

# **TRANSCRIPT**

## **INTEGRITY AND OVERSIGHT COMMITTEE**

### **Performance of the Victorian Integrity Agencies 2023/24 and 2024/25**

Melbourne – Monday 2 March 2026

#### **MEMBERS**

Dr Tim Read – Chair

Hon Kim Wells – Deputy Chair

Ryan Batchelor

Jade Benham

Eden Foster

Paul Mercurio

Rachel Payne

Belinda Wilson

## WITNESSES

Louise Macleod, Chief Integrity Inspector, and

Cathy Cato, Chief Executive Officer and General Counsel, Integrity Oversight Victoria.

**The CHAIR:** We are resuming this public hearing for the Integrity and Oversight Committee's inquiry into the performance of the Victorian integrity agencies. I do need to cover some formal matters with the witnesses, so please bear with me.

Evidence taken by this Committee is generally protected by parliamentary privilege. You are protected against any action for what you say here today, but if you repeat the same things elsewhere, including on social media, those comments will not be protected by this privilege. Any deliberately false evidence or misleading of the Committee may be considered a contempt of Parliament.

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I welcome, from Integrity Oversight Victoria [IOV], Louise Macleod, Chief Integrity Inspector, and Cathy Cato, Chief Executive Officer and General Counsel, to give evidence in this hearing. Thank you both very much for coming in. We welcome your brief opening comments, followed by questions from us.

**Louise MACLEOD:** Thank you, Chair. Cathy Cato and I welcome the opportunity to meet with the Committee and answer any questions you have for Integrity Oversight Victoria. We also extend an apology on behalf of our colleague Alison Lister, who is unable to be with us today.

The past two years have involved significant change, achievement and continuous improvement for IOV. Last month we celebrated our first birthday as Integrity Oversight Victoria, a name change advocated by former Inspector Eamonn Moran that better reflects who we are and what we do. We also farewelled Eamonn as Inspector, with Cathy leading a smooth and successful transition, supported by the commitment, skill and professionalism of our team when I commenced last May.

Our small, highly experienced team of 30 continues to focus on improving the parts of the integrity system we oversee, comprised of 13 integrity agencies. Over each of the last two years we have met seven of our performance measure targets, exceeding five of the targets. The number of inquiries and complaints we received last year increased by 4 and 9 per cent respectively from 2023–24 and are getting more complex. Last year we conducted six investigations, 13 regular inspections and one irregular inspection, finalising six inspection reports and tabling three with the Parliament. We completed 85 coercive power reviews and made 13 recommendations, with 85 per cent of our recommendations accepted by integrity agencies. We signed MOUs [Memoranda of understanding] with IBAC [the Independent Board-based Anti-corruption Commission] and the Victorian Ombudsman [VO], and our remit was expanded to oversee the new Parliamentary Workplace Standards and Integrity Commission, with us engaging early to support them to get established and adopt better practice in the use of their coercive powers.

Over the last two years we have also progressed and completed several strategic priorities, including implementing this Committee's recommendations on our witness welfare processes; implementing Elker, our new secure, anonymous reporting portal, and Dekko and Nuix, the platforms that support document review, analysis and file sharing; and revising our complaint assessment and investigations manuals for our team.

The hard work and achievements of our team continue into the current reporting period. We are progressing our monitoring project into IBAC's handling and oversight of complaints about Victoria Police relating to police perpetrated family violence and aiming for a report by the end of June. We are working with the integrity agencies on proposed improvements to the operation of the PID [public interest disclosure] scheme and an integrity forum later this year. We published our irregular inspection report about the installation and use of surveillance devices by Victoria Police, making eight recommendations – all were accepted – and have begun our second irregular inspection into the issues. We gave evidence at this Committee's inquiry into the IBAC Act and are contributing to other law reform proposals with the Department of Justice and Community Safety. And last week we launched our first stakeholder engagement survey of the agencies we oversee.

In January, this year, the Committee's independent performance audit of IOV commenced. To date we have provided the auditors over 800 documents across the four domains of operations, governance, business processes and workforce suitability and capability. We have spent over 100 hours on top of our usual operations preparing the documents for the auditors and responses to over 50 questions and have spent almost 10 hours in meetings with the auditors so far. What all of this activity reinforces for me and Cathy is that IOV cannot perform at our best without the dedication and passion of our team and their commitment to an integrity system that is robust and trusted. We want to thank them for always doing their best.

