

Annual Report 2013

Part 2

VICTORIAN
ombudsman

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Letter to the Legislative Council and the Legislative Assembly

To

The Honourable the President of the Legislative Council

and

The Honourable the Speaker of the Legislative Assembly

Pursuant to sections 25 and 25AA of the *Ombudsman Act 1973*, I present to the Parliament Part 2 of the annual report of the Ombudsman for the year 2012-13. The report contains the audited financial statements, quantitative measures of the work of my office and other statutory reporting disclosures.

Part 1 of the annual report, dealing with qualitative operations of my office, was tabled in Parliament on 21 August 2013.



G E Brouwer

OMBUDSMAN

17 September 2013

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Condolences

Dr Barry Perry AO

Dr Perry died in June 2013.

Dr Perry had a long and distinguished career with the Victorian Ombudsman's office. He was appointed as an investigations officer in 1974, shortly after the office was established in 1973. He became Deputy Ombudsman (Police Complaints) in 1988 and Ombudsman in 1995. He retired as Ombudsman due to ill health in April 2003.

Dr Perry was made an Officer of the Order of Australia in 2005 'for services to the community as Ombudsman of Victoria through encouraging the highest standards of integrity and accountability in public institutions'.

Mr Trevor Wood

Mr Wood died in April 2013.

Mr Wood had a long and distinguished career as a senior officer in the Victorian Auditor-General's Office. He served on the Victorian Ombudsman's Audit and Risk Management Committee since 2008, including as chair of the Committee from 2011 until his death.

Introduction

This report
The office of the Ombudsman
Significant changes in the work of the office
Independent funding review of the office
Ongoing challenges facing the office

This report

This is Part 2 of the annual report of the Ombudsman for the year ending 30 June 2013. It contains the audited financial statements for the period, deals with quantitative measures about the work of my office in 2012-13, and meets statutory reporting disclosures required under the *Financial Reporting Directions* and the *Financial Management Act 1994*. The disclosure index, listing all required statutory disclosures, is at Appendix 1.

Part 1 of my annual report was tabled in the Parliament on 21 August 2013. In that part I reported on the operations of my office in 2012-13. It is available on my website at <www.ombudsman.vic.gov.au>.

The office of the Ombudsman

The Ombudsman in Victoria is an independent officer of the Parliament under section 94E of the *Constitution Act 1975*. The Ombudsman is appointed to office under section 3 of the *Ombudsman Act 1973* by the Governor in Council.

The mission of my office is to promote fairness, integrity, respect for human rights and administrative excellence in the Victorian public sector.

As Ombudsman, my principal function is to enquire into or investigate administrative actions under the Ombudsman Act. My jurisdiction encompasses actions taken by or on behalf of government departments, public statutory bodies, officers and employees of municipal councils and actions by private sector entities when delivering services on behalf of government. I may conduct an enquiry as a consequence of a complaint or on my own motion.

The Ombudsman also has responsibilities about disclosures of improper conduct under the *Whistleblowers Protection Act 2001* (to February 2013) and *Protected Disclosure Act 2012* (from February 2013); about human rights under the *Charter of Human Rights and Responsibilities Act 2006*; and some important functions aimed at ensuring compliance by state entities with certain other specified Victorian legislation.

I am assisted in discharging my responsibilities by the Deputy Ombudsman and other dedicated staff. I take this opportunity to thank them all for maintaining a professional, productive and good humoured stance during a year encompassing significant change, an independent review of the functioning of the office and ongoing challenges, all in the context of another year of significant workload.

I discuss the change, the review and the ongoing challenges facing my office in the remaining pages of this *Introduction* section of my report. Aspects of workload are discussed in the section headed *The Work of My Office – Quantitative Measures* and details of the organisation of my office, staffing matters, and the values my staff embrace when delivering our services are discussed in the section headed *Statutory Disclosures*.

Significant changes in the work of the office

During the reporting period legislation implementing the Government's integrity reforms was passed by the Parliament. The legislation is complex and lengthy and has significant implications for my office. The following is a brief overview of the legislation insofar as it directly affects my responsibilities¹.

Integrity and Accountability Legislation Amendment Act 2012

This Act:

- amended the *Independent Broad-based Anti-corruption Commission Act 2011* (IBAC Act) and the *Victorian Inspectorate Act 2011* (VI Act) to complete the new integrity environment in Victoria. The amendments to the VI Act conferred functions on the Victorian Inspectorate in relation to VO and the Victorian Auditor-General's Office (VAGO)
- provided police oversight powers to IBAC. Similar powers were previously exercised by the Office of Police Integrity (OPI)² and VO
- enables the core integrity agencies to refer and receive referrals and share relevant information with each other and with law enforcement and prosecution bodies.

Under the new arrangements IBAC sits at the top of the integrity system in Victoria. It focuses on identifying, exposing and investigating serious corrupt conduct across the entire public sector, with a broader role in relation to sworn and unsworn police personnel.

VO continues its role of receiving and dealing with complaints about administrative matters in the public sector. However, VO is now required to notify matters that appear to involve corrupt behaviour to IBAC and matters that appear to be relevant to the Victorian Inspectorate's role (e.g. complaints about IBAC) to the Victorian Inspectorate. IBAC may refer allegations of corrupt behaviour to VO for investigation and call in such allegations from VO.

The *Parliamentary Committees Act 2003* has been amended to create new parliamentary committees to oversight the integrity bodies and to expand the scope of existing committees. Specifically:

- a new Joint House *IBAC Committee of Parliament* oversees IBAC and the Victorian Inspectorate
- a new *Accountability and Oversight Committee of Parliament* oversees VO and the Victorian Inspectorate (the latter only to the extent that the Victorian Inspectorate oversees VO) and the FOI Commissioner
- the existing *Public Accounts and Estimates Committee* (PAEC) continues to oversee VAGO but now also oversees the Victorian Inspectorate (the latter only to the extent that the Victorian Inspectorate oversees VAGO).

The Victorian Inspectorate is the key oversight body in the new integrity system. It:

- undertakes the day-to-day oversight of IBAC, VO and VAGO

¹ I have serious misgivings about some aspects of the new Victorian integrity framework. These are detailed in my report to the Parliament on 10 December 2012. The report, titled *A section 25(2) report to Parliament on the proposed integrity system and its impact on the functions of the Ombudsman* is available on my website at <www.ombudsman.vic.gov.au>.

² OPI was abolished from 10 February 2013 under the provisions of IBAC Act.

- monitors the interaction between these bodies
- oversees the use of covert and intrusive investigative powers by integrity bodies and law enforcement agencies and the application of procedural fairness.

Protected Disclosure Act 2012

This Act repealed the *Whistleblowers Protection Act 2011* and established a new legislative framework for protected disclosures. Under the Act –

- IBAC is the ‘clearing house’ for protected disclosures. It is responsible for (i) assessing disclosures; (ii) investigating serious corrupt conduct and police conduct; and (iii) referring other disclosures to certain bodies for investigation.
- Disclosures may be made to VO and a number of other public bodies. On receipt, these bodies are required to notify potential protected disclosures to IBAC for assessment. Where a disclosure is assessed as a protected disclosure³ by IBAC, IBAC may investigate the disclosure itself or refer it to VO, the Chief Commissioner of Police or the Victorian Inspectorate for investigation. (The mechanism for making protected disclosures about members of Parliament is retained under the new arrangements; that is, they are received by the Presiding Officers of the Parliament.)
- VO continues to have separate jurisdictions for general and protected disclosure matters, including protected disclosure jurisdiction over members of Parliament and local councillors when referred by IBAC. VO does not have jurisdiction over protected disclosures about police.
- VO is able to investigate corrupt conduct, but only on referral from IBAC. VO then must investigate the conduct (with some limited exceptions).
- The Victorian Inspectorate investigates protected disclosures about IBAC, VO and VAGO. IBAC is able to investigate serious corrupt conduct of the latter two entities.

The role of issuing guidelines for procedures about the making, handling and notifying of disclosures has been transferred from VO to IBAC. Public bodies that can receive disclosures are required to publish procedures about protecting people from reprisals, based on IBAC’s guidelines.

Freedom of Information Amendment (Freedom of Information Commissioner) Act 2012

Although not part of the new integrity arrangements in Victoria, this Act was also passed during the reporting period and impacts on the work of my office. The Act establishes the office of FOI Commissioner with responsibilities, among others, to receive and investigate complaints about matters relating to access to official documents of the government or its agencies. Prior to the establishment of the role of Commissioner, these were functions of my office. I have jurisdiction over complaints about administrative actions of the Commissioner.

³ A disclosure is a protected disclosure if (i) the person making the disclosure reasonably believes that improper conduct or reprisal has occurred, or (ii) the disclosure shows, or tends to show, improper conduct or a reprisal. This test is applied only once and only by IBAC.

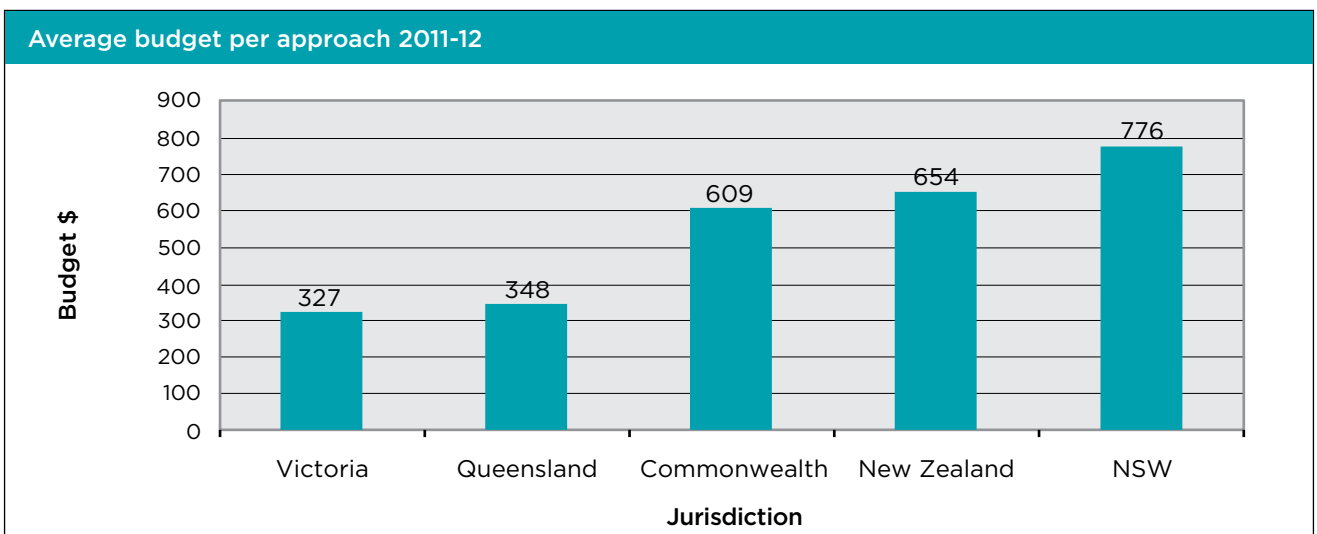
Independent funding review of the office

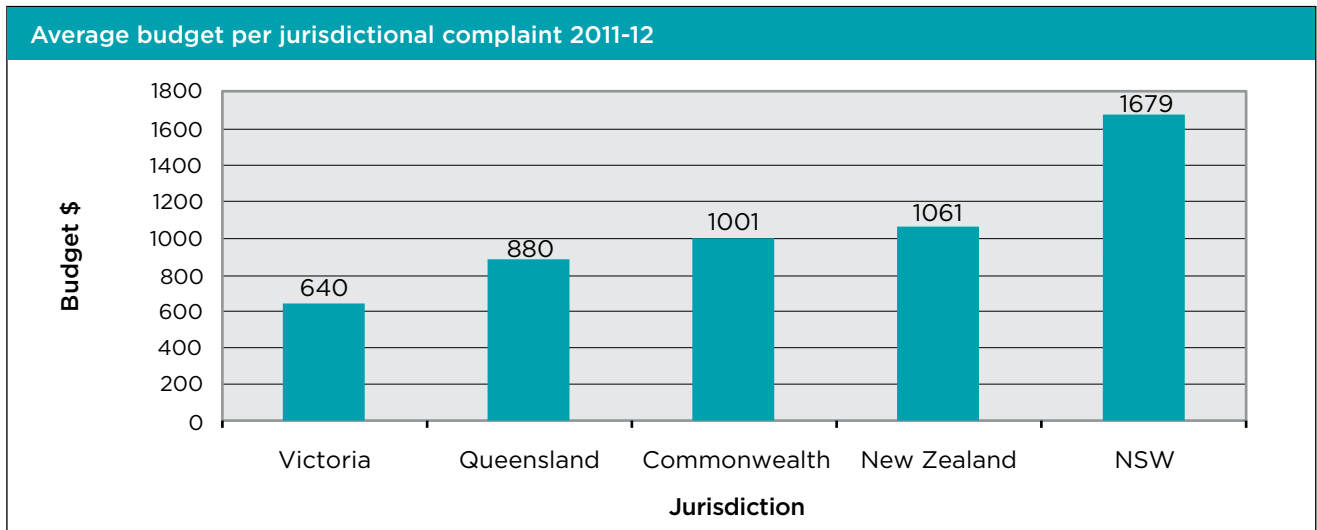
In my previous annual reports I have noted my concern about the inadequacy of VO's base budget. My office has been able to function adequately through those years only because of several ad hoc annual one-off budget supplementations received from the Department of Premier and Cabinet. In 2012-13 these supplementations were equivalent to 25 per cent of my base budget.

The supplementations have been appreciated. However, short-term funding makes planning and management of my office difficult. I was therefore pleased when, in March 2013, the Departments of Premier and Cabinet and Treasury and Finance agreed with VO to support an independent funding review to determine the appropriate base budget for my office. The review was conducted by *Third Horizon Consulting Partners* and overseen by a steering committee representing the three commissioning bodies.

A detailed summary of the review is available from my website at <www.ombudsman.vic.gov.au>. Here I just mention the overall finding and recommendation of the report; namely, that my office has been functioning effectively and efficiently and that the ad hoc budget supplementations should be formally incorporated into my base budget for 2013-14. I am pleased to report that has been done.

One of the methods Third Horizon used to assess the efficiency of my office was to measure cost per unit of output. The two charts below – taken from the Third Horizon report – compare the average budget per approach to Ombudsman offices in the shown jurisdictions, and the average budget for jurisdictional complaints investigated.





I appreciate that inter-jurisdictional comparisons of the efficiency of service delivery can be difficult and therefore need to be interpreted cautiously. Nevertheless, it is clear from these measures, and from the Third Horizon report generally, that the Victorian Ombudsman delivers services cost efficiently.

The Third Horizon report was also helpful in identifying areas where additional efficiencies in my office may be possible, particularly in reducing hard copy documentation and non-jurisdictional approaches to my office. However, while useful, such efficiencies will have little impact on my officers' overall increase in workload.

Reducing hard copy documentation

Third Horizon acknowledges that significant reductions in the number of hard copy files occurred in my office in 2011-12, enabled by developments in VO's Resolve case management system and its TRIM file management system. Further extensive development work on those two databases and associated technologies occurred in 2012-13, which will enable further efficiencies in the management of VO's files.

I should note, however, that there are restrictions on what can be achieved as my office is required to comply with the *Public Records Act 1973* in the management of the documentation made or received in the course of delivering its functions. We will continue to work closely with the Public Records Office to ensure that the records management system is as efficient as it can be, consistent with legislative requirements.

Reducing the number of non-jurisdictional approaches

I have acknowledged elsewhere in this report that VO receives a significant number of approaches about matters not within my jurisdiction. I have also set out some of the measures taken to reduce the number of such approaches, particularly using telephony and internet technology which has been developed for my office during 2012-13.

