

Response to Questions on Notice for the Integrity and Oversight Committee's Inquiry into the Adequacy of the annual budget of the Independent Broad-based Anti-corruption Commission, the Victorian Ombudsman and Integrity Oversight Victoria

1. Does the overall funding level for IOV allow it to satisfactorily perform its statutory functions? If not, why not? If relevant please provide specific areas where additional funding would be prioritised, and how this would improve operations.

Resources for preventive education, proactive monitoring and ICT systems would support IOV to systemically improve the integrity system.

IOV has sufficient budget to perform its statutory functions in a reactive way, but has limited resources to invest in preventative education, and proactive monitoring activities that test whether identified or emerging compliance issues are systemic.

Due to the breadth and complexity of IOV's statutory functions, IOV requires sophisticated tools to support intelligence led oversight. IOV has limited resources to invest in system and framework improvements required for this purpose.

Further budget would enable IOV to:

- engage a business analyst/systems administrator to improve CMS functionality, reporting capability and intelligence input and output
- develop an overlay ICT system to improve dashboard reporting
- use intelligence output to identify risk and areas to proactively oversee and deliver preventative, educative output.

Investment in these areas would enable IOV to support agencies' compliance and self-governance and reduce the resources required by agencies to respond to a more reactive approach to oversight.

These themes are explored further throughout these QoN responses.

2. Please provide data and/or commentary on IOV's budgets, budget bids, and any additional funding requests for the financial years 2016-2017 through 2025-26 (inclusive). Where available, please provide the following:

- **Total budget sought, with specific amounts sought through:**

- **Annual appropriation (output and capital)**
- **Surge/supplementary funding (e.g. Treasurer's Advances)**

As funding is sought through submissions to cabinet, it is cabinet-in-confidence (CiC) and cannot be provided.

- **Actual funding approved, with specific amounts received through:**

- **Annual appropriation (output and capital)**
- **Surge/supplementary funding (e.g. Treasurer's Advances)**

- **Total expenditure in each year**

- **Unused appropriation amounts (including any amounts approved for carryover in each year)**

- **Annual supplementation of base funding – percentage and dollar amount of supplementation in each year**

Please refer to the table at Appendix A for budget information from 2016-17 to 2025-26 that is not CiC.

Information provided at Appendix A includes annual base appropriation, Treasurer's Advances, fixed term funding, trust fund, asset funding, total output and trust expenditure, unused appropriation and approved carryover.

- **Describe the process and/or formula used to determine annual adjustments (supplementation) to agency base funding each year**

IOV received fixed term base funding in FY20-21 and FY21-22 to prepare for budget independence and conduct a base review. The business case submitted in FY21-22 post the base review resulted in increased ongoing annual appropriation from FY22-23 onwards.

Since that FY22-23 budget outcome, there has been no annual supplementation of base funding provided, other than the annual 2.5% indexation adjustment.

A Treasurer's Advance (TA) of \$745,000 provided in FY19-20 was partially utilised. The TA was provided to enable IOV to retain current staff and continue to perform its statutory functions. The portion reinstated for FY20-21 was not utilised. A TA was provided in FY24-25 for the 2024 VPS EA increase (a once-off payment). See Appendix A for more information.

- **Details of any initiatives for which funding was sought but not received, including specific amount(s) sought**

In the FY22-23 budget process IOV received 75%-80% of the funding sought following the base review to enable IOV to fulfil its broadened statutory remit. Specific funding and initiatives for which the funding was sought is CiC.

- **Details of any initiatives which received a different amount of funding than what was sought, including specific amount(s) sought**

This is CiC.

- **Details of any initiatives for which surge/supplemental funding was sought and the reasons for which it was sought**

A TA in FY19-20 was provided to enable IOV to retain current staff and continue to perform its statutory functions.

- **For all funding requests, any reasons given for differences between funding sought and received**

Reasons for funding outcomes are not usually given. However, if they were given the information is CiC.

- **If appropriate, please provide examples of unfunded investigations or other activities.**

Annual plans for FY20-21 and FY21-22 explain that limited funding required IOV to focus its resources on mandatory functions, complaints, and monitoring the exercise of coercive powers. Operational priorities are explained in this context. Section 6 of the annual plans explains the resource dependent monitoring projects and why priority was given to mitigating investigation delays caused by COVID-19.

In FY20-21 and FY21-22, IOV was reliant on fixed term base funding to deliver its increased statutory functions. Around 50% of its budget was fixed term funding, pending a base review. The business case submitted in FY21-22 post the base review resulted in increased ongoing annual appropriation from FY22-23 onwards.

The Inspector's Foreword in the 2022-23 annual plan explains the impact of funding limitations on delivering an expanding remit. Whilst acknowledging the base funding increase following the base review, the foreword identifies the funding "stops short of delivering what the VI needs, and funding boosts to the agencies we oversight are likely to further increase demand on our resources. The base review recognised that the VI has the same corporate compliance obligations as large Victorian government entities".

