The key business actions for the year are:

3.4.2.1 Public Interest Disclosure framework

Development of a strategic framework to govern IBAC's obligations under the *Public Interest Disclosure Act 2012*, incorporating the following elements:

- a state-wide operational plan
- IBAC plan to capture internal resourcing, induction and training, assessment procedures, communications and legal support
- comprehensive stakeholder and communications strategy
- a legislative reform strategy.

3.5 Compliance and oversight

3.5.1 Business as usual

The business as usual activities are:

- delivering compliance services to facilitate statutory compliance in relation to IBAC's use of special investigative tools and IBAC's monitoring of Victoria Police requirements
- conducting oversight and monitoring of Victoria Police statutory compliance requirements across a number of areas such as Witness Protection, DNA orders, Sex Offender Registration and Firearms
- undertaking reviews of external agency investigations and identifying themes and trends.

3.5.2 Annual business actions

The key business actions for the year are:

3.5.2.1 Technological solutions to support compliance

Explore and develop the use of technological systems or other technical solutions to support compliance work - including compliance planning tools, development and expansion of warrants module to minimise manual processing and including additional required modules (international production orders and stored communications regime).

3.5.2.2 Risk based and scaled auditing and inspection (compliance)

Develop and promote a framework of risk-based inspection and auditing work to build in a scaled approach to inspections, within the prescription of legislation to build organisational capability that reduces over-reliance on intensive compliance monitoring. Pre-inspection audit work to focus on contemporaneous spot checks in high risk areas and prioritise engagement, education and user support.

3.5.2.3 Plan and implement new compliance oversight responsibilities

Identify and implement oversight activities to ensure compliance with responsibilities under the *Crimes Act 1958* (DNA sampling regime); *Firearms Act* (Ministerial report); and *Telecommunications (Interception and Access) Act 1979* (international production orders).

3.6 Enabling services

3.6.1 Business as usual

Business as usual activities are:

- managing IBAC's finances, including forming budgets, financial reporting, asset management and procurement
- managing governance arrangements, facilitating organisational risk management and assurance, and leading the organisation's strategic planning and performance processes
- ensuring facilities are safe and secure for IBAC personnel and visitors, are fit-for purpose and meet organisational needs, and managing the effective and safe storage of property and exhibits seized by IBAC
- providing information technology services, technical support and information management and security support to enable IBAC to successfully carry out operations
- partnering with our people, embedding performance and culture programs to create a great place to work
- supporting our people and organisation through talent management, succession planning, workforce planning, conducting recruitment and learning needs analysis.

3.6.2 Annual business actions

The key business actions for the year are:

3.6.2.1 Information Management strategy

Implement year 1 of the Information Management Strategy, with a focus on:

- reducing the requirement for physical documents
- improving workflow by digitising the signature process
- using existing systems and licences within our Microsoft Enterprise agreement.

3.6.2.2 People strategy (People Change Plan)

This program of work enables a people first focus at IBAC and supports the wellbeing, safety, attraction and retention of staff.

3.6.2.3 Transition to budget independence

Implement changes to processes and activities as part of budget independence, including:

- monthly, quarterly and annual reporting to the Department of Treasury and Finance
- various month end accounting tasks that are currently outsourced
- managing IBAC's tax obligations.

3.6.2.4 Project management framework

Develop a project management framework for IBAC, including fit for purpose tools, templates and guidance, to standardise processes and improve project governance and accountability.

4 Organisational priority actions

As well as business as usual activities and business actions, we will undertake a number of new priority projects over the next 12 months, as set out below.

4.1 Strategic Plan development

In 2020/21, IBAC will develop a new Strategic Plan for 2021 and beyond, which will articulate our future strategic goals, key challenges and opportunities, and supporting activities that will guide how we develop our capacity and achieve our objectives.

4.2 Prevention and Education Strategy review

In 2015, IBAC developed its current prevention and education strategy. In 2020/21 IBAC's prevention and education strategy will be reviewed and updated to help support IBAC's goal of building a corruption resistant Victoria. As part of this project, IBAC looks forward to informing, and being informed by, the IOC's inquiry into the education and prevention functions of Victoria's integrity agencies.