However, VO provides a service to the Victorian public, including advice to citizens about negotiating what may now seem to the layperson to be a labyrinthine network of integrity bodies. While my office will continue to explore ways of reducing unnecessary non-jurisdictional approaches, I do not believe it good public policy to discourage such approaches altogether, at the expense of citizens who otherwise may not know where to turn.

Ongoing challenges facing the office

My office operated under significant change and uncertainties in the reporting period. The challenges continue, particularly emanating from the following two sources.

The new integrity regime

I discussed the new Victorian integrity arrangements earlier in this introduction.

That the impact of the new integrity system on VO will be significant in 2013-14 and beyond is certain; what is not yet certain is the size and nature of that impact. These will only become clear as the various agencies comprising the new system establish the necessarily intricate relationships and workflows to make the system work. My office will need to continue to devote considerable resources to the development of those relationships and workflows in 2013-14.

Appendix 2 sets out some details of the initial impact of the new system from its implementation in February 2013 to 30 June 2013.

Local Government Inspectorate (LGI)

The Government has several times announced its intention to transfer the functions of the *Local Government Investigations and Compliance Inspectorate* to my office⁴. Various timetables have been suggested, but none have come to fruition.

The functions of the Inspectorate include investigating complaints of breaches of the *Local Government Act 1989* by Victorian councillors and council officers, undertaking prosecutions for alleged breaches, conducting audits of local councils to assess compliance with the Act, monitoring councils' corporate governance and advising the Minister for Local Government where serious failure of governance is found.

It is critical that the ongoing impact of the new integrity system in Victoria be quantified and that VO is given sufficient notice of any transfer of the LGI functions to it so that these functions can be delivered as effectively as possible. To facilitate this, VO and the Departments of Premier and Cabinet and Treasury and Finance have agreed to assess these matters early in 2014 to enable us to properly advise Government about the budgetary implications.

⁴ For recent announcements see, for example, evidence from the Minister for Local Government to the Public Accounts and Estimates Committee on 18 May 2012, and a statement from the Minister for Employment and Industrial Relations in the Legislative Council on 11 December 2012 during Committee consideration of the Integrity and Accountability Legislation Amendment Bill 2012.

The work of my office - quantitative measures

Approaches - received

Approaches - closed

Approaches - time taken to close

Approaches - how received

Jurisdictional complaints - received and closed

Jurisdictional complaints - by portfolio area

Jurisdictional complaints - by correctional facility

Jurisdictional complaints - by local government matter

Victorian Ombudsman website

Approaches⁵ – received

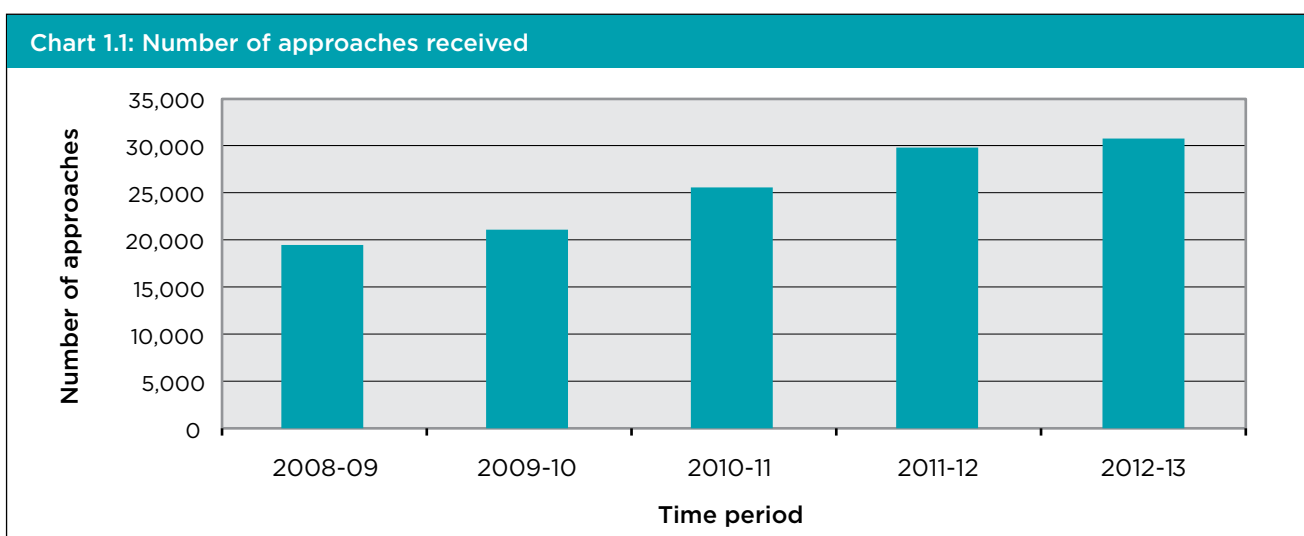
The past year was again the busiest that the Victorian Ombudsman's office has ever experienced. It was the ninth consecutive year where that has been so. The increase in approaches to the office in 2012-13 occurred notwithstanding that responsibility for investigation of complaints about Victoria Police and non-sworn personnel of the Police Department, those received from whistleblowers, and complaints about freedom of information were transferred during the reporting period from the Ombudsman to IBAC and the FOI Commissioner.

In 2012-13 my office received 30,517 approaches, an increase of 2.5 per cent over 2011-12. The increase in approaches received since 2007-08 is 87 per cent and 57 per cent since 2008-09.

However, the number of staff has not increased at the rate of increases in approaches. As a consequence, the number of approaches to my office per full time equivalent staff member increased by 53 per cent since 2007-08 and by 31 per cent since 2008-09.

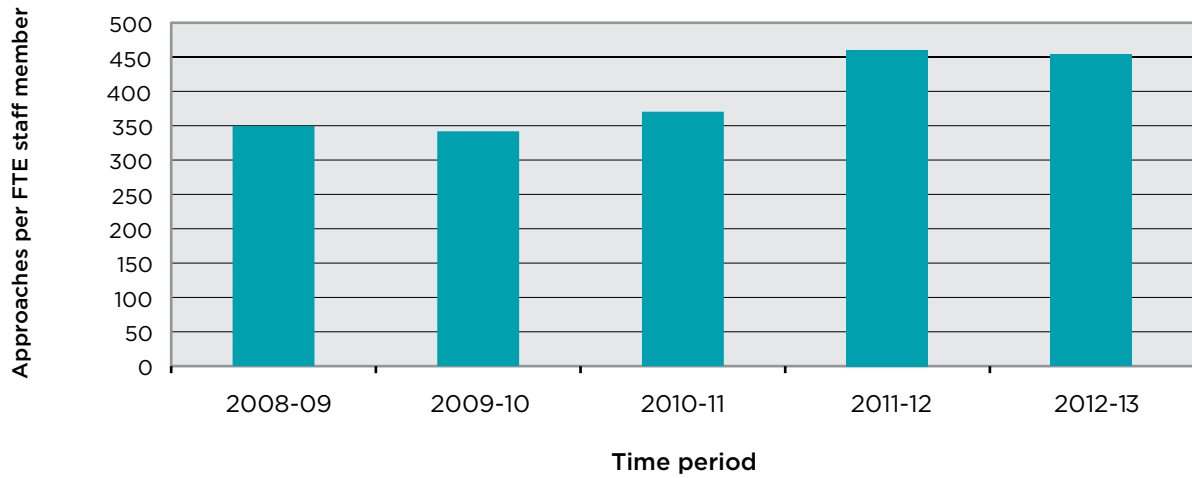
Table 1 and charts 1.1 and 1.2 set out the relevant data since 2008-09.

Table 1: Number of approaches received					
	2008-09	2009-10	2010-11	2011-12	2012-13
Approaches received					
Number of approaches	19,452	21,074	25,557	29,773	30,517
Annual percentage change in approaches	-	8.3	21.3	16.5	2.5
Cumulative percentage change since 2008-09	-	8.3	31.4	53.1	56.9
Approaches received per FTE staff member					
Number of approaches per FTE staff member	350	342	370	459	456
Annual percentage change in approaches	-	-2.2	8.3	23.9	-0.5
Cumulative percentage change since 2008-09	-	-2.2	5.9	31.2	30.6



⁵ 'Approaches' are all contacts made by members of the public with my office about the work of my office. They include jurisdictional and non-jurisdictional complaints and requests for information. Jurisdictional complaints are discussed later in this report.

Chart 1.2: Number of approaches per FTE staff member



Approaches – closed⁶

My office closed 30,441 approaches in 2012-13. Of those, 14,424 (47 per cent) – including 206 dealt with under my own motion powers and 64 disclosure cases⁷ – related to complaints about matters falling within my jurisdiction. The remainder were either complaints about matters over which I do not have jurisdiction (51 per cent) or requests for information (1 per cent).

Table 2 and chart 2 set out the comparative annual data since 2008-09.

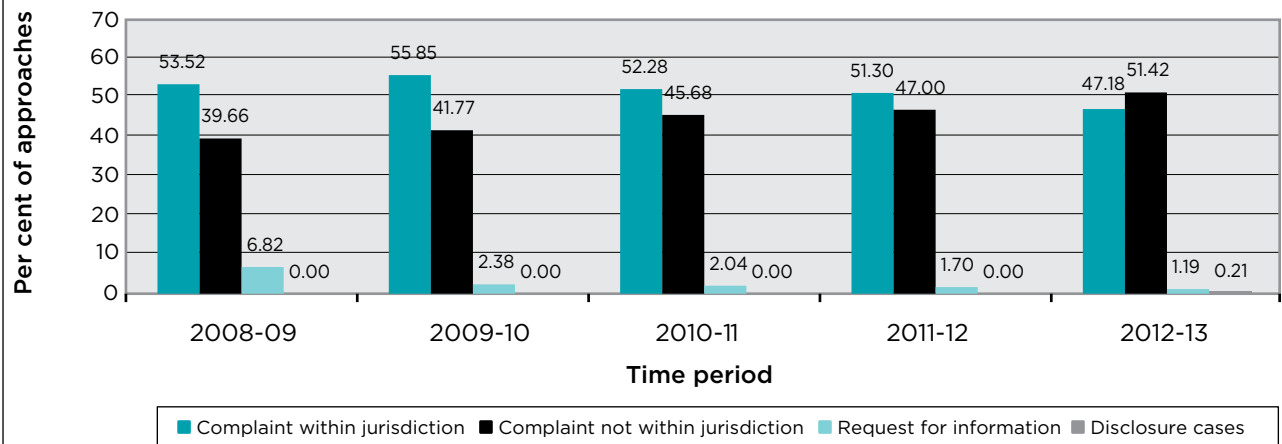
Type of approach	2008-09	2009-10	2010-11	2011-12	2012-13
Complaint within jurisdiction	10,477	11,784	13,281	15,336	14,154
Complaint within jurisdiction – urgent own motion*	0	0	0	0	206
Complaint not within jurisdiction	7,763	8,812	11,604	14,051	15,656
Request for information	1,336	503	518	507	361
Disclosure cases	0	0	0	0	64
Total approaches closed	19,576	21,099	25,403	29,894	30,441

* These are complaints not received in writing but which were urgent. Because of the urgency I relied on my own motion powers to act in order to circumvent the legislative requirement that complaints must be in writing. I have discussed this matter in Part 1 of this report.

⁶ Approaches closed are those finalised. Note the distinction made here and in other tables and charts between approaches received and closed. Approaches received in any reporting period will vary marginally from those closed because receipt and closure of some approaches will occur in different reporting periods.

⁷ Disclosures are those made to VO under the provisions of the *Protected Disclosure Act 2012*. The number here also includes the protected disclosure complaints received from IBAC to VO to investigate. Further details of the number and types of disclosures handled by VO under the Act are included later in this report.

Chart 2: Per cent of approaches closed by type of approach



The number of persons approaching my office on matters not within my jurisdiction continues to increase, from 40 per cent of all approaches in 2008-09 to 51 per cent in 2012-13⁸. Requests for information, on the other hand, have declined significantly over the past five years, from seven per cent of all approaches in 2008-09 to one per cent in 2012-13.

My office is working to manage these non-jurisdictional and request for information approaches with enhancements of information available from my website and telephone system, obviating the need for some of those accessing the site and telephoning my office to engage directly with my staff⁹. For example, telephone callers to my office hear a brief automated message explaining my jurisdiction and offering the opportunity to access further recorded information about other complaint handling bodies. During 2012-13 6,307 callers¹⁰ to my office in this way were able to access the information they required without having to engage with my staff.

I foreshadowed in my 2012 annual report that a complete redesign and update of the functionality of my website was to commence in 2012-13. One aim of the upgrade is to assist people using the website to better understand my jurisdiction and to help them identify and make direct contact with the entities they need to approach. This will further assist in freeing up my currently stretched personnel resources to concentrate on jurisdictional complaints.

The new Ombudsman website will be online early in 2013-14.

Approaches – time taken to close

Most of the approaches made to my office are quickly addressed. Seventy-five per cent of all approaches received in 2012-13 were closed on the day of receipt¹¹. Most of these are non-jurisdictional complaints. Ninety per cent of approaches were closed within seven days and 98 per cent within 30 days.

8 A factor contributing to the increase in non-jurisdictional approaches to my office in 2012-13 was the transfer of matters previously within jurisdiction to the newly established IBAC and FOI commissioner.

9 Statistics about access to the website are discussed later in this report under 'Victorian Ombudsman website'.

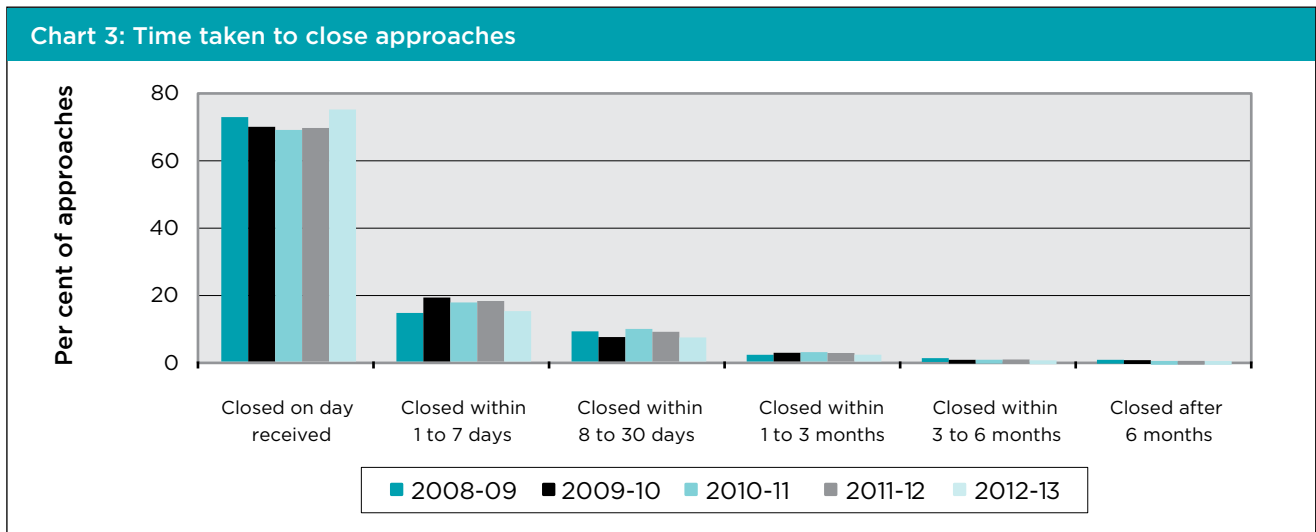
10 These approaches are not included in the 'Approaches received' assessment above.

11 This is up from 70 per cent in 2011-12 and are almost all non-jurisdictional approaches, again reflecting the uncertainty in the community about what is within my jurisdiction following the establishment of the new integrity system.