In 2022, IOV was funded at about 75-80% of the required funding identified in the base review. Resource demands and costs are expanding annually and ahead of the 2.5% indexation through increases in complaints, service complexity, governance obligations, oversighted agencies' remits and powers, ICT licencing costs, financial audits, salaries¹, and mitigating increasing privacy and cyber-security risks. Oversight of the new Parliamentary Workplace Standards Integrity Commission is funded through a trust – there is no ongoing funding for this function which will create future challenges.

¹ The current VPS enterprise agreement has a 3% increase per year; annual indexing of IOV's base funding is 2.5%

As an agency funded for no more than 27.5 FTE, IOV has no economies of scale to implement project-based improvements, including those to increase overall efficiency.

IOV's current delivery of its statutory functions are heavily reliant on discretionary effort from staff, with the strategic priorities' workload set out in our annual plan concentrated at the senior management and executive levels.

As our funding reduces annually in real terms, IOV anticipates impact on delivery of discretionary monitoring, education and intelligence output that deliver meaningful systemic improvement to the integrity system. Examples of this output include the [Surveillance Devices report on the permanent installation of listening devices in prisons and their use by Victoria Police](#); and the current monitoring project into IBAC's handling of complaints about police.

If the agencies we oversight such as IBAC and Victorian Ombudsman are given increased jurisdiction and powers, this will create further challenges for IOV's delivery of statutory functions within its current funding envelope.

3. Where available, please provide modelling used to support development of your 2026-27 budget bid.

IOV did not make a 2026-27 budget bid.

4. Are current funding settings and/or budget processes for IOV fit-for-purpose to support performance of its statutory functions? How could they be improved?

As integrity agencies may at times make findings adverse to government interests, independence from budget decisions by government is important.

IOV's funding via the *Appropriation (Parliament 2024-2025) Act 2024* since 1 July 2024 has shielded it from efficiency dividends imposed through general appropriations, and from the recent Silver review.

IOV is subject to performance-related governance obligations through the *Integrity Oversight Victoria Act 2011* (IOV Act)², described further below. The obligations of an annual plan and a 4 yearly independent performance audit are significant for an organisation of 27.5FTE.

Legislative improvements related to IOV Act budget independence obligations
Annual Plan

Section 90B requires IOV to prepare an annual plan describing IOV's proposed work program for the financial year, submit the plan to the IOC for consideration, and finalise the plan after budget appropriation. The final plan must indicate the nature of any proposed IOC changes not adopted, and IOV must present the plan to the IOC, and table the plan by 30 June in accordance with section 90C.

IOV supports this process and supplements this process by recording its achievements against the plan in its annual report.

Budget consultation

Section 90A provides that IOV's budget is to be determined in consultation with the IOC concurrently with the annual plan under section 90B.

This creates two concerns that need addressing:

- i. Legislative clarity as to whether IOC is to consult with IOV or government.
- ii. A meaningful process for budget consultation against the proposed annual plan. In practice there is no IOC consultation on IOV's budget as budget submissions are cabinet in confidence and cannot be shared with the IOC.

4 yearly independent performance audit

The third obligation that came with budget independence is a 4 yearly independent performance audit. IOV provided significant feedback to the IOC and the Department of Justice and Community Safety regarding the need for amendment to sections 90D and 90E to ensure performance audits are fit for purpose for an

² Part 7, Division 2 of the IOV Act.

organisation of IOV's size with the governance and compliance obligations of a government department, and are already overseen through an annual VAGO financial audit, an internal audit function, an Audit and Risk Committee and the IOC.

Other challenges

As IOV was not fully funded with the funding requirements identified in the base review, IOV's funding model leaves little discretionary spend after the budget is allocated to staffing, rent and ICT maintenance and licencing.

IOV is challenged to meet the maturity levels expected from independent performance audits.

Other improvements

Budget independence should deliver transparency, budget consultation and budget scrutiny.

Annual indexation at a rate reflecting inflation, and allowing for investment in projects to ensure compliance, best practice and deliver long term savings, would help IOV maintain delivery of its statutory functions at current settings. See the emerging and evolving responsibilities described in the response to QoN 6.

At the IOC's April 2022 Inquiry into the education and prevention functions of Victoria's integrity agencies, we explained IOV does not have an education function. IOV has identified an emerging responsibility to deliver strategic systemic improvement through preventative education on compliance. If funded to deliver education, we could support agencies to make the best use of their resources.

To allow transparent consideration of bids reflecting changes to remit, powers and other systemic needs, the settings proposed in the joint paper by VAGO, IBAC and VO provide an appropriate alternative – see [Joint paper - Advancing budget transparency for Victoria's core integrity agencies](#).

- 5. Was delivery of any of IOV's statutory functions in the 2025-26 FY affected by inadequate resourcing, including because of increased demand for services? If so, which functions were affected and how? Conversely, did funding need to be reprioritised from core aspects of service delivery to enable IOV to perform its statutory functions?**

IOV's delivery of statutory functions in 2025-26 is affected by the diversion of resources to the independent performance audit.