Lastly, our annual reports also demonstrate the importance of walking the talk. As the oversight body of other integrity agencies, we know the importance of humility and being willing to work on ourselves to reflect, learn and improve to ensure we take the time to understand the operating and strategic context and challenges of the integrity agencies so we can provide proportionate and risk-based oversight. Thank you again for the opportunity to make this statement.

**The CHAIR:** Thank you. We will start with some questions. In your 2023–24 report the BP3 measure to acknowledge receipt of new complaints within five business days was not met, but then in 2024–25 the measure was exceeded. I wonder if you could explain to us how you managed to improve your turnaround.

**Louise MACLEOD:** Sure. We have implemented across the course of the two financial years a number of improvements, and we continue to be on this continuous improvement journey when it comes to our complaint handling. In 2023–24 we introduced our new Elker platform, which allows that two-way engagement with somebody who is making an inquiry or wanting to raise a complaint with us, and they can do so anonymously. We also made a number of changes to support our team who handle the inquiries and complaints to more efficiently and effectively deliver on their responsibilities. We brought in a new dedicated Enquiries Officer, who is helping us to take a more strategic focus on the enquiries that we receive. We have also introduced different tools that we now have available to us, and I mentioned a couple of those in my opening statement around the use of Nuix and also Dekko to enable that sort of file sharing and looking at the information we have got and be able to put that in a way that makes it easier for us to use. Other things we have done – and I might flick to Cathy on this.

**Cathy CATO:** I think with respect to the very specific performance measure that we did not meet, it is really important that we get back to people immediately or within the five business days, so that was built into KPIs [key performance indicators] internally and then put into people's performance plans. So it was telling staff that that is a priority for us and they in turn accommodated that, and using all of the tools that Louise has been describing, they were able to ensure that they could manage all of their priorities and still meet that measure as well as the other measures.

**The CHAIR:** Great. Many thanks. Let us go to the Deputy Chair.

**Kim WELLS:** Thanks, Chair. In your 2024–25 report it is noted that changes in complaint processes and delegation, having a dedicated officer for Enquiries, have streamlined the decision-making. Can you describe to the Committee what these changes entail and how they have streamlined the decision-making process?

**Louise MACLEOD:** Sure. What we now have is the ability for the Enquiries Officer to work quite quickly with an individual who is making an enquiry to understand what it is that they are after, explain the jurisdiction of IOV and identify whether that is something that is within our jurisdiction and, if not, to refer that on. We have a quality assurance process that sits over the top of that, so the enquiries officer gets to work closely with the Complaints Officers in the team, plus the Manager of the complaints area. The same applies then too for the Complaints Officers. We work in such a way where, depending on the complexity of a complaint, as to how it is categorised at the outset, those lower and medium-complexity complaints, a Complaints Officer can work to a large extent as an individual, but within a team environment, to be able to work through the allegations that have been raised, making information requests of the agency that is being complained about. Again, that quality assurance process is sitting over the top where the Manager of the complaints area can work with the Complaints Officer to make sure that they are progressing things. Previously, a lot of that process was sitting up higher, and it contributed to bottlenecks.

**Kim WELLS:** Thanks.

**The CHAIR:** Great. Let us go to Belinda Wilson.

**Belinda WILSON:** Thank you. Thank you so much. After a year of being in use, have you found any issues with having a similar name to our Integrity and Oversight Committee? And how is that actually being managed, particularly in respect to confidential documents and legal documents?

**Cathy CATO:** Yes, they are quite similar in name, but I guess the commonality of purpose is oversight, and we do the oversight partly on behalf of Parliament, I guess. We have not found there to be any issues actually in terms of our name. I know we moved from being the Victorian Inspectorate to Integrity Oversight Victoria to give people a sense of what we actually do, which has been really successful, and also to move away from being confused with the Wage Inspectorate and Local Government Inspectorate, because we were getting so many inquiries about them and that was really confusing for everyone. Fortunately, the shift to this new name has been really positive and we have not had any confusion with the Committee, so I think all of our comms must be working well.