Though non-jurisdictional complaints are generally quickly closed, they often present their own challenges for my staff. Providing advice to persons approaching my office for help – sometimes by distraught persons who are at the end of their tether – about how and to whom they should address their concerns requires both patience and tact by my staff. I believe this ‘clearing-house’ function is a useful service provided by my office.

Table 3 and chart 3 set out the detail of time taken to close approaches since 2008-09.

Table 3: Time taken to close approaches					
Number closed	2008-09	2009-10	2010-11	2011-12	2012-13
Closed on day received	14,300	14,789	17,570	20,851	22,835
Closed within 1 to 7 days	2,840	4,030	4,479	5,402	4,630
Closed within 8 to 30 days	1,763	1,540	2,471	2,651	2,215
Closed within 1 to 3 months	392	549	710	758	615
Closed within 3 to 6 months	196	106	132	179	101
Closed after 6 months	85	84	41	53	45
Total approaches finalised	19,576	21,099	25,403	29,894	30,441



Approaches – how received

The method of contact used by those approaching my office continues to change significantly. Approaches by telephone remains by far the most common means, accounting for 78 per cent of approaches made in 2012-13. Approaches by letter have steadily declined over the years and in 2012-13 accounted for only four per cent of approaches. Approaches made online, on the other hand, accounted for almost 12 per cent of all approaches in 2012-13, up from four per cent in 2008-09.

Table 4 and charts 4.1, 4.2 and 4.3 set out the relevant details.

Table 4: Number of approaches received and how received					
How received	2008-09	2009-10	2010-11	2011-12	2012-13
Email	1,274	1,239	1,544	2,014	1,573
Facsimile	155	113	109	124	104
Letter	2,091	1,750	1,541	1,628	1,296
Online	788	1,775	2,274	2,948	3,551
In person - at office	129	177	135	194	200
In person - off-site	42	23	18	3	4
In person - regional visit	19	1	9	6	11
In person - prison visits	22	5	11	13	2
Telephone	14,932	15,991	19,916	22,843	23,776
Total approaches	19,452	21,074	25,557	29,773	30,517

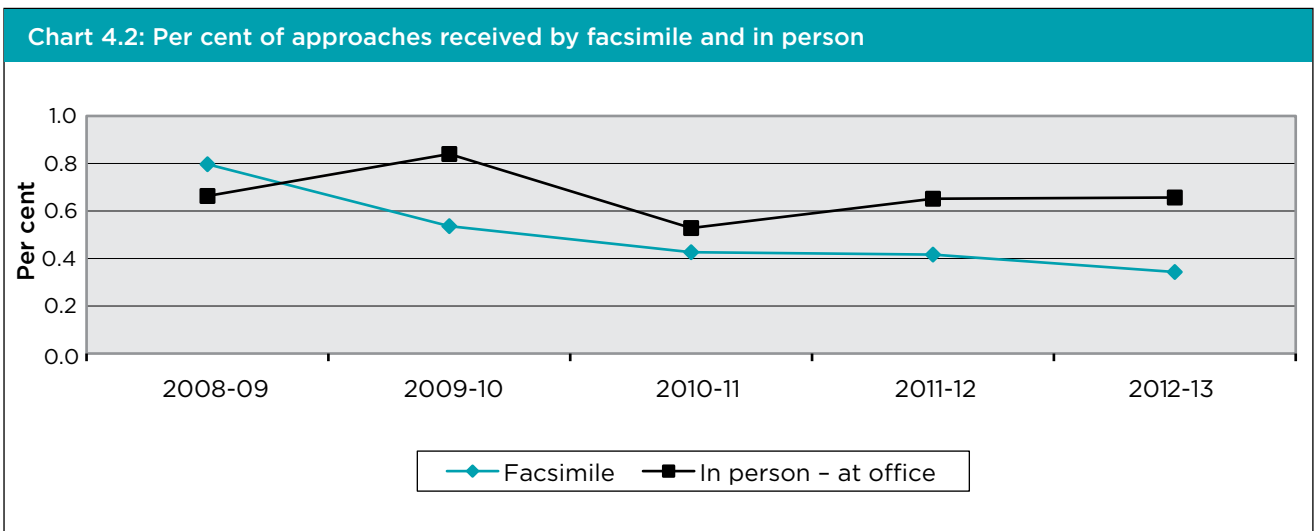
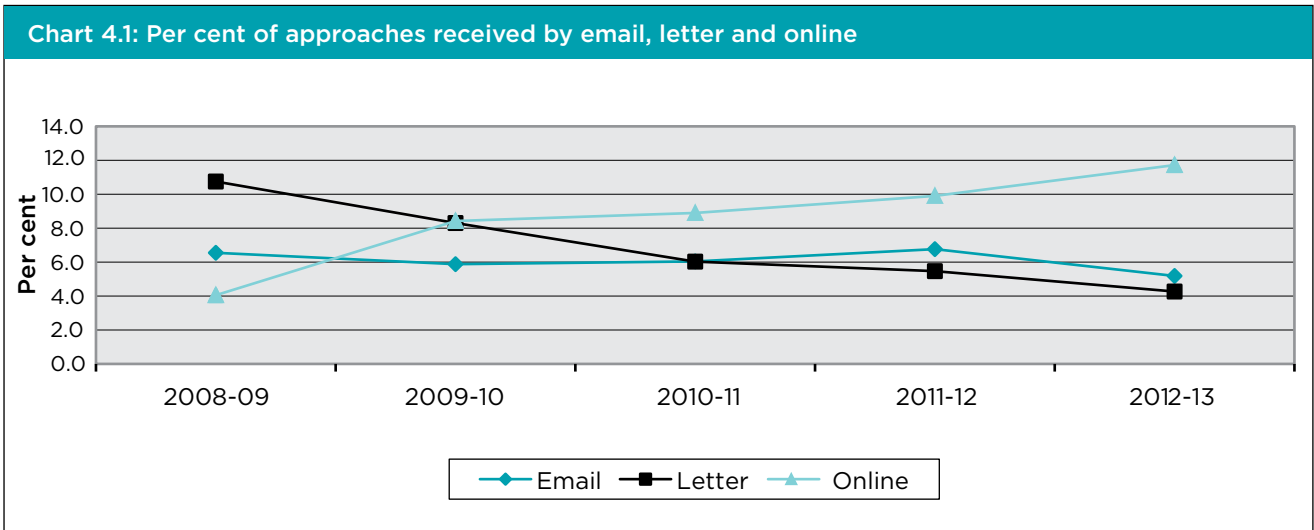
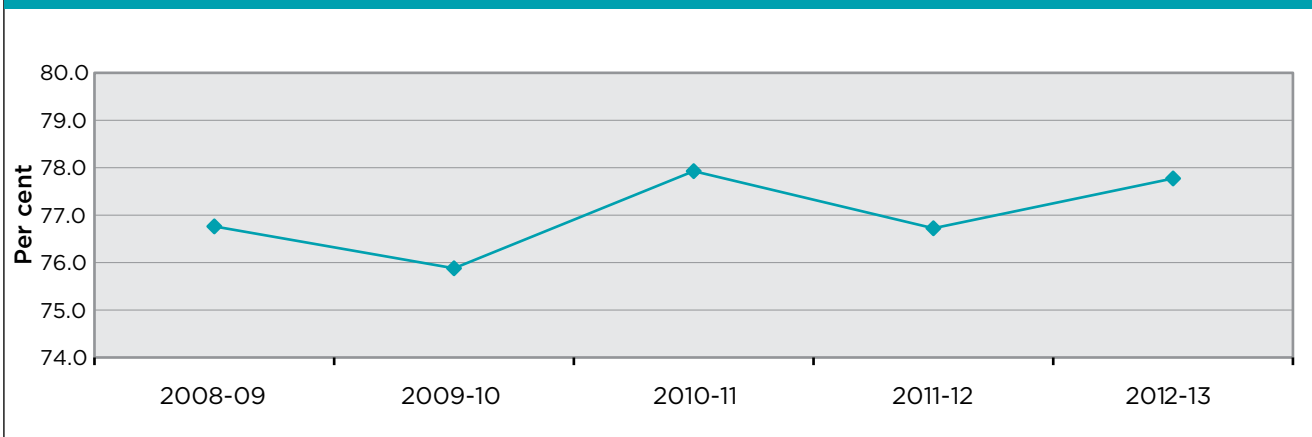


Chart 4.3: Per cent of approaches received by telephone



With the innovations in communications technology, we can expect that the means of approaching my office will continue to change in the coming years. My office will carefully keep under review means by which these changes can be most appropriately supported, including by ensuring that the functionality of my new website is kept up-to-date. It is also important that legislation does not unintentionally prescribe the way in which I can receive complaints. I have discussed, for example, the adverse implications of the legislative requirement that all approaches to my office be made in writing in part 1 of this report and in appendix 2.

Jurisdictional complaints¹² – received and closed

My office received 14,463 jurisdictional complaints¹³ in 2012-13, a decrease of 5 per cent over the previous year¹⁴ but an increase of 40 per cent since 2008-09. This represents a 16 per cent increase in jurisdictional complaints received per full time equivalent staff member since 2008-09. In 2012-13 14,424 jurisdictional complaints were closed¹⁵.

Table 5 and charts 5.1 and 5.2 set out the details of jurisdictional complaints received since 2008-09.

Table 5: Number of jurisdictional complaints received					
	2008-09	2009-10	2010-11	2011-12	2012-13
Number of jurisdictional complaints received					
Number of complaints received	10,371	11,737	13,439	15,225	14,463
Annual percentage change in complaints received	-	13.2	14.5	13.3	-5.0
Cumulative percentage change since 2008-09	-	13.2	29.6	46.8	39.5
Number of jurisdictional complaints received per FTE staff member					
Complaints received per FTE staff member	186	190	195	235	216
Annual percentage change	-	2.1	2.3	20.4	-7.8
Cumulative percentage change since 2008-09	-	2.1	4.5	25.8	16.1

¹² Jurisdictional complaints are those which raise matters over which the Ombudsman has jurisdiction and which, therefore, are investigated by my office.

¹³ Including urgent own motion and disclosures cases.

¹⁴ This decrease reflects the establishment of IBAC and the office of the FOI commissioner, and the consequent changes to my jurisdiction during the reporting period.

¹⁵ Complaints received in any reporting period will vary marginally from those closed because receipt and closure of some complaints will occur in different reporting periods.

Chart 5.1: Number of complaints received

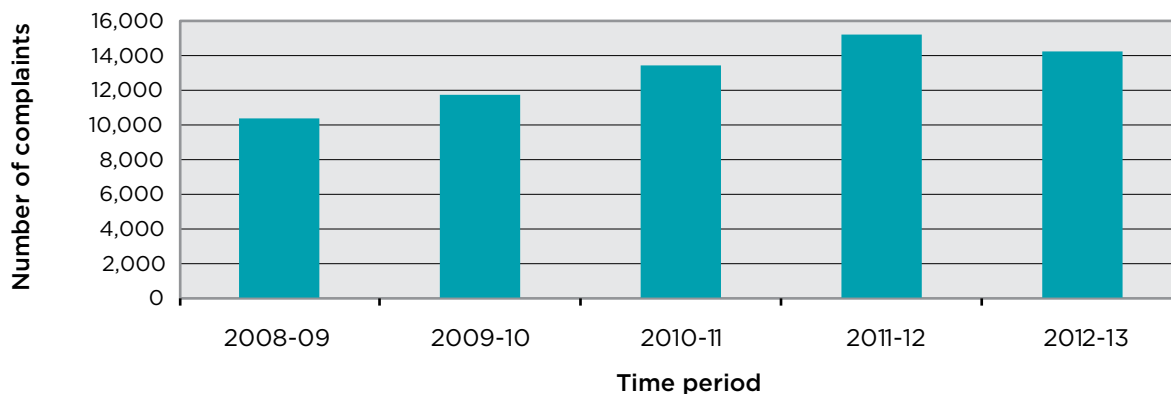
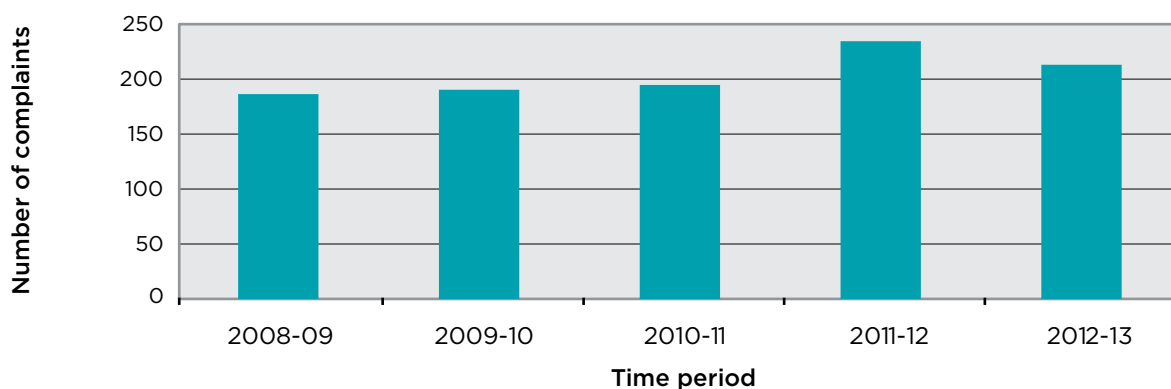


Chart 5.2: Number of complaints received per FTE staff member



Jurisdictional complaints – by portfolio area

Table 6 and chart 6 detail the proportion of complaints I received over the past five years which relate to selected government portfolio areas. As I have mentioned in other reports, this type of time series data is useful¹⁶. It is one of the many inputs used by my office to proactively identify what may be systemic maladministration in the various sectors of government and which may, therefore, require more detailed investigation. Similar data for correctional facilities and local government are presented in the following pages.

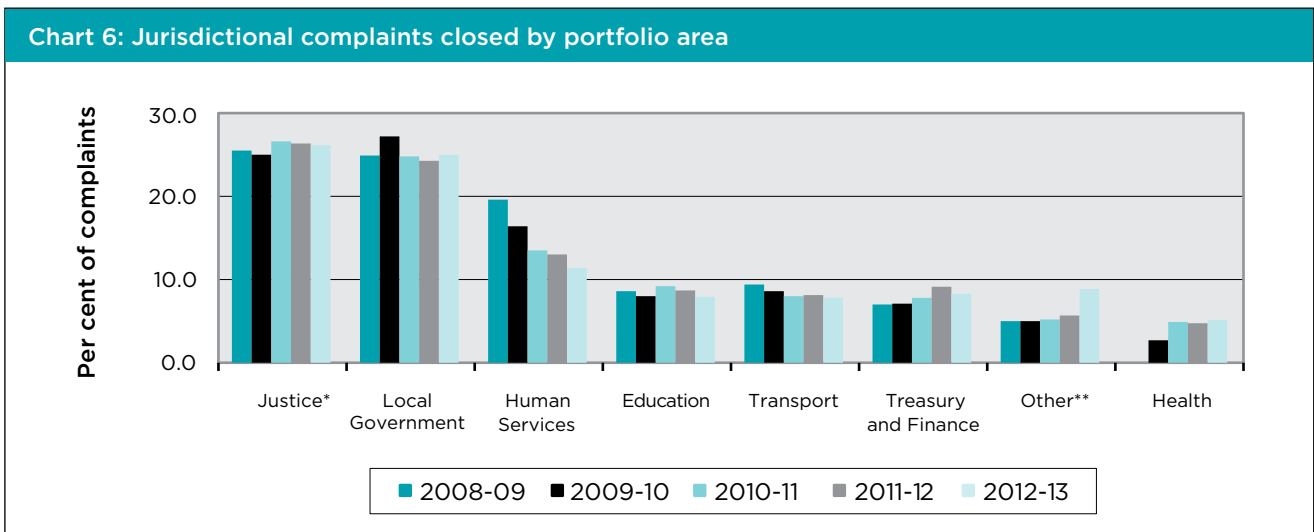
¹⁶ The data, nevertheless, should be analysed with care. It should, for example, be noted that the functions encompassed in the portfolio areas shown in table 6 and chart 6 are not static from year to year: they are affected by machinery of government changes, which may be extensive.