Statutory functions impacted to date include complaints, inspections and monitoring functions. Activities impacted include delivering guidance notes on complex legal issues, such as procedural fairness and perceived conflicts of interest, progressing the monitoring project on IBAC's handling of police complaints, implementing a new 'complaints to investigations' pipeline framework that will deliver longer term efficiencies, and approving a new inspections manual.

6. Does IOV have emerging or evolving responsibilities that are impacting its resourcing needs?

IOV has complex statutory functions to deliver its broad oversight remit, and the same governance and compliance obligations as a department.

As a small entity with funding for 27.5FTE, changes to IOV's responsibilities in each of the following settings impacts resourcing needs.

Corporate services and increased complexity

IOV fulfils corporate services functions and governance and compliance obligations through a corporate team of 5.4FTE. Payroll and financial services are supported by an MoU with the Department of Justice and Community Safety (DJCS).

The emerging and evolving responsibilities impacting resourcing needs include increasing governance and compliance obligations, particularly relating to cyber security, privacy, information management, prevention of psychosocial impacts, business continuity and infrastructure, settings to support flexible working arrangements and AI.

With 1 resource for each corporate function, staff perform multiple roles, led by a General Manager Corporate Services required to cover specialist knowledge gaps across ICT, finance, HR, governance and records management created by staff leave. New requirements and strategic projects also compete for resources with business as usual activities, impacting timely completion.

In some areas, this creates risk. For example, the new psychosocial regulations create increased responsibilities and require considerable time and effort to ensure compliance and to support staff welfare. IOV is finding it challenging to complete the necessary work in this area, exacerbated during 2025-26 by the need to give timely responses to the independent performance audit from January to July 2026, and three Integrity and Oversight Committee inquiries.

Operational jurisdiction

IOV's jurisdictional remit changes frequently. For example, oversight of PWSIC commenced 31 December 2024. The number of PWSIC investigations is likely to increase over time, with a spike expected in 2026, being an election year.³ IOV has no ongoing funding to oversee PWSIC, only access to a DJCS trust created for overseeing the discontinued Office of the Special Investigator.

The majority of IOV's oversight activities relate to IBAC, VO and the Chief Examiner. While IBAC and VO notifications have reduced, examination notifications from the Chief Examiner are extensive and most complex due to issues of relevance. These notifications have increased in number, attributable to the increased activities of Victoria Police investigating and combatting organised crime.

Any legislative changes to the remit of VO, and IBAC in particular, and changes in their operations are likely to trigger a downstream increase in complaints and notifications to

³ As PWSIC could not receive complaints about conduct that occurred prior to its establishment on 31 December 2024, its complaint and investigation numbers will gradually increase as it becomes more established. This in turn will increase the notifications and complaints to IOV.

IOV. For example, the IOC's Inquiry into the IBAC Act recommends broadening the definition of corrupt conduct, giving the Commissioner follow the money powers, increasing investigation powers and permitting public hearings for educative and preventative functions. The IOC also recommends supporting any expansion and changes to the IBAC Act with proportionate funding. Such funding increases would also need to flow to IOV due to the increased oversight requirements. The bail reforms are likely to increase complaints to VO and in turn the complaints to IOV due to the limits of what VO can do if it is operating with limited resources. IOV has also commenced two proactive monitoring projects related directly and indirectly to conduct of Victoria Police – irregular inspections relating to surveillance devices in prisons without authority; and a monitoring project into IBAC's handling of police complaints.

Operational complexity and risk

IOV's annual reports note an increased complexity of operational work, including an increase in medium and high complexity complaints. Causes of complexity include the number of issues raised, the requirement for legal advice (eg. issues of legislative ambiguity), the increasing use of AI by complainants, the volume of information or records to be considered, the vulnerability of a complainant, any welfare concerns and a complainant presenting with challenging behaviours.

Exposure to complainants expressing welfare risks such as suicidal ideation creates a psychosocial risk and appropriate response frameworks are important to mitigate that risk.

To that end, IOV has developed a fit for purpose, best practice witness welfare management framework. IOV staff are also trained in mental health first aid and IOV is investing time in improving its approach to trauma informed complaint handling.

For the protection of staff, complainants and witnesses, IOV needs time and resources to get the settings right and operate effectively within this complex context.

7. Do the performance measures used by IOV (for example, Budget Paper 3 measures, internal Key Performance Indicators) support appropriation of adequate funding and effective use of funds?

Good governance requires performance measures that drive appropriate priorities.

IOV regularly reviews its performance measures and targets to ensure IOV is measuring performance of appropriate statutory functions and setting targets that maximise impact.

IOV's Budget Paper 3 performance measures give priority to systemic improvements by agencies to support compliance in the integrity system, acceptance of recommendations by agencies, acknowledging complaints quickly, giving reasons for decisions to complainants and achieving timely outcomes on low and medium complexity complaints and investigations.

IOV has internal KPIs to ensure compliance with aspirational timelines in its complaint service charter and *Public Interest Disclosures Act 2012* timelines.