4.3 Reviewing our approach to complaints management

With new public interest disclosure laws, which have resulted in increased demand and complexity, IBAC will review its approach to complaints to improve timeliness, quality, accessibility and information gathering with a view to better leveraging technology.

4.4 Measuring our impact

To ensure IBAC achieves its goals and objectives, regular monitoring and reporting processes are in place. The current performance measures will be reviewed in 2020/21 to allow IBAC to better understand the impacts of its work and target resources more effectively.

4.5 Review of processes, decision-making and governance

IBAC is committed to conducting a thorough review of its processes, with a view to improving workflows, clarifying decision-making and considering appropriate governance arrangements. These improvements will support more effective allocation of resources, while continuing to comply with reporting and legislative obligations and meeting stakeholder expectations.

4.6 People Plan

IBAC is implementing year 1 of the Health & Safety strategy and road map, helping to progress from a compliant workplace to a Safety first workplace. Through this plan, IBAC is also continuing to build leadership skills, ensure shared responsibility and individual accountability, and improve staff engagement.

5 Corporate Plan

During 2020/21 we will continue to work on delivering on the priorities identified in IBAC's Corporate Plan 2018-21. The third and final year of the current IBAC Corporate Plan is 2020/21. The plan identifies the opportunities and challenges faced in identifying, exposing and preventing public sector corrupt conduct and police misconduct.

5.1 Focus Areas

The plan identifies four main areas of focus for IBAC and a number of priorities, as shown in the table below.

Focus Area 1: Exposing and preventing corruption and police misconduct

- 1.1 Adopt a proactive approach across all of IBAC's operations
- 1.2 Respond effectively and intelligently to complaints, notifications and reports
- 1.3 Inform the public sector and police of corruption risks and prevention strategies
- 1.4 Strengthen our use of data, analysis and applied research
- 1.5 Increase our investigative and review capacity of police misconduct
- 1.6 Encourage the development of the right culture in public sector organisations, including Victoria Police

Focus Area 2: A highly-capable and forward-looking organisation

- 2.1 Improve our efficiency and effectiveness by working smarter and collaboratively
- 2.2 Enhance our IT systems, digital capability and information security
- 2.3 Strengthen our partnerships across the integrity system
- 2.4 Be proactive and responsive to change

Focus Area 3: A respected, trusted independent statutory agency

- 3.1 Strengthen awareness of, and confidence in, IBAC
- 3.2 Enhance the way we measure and report on the public outcomes and impact of our work
- 3.3 Maintain our independence and impartiality as a statutory agency
- 3.4 Promote a culture of accountability and transparency

Focus Area 4

- 4.1 Build our workforce planning and human resources capability
- 4.2 Develop our people
- 4.3 Promote an inclusive, healthy and safe workplace

5 Corporate Plan

5.2 Corporate plan priorities

The following table shows the particular areas of emphasis of the Corporate Plan in this year's plan and the business actions, including organisational priority (OP) actions supporting the delivery of these priorities, with some actions supporting more than one priority, marked with an asterisk. Note not all priorities are specifically addressed in this year's plan.

Focus Area 1	
1.2	Respond effectively and intelligently to complaints, notifications and reports
	<ul style="list-style-type: none">• Reviewing our approach to complaints management (OP)• Review of assessment systems and processes*• Public Interest Disclosure Framework• Informing IBAC's operations and prevention work through strategic intelligence*
1.3	Inform the public sector and police of corruption risks and prevention strategies
	<ul style="list-style-type: none">• Prevention & Education Strategy review (OP)*• Produce special reports to expose and prevent corruption*• Highlighting the lessons learned from IBAC's investigations*
1.4	Strengthen our use of data, analysis and applied research
	<ul style="list-style-type: none">• Informing IBAC's operations and prevention work through strategic intelligence*
1.5	Increase our investigative and review capacity of police misconduct
	<ul style="list-style-type: none">• Continuous improvement of the review process*
1.6	Encourage the development of the right culture in public sector organisations, including Victoria Police
	<ul style="list-style-type: none">• Prevention & Education Strategy review (OP)*• Strengthening Victoria Police integrity and preventing police misconduct• Continuous improvement of the review process*• Developing and implementing strategies to improve engagement with public sector and community stakeholders*• Highlighting the lessons learned from IBAC's investigations*