Table 6: Jurisdictional complaints received by portfolio area

Portfolio area	Per cent of complaints				
	2008-09	2009-10	2010-11	2011-12	2012-13
Justice*	25.5	25.0	26.6	26.3	26.2
Local Government	24.9	27.2	24.8	24.3	25.0
Human Services	19.6	16.4	13.5	13.0	11.3
Education	8.6	8.0	9.2	8.7	7.8
Transport	9.4	8.6	8.0	8.1	7.7
Treasury and Finance	7.0	7.1	7.8	9.1	8.2
Other**	5.0	5.0	5.2	5.7	8.8
Health		2.7	4.9	4.8	5.0
Total	100.0	100.0	100.0	100.0	100.0

* Justice portfolio complaints do not include complaints about Victoria Police.

** 'Other' are portfolios where complaints were small percentages of the total. These are not separately



shown.

Jurisdictional complaints – by correctional facility

My office closed 2,113 complaints about prisons in 2012-13, 298 (12 per cent) fewer than in 2011-12.

As in previous years, the most complained about facility in 2012-13 was the privately operated maximum security Port Phillip Prison. Complaints about that prison accounted for 27 per cent of all prison complaints in 2012-13, down from 28 per cent in 2011-12. The second most complained about prison was the Metropolitan Remand Centre, operated by Corrections Victoria, accounting for 16 per cent of all prison complaints in 2012-13, up from 14 per cent in 2011-12.

Relative to their operational capacities¹⁷, the five most complained about prisons in 2012-13 were as follows:

Table 7.1: Most complained about prisons in 2012-13	
Prison	Number of complaints as % of capacity
Melbourne Custody Centre	234%
Port Phillip Prison	60%
Dame Phyllis Frost Centre	54%
Metropolitan Remand Centre	47%
Hopkins Correctional Centre (Ararat Prison)	34%

By contrast, the five least complained about prisons were as follows:

Table 7.2: Least complained about prisons in 2012-13	
Prison	Number of complaints as % of capacity
Beechworth Correctional Centre	7%
Tarrengower Prison	12%
Dhurringile Prison	15%
Loddon Prison	16%
Langi Kal Kal Prison	23%

Although these complaint rates can be informative, they need to be considered in the context of the nature of the facility. For example, four of the five most complained about prisons are maximum security facilities. The Melbourne Custody Centre is the initial accommodation for prisoners arrested by police and for those attending the Melbourne Magistrates Court. There are approximately 22,000 prisoner movements into and out of that facility each year. The Port Phillip Prison is the largest capacity correctional facility in Victoria and the Metropolitan Remand Centre the third largest. The Fulham Correctional Centre is the second largest.

The five least complained about prisons are minimum security facilities except for Loddon Prison, which is medium security.

Table 8 and charts 8.1, 8.2 and 8.3 set out the relevant details.

¹⁷ Prison operational capacities may vary significantly from year to year, due to capital works and other changes. The operational capacity information used in tables 7 and 8 was as at 30 June 2013 and sourced from <www.justice.vic.gov.au> in August 2013. Information about the Melbourne Custody Centre sourced from <www.au.g4s.com> G4S is a private company and operates the Melbourne Custody Centre on behalf of Victoria Police.

Table 8: Number of complaints closed by correctional facility

	Operational capacity	Number of complaints					Per cent 2012-13	
		2008-09	2009-10	2010-11	2011-12	2012-13	of capacity	of total
Male Prisons – Maximum security								
Port Phillip Prison (Private)	934	532	554	690	678	565	60.5%	26.7%
Metropolitan Remand Centre	723	285	341	324	332	342	47.3%	16.2%
Melbourne Assessment Prison	285	78	95	114	145	69	24.2%	3.3%
Barwon Prison	423	89	123	123	124	137	32.4%	6.5%
Melbourne Custody Centre (Private)	67	20	43	72	114	157	234.3%	7.4%
Male Prisons – Medium security								
Fulham Correctional Centre (Private)	845	179	147	153	245	235	27.8%	11.1%
Marngoneet Correctional Centre	394	78	67	74	157	105	26.6%	5.0%
Hopkins Correctional Centre (Ararat Prison)	388	152	108	127	155	132	34.0%	6.2%
Loddon Prison	409	96	105	81	90	65	15.9%	3.1%
Male Prisons – Minimum security								
Dhurringile Prison	268	7	20	18	40	40	14.9%	1.9%
Beechworth Correctional Centre	160	6	10	10	26	12	7.5%	0.6%
Langi Kal Kal Prison	219	7	12	7	23	50	22.8%	2.4%
Judy Lazarus Transition Centre	25	4	0	3	0	6	24.0%	0.3%
Female Prisons								
Dame Phyllis Frost Centre - maximum security	344	55	85	180	247	185	53.8%	8.8%
Tarngower Prison - minimum security	72	6	11	18	18	9	12.5%	0.4%
Other								
Prison not identified	n/a	20	7	6	17	4	n/a	0.2%
Total	5,556	1,614	1,728	2,000	2,411	2,113	38%	100%

Chart 8.1: Number of complaints closed – male maximum security prisons

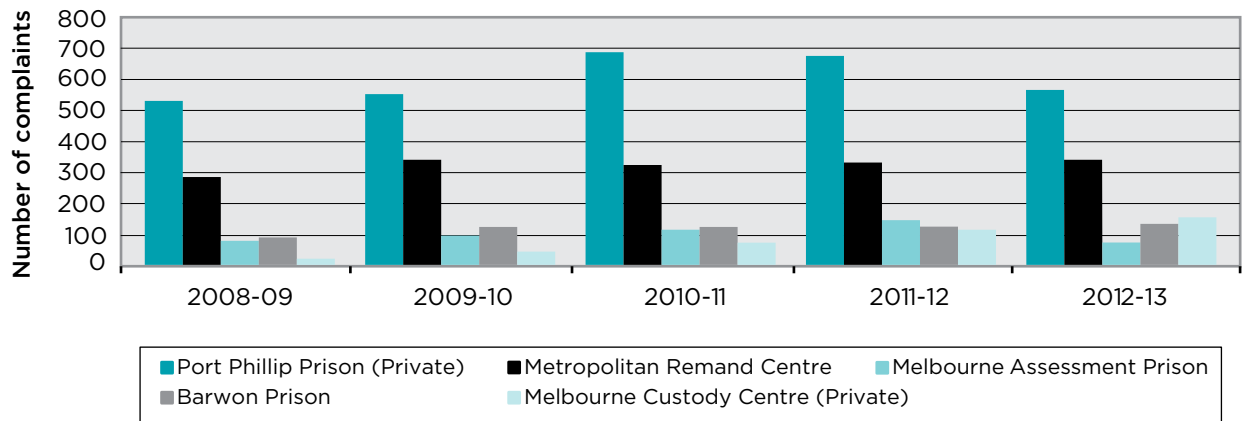


Chart 8.2: Number of complaints closed – male medium security prisons

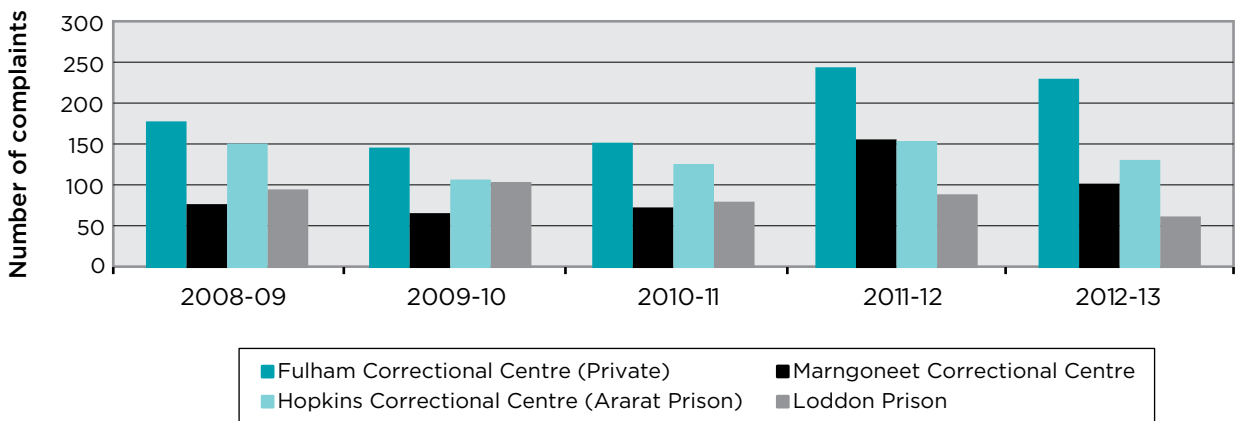


Chart 8.3: Number of complaints closed – male minimum security prisons

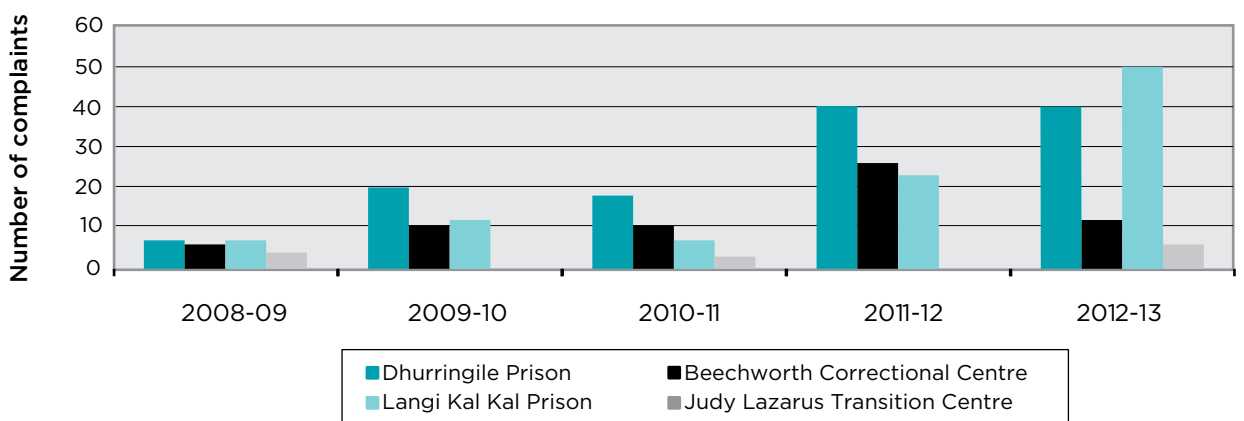
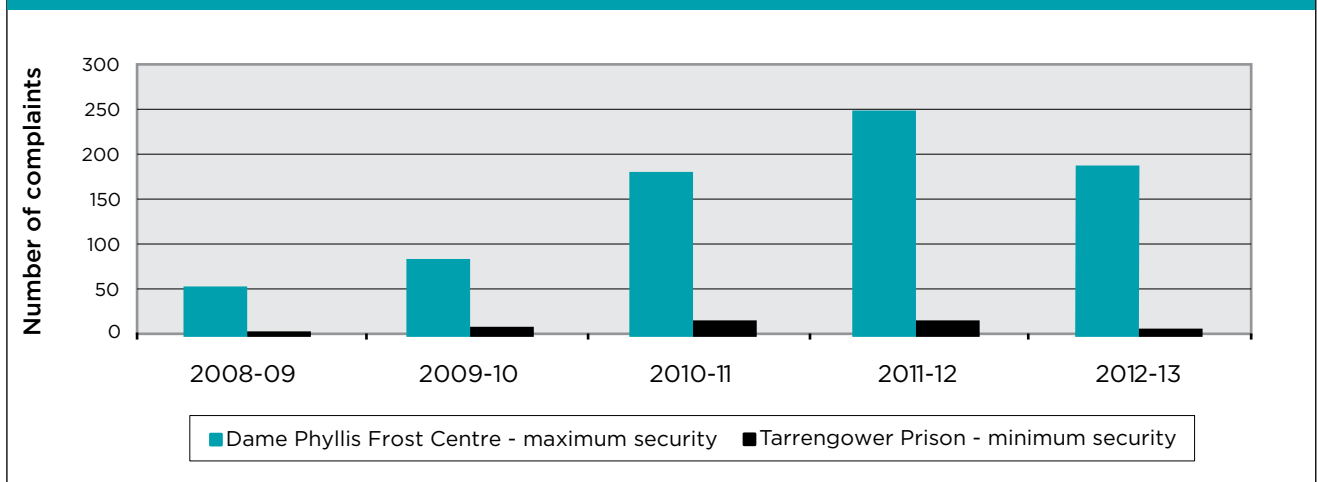


Chart 8.4: Number of complaints closed – female prisons



Jurisdictional complaints – by local government matter

In 2012-13 my office closed a total of 3,561 complaints (3,441 in 2011-12) against local government in Victoria. Seventy-eight of the 79 councils in Victoria¹⁸ were subject to at least one complaint during the reporting period, but the rate of complaints varied markedly across local government areas (LGA).

Tables 9 and 10 set out the ten most and least complained about councils, respectively, when measured as number of complaints received per 1,000 population¹⁹ in the relevant local government areas.

Table 9: Ten most complained about councils

Local government area	2012-13 complaints	Estimated June 2012 population	Complaints per 1,000 population
Pyrenees (S)	18	6,721	2.68
Hepburn (S)	35	14,620	2.39
Mount Alexander (S)	33	17,791	1.85
Queenscliffe (B)	5	3,091	1.62
Melbourne (C)	138	105,706	1.31
Maribyrnong (C)	98	76,703	1.28
Northern Grampians (S)	15	11,851	1.27
Mansfield (S)	10	8,154	1.23
Bass Coast (S)	36	30,367	1.19
Mitchell (S)	41	36,215	1.13

¹⁸ No complaints were lodged against the West Wimmera Shire Council.

¹⁹ Population data sourced from Australian Bureau of Statistics *Regional Population Growth* publication (catalogue no 3218.0), released 30 April 2013.

Local government area	2012-13 complaints	Estimated June 2012 population	Complaints per 1,000 population
Knox (C)	58	154,055	0.38
Mildura (RC)	19	52,209	0.36
Manningham (C)	42	117,184	0.36
Maroondah (C)	38	107,879	0.35
Buloke (S)	2	6,358	0.31
Corangamite (S)	5	16,358	0.31
Benalla (RC)	4	13,659	0.29
Monash (C)	51	180,302	0.28
Horsham (RC)	4	19,667	0.20
West Wimmera (S)	0	4,217	0.00

Across all 79 councils in Victoria, the median rate of complaints was 0.60 (0.62 in 2011-12) per 1,000 population. The most complained about council on this measure received four times as many complaints as the median council. On the other hand, the least complained about council (setting aside West Wimmera which was the subject of no complaints) received only one third as many complaints as the median council. Measured on a per 1,000 population basis, the most complained about council received 13 times the number of complaints than the least complained about council (again setting aside West Wimmera).