Due to the increasing demands identified in QoN 6, IOV is developing a new complaint to investigation pipeline framework. Once piloted, IOV will consider whether its performance measures and the targets continue to be fit for purpose.

8. Could elements of the legislative and policy frameworks governing funding for IOV be changed to help ensure it receives an appropriate level of funding?

Meaningful consultation about budget with the IOC in the context of the IOV's proposed annual plan would help deliver appropriate funding.

As identified in QoN 4:

- this cannot occur in the current legislative framework due to IOV's submissions being cabinet-in-confidence.
- section 90A needs amendment to provide legislative clarity as to whether IOC is to consult with IOV or government. As IOV cannot share budget submissions with IOC as they are cabinet-in-confidence, consultation with government is the preferred amendment.
- IOV also supports the settings proposed in the joint paper by VAGO, IBAC and VO – see [Joint paper - Advancing budget transparency for Victoria's core integrity agencies](#).

Providing IOV an education function would also be appropriate if accompanied by sufficient funding to support a proper intelligence framework with the right tools to enable quality data input, extraction, analysis and reporting.

9. How could introducing a dedicated resource to manage and make changes to IOV's case management system help IOV discharge its functions more efficiently?

Currently, IOV has 1 ICT resource – an experienced Manager ICT with responsibility for all ICT needs. They are not a business analyst with responsibility for our case management system (CMS). Ideas for new reports, and to improve and update IOV's CMS, are identified by the various operational teams. The process to implement ideas is slow, requiring procurement of an external resource with appropriate CMS expertise. Corporate staff identify an appropriate resource, legal staff help procure the resource, and subject matter experts in the operational teams explain the changes and reports required. This can take several months due to competing priorities.

A dedicated resource to manage and make changes to IOV's CMS would build internal expertise on our customised CMS, improve our reporting capability through regular engagement with staff on operational and reporting needs, and enable changes to be undertaken quickly and regularly.

However, a dedicated resource is only one element required to support IOV's increasing ICT needs. IOV needs searchable systems to build improved intelligence capability. Our current CMS has limited searchability, and keeping it updated won't solve our discoverability issues.

Sophisticated information management is required with a system that allows quality data input and extraction.

ICT costs are going up higher than the IOV's 2.5% pa funded indexation due to the increasing cost of licences and maintenance, and the limits in changing service providers for specialist systems.

Hosting, maintenance and licencing of our systems is around \$500,000 pa. We do not have the economies of scale of a larger organisation, which increases the distributed cost per head, nor specialist staff to build expertise in new systems.

10. Please provide data on demand for IOV’s services for the financial years 2016-2017 through 2025-26 (inclusive), including:

- **Number of complaints, Public Interest Complaints, notifications and enquiries received**
- **Number of investigations, inquiries and inspections:**
 - o **commenced**
 - o **completed**
 - o **underway.**

Enquiries received

Since 2016-17, the enquiries received by IOV have increased more than three-fold; in the current year to 8 April 2026, we received 299 enquiries. As noted in our 2024-25 annual report, an enquiry is when a person contacts us about:

- the complaints we can receive or our role in Victoria’s integrity system
- a concern they have about an organisation that is not within our complaints handling jurisdiction
- a concern they have about an integrity body within our complaints handling jurisdiction that does not meet the threshold of a complaint or disclosure.

Some enquiries are dealt with quickly, such as those outside our jurisdiction, or enquiries about how to lodge a complaint with us. For out of jurisdiction matters, where we can, we provide the enquirer with information to assist them to raise their concern with the appropriate body. Other enquiries that involve multiple interactions with an enquirer, research, or consideration of substantial, or unclear information take longer to deal with.

Around 35% of enquiries are closed the day they are received and 60% are closed within a week.

Enquiries received

Year	Enquiries
2016-17	88
2017-18	116
2018-19	127
2019-20	99
2020-21	119
2021-22	163
2022-23	203
2023-24	248
2024-25	259
2025-26 (YTD ⁴)	299

⁴ Figures drawn from CMS on 8 April 2026; these figures have not undergone IOV’s full verification process which is finalised at the end of each year.

Complaints and disclosures received

The number of complaints received by IOV has increased over the years; from 72 in 2016-17 to 130 in 2024-25. In the current year to 8 April 2026, we have received 97 complaints – we are on track to receive around 125 complaints this financial year. The sustained increase in volume of complaints appears, in part, to be due to changes to the public interest disclosure scheme in 2020. Other factors are likely to include better communications within the integrity system about people's right to complain to us.

As well as the volume of complaints increasing over time, there has been a sharp increase in the complexity of our complaints. For example, since 2022 we have received a higher proportion of complaints and disclosures from people involved in investigations conducted by integrity agencies and matters involving multiple distinct allegations.