Focus Area 2

2.1 Improve our efficiency and effectiveness by working smarter and collaboratively.

- Develop an enhanced review process
- Risk based and scaled auditing and inspection (compliance)
- Project management framework*

2.2 Enhance our IT systems, digital capability and information security.

- Additional technological enablement
- Implementation of Case Management System
- Technological solutions to support compliance
- Information Management strategy

2.4 Be proactive and responsive to change.

- Strategic Plan development (OP)

5 Corporate Plan

Focus Area 3

3.1 Strengthen awareness of, and confidence in, IBAC

- Review of assessment systems and processes*
- Produce special reports to expose and prevent corruption*
- Highlighting the lessons learned from IBAC's investigations*

3.2 Enhance the way we measure and report on the public outcomes and impact of our work.

- Measuring our impact (OP)
- Monitoring recommendations*

3.3 Maintain our independence and impartiality as a statutory agency

- Plan and implement new compliance oversight responsibilities
- Transition to budget independence

3.4 Promote a culture of accountability and transparency

- Review of processes, decision-making and governance (OP)
- Review and development of key policies and procedures
- Project management framework*

Focus Area 4

4.1 Build our workforce planning and human resources capability

- Review of Investigations structure to support workforce planning*

4.2 Develop our people

- People Plan (OP)*

4.3 Promote an inclusive, healthy and safe workplace

- People Plan (OP)*
- People strategy (People Change Plan)

*Addresses multiple priorities
(OP) Organisational Priority

6 Budget Paper No. 3 performance measures

IBAC's performance measures are set out in the State Budget Paper No.3 (BP3) and are outlined below. These measures include a combination of quantity, quality and timeliness measures.

Performance Measure	Type of measure	Unit of measure	2020/21 target
Corruption prevention initiatives delivered by IBAC	Quantity	number	90
Proportion of standard IBAC investigations into public sector corrupt conduct (excluding police personnel conduct and police personnel corrupt conduct) completed within 9 months	Quantity	per cent	60
Proportion of complex IBAC investigations into public sector corrupt conduct (excluding police personnel conduct and police personnel corrupt conduct) completed within 18 months	Quantity	per cent	60
Proportion of standard IBAC investigations into police personnel conduct and police personnel corrupt conduct completed within 9 months	Quantity	per cent	60
Proportion of complex IBAC investigations into police personnel conduct and police personnel corrupt conduct completed within 18 months	Quantity	per cent	60
Satisfaction rating with corruption prevention initiatives delivered by IBAC	Quality	per cent	95
Complaints or notifications about public sector corrupt conduct (excluding police personnel conduct and police personnel corrupt conduct) assessed by IBAC within 45 days	Timeliness	per cent	85
Complaints or notifications about police personnel conduct and police personnel corrupt conduct assessed by IBAC within 45 days	Timeliness	per cent	90

6.1 Factors impacting results

IBAC's ability to achieve target levels for the BP3 measures is impacted by a number of variables, such as the volume of complaints and notifications received, number of open preliminary inquiries and investigations at a point in time, and complexity. All of these variables can have a significant impact on assessment and investigation timelines. Additionally staffing issues, including vacancies, turnover, or resources being allocated to unexpected work (eg preparing for upcoming legislative changes) can also greatly affect IBAC's capacity to achieve BP3 targets.

IBAC's investigations work is spread across four performance measures (standard vs complex cases by police and public sector). Some cohorts contain a result calculated off a small number of investigations, which when expressed as a percentage can easily distort the results.

7 Impact of COVID-19

The forced closures of office premises in early 2020 and continuing remote working arrangements are anticipated to have lasting impacts on IBAC's core business activity throughout the year, as summarised below.

7.1 Investigations

It is expected the ability of investigations teams to carry out all investigative activities will continue to be restricted to some degree for the remainder of 2020 and in to 2021, resulting in investigations remaining open for a longer period and unable to be finalised.

7.2 Complaints and notifications

Ongoing delays to assessing complaints and notifications, and processing and sending mail are expected throughout the first half of the year, and possibly beyond, depending on how long working from home arrangements are in place. There are also likely to be continuing delays in receiving information from other agencies. All of these factors will increase the time taken to assess complaints and notifications.