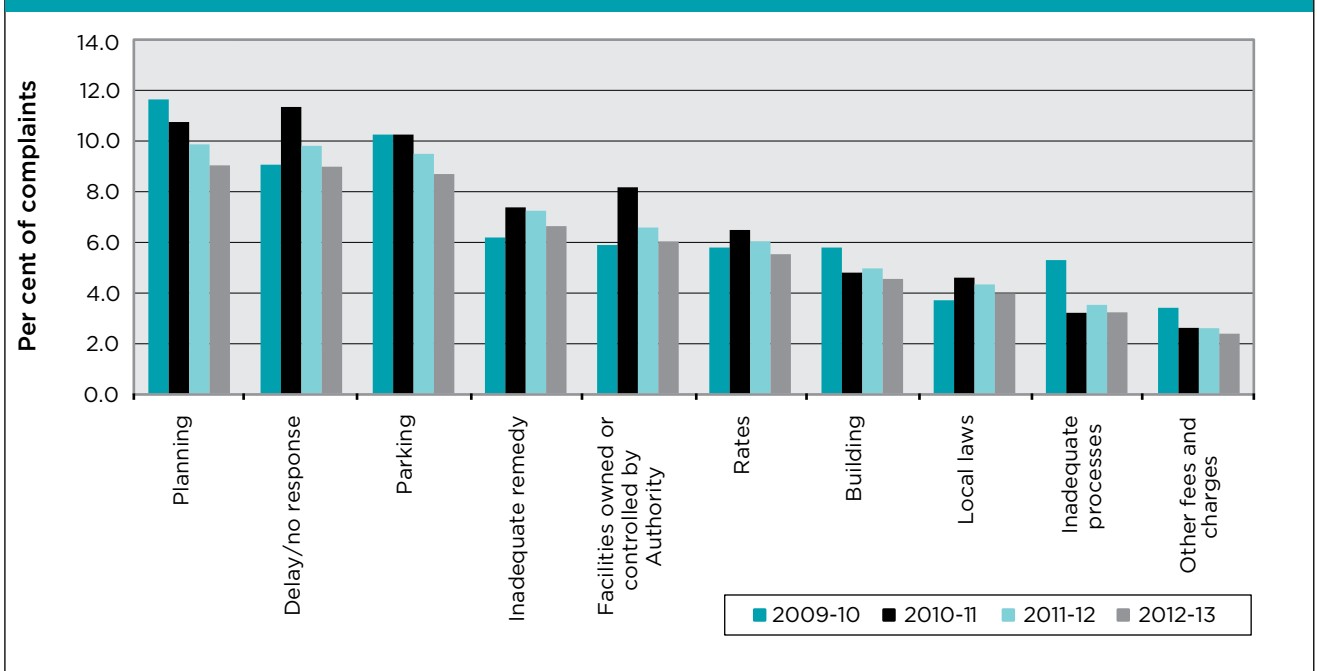
Although these complaint rates can be useful when assessed in the context of other data, their significance needs to be carefully considered when used in isolation. For example, the rates of complaints received for the smaller population councils are far more volatile than those with higher populations. This is evident when comparing the most and least complained about councils in 2012-13 with those in 2011-12. Four of the councils in the top 10 in 2011-12 were also in that bracket in 2012-13, but only two in the bottom 10 in 2011-12 were also in the bottom bracket in 2012-13. Queenscliffe Borough, with a population of only about 3,000, was the fourth most complained about council in 2012-13 (with five complaints), but the seventh least complained about council in 2011-12 (one complaint).

Broadly categorised, the 10 most common reasons for complaints involving local government over the period 2009-10 to 2012-13 are shown in table 11 and chart 11. The three most common reasons over that period related to planning, delays or no response from the relevant authority, and matters to do with parking. All of the ten most complained about matters declined over the reporting period when measured as a percentage of all local government complaints.

Table 11: Common reasons for complaint involving local government

Reason	Per cent of total			
	2009-10	2010-11	2011-12	2012-13
Planning	11.7	10.8	9.9	9.1
Delay/no response	9.1	11.4	9.9	9.0
Parking	10.3	10.3	9.5	8.7
Inadequate remedy	6.2	7.4	7.3	6.7
Facilities owned or controlled by Authority	5.9	8.2	6.6	6.0
Rates	5.8	6.5	6.0	5.5
Building	5.8	4.8	5.0	4.6
Local laws	3.7	4.6	4.3	4.0
Inadequate processes	5.3	3.2	3.5	3.2
Other fees and charges	3.4	2.6	2.6	2.4

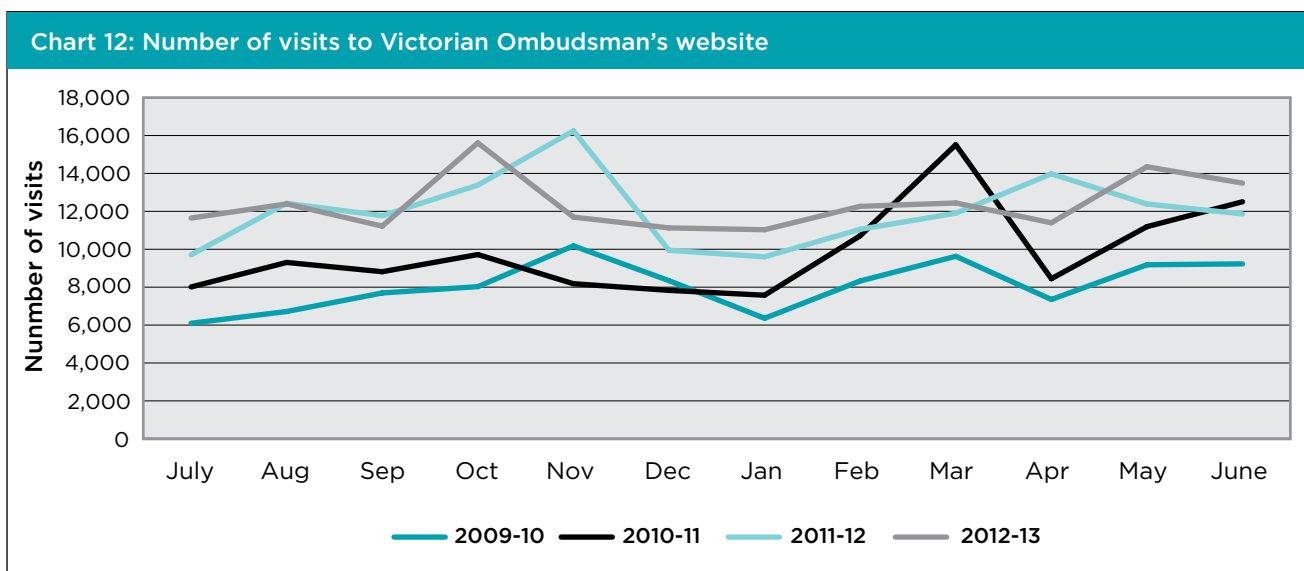
Chart 11: Common reasons of complaint involving local government



Victorian Ombudsman website

In 2012-13 there were more than 148,000 visits to my website at <www.ombudsman.vic.gov.au>. This is an average of 407 for every day of the year. It is three per cent higher than the nearly 144,000 visits received in 2011-12 and 53 per cent more than the visits in 2009-10. Details are in table 12 and chart 12.

	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
2009-10	6,095	6,715	7,693	8,027	10,178	8,343	6,358	8,327	9,628	7,350	9,181	9,228
2010-11	8,010	9,304	8,815	9,720	8,182	7,830	7,575	10,712	15,511	8,447	11,191	12,506
2011-12	9,707	12,423	11,772	13,384	16,244	9,947	9,601	11,054	11,901	13,977	12,386	11,864
2012-13	11,645	12,393	11,219	15,611	11,696	11,126	11,030	12,265	12,441	11,397	14,352	13,489



The website is becoming an increasingly important source of information about my office and provides a convenient and very effective means of accessing my services, particularly for those in regional and remote Victorian communities. It allows members of the public to lodge a complaint at any time of day, to access my reports, publications and written advice about my jurisdiction, and assists persons in directing their concerns to other agencies where I do not have jurisdiction.

The redeveloped website will be operational early in 2013-14. It will further enhance the services available online and relieve some of the workload pressures on my staff.

Statutory disclosures

Output statement
Organisation and staffing
Human resource management
Corporate management and governance
Audit and risk management committee – statement on risk management
Gifts, benefits and hospitality
Compliance with the *Building Act 1993*
Insurance attestation
Procurement
Office-based environmental impacts
The *Victorian Industry Participation Policy Act 2003*
Consultancies
Declarations of private interests
Freedom of Information
Protected Disclosure Act 2012

Output statement

Under the *Financial Management Act 1994*, I am required to report against the output statement for Ombudsman Services which is published in the budget papers for each financial year. The published output statement for 2012-13, setting out the outputs and targets for that year, is shown below. The table now also includes the actual outcomes for 2012-13.

Table 13: Output statement for 2012-13			
Output	Unit of measure	2012-13 target	2012-13 actual
Quantity measures			
Initiatives delivered under the Outreach program	number	115	113
Internal reviews of complaint investigations conducted at the request of the complainant	number	70	28
Jurisdictional complaints finalised, including general, Freedom of Information and Whistleblower complaints	number	14,000	14,154
Reports tabled in Parliament	number	10	9
Quality measures			
Proportion of complaint investigations reviewed at the request of complainants (by a fresh, senior investigator) where the original findings were found to be sound and well founded	per cent	80	93
Recommendations made in jurisdictional complaint investigations that are accepted by respondent agencies	per cent	80	99
Recommendations made in reports tabled in Parliament which respondent agencies agree to implement	per cent	90	88
Timeliness measures			
Complaints resolved within required timelines	per cent	95	95

A brief commentary of the measures and the outcomes is provided below to assist with their interpretation.

Quantity Measures

- First Measure – Outreach initiatives*

Outreach activities by my office, both to public sector agencies and to the community, are important. They are an effective means of ensuring that the services of my office are equally available to all Victorians, wherever they live, and are a useful input for public sector agencies when they design and develop their own in-house complaint management systems. Substantially meeting the target outcome in this measure in 2012-13 is therefore a pleasing result.
- Second Measure – Internal reviews of complaints investigated*

The case management arrangements I have put in place and continue to develop in my office are designed to facilitate the investigation and finalisation of complaints thoroughly, expeditiously and accurately. I therefore take requests for reviews of complaint outcomes seriously and ensure that they are addressed promptly at a senior level.

Of the 14,154 cases finalised in 2012-13, the outcomes of 28 (26 in 2011-12) were thoroughly reviewed following requests from complainants for a review of the handling of their complaints by my office. This is less than 0.2 per cent of all jurisdictional complaints closed and fewer than the 70 estimated.

- *Third Measure – Jurisdictional complaints finalised*

The end of year outcome for this measure is one per cent above the projected number of 14,000 cases. In this measure the cumulative increase since 2008-09 is over 35 per cent.

- *Fourth Measure – Reports tabled in Parliament*

The number of Parliamentary reports is contingent on issues and circumstances as they arise during a given year, some of which cannot be predicted. Nevertheless, the number of reports tabled in 2012-13 was close to the number projected.

Quality Measures

- *First Measure – Reviewed investigations found to be sound*

This measure reports the outcome of ‘arms length’ internal reviews of investigations following concerns raised by complainants about the handling of their complaints. It shows that, of the 28 complaint cases reviewed (see second quantity measure), the original findings in 26 (that is, 93 per cent) were found to be sound and well founded. In only two of the reviewed cases was the initial finding amended (that is, less than 0.02 per cent of all cases closed).

These numbers reflect the thoroughness with which my office conducts its investigations.

- *Second Measure – Complaint investigation recommendations that are accepted by respondent agencies*

The measure relates only to jurisdictional complaints which were found to be substantiated; that is, those where maladministration was identified and I wrote to the respondent agency seeking changes in the associated administrative processes. Almost all of my recommendations made to agencies in these circumstances were accepted.

My office puts much effort into ensuring that its complaint investigations are thorough and fair. This includes ensuring that recommendations are well founded, reasonable, practical and achievable.

Many complaints may not be formally substantiated but nevertheless achieve effective outcomes for complainants. For example, issues may be clarified for the complainant or misunderstandings between the parties resolved.

- *Third Measure – Tabled report recommendations that are accepted*

The outcome in this measure is a conservative count. It is based on explicit statements from respondent agencies during the ‘due diligence’ process of preparing parliamentary reports that recommendations have been accepted. It does not include cases where agencies ‘agree to consider’ recommendations or where no explicit acceptance of the recommendations is made. Some recommendations await the Government’s response.

Timeliness Measure

The impact and effectiveness of my office on improving service delivery by public sector agencies is maximised if investigations into complaints are completed within tightly drawn timelines.

In order to cope with increases in workload over the years, my office has implemented a number of measures to increase productivity which I have discussed in detail in previous annual reports. One significant measure was the introduction of a new case management system in July 2007, which continues to be enhanced. This has enabled cases to be evaluated, tracked, monitored and managed more efficiently than previously and has helped my office maintain this measure above its target.

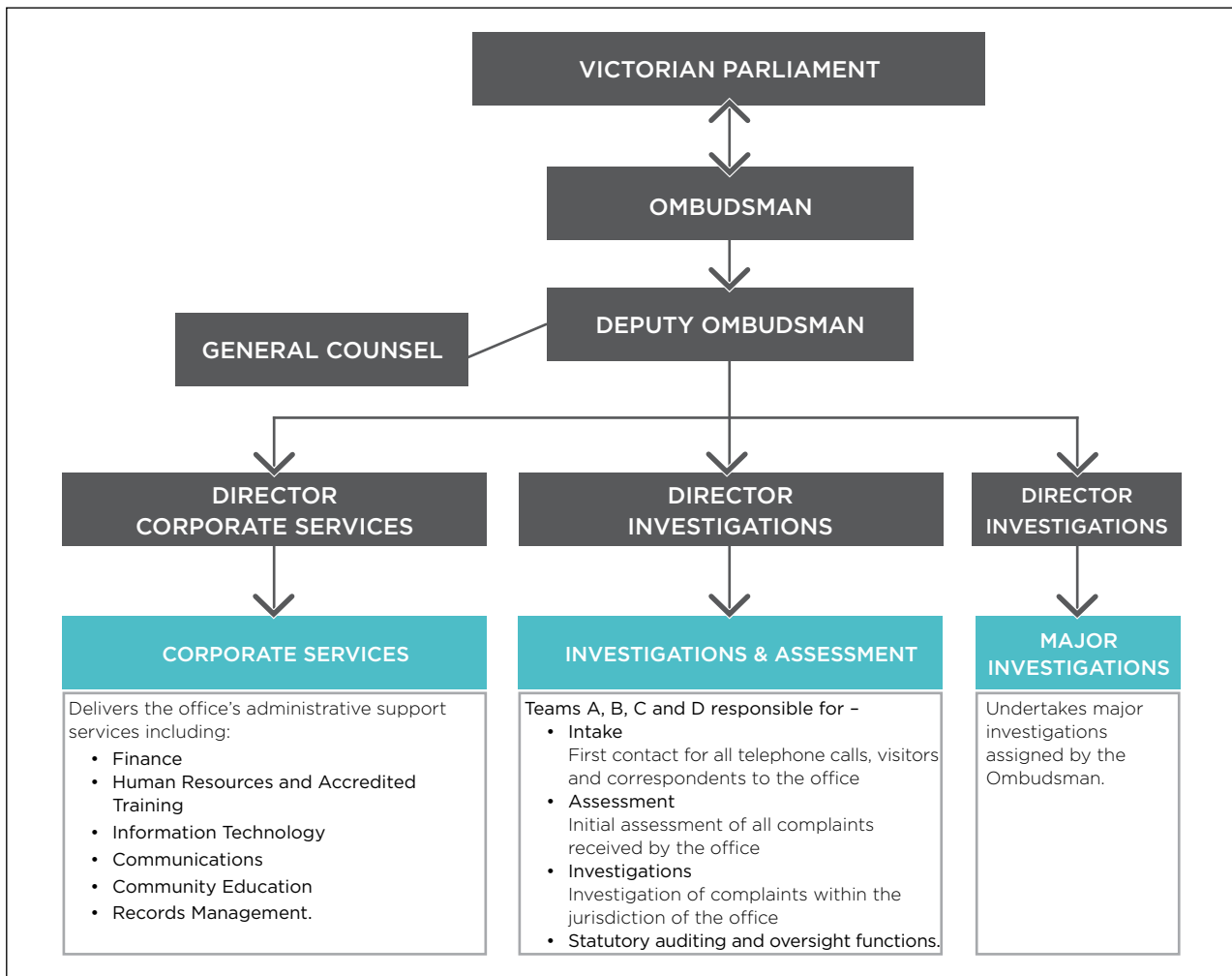
Significant efficiency measures in 2012-13 included the introduction of further technology support for my officers, including the completion of the intranet site for the office and the redevelopment of the internet web page.