As previously identified in correspondence to the IOC in March 2024, there are other factors that stretch our limited resources and impact our complaint handling times, such as having a high proportion (around 60%) of complainants who demonstrate one or more challenging behaviours including threats of violence, aggression, an apparent fixation with respect to a person, organisation or issue, or other vulnerabilities and safety concerns. We often experience an unreasonable persistence from complainants who, after being provided an outcome letter in relation to their complaint, demonstrate a refusal to accept our decisions in matters where an oversighted agency has acted in line with its legislation and obligations. We acknowledge that at the heart of these behaviours is often an issue of great significance to the complainant. However, this means that, in addition to the complexity of matters our complaints staff deal with, engaging with a proportion of our complainants continues to be very challenging.

Before assessing complaints under the *Integrity Oversight Victoria Act 2011* (IOV Act), we assess all complaints under the *Public Interest Disclosures Act 2012* (PID Act) unless a complainant indicates they do not want this to occur. From 2021-22 we have data that shows the number of complaints received from a person purporting to make a public interest disclosure (PID). Our first step is to consider whether the matter meets the definition of PID in section 9 of the PID Act, and, depending on who the disclosure is about, assess whether the matter is an assessable disclosure notifiable to IBAC or, where IOV is the appropriate body to make the assessment – assess whether the matter is a public interest complaint (PIC).

We also receive public interest complaints referred to us by IBAC under section 73 of the IBAC Act.

Complaints, PIDs and PICs

Year	Complaints	Disclosures received ⁵	Assessments under PID Act	Assessed as PICs	PICs referred by IBAC
2016-17	72	No data			
2017-18	77	No data			
2018-19	86	No data	2	0	1
2019-20	93	No data-	6 ⁶	1	3
2020-21	91	8 ⁷	7 ⁸	0	1
2021-22	116	17	17 ⁹	3	0
2022-23	119	16	16 ¹⁰	9 ¹¹	1
2023-24	119	22 ¹²	17 ¹³	3	0
2024-25	130	28 ¹⁴	23 ¹⁵	1	2
2025-26 (YTD ¹⁶)	97	Data not yet available			

Coercive Power Notifications

The number of coercive power notifications received has reduced over time. Coercive powers, which limit the freedom and rights of individuals, include:

- issuing a summons or notice to a person requiring them to give evidence or to produce documents or things
- issuing a confidentiality notice prohibiting a person from disclosing information about a matter being investigated, or that a summons or notice was issued
- compulsorily examining or questioning a person.

When considering the workload associated with these notifications, the type of notification and the agency is an important consideration.

A reduction in the volume of coercive powers notifications received has enabled IOV to implement a risk-based approach and periodic reporting model. This has provided us with a framework to ensure that higher risk notifications are reviewed, thematic issues

⁵ Figures in the 'Disclosures received' and 'Assessments under the PID Act' columns are subsets of the 'Complaints' figures for the respective year. The 'Disclosures received' column includes matters that did not meet the definition of a public interest disclosure (PID) under section 9 of the PID Act.

⁶ 1 did not meet the PID definition; 3 notified to IBAC; 1 not a PIC; 1 a PIC

⁷ 1 not assessed at end of FY

⁸ 5 did not meet the PID definition; 1 not a PIC; 1 not assessed as PID also made to IBAC.

⁹ 5 did not meet the PID definition; 3 were notified to IBAC; 3 were PICs; 4 were not PICs; 2 were assessed after end of FY.

¹⁰ 3 did not meet the PID definition; 1 was notified to IBAC; 7 were PICs; 2 were determined after end of FY.

¹¹ 2 assessed as PICs were received in 2021-22

¹² 5 were yet to be assessed at end of FY

¹³ 13 did not meet the PID definition; 1 was notified to IBAC; 3 were PICs.

¹⁴ 4 were yet to be assessed at end of FY; 1 was withdrawn.

¹⁵ 13 did not meet the PID definition; 4 were notified to IBAC; 5 not PICs; 1 was a PIC.

¹⁶ Figures drawn from CMS on 8 April 2026.

are identified, reported on, and followed up. This supports oversight agencies to improve compliance and their practices. This approach has increased our working knowledge of the agencies that we oversight and allowed us to deploy our resources to increase the strategic value of our work through analysis and the production of a greater number of reports.¹⁷

Under our risk-based model certain notifications are reviewed on a mandatory basis including notifications relating to a new investigation or preliminary inquiry, immediate summonses, public examinations and directions to lawyers. The remainder are subject to further triage to assign a risk rating. A notification may be a higher risk rating in circumstances where there are elevated welfare risks, thematic compliance issues, or other factors that increase the vulnerability of a witness, such as the reliance on an interpreter in an examination.

Our 2024-25 annual report explained the duration of examinations and interviews, noting an examination of a witness continues until the witness is excused from attendance.¹⁸

Given the varying complexity of each body's investigations an examination duration can range from less than an hour to several days.¹⁹ Where an examination takes more than one day, the examination can recommence at an agreed time. Voluntary interviews are typically shorter in duration and rarely exceed a few hours.