**Belinda WILSON:** Fantastic.

**The CHAIR:** Terrific. Eden Foster.

**Eden FOSTER:** Thank you, Chair. Happy birthday to IOV. In your 2024–25 annual report it was noted that the VO undertook extensive work on its quality assurance process in response to your compliance case study on the use and oversight of coercive powers. Are there any residual concerns related to the VO's coercive powers that you will continue to monitor related to that study or otherwise ongoing?

**Louise MACLEOD:** I think the headline is this is a success story. What we now see is a better compliance culture at the Victorian Ombudsman. If we drill down and have a look more closely at how they are going – and we continue to have engagement with them and they have implemented all the recommendations we made and we have had, I suppose, a back and forth with them to make sure that we are satisfied with the improvements that they have made – we are confident that we are not going to see a recurrence of the types of issues that we saw in the special report.

**Eden FOSTER:** Good to know. Thank you.

**The CHAIR:** All right. Jade Benham.

**Jade BENHAM:** Thank you, Chair. Happy birthday again – sounds like a celebration. In August 2024 you implemented changes to the case management system for automated reporting of welfare risks, which was one of the Committee's witness welfare recommendations. Can you describe how it is working and if there have been any technical difficulties or any other challenges?

**Cathy CATO:** Yes, sure. I think it is working effectively. We now have reports that we can run relating to welfare for both complainants and for witnesses, so if people are managing an investigation, they can look at the witness and see immediately what concerns we might have identified for them, and the same goes for a complainant. So in terms of the process, we have a Welfare Governance Officer as our equivalent, I guess, to IBAC's Witness Liaison Team that is fit for purpose and size for us, and it works really effectively. So they are notified of all incidents, and they keep a really detailed register of welfare incidents and the steps that have been taken with respect to managing the risk of any particular person.

In terms of challenges, we do not have a dedicated resource to make changes to our case management system, so it has been a slow burn – each year we have been able to introduce a slight improvement to the system. I think over the last three years we have really managed to introduce quite a number of relevant elements. I can go into the detail of those if you like, but overall what we have is the ability to run reports really regularly, and what we are building towards is a monthly reporting cycle. The Welfare Governance Officer would be doing that, but as it is, it is on request. I think we have run a witness welfare report about 19 times to date and the complaint welfare report 91 times.

**Jade BENHAM:** Understanding that there is no dedicated resource to keep building on this, how long will it be until we just have those automated monthly reports?

**Cathy CATO:** They are automated in the sense that there is a report sitting in the system that you can sort of press a button and easily produce for the period of time. If you have any concern about the complaint or the

witness, you can immediately find the information. In terms of how long it would take to get – I might take on notice that question because Alison is not here, who would be able to answer. I know she has an intention to have automated down the stream in the true sense of – I do not really know what the difference is between automated or just pressing a button –

**Jade BENHAM:** It would just end up in inboxes of those that need the report, which is my understanding.

**Cathy CATO:** But I can confidently say that our staff have what they need to be able to manage the welfare needs of our people, of complainants and witnesses.

**Jade BENHAM:** And that is what I wanted to get to, so if you take that on notice, that would be great. Fantastic. Thank you.

**The CHAIR:** Great. Let us go to Rachel Payne.

**Rachel PAYNE:** Thank you, Chair, and thank you to you both for presenting before us today. In your 2024–25 annual report it was noted that the development of data-informed and trauma-informed communications and engagement strategies is in progress. Would you be able to describe what current progress has been made in this area?

**Louise MACLEOD:** Sure. I think we will do a double act again. So far what we have done is we have held – there are a number of things going on. First of all, we have been looking at the agencies that we oversee, and we have since invited them to participate in a survey, which is basically a ‘trust in IOV’ survey. That kicked off last week. We have also held a number of presentations where IBAC has come to us to present on what they are working on; we have reciprocated. We are trying to set up similar engagements with both the Ombudsman and the Public Interest Monitor and the like, and it is all about getting a better understanding of the context and the challenges that those organisations work in to then inform our own risk-based proportionate oversight. We have also participated as a whole office in cultural awareness training and white privilege sessions across the past three months to improve our understanding of cultural safety and how to approach data collection. What we have learned out of that is that it is really important to be very sensitive and allow the option of opting out when it comes to data collection and having a rationale and allowing people to make an active choice as to whether or not they share information with us.