General Comment on Measures

I should take this opportunity to repeat a general comment I made in my 2011-12 report about the *Ombudsman Services* output statement. The format of the statements published in the budget papers are standardised across public sector entities, including the use of 'targets'. I understand the need for such standardisation and recognise that there are significant benefits which allow some degree of performance assessment across agencies, and, longitudinally within agencies. Nevertheless, there are some shortcomings. For example, some of the targets nominated in the output statement as 'targets' are not targets at all, in the sense that the office does not aim to meet the specified number. Rather, they are 'outcomes' some of which we may reasonably be able to predict (for example, the number of complaints received) and some not (for example, the number of parliamentary reports tabled).

Organisation and staffing

Organisational structure at 30 June 2013



Staffing trends

As Ombudsman, I am an independent officer of the Parliament appointed under the provisions of the *Ombudsman Act 1973*. All employees of my office are employed by me under the *Public Administration Act 2004*.

Table 14 shows staff numbers employed under the Public Administration Act at 30 June over each of the past eight years. Table 15 is an overview of the staff profile as at 30 June 2013.

2006	2007	2008	2009	2010	2011	2012	2012
47	42	52	52	59	65	63	63

* These figures relate to staff on the last payroll in the year indicated. They may include staff members on long term maternity or other paid leave and members on long term secondment to other agencies. The figures do not include casual staff.

Table 15: Overview of staff profile at 30 June 2013**				
	Male	Change from 2012	Female	Change from 2012
Executive and Investigations				
Deputy Ombudsman	1	0	0	0
General Counsel	1	0	0	0
Assistant Ombudsman	0	0	0	0
Executive Assistants	0	0	1	0
Investigation Officers	12	0	40	0
Corporate Services				
Communications/Training	1	0	2	-1
Business Services	2	-1	2	+1
Human Resources	0	-1	2	+1
Information Systems	5	+2	1	0
Records Management	2	0	2	0
TOTAL**	24	0	50	+1

**The numbers shown here are headcounts. They include 11 casual staff.

Twenty-five per cent of all staff was designated as corporate services staff as at 30 June 2013. This has been necessary to help manage the transition to the new Victorian integrity regime introduced during the reporting period, as well as staff engaged to assist develop important IT projects, particularly a new intranet site which was rolled out in March 2013, and an internet site which will be rolled out early in 2013-14. These projects will help ensure that the drive for efficiency gains can continue in 2013-14 and beyond.

To enable the envisaged trend down in corporate services staff in 2013-14, several of the staff in the reporting period were engaged either on fixed term or casual contracts, or were temporarily acting in corporate services during the period of transition.

Tables 16.1 and 16.2 relate to all employees on the payroll and who were in receipt of payment for the last pay in 2012-13. It excludes those with an FTE of zero or on leave without pay. It does not include agency staff, contractors or consultants.

Table 16.1: Staff profile by age, gender and employment status as at 30 June 2013

Ongoing		Fixed Term		Casual		Total	
Number (headcount)	FTE	Number (headcount)	FTE	Number (headcount)	FTE	Number (headcount)	FTE
49	47.40	14	13.70	11	5.75	74	66.85

Table 16.2: Staff profile by age, gender and employment status as at 30 June 2013

	June 2012			June 2013		
	Ongoing Employees		Fixed Term and casual	Ongoing Employees		Fixed Term and casual
	Number (headcount)	FTE	FTE	Number (headcount)	FTE	FTE
Gender						
Male	19	18.56	3.75	17	17.00	7.27
Female	38	36.58	6.02	32	30.40	12.18
Total	57	55.14	9.77	49	47.40	19.45
Age						
Under 25	6	6.00	2.85	8	8.00	2.64
25-34	24	22.60	2.20	16	15.00	6.88
35-44	13	12.56	1.00	12	11.40	5.00
45-54	8	8.00	1.00	9	9.00	0.96
55-64	5	4.98	0.68	3	3.00	1.00
Over 64	1	1.00	2.04	1	1.00	2.97
Total	57	55.14	9.77	49	47.4	19.45
Classification						
VPS G1	0	0.00	0.00	0	0.00	0.00
VPS G2	4	3.60	3.05	4	4.00	4.72
VPS G3	16	15.98	0.00	14	13.80	4.80
VPS G4	13	12.36	1.00	12	11.40	0.96
VPS G5	17	16.20	2.97	14	13.20	5.00
VPS G6	5	5.00	2.61	4	4.00	1.97
Senior specialist	0	0.00	0.00	1	1.00	0.00
Executives (E02) ²⁰	2	2.00	0.00	0	0.00	2.00
Other	0	0.00	0.14	0	0.00	0.00
Total	57	55.14	9.77	49	47.4	19.45

²⁰ The current contracts engaging VO's two (male) Executive Officers expire within 12 months of June 2013. Those positions are therefore classified as 'fixed term' in 2013 but were classified as 'ongoing' in 2012.

There are some notable trends in VO's staff establishment since I took office. In particular:

- VO is engaging more women. Female staff as a percentage of total staff has risen from 54 per cent in 2006 to 64 per cent in 2013.
- VO is engaging younger staff. The percentage of employees under the age of 45 has risen from 56 per cent in 2006 to 73 per cent in 2013.
- VO is engaging staff at more senior levels. The number of employees classified at or below VPS Grade 4 declined from 72 per cent of VPS classified staff in 2006 to 61 per cent in 2013. This increase is wholly accounted for by an increase in VPS Grade 5 staff, which increased from 11 per cent in 2006 to 28 per cent in 2013.

These trends are depicted in charts 17.1, 17.2, 17.3 and 17.4.

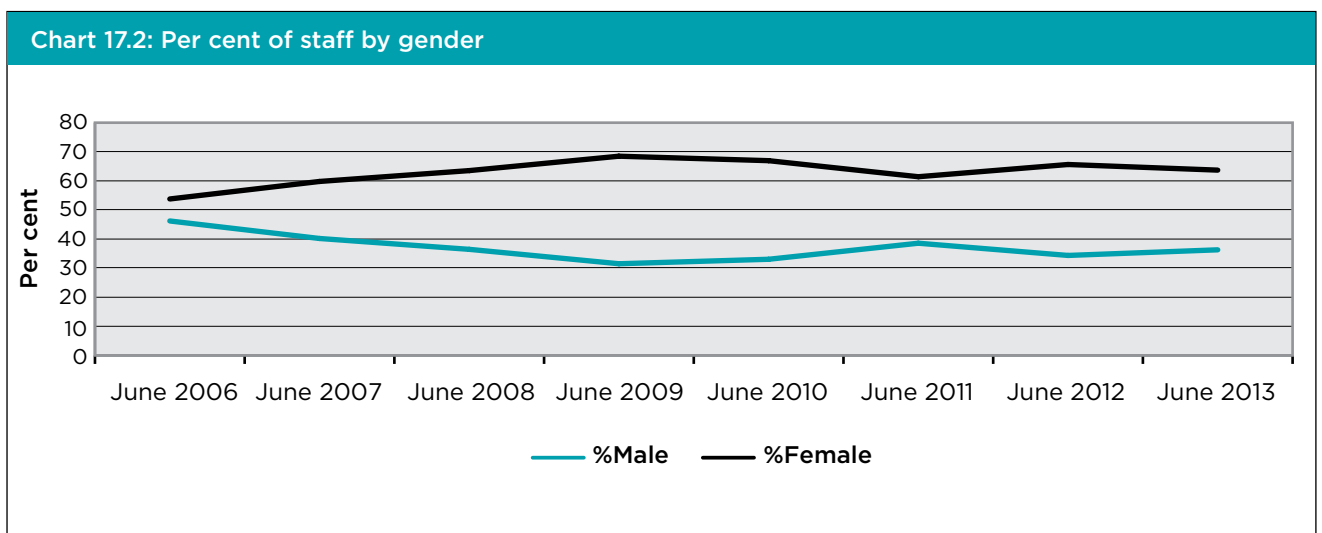
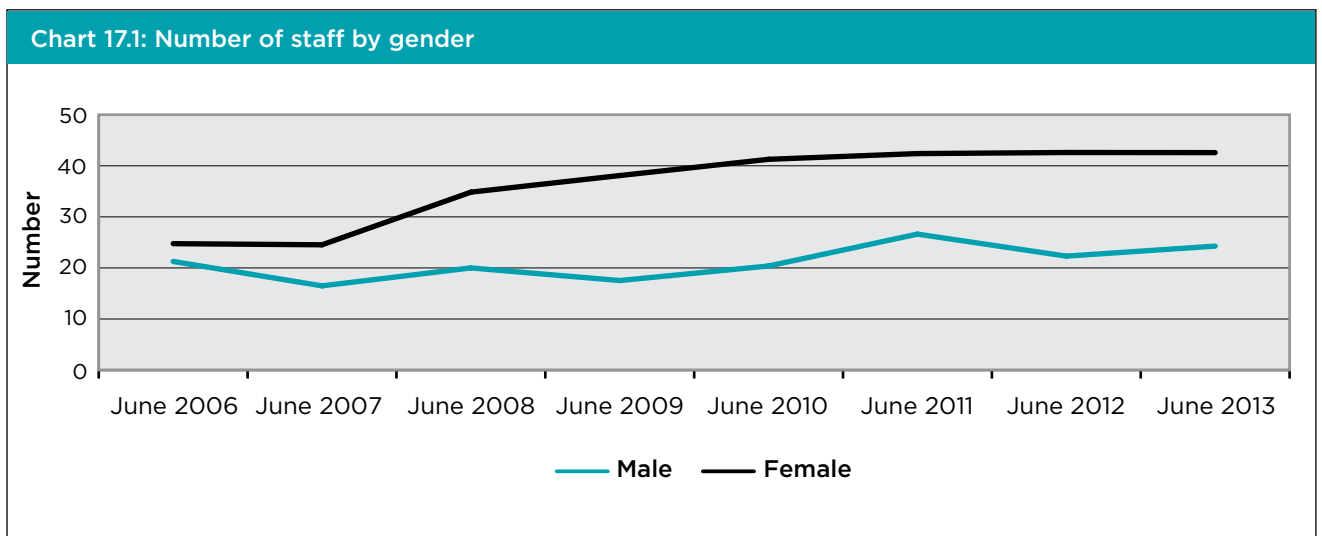


Chart 17.3: Number of staff under 45

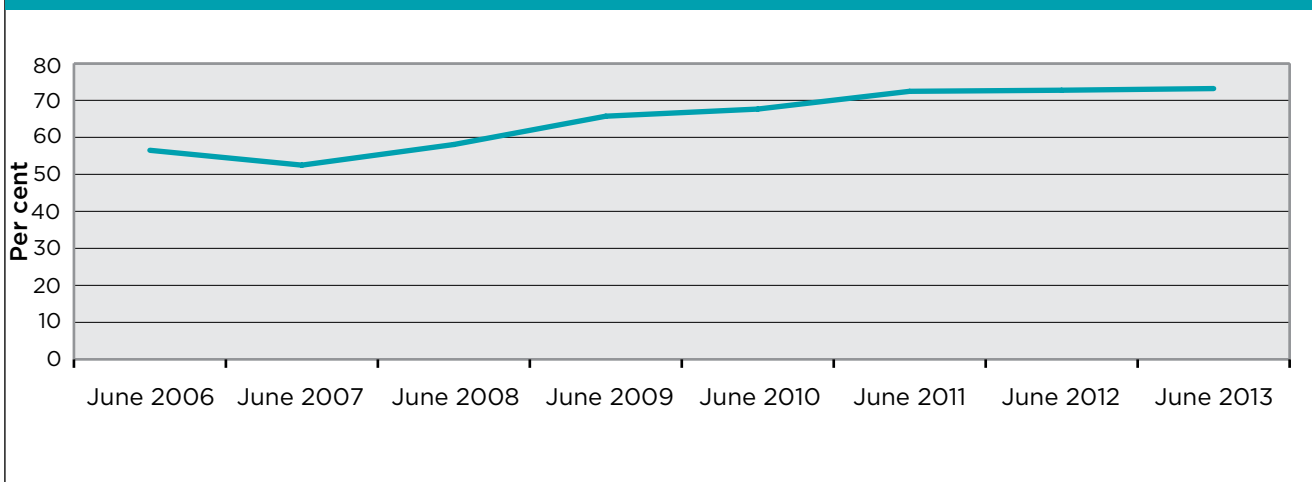
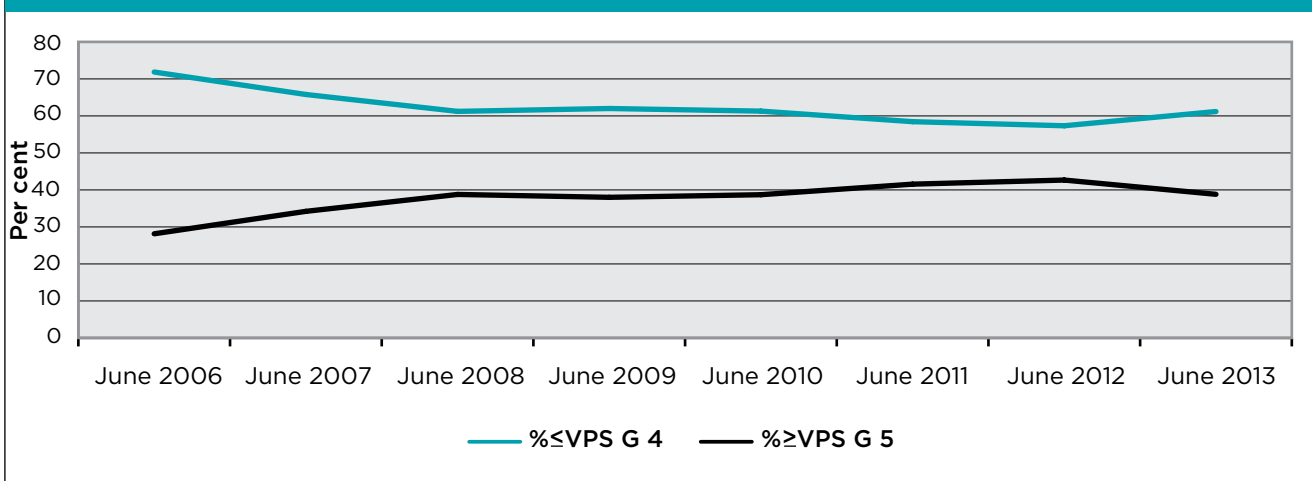


Chart 17.4: VPS staff by classification



I should note that the increase in the seniority of my staff has been modest and wholly justified. Indeed, the Third Horizon review, which I discussed in the introduction to this report, found a 'mismatch between the skills required and the actual grading for each staff across the Ombudsman's office'. This was also found in an informal review of my office by a senior officer from the NSW Ombudsman's office in July 2011²¹, which concluded that VPS 2 and VPS 3 enquiry officers – who handle approaches on the frontline – are lowly graded having regard to the skills required in, and the responsibilities of, these roles.