The total duration of examination and interview recordings received during 2024-25 was 227 hours and 49 minutes (compared with 183 hours and 16 minutes in 2023-24). We reviewed a total recording duration of 195 hours and 39 minutes, comprising:

- 168 hours and 4 minutes of OCE examinations
- 20 hours and 48 minutes of IBAC examinations
- 3 hours and 58 minutes of OVIC compulsory interviews
- 2 hours and 49 minutes of VO voluntary interviews.

The cumulative duration of recordings viewed is significantly higher as this total figure does not reflect the total time to complete a review, nor the additional recordings viewed during triage.

We also began capturing further data in our case management system to provide a more detailed picture of the time spent on examination and interview triage.

The volume of reports generated through our monitoring function is included in the 'Reports produced' section of QoN 10 below.

¹⁷ Information about IOV's production of reports since the 2016-17 year is available under the 'Reports produced' section of this response.

¹⁸ IOV Annual Report 2024-25, from page 51.

¹⁹ The shortest recording reviewed was 21 minutes long and the longest reviewed was 18 hours and 29 minutes long (over 6 separate days). The average duration of an examination was 6 hours and 6 minutes.

Coercive power notifications received

Year	Notifications	Agency breakdown
2016-17	709	IBAC – 511 VO – 96 OCE – 102
2017-18	1177	IBAC – 841 VO – 194 OCE – 142
2018-19	1091	IBAC – 784 VO – 151 OCE – 146 JCV – 10
2019-20	890	IBAC – 582 VO – 166 OCE – 128 OVIC – 1 JCV – 13
2020-21	650	IBAC – 416 VO – 214 OCE – 19 JCV – 1
2021-22	860	IBAC – 693 VO – 129 OVIC – 12 WIV – 26
2022-23	572	IBAC – 332 VO – 184 OCE – 27 WIV – 16 OVIC – 13
2023-24	585	IBAC – 427 VO – 76 OCE – 74 WIV – 8
2024-25	308	IBAC – 179 VO – 36 OCE – 80 OVIC – 8 PWSIC – 5
2025-26 (YTD ²⁰)	250	IBAC – 132 VO – 9 OCE – 95 PWSIC – 14

Preliminary Inquiries, Investigations and Inquiries

A preliminary inquiry can be undertaken to determine whether to investigate. Until February 2025, IOV was required to investigate all public interest complaints. Our new discretion not to investigate if criteria in s44A IOV Act are met has enabled IOV to more fully consider the benefit of using preliminary inquiries to decide whether to investigate

²⁰ Figures drawn from CMS on 8 April 2026.

complaints and undertake own motion investigations for which we previously had no resources.

We may also conduct an inquiry into any matter arising from an investigation. An inquiry permits IOV to issue a witness summons, hold a private examination or enter and search agency premises as part of an investigation. We often investigate without using these inquiry powers. The table below distinguishes between an ‘investigation’ and ‘investigation & inquiry’. The latter is usually more complex, requires more resources and takes longer than an investigation.

Number of preliminary inquiries (PI), investigations (Inv) and inquiries (Inq)²¹

Year	Matters on foot at year beginning	Matters commenced during year	Matters closed in year	Matters on foot at year end
2016-17	2 Inv ²²	0	0 Inv	2 Inv
2017-18	2 Inv	2 PI 2 Inv ²³	1 PI ²⁴ 1 Inv	1 PI 2 Inv 1 Inv & Inq
2018-19	1 PI 2 Inv 1 Inv & Inq	1 Inv & Inq	2 Inv	1 PI 2 Inv & Inq
2019-20	1 PI 2 Inv & Inq	1 PI 3 Inv	1 PI 1 Inv	1 PI 3 Inv 1 Inv & Inq
2020-21	1 PI 3 Inv 1 Inv & Inq	1 Inv	1 PI 1 Inv	3 Inv 1 Inv & Inq
2021-22	3 Inv 1 Inv & Inq	1 Inv 2 Inv & Inq	3 Inv 2 Inv & Inq	1 Inv 1 Inv & Inq
2022-23	1 Inv (& Inq) ²⁵ 1 Inv & Inq	3 Inv 4 Inv & Inq	3 Inv & Inq	3 Inv 3 Inv & Inq
2023-24	3 Inv 3 Inv & Inq	2 PI 1 Inv 1 Inv & Inq	1 PI 3 Inv 4 Inv & Inq	1 PI 1 Inv
2024-25	1 PI 1 Inv	1 PI 4 Inv 1 Inv & Inq	1 PI 2 Inv 1 Inv & Inq	1 PI 3 Inv
2025-26 (YTD)	1 PI 3 Inv	2 PI 2 Inv 1 Inv & Inq	2 PI 2 Inv	1 PI 3 Inv 1 Inv & Inq

²¹ These statistics are correct to the best of our knowledge in the time available.

²² 2016-17 Annual Report does not link the use of inquiry powers to a particular investigation.

²³ 2017-18 Annual Report does not link the use of inquiry powers to a particular investigation.

²⁴ 2016-17 indicates 2 PI commenced; 2018-19 report indicates 1 PI from 2017-18 continued.

²⁵ The inquiry in this investigation commenced during 2022-23.