7.3 Prevention and education activities

It is expected there will be a significant reduction in the number of events and engagement activities able to be held. While some key events are unable to be delivered face to face, IBAC is pursuing options to deliver others in an online format. The level of satisfaction may be impacted by the delivery format if, for example, issues are experienced with the technology or as a result of the reduced scope for interactive engagement with participants.

8 Strategic risks

Risk management is an integral part of IBAC's decision-making, planning and service delivery. Risk is managed through an internal risk management framework and associated processes, with additional oversight by the Audit & Risk Management Committee.

IBAC has identified eight strategic risks with the potential to significantly impact our ability to achieve our objectives:

Strategic risks

SR1: Ineffective governance, accountability and decision making

SR2: Failure to identify and manage internal fraud, corruption and serious misconduct

SR3: Mismanagement of the public interest disclosure scheme

SR4: Failure to manage strategic engagement with government and stakeholders, and set expectations around our role and capacity, while maintaining independence

SR5: Failure of IBAC to meet the expectations IBAC sets for those we oversight

SR6: Organisational capability and capacity is unable to support strategy and operations

SR7: Investigations are operationally compromised, ineffective, and/or disproportionate/improper

SR8: Failure to adequately manage the welfare, health, safety and wellbeing of staff and people we engage with

9 Budget

A robust, well-resourced independent anti-corruption agency is vital to community wellbeing. Corruption and police misconduct adversely impact the welfare, security and efficient functioning of Victoria. The budget is a key element of IBAC’s overall strategic planning framework, setting the organisation’s medium and long-term financial strategy and detailing the resourcing that will be allocated to delivering on the Annual Plan for the 2020/21 financial year. The following information provides an overview of IBAC’s budget.

9.1 IBAC funding overview

IBAC’s funding for the next four years is as follows:

TABLE 1: IBAC FUNDING OVERVIEW 2020/21 TO 2023/24

	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget
	\$ million			
Appropriation	41.9	41.3	41.2	41.0
2020/21 budget output initiative	0.3	7.8	8.9	10.1
Total Appropriation Budget	42.2	49.1	50.1	51.1
Trust reserves*	6.4	-	-	-
Total available funding	48.6	49.1	50.1	51.1

* In 2020/21, subject to the Assistant Treasurer’s approval, IBAC will use its trust reserves (\$6.4 million) to supplement its recurring budget.

On 24 November 2020, the Government tabled the 2020/21 State budget, which allocated \$27.1 million in recurrent funding for IBAC over these four years.

This level of funding will only allow IBAC to maintain existing levels of service. Given the significant increase in demands being experienced by IBAC to meet its remit to expose and prevent corruption, it is likely that additional funding will be required in the coming years to satisfy this demand.

TABLE 2: BUDGET CHANGES INCLUDED IN THE 2020/21 STATE BUDGET¹

	2020/21	2021/22	2022/23	2023/24
	\$ million			
Output initiative	0.3	7.8	8.9	10.1

¹ Victorian Budget 2020/21 budget paper 3 page 142

9.2 2020/21 budget

In 2020/21, subject to the Assistant Treasurer's approval, IBAC will use its trust reserves (\$6.4 million) to supplement its recurring budget. The genesis of these reserves is in 2012/13, which is the year IBAC commenced and received funding to assist with its establishment. This funding was recognised as grant income and in accordance with general accepted accounting standards, cannot be recognised as income again, therefore the use of these reserves will result in a \$6.4 million deficit in 2020/21.

As a result, IBAC is presenting the 2020/21 budget as follows:

TABLE 3: 2020/21 BUDGET²

Budget 2020/21	\$'000
Income	
Appropriation	42,195
Expenditure	
Employee expenditure	32,295
Other operating expenditure	11,681
Depreciation	4,619
Total Expenditure	48,595
Comprehensive result	(6,400)

9.3 Capital projects

IBAC does not have a large asset portfolio. Assets mainly consist of leasehold improvements, computer systems and office equipment. IBAC's capital expenditure is funded by depreciation equivalent funding. This funding is significantly reduced in 2020/21 as several leasehold improvement assets are almost fully depreciated. As such, the funding available can only support the cyclical replacement of equipment and computer systems. In 2020/21 this includes the replacement of a computer system (estimated to cost \$1 million).

² Victorian Budget 2020/21 budget paper 3 page 384