The Third Horizon review compared the more senior VPS classifications within VO with similar roles in comparable fellow integrity agencies – particularly at the Victorian Auditor General's Office – and found that they, too, were typically lower than might be expected. In other words, VO has been getting good value from its staff across all classifications. Given that I now have more certainty about the budget resources available to me in 2013-14²², I propose to review the classification of my staff early in that period.

21 Productive liaisons have been established with my counterparts in other Australian jurisdictions and in New Zealand. The review of my office by the senior officer from the NSW Ombudsman in 2011 was an opportunity for the operations of my office to be objectively assessed by an interstate colleague. One of my senior staff subsequently visited the NSW Ombudsman office to reciprocate the service.

22 See budget discussion in the Introduction section of this report.

Human resource management

Public sector values and employment principles

My office embraces the public sector employment principles established under Part 2 of the *Public Administration Act 2004*. The principles aim to ensure that employment decisions are based on merit; that employees are treated fairly and reasonably; that equal employment opportunity is provided; that human rights as set out in the *Charter of Human Rights and Responsibilities Act 2006* are upheld; that employees have a reasonable avenue of redress against unfair or unreasonable treatment; and that a career public service is fostered.

I also require that my employees comply with the public sector values established under the Act. The values provide that public officials demonstrate responsiveness, integrity, impartiality, accountability, respect, leadership, and that they respect and promote human rights.

Occupational health and safety

Under section 25 of the *Occupational Health and Safety Act 2004* employees must take reasonable care for their own health and safety and that of others and cooperate with their employer in the workplace.

My office continues its commitment to the health, safety and welfare of staff and others in the workplace. The QUIT smoking program, eye tests, subsidised spectacles, on-site influenza inoculations, on-site health checks, ergonomic assessments and confidential counselling with external professionals all remain available to staff. Proactive stress management and psychological and physical well-being programs were also available to staff during lunch breaks over the reporting period.

The Victorian Ombudsman's Occupational Health and Safety Committee, established under the provisions of the Occupational Health and Safety Act, makes recommendations to me about all matters to do with health, safety and welfare of employees and other persons at work.

Table 18 following sets out the performance of my office against some important OHS measures.

Table 18: Performance against OHS management measures			
Measure	Key Performance Indicator	2011-12	2012-13
Incidents	No. of reported incidents	2	4
Claims	No. of standard claims ⁽¹⁾	1	0
	No. of lost time claims ⁽²⁾	0	0
	No. of claims exceeding 13 weeks ⁽³⁾	0	0
Fatalities	Fatality claims ⁽ⁱⁱ⁾	0	0
Claim costs	Average cost per standard claim ⁽ⁱ⁾	0	0
Return to work	Percentage of claims with RTW plan <30 days	N/A	N/A
Management commitment	Evidence of OHS policy statement, OHS objectives, regular reporting to senior management of OHS, and OHS plans	Completed	Completed
Consultation and participation	Evidence of agreed structure of designated workgroups (DWGs), health and safety representatives (HSRs), and issue resolution procedures (IRPs)	Completed	Completed
	Compliance with agreed structure on DWGs, HSRs, and IRPs	Completed	Completed
Risk management	Percentage of internal audits/inspections conducted as planned	100%	100%
	Percentage of issues resolved arising from:		
	- internal audits and inspections	100%	100%
	- HSR Provisional Improvement Notices (PINs)	-	-
- WorkSafe Notices	-	-	
Training	Percentage of staff that have received OHS training:		
	- induction	100%	100%
	- contractors and temporary staff	100%	100%
	Percentage of health and safety representatives trained:		
	- on acceptance of role	100%	100%
	- on reporting of incidents and injuries	100%	100%

(1) Data for standard claims, time lost claims and fatality claims is at 30 June for the year shown. Standard claims are those that have exceeded the employer excess (for medical and like expenses) threshold and/or liability of 10 working days of time lost.

(2) A time lost claim is one with one or more days compensated by the employer's WorkSafe Insurer (after employer excess).

(3) Data based on claims reported in period 1 July to 30 June for the years shown. Total incurred costs of standard claims includes payments to date plus an estimate of outstanding claims costs as determined by the employer's WorkSafe Insurer.

People Matter Survey

The State Services Authority (SSA) organises an annual survey of employees of public sector agencies. The survey aims to measure employees' views of the values and principles underpinning their organisation's culture and operations. It provides participating organisations with valuable information about employee perceptions of leadership and wellbeing, their job satisfaction, and opportunities for engagement in their workplace. The survey is therefore a useful tool in building positive and ethical workplaces to achieve service excellence.

The results of the 2012-13 survey showed that 82 per cent of my staff reported overall satisfaction with their job. Job satisfaction is strongly and positively correlated with an organisation's performance, so this overall result is particularly pleasing.

This positive correlation is shown by employees' assessment of the operations of my office. For example,

- ninety-five percent of my staff believe that the office provides the best standards of service and advice, earns public trust and upholds human rights
- ninety-seven percent of staff believe that the office acts objectively in the course of its operations
- ninety-five per cent of staff believe that the office complies with the merit principle of employment: that is, that the office chooses the right people for the right reasons.

These are good results. But there is, of course, room for improvement. For example, eighty-eight per cent of staff believed that my office provided equal employment opportunity. Objectively this is a robust result, but it is the only measure on which my office scored lower than the average of the 'comparator group'²³. I have asked my office to investigate possible reasons for this.

Disability Action Plan

Under section 38 of the *Victorian Disability Act 2006* my office is required to prepare a Disability Action Plan and report on the implementation of the plan in my annual report.

In May 2013, my office prepared a new three year *Ombudsman Disability Action Plan 2013-15*. The plan promotes inclusion and participation in the community of persons with a disability and pursues changes in practices which discriminate against persons with disabilities in Victoria.

²³ VO's 2012-13 survey results were compared by the SSA with results from a 'comparator group' consisting of fourteen separate state entities. The group was selected by the SSA based on a number of factors including, type of service delivery by the entity and its size. This same result holds when VO is assessed against all entities participating in the survey, which was based on 34,829 returned survey questionnaires.

Corporate management and governance

Audit and Risk Management Committee

The Victorian Ombudsman's Audit and Risk Management Committee met on three occasions during the reporting period. During the period the committee consisted of the following members:

Table 19: Audit and Risk Management Committee	
Mr Trevor Wood ²⁴ Former Assistant Auditor-General Victorian Auditor-General's Office	Appointed as independent member November 2008 Appointed chair December 2011
Mr Adam Awty Chief Operating Officer – Commercial, CFO and Company Secretary CPA Australia	Independent member Appointed November 2011
Mr Stephen Mumford ²⁵ Director, Corporate Services, Ombudsman Victoria	Ex-officio representative
Mr Glenn Sullivan ²⁶ Director of Investigations, Ombudsman Victoria	Ex-officio representative

The role of the Audit and Risk Management Committee is to review and advise VO's executive about all matters of financial accountability, internal financial control and risk management. These include:

- financial performance
- financial reporting
- scope of work, performance and independence of VO's internal audit function
- scope of work of VO's external auditor
- development, implementation and operation of VO's risk management framework
- accountability and internal control affecting the financial operations of VO
- effectiveness of VO's management information systems and other systems of internal financial control
- acceptability, disclosure and correct accounting treatment of any significant transactions which are not part of VO's normal course of business.

²⁴ Mr Wood died in April 2013. His death meant that the Committee was not able to meet as scheduled for its fourth meeting of the reporting period. A new independent member will be appointed in 2013-14.

²⁵ Mr Mumford was appointed Director, Corporate Services in June 2012, following the resignation of Ms Callander.

²⁶ Under the terms of my Charter for the Audit Committee, the second ex-officio Committee representative rotates through the positions of Director of Investigations. Mr Sullivan was appointed under this provision from the first meeting of the Committee in 2010-11.

Audit and risk management committee – statement on risk management

With the assistance of the Victorian Managed Insurance Authority (VMIA)²⁷, my office comprehensively reviewed and updated its risk management strategies and risk management plans during the reporting period, consistent with the Australian/New Zealand Risk Management Standard – AS/NZS ISO 31000:2009. The strategies, plans and associated control systems provide for risks to be identified, managed, monitored and reported to the senior executive group and to the Audit and Risk Management Committee. My office also has in place a business continuity plan which, to the extent that the Information Technology (IT) services are within the control of my staff, will ensure that VO's business functions are able to continue in the event of outages of critical systems or facilities.

The Audit and Risk Management Committee has verified this assurance and has confirmed that the risk profile of my office has been critically reviewed within the past 12 months.

I should note here that crucial IT services on which my office relies are not within the control of my staff. In particular, the hosting of all VO's information services, including the intranet and internet, as well as the office's case management and records management systems is supplied by CenITex, the government's ICT infrastructure and desktop services provider. I noted in my 2012 report that I was not assured that CenITex has disaster recovery controls in place to effectively guard against the impact of outages of these critical systems. Unfortunately this is still the case.

The Third Horizon review²⁸ also expressed concerns about the vulnerability of VO with respect to the CenITex services. In particular, the report found that the hosting of the Ombudsman's data by CenITex appeared to be a significant risk to the integrity of the Ombudsman's investigations and to public confidence in the Victorian integrity system generally. Third Horizon cited a recent investigation into CenITex by my office which established serious improper conduct. Throughout the investigation CenITex had custody of the data collected by investigators, including details identifying whistleblowers, witness details, transcripts of interviews, commercial-in-confidence contracts and confidential draft reports.

Third Horizon noted that the IT arrangements for the Ombudsman are not comparable to those in place for other constitutional officers of Parliament or the other integrity bodies. It noted that neither the Victorian Auditor General's Office (VAGO) nor the Independent Broad-based Anti-corruption Commission (IBAC) use CenITex, but rather have independent IT infrastructure.

The report highlighted that any risk associated with the Victorian Ombudsman's data security implies a risk for the greater integrity system because the *Ombudsman Act 1973* provides for consultation, information sharing and transfer of cases to and from IBAC.

These vulnerabilities to my IT system, and consequently to other aspects of Victoria's integrity system, are not tolerable. I will be looking at options to address the risks during 2013-14, which include bringing the service in-house or having it delivered by an independent third party. I will be seeking funding from the government in 2013-14 for this purpose.

²⁷ VMIA is a Victorian statutory authority, established under the *Victorian Managed Insurance Authority Act 1996*. It provides insurance products and risk management services to Victorian government departments, statutory authorities and agencies.

²⁸ Discussed in the introduction to this report.

Gifts, benefits and hospitality

My office has gifts, benefits and hospitality policies and procedures in place. They are consistent with the minimum requirements and accountabilities outlined in the *Gifts, Benefits and Hospitality Policy Framework for the Victorian Public Sector* issued by the Public Sector Standards Commissioner.

The policies and procedures are reviewed at least annually and provided to my Audit and Risk Management Committee, together with the register of any gifts offered to or received by me and my staff during each reporting period.

Compliance with the *Building Act 1993*

The Victorian Ombudsman does not own or control any government buildings and consequently is exempt from notifying its compliance with the building and maintenance provisions of the *Building Act 1993*.

Insurance attestation

Under the Standing Directions of the Minister for Finance VO is required to insure with the Victorian Managed Insurance Authority (VMIA) and, in consultation with the Authority, annually assess the appropriate level of insurance for the office.

In 2012-13 and previous years VO's insurance cover was incorporated into the cover that the Department of Premier and Cabinet arranged with the VMIA. From 2013-14 my office will arrange its own cover with the VMIA. This will assist with the management of the cover and my annual insurance attestation, as required under the Minister's Standing Directions.

Procurement

I have adopted a procurement governance framework to ensure that VO operates an efficient and effective procurement function. The framework is consistent with the governance policy issued by the Victorian Government Purchasing Board.

Under the framework I am required to develop a procurement complaints management system and to disclose in my annual report the following information about each complaint received:

- the procurement activity to which the complaint relates; and
- the status of the complaint, confirming whether it
 - was resolved
 - is still under investigation; or
 - could not be resolved.

My office received no complaints about its procurement activities during 2012-13.

Office-based environmental impacts

My office continues to monitor its impact on the environment. As I have reported in past annual reports, it has had some success since 2006-07.

The office's environmental impact in its use of electrical power, paper and office vehicles is detailed below.

Electrical Power

My office has maintained its efficiency in the use of electrical power since 2008-09, when the office implemented a number of efficiency measures which have been noted in previous reports. In 2012-13 power use was 15 per cent lower than in 2008-09 when measured on a per FTE staff member basis. Emissions of greenhouse gas per FTE staff member reduced by 22 per cent since that time due to meeting some of our power needs from government accredited green power sources.

Table 20 and charts 20.1, 20.2 and 20.3 set out the relevant details.

Table 20: Electricity usage since 2008-09					
	2008-09	2009-10	2010-11	2011-12	2012-13
Total electricity used in the office (gigajoules)	314	298	312	305	320
Electricity used per FTE staff member (megajoules)	5,653	4,827	4,521	4,696	4,792
Electricity used per m ² office space (megajoules)	251	237	249	243	255
Net Greenhouse emissions	101	87	96	90	94
Net Greenhouse emissions per FTE staff member (tonnes)	1.81	1.41	1.39	1.38	1.40