Inspections under various legislative requirements

We physically inspect records and documents relating to agencies' use of cover, intrusive and extraordinary investigatory powers such as surveillance devices. We inspect Public Interest Monitor (PIM) records to ascertain the extent of compliance with prescribed obligations.

When appropriate we conduct an irregular inspection of an agency's records in response to a compliance concern connected to the use of a covert power. For identified issues we make formal findings of non-compliance and where appropriate, recommendations to prevent future breaches of the law.

The table below describes the days worked physically inspecting records. In addition, our staff undertake analysis, engage with the oversight agency on any matters requiring clarification, write reports and undertake procedural fairness processes with respect to findings; this invariably takes far longer than the physical inspection of records.

Number and time taken for inspections

Year	Regular inspections	Days at inspections	Irregular inspections	Days at inspections
2016-17	19	No data	0	0
2017-18	18	No data	0	0
2018-19	13	No data	0	0
2019-20	10 ²⁶	No data	0	0
2020-21	16	No data	1	4
2021-22	20	No data	0	0
2022-23	14	34	1	4
2023-24	16	36	0	0
2024-25	13	33	1	9
2025-26 (YTD)	9	24	1	5

Some inspections require additional resources, particularly if they deal with a novel or complex legal issue or require interviews or extensive engagement with relevant staff from oversight agencies. Irregular inspections required substantial IOV resources and, at times, external expertise, to finalise matters.

Since 2022-23 we made significant changes to our inspections approach, developing tools to help gain deeper insights from inspections. Inspections have increased in sophistication and produce better outcomes, including improved compliance of the agencies who use covert, intrusive and extraordinary investigatory powers, and

²⁶ Inspections reduced due to COVID and reporting was delayed in line with COVID-19 Omnibus (Emergency Measures) (Integrity Entities) Regulations 2020.

improved awareness of the potential for compliance issues amongst other oversight bodies such as the PIM and the Courts.

Reports produced by IOV

Also relevant to demand for IOV's services is the volume of private and public reports produced.

Inspection reports are required by legislation. Some must be public; others produced for relevant Ministers must not be published. IOV produced more reports than usual in the last few years as serious issues required irregular inspections.

IOV also produces special reports in the public interest, usually after investigations.

Year	Private Reports	Public Reports	Function relevant to report
2016-17	2 Inspection (TI ²⁷) 1 Inspection (PIM)	6 Inspection (SD ²⁸) 5 Inspection (CO ²⁹)	Inspection
2017-18	2 Inspection (TI) 1 Inspection (PIM)	1 Inspection (CO) 2 Inspection (SD)	Inspection
2018-19	2 Inspection (TI) 2 Inspection (PIM)	1 Inspection (SD) 1 Inspection (CO) 2 Monitoring Reports 1 Special Report	Inspection Monitoring Investigations
2019-2020	2 Complaints 2 Inspection (TI) 2 Inspection (PIM)	2 Inspection (SD) 1 Inspection (CO) 2 Inspection (TCPA ³⁰)	Complaints Inspection
2020-2021	2 Inspection (TI) 1 Inspection (PIM)	2 Inspection (SD) 2 Inspection (TCPA)	Inspection
2021-2022	2 Inspection (TI) 1 Irregular (TI) 1 Inspection (PIM)	2 Inspection (CO) 2 Inspection (TCPA) 1 Inspection (SD)	Inspection
2022-2023	2 Inspection (TI) 1 Inspection (PIM) 1 Periodic Report (VO) 2 Periodic Report (IBAC) 1 Periodic Report (OVIC) 1 Periodic Report (WIV) 1 Periodic Report (OCE)	1 Special Report 2 Inspection (SD) 1 Inspection (CO) 2 Inspection (TCPA)	Complaints Inspection Monitoring of coercive powers
2023-2024	2 Inspection (TI) 1 Inspection (PIM) 6 Periodic Report (VO) 6 Periodic Report (IBAC) 2 Periodic Report (OCE)	2 Special Reports 2 Inspection (SD) 2 Inspection (TCPA) 1 Inspection (CO)	Investigations Monitoring of coercive powers Inspection

²⁷ Telecommunications interception reports

²⁸ Surveillance Device reports

²⁹ Controlled Operations reports

³⁰ Terrorism (Community Protection) Act reports

Year	Private Reports	Public Reports	Function relevant to report
2024-2025	2 Inspection (TI) 1 Irregular (TI IBAC) 1 Inspection (PIM) 1 Monitoring (VO) 1 Periodic Report (OCE) 3 Periodic Report (IBAC) 3 Periodic Report (VO)	1 Inspection (SD) 1 Irregular (SD IBAC) 2 Inspection (TCPA)	Inspection Monitoring of coercive powers
2025-2026 (YTD)	2 Inspection (TI) 1 Periodic Report (OCE) 1 Periodic Report (IBAC) 1 Periodic Report (VO)	1 Irregular (SD prisons) 1 Inspection (SD) 1 Inspection (CO) 2 Inspection (TCPA)	Inspections Monitoring of coercive powers

11. Please provide details of any base reviews undertaken by IOV of the costs of its operations since 2022-23, including key findings and recommendations. Please note if any changes to IOV's objectives or functions have since significantly impacted operating costs.