We have also identified through that work that there can be some adverse consequences for assuming vulnerability of different groups in some environments. We also are in the midst of undergoing trauma-informed practice training for all staff of the organisation, including Cathy and I, to help us then take away that and look at how we actually communicate and the language we use, making sure that we meet those principles of focusing on safety, collaboration, trust and empowerment.

**Rachel PAYNE:** Thank you. Thank you, Chair.

**The CHAIR:** Great. Let us go to Paul Mercurio.

**Paul MERCURIO:** Thank you, Chair. If you can, please describe how your new investigation manual, implemented in the 2023–24 year, operates and how it has improved investigations or communication about investigations.

**Cathy CATO:** I am going to take that. Yes, we have produced a really comprehensive investigation manual. The former Inspector approved the first version in June 2024, so we have been continuing to work on that and we have actually just signed off on version 2. The benefit of the investigation manual is having a very detailed process available to anyone that works on our investigations when they come into the organisation. It is from the commencement of an investigation all the way through to the conclusion. There is detail on handling every matter, including how we go about considering human rights; how we go about using coercive powers et cetera; whether or not we would use confidentiality notices and the considerations there; and how we conduct our interviews and examinations et cetera. It is a detailed sort of step-by-step guidance. The way we improve investigations through that is we combine that with a debriefing process. After every investigation we conduct a really detailed debrief where we have up to about 20 headings or so where we look at various aspects of the investigation and learnings and we work out ‘Could we have done that better or not?’ Any learnings and action items that come out of that debrief get added into a running sheet, and then that running sheet builds into the next version of the manual and we have a draft version. So it is a really effective continuous improvement process.

**Paul MERCURIO:** Great, so you are up to version 2 and working on versions 3 and 4?

**Cathy CATO:** We will consolidate version 2 for a little bit.

**Paul MERCURIO:** Okay. Thank you.

**The CHAIR:** Very good. Let us go to Ryan Batchelor.

**Ryan BATCHELOR:** Thanks, Chair. Thank you both for coming in. I have been reading around your report. It is always dangerous.

**Louise MACLEOD:** I am glad someone does – that it is not just Cathy and I and all of IOV.

**The CHAIR:** It is a bestseller, I am sure.

**Ryan BATCHELOR:** It is quite interesting; I would encourage people to read it. One thing I want to talk about, if I put my glasses back on – page 68 talks about the conversations you have been having with IBAC about section 166 of its Act [*Independent Broad-based Anti-corruption Commission Act 2011* (Vic)], which they had in evidence to this Committee been using as justification and protection for them providing copies of their reports to journalists prior to their tabling in the Parliament. The Committee a couple of years ago uncovered that this had become practice in a couple of instances where IBAC provided copies of their reports to journalists before they were tabled in the Parliament and said in effect to us that confidentiality provisions applied. My reading of the three paragraphs in the annual report suggests that you do not think section 166 provides confidentiality to reports that IBAC gives to the media prior to tabling. Would that be correct?

**Louise MACLEOD:** Yes, that is correct, and we are continuing to engage with IBAC on that.

**Ryan BATCHELOR:** The report says that IBAC is determining whether any legal measures are available to maintain confidentiality of embargoed reports.

**Louise MACLEOD:** In our engagement with IBAC, I think it is fair to say that the way that provision is set out is ambiguous. So we are working with IBAC to come to a shared understanding of how that provision should work to make sure that it achieves the intent around what IBAC is seeking, which is, as we understand it, to be able to ensure accurate reporting by the media as well as giving witnesses and those named in the report an opportunity to be prepared for when the report is published. We think there needs to be clarity, and so that is something that we are also talking with the Department of Justice and Community Safety about.

**Ryan BATCHELOR:** Are you aware of IBAC seeking to rely on these provisions in these sorts of circumstances since they last told this Committee they had undertaken this practice with [Operations] Clara and Daintree?

**Cathy CATO:** I believe the answer is that they have not, but we will take that on notice to make sure that we are accurate about that and the timing.

**Ryan BATCHELOR:** Thank you.

**The CHAIR:** Any further questions from the Committee? If not, we will suspend the hearing.

**Witnesses withdrew.**