IOV has undertaken no base reviews since 2022-23.

IOV was allocated funding in the 2020-21 budget to conduct an independent base review. The review was to inform the basis for a future funding submission to ensure IOV was sustainably resourced on an ongoing base to deliver its statutory remit.

Ernst and Young conducted the base review, producing a report in September 2021 that formed the basis of the funding submission supporting our increased ongoing base funding. As such, the base review report is cabinet in confidence. The report is supported by an activity-based model that assesses the full time equivalent (FTE) costs of current and future activity including budget independence. The model analyses each activity, task, frequency, complexity distribution and effort basis for each employee level contributing to the task.

At the time (1 July 2021), our oversight remit was 12 agencies³¹, with a key role under the public interest disclosure scheme. The review identified a need for 33.4FTE, focused on staff increases in corporate services, inspections and monitoring, education and IOC support and legal.

Currently, IOV has 27.5FTE plus the Chief Integrity Inspector. This is 4.9FTE below the requirements identified by the base review. We oversee 13 agencies compared with 12 agencies in 2021.³²

Corporate demand increases

Applying current demands to the activity-based model, the corporate resource requirement since 2021 has increased by about 1.57FTE.

Operational demand

Operational demand has increased for complaints and investigations, due to an increase in their quantity and complexity.

Operational demand for monitoring and inspections is similar. Whilst the number of coercive powers notifications received and reviewed from IBAC and VO has reduced, the number of OCE reviews is higher and these take longer to review due to the length and complexity of OCE examinations. Our risk based approach results in a higher proportion of OCE notifications being reviewed and all notifications from PWSIC, as a new agency, being reviewed.

The lower number of notifications from IBAC and VO in part reflects different approaches to how IBAC and VO are conducting their investigations and oversight.

³¹ IBAC, VO, OVIC, VAGO, OCE, JCV, PIM, Victoria Police, GMA, VFA, DELWP and WIV.

³² IBAC, VO, OVIC, VAGO, OCE, JCV, PIM, Victoria Police, GMA, VFA, DEECA, EPA and PWSIC.

As fewer exercises of powers are notified to IOV, ensuring their compliance in using other powers is more complex as less information is fed to us, reducing our knowledge of their activities.

Due to the limited time to respond to these QoNs, we have not estimated the current FTE requirement based on current operational demand as we do not have sufficient time to do so accurately.

On balance, we estimate operational functions under our current remit have increased operating costs as at 2025-26, but not significantly due to the lower notification numbers at present. Operational demand will increase if the number of notifications increases, or if IBAC and / or VO's remit and powers are increased.

Appendix A

Funding approved /Expenditure type	FY 2016-2017	FY 2017-2018	FY 2018-2019	FY 2019-2020	FY 2020-2021	FY 2021-2022	FY 2022-2023	FY2023-2024	FY2024-2025	FY2025-2026
Annual Appropriation	3,357,881	3,355,012	3,633,268	4,171,722	4,940,038	5,746,475	7,159,662	7,840,468	7,975,764	8,666,900
Utilised TA for staffing and statutory function				546,590						
Utilised TA for 2024 VPS EA one off payment									209,000	
Budget Independence fixed term appropriation rephased from FY20-21							573,000			
OSI trust fund - Passed on through DJCS							907,000			
Asset funding - Capital Addition to Net Asset Base					435,000					
Asset funding - Minor Capital Works allocation					150,000	150,000	150,000		175,000	280,000
Asset Funding carryover approved from Addition to Net Asset Base						109,000				
Total Expenditure (Output)	3,400,329	3,355,012	3,757,479	4,718,312	4,940,038	5,746,475	7,093,788	7,356,264	7,639,465	
Total Expenditure OSI Trust							0	342,468	101,017	
Unused appropriation amount (Note 1)	0	0	0	0	0	0	638,874	484,204	336,299	
Approved Carryover - FY 20-21 to use in FY21-22 but not utilised					250,000					
Unused OSI trust repurposed for PWSIC activities from FY2024-25							907,000	564,532	463,515	

Note 1: Until IOV became budget independent, we were a portfolio agency of DPC. Our output appropriation was drawn down to match actual expenses. Therefore, there were no unused appropriations at that time.

Supplementary response to Question on Notice for the Integrity and Oversight Committee's Inquiry into the Adequacy of the annual budget of the Independent Broad-based Anti-corruption Commission, the Victorian Ombudsman and Integrity Oversight Victoria

3. Where available, please provide modelling used to support development of your 2026-27 budget bid.

IOV did not make a 2026-27 budget bid.

IOV was informed late in the afternoon of 13 April 2026 that a budget submission made by the Attorney-General, with a component for IOV, was unsuccessful. This information is provided as a supplementary response as IOV had not been informed of the submission.

Any further information in relation to the submission and modelling is cabinet-in-confidence.