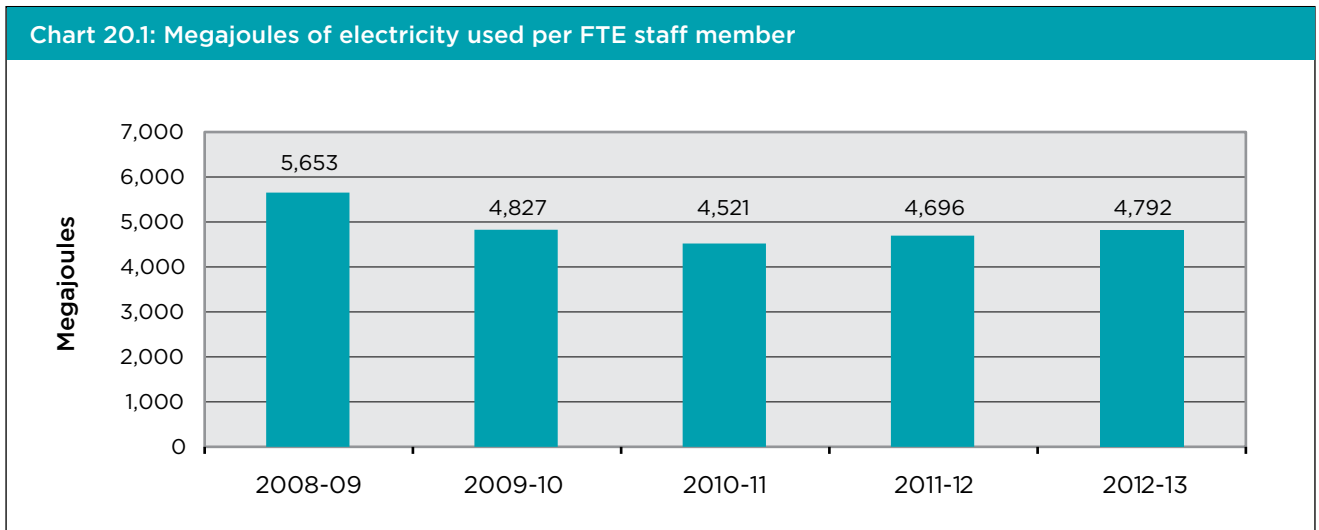


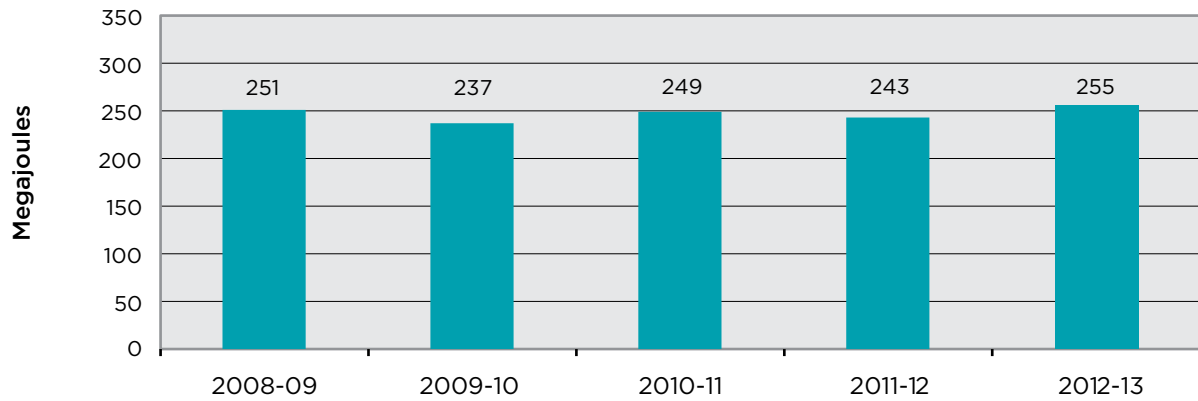
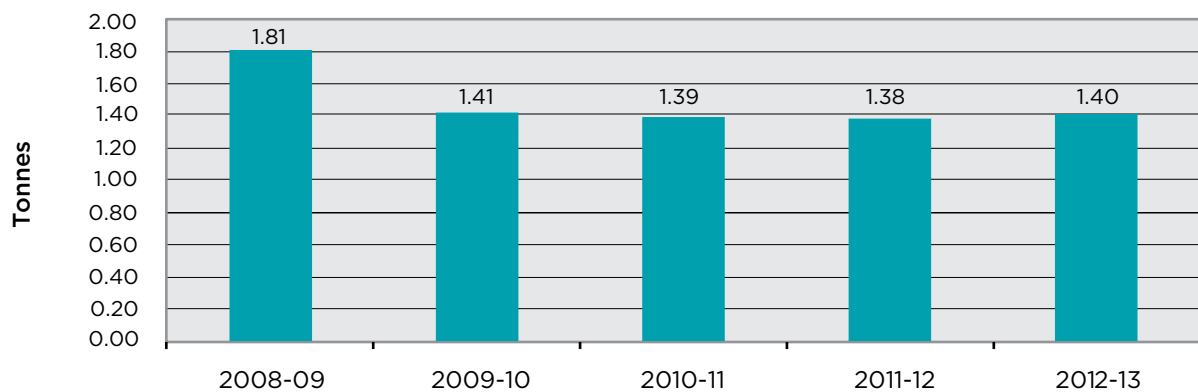
Chart 20.2: Megajoules of electricity used per m² office space

Chart 20.3: Greenhouse emissions per FTE staff member (tonnes)



Waste

In 2012-13 my office continued to recycle all recyclable materials including paper, cardboard, plastics and glass. The materials are placed in segregated recycling bins throughout the office. The bin contents are cleared daily and deposited into communal recycling facilities serving all tenants in the building.

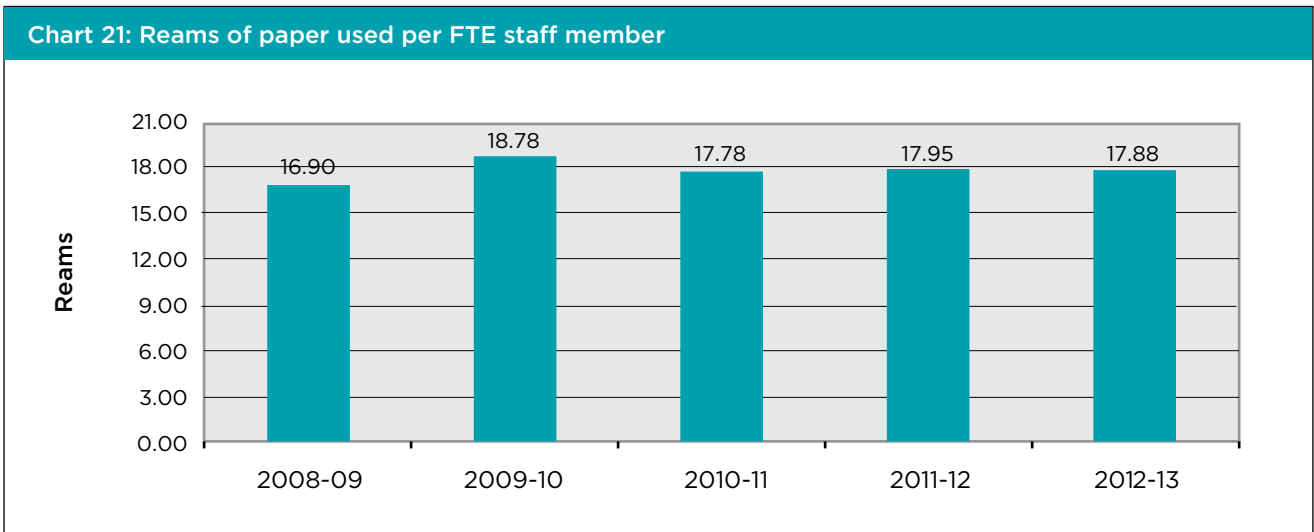
Paper

Paper use in the office in 2012-13 per FTE staff member was marginally below usage in 2011-12.

Table 21 and chart 21 set out the details.

Table 21: Paper usage since 2008-09

	2008-09	2009-10	2010-11	2011-12	2012-13
Total paper used in office (reams)	940	1,158	1,227	1,165	1,195
Paper used per FTE staff member (reams)	16.90	18.78	17.78	17.95	17.88



All of the white paper used in the office during 2012-13 was made from recycled waste paper and carbon neutral under the National Carbon Offset Standard Carbon Neutral Program.

Water

There are no separate water metering facilities for individual tenancies in the building occupied by my office. However, the office uses water efficient appliances wherever possible.

Vehicles

I continue to encourage staff to use public transport when on official business in preference to office cars when that is feasible. All three of the office’s vehicles were hybrid electric/petrol vehicles for the first time for the whole of the reporting period. This is reflected in the reduction in the carbon emissions when measured on the basis of emissions per FTE staff member.

Table 22: Vehicle usage since 2008-09

	2008-09	2009-10	2010-11	2011-12	2012-13
Passenger vehicle trips					
Total kilometres driven	31,589	24,415	35,589	31,865	36,346
Kilometres driven per FTE staff member	568	396	516	491	544
Greenhouse gas emissions associated with vehicles					
Total tonnes CO ₂ -e emitted	10.17	7.59	6.93	6.20	5.59
Tonnes CO ₂ -e emitted per FTE staff member	0.18	0.12	0.10	0.10	0.08

Chart 22.1: Vehicle kilometers per FTE staff member

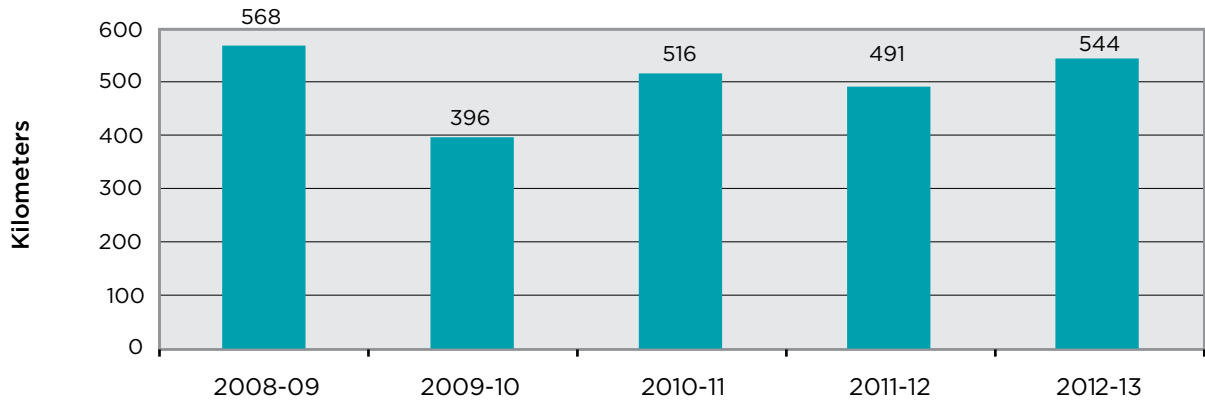
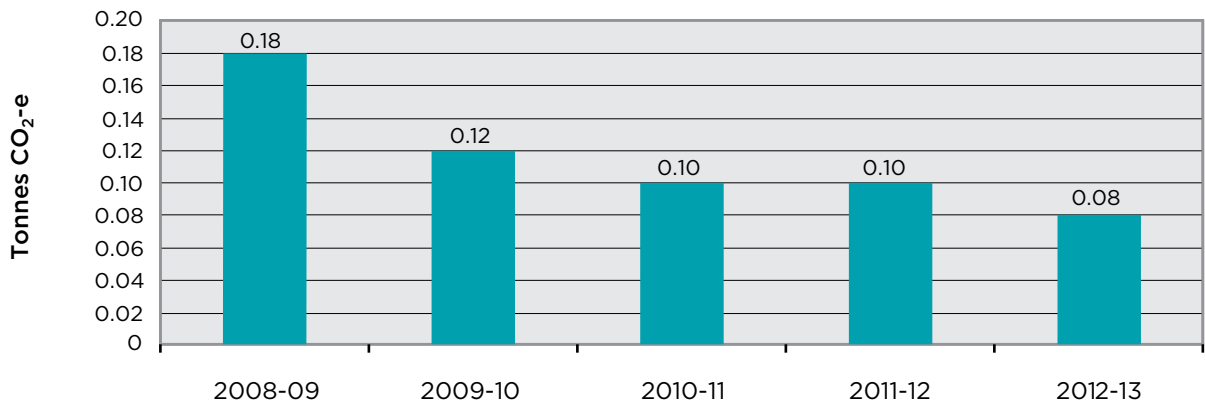


Chart 22.2: Tonnes CO₂-e emitted per FTE staff member



The Victorian Industry Participation Policy Act 2003

The *Victorian Industry Participation Policy* (VIPP), in operation since 2001, aims to boost employment and business growth in Victoria by encouraging contractors for major projects to maximise use of local suppliers, while still delivering value for money. The VIPP applies to all state government procurements and projects where values exceed \$3 million and have their primary impact in metropolitan Melbourne, and those over \$1 million that have their primary impact in regional Victoria.

The VIPP Act requires public bodies to report on their compliance with this policy.

In 2012-13 my office had no procurements or projects to which the policy applied.

Consultancies

Under the standard disclosures of the Standing Directions of the Minister for Finance, public bodies are required to report the number, and total cost, of consultants engaged during the reporting period and to specify the number of individual consultancies where the total fee was in excess of \$10,000.

A consultancy for this purpose is defined as a person or organisation 'engaged to provide expert analysis to facilitate decision-making and perform a specific one-off task that involves skills or perspectives which would not normally be expected to reside within the agency'. A contractor, by contrast, is defined as (among other elements) a person or organisation 'engaged to provide goods, works or services which implement a decision'.

In the context of these definitions I engaged two consultants during the reporting period, as follows:

Consultant	Purpose	Start date	End date	Total fee (ex GST)	Expenditure in 2012-13 (ex GST)	Future expenditure (ex GST)
Dialogue Information Technology	Review of IT hosting options	February 2013	February 2013	\$10,730	\$10,730	\$0
A J Dever Pty Ltd	Legal Advice	March 2013	June 2013	\$18,177	\$18,177	\$0

Declarations of private interests

My Deputy and other senior staff have lodged declarations of pecuniary and other interests with me. I have lodged a corresponding declaration with the Department of Premier and Cabinet. These declarations are made on appointment and updated annually or more frequently as individual circumstances change.

Freedom of information

This section contains information required to be published under Part II of the *Freedom of Information Act 1982* (the FOI Act).

Particulars and functions of the Ombudsman's office

My office was established on 30 October 1973 under the *Ombudsman Act 1973*. The principal function of my office is to enquire into and investigate administrative actions taken by or in Victorian Government authorities²⁹. This includes enquiring into and investigating whether the actions of authorities are incompatible with a human right set out in the *Charter of Human Rights and Responsibilities Act 2006*. My office also has important functions in relation to assessing and investigating disclosures made in accordance with the *Protected Disclosure Act 2012*. My office provides an independent, impartial and free service.

My office:

- receives complaints and disclosures
- makes enquiries into and investigates administrative actions
- receives and assesses disclosures made under the *Protected Disclosure Act 2012*
- investigates protected disclosure complaints
- reports on the outcomes of investigations
- makes recommendations
- tables reports in Parliament.

Categories of documents held

My office holds:

- reports dealing with issues of public interest, tabled in Parliament and posted on our website
- internal administrative and operational documents
- internal policy and procedural documents
- documents concerning the development or implementation of policy and legislation
- personnel and human resources documents
- financial records
- legislation and law reports
- documents obtained or created in the course of conducting investigations or making enquiries, including complaints, correspondence, file notes, and reports
- documents relating to my functions under the *Protected Disclosure Act 2012* and the *Whistleblowers Protection Act 2001*
- background material, records of conversation, analysis and advice
- factsheets, brochures and promotional material.

²⁹ Section 13(1) of the Ombudsman Act.

It should be noted that certain documents are destroyed or transferred to the Public Records Office in accordance with the *Public Records Act 1973*.

The FOI Act does not apply to certain documents in the possession of my office pursuant to section 29A of the Ombudsman Act. The Act does not apply to documents that disclose information about:

- a complaint, a referred complaint, a referred matter, or a matter referred to me by Parliament
- an enquiry or an investigation under the Ombudsman Act
- a recommendation made by me under the Ombudsman Act
- a report or draft report made under the Ombudsman Act.

Publicly available information

The following materials are required to be made available by my office under Part II of the FOI Act and can be found on our website:

- advice sheets
- guidelines
- policy and practice documents
- reports.

My office also holds a range of other information that is available to the public, including:

- fact sheets
- answers to frequently asked questions
- information about the availability and content of community education and public sector workshops
- statements about my role, responsibilities, jurisdiction, governing legislation, and reporting to Parliament
- information about the Protected Disclosure Act
- media alerts
- presentations made by my officers
- tabled parliamentary reports
- the complaint handling good practice guide.

All of the above material is available on our website and may also be obtained by post or in person by telephoning or attending my office at:

Level 9 North Tower
459 Collins St
Melbourne VIC 3000
(03) 9613 6222
1800 806 314 (toll free for regional callers only)
www.ombudsman.vic.gov.au

Literature available by subscription

Media alerts are available by subscription. Copies of reports tabled in Parliament are mailed to individuals who have requested them.

FOI arrangements

The following arrangements are in operation in my office:

Access to records

Authorised officers deal with all requests for access to records held by my office. Applicants seeking access to documents should attempt to specify the topic of interest rather than the file series in which the applicant considers the document may exist.

Forms of request for access

Applicants are required by the FOI Act to submit an application in writing requesting access to documents. A letter clearly describing the document or documents sought is sufficient. The letter should specify that the application is a request made under the FOI Act and should not form part of a letter on another subject. The applicant should provide the following information:

- name
- address
- telephone number
- details of document(s) requested
- form of access required, e.g. copy of documents; inspection of file; or other.

A request for a correction or amendment of personal information contained in a document held by my office must be made in writing. It should specify particulars of how and why the person making the request believes the information to be incorrect, incomplete, misleading or out-of-date and specify the amendments that they wish to have made.

Requests should be addressed as follows:

Mr John Taylor
Deputy Ombudsman
Level 9 North Tower
459 Collins St
Melbourne VIC 3000

An authorised officer may also be contacted via telephone on (03) 9613 6222 for assistance with queries about making an application.

Charges

An application fee of \$25.70 is required unless that fee is waived by an authorised officer if satisfied that the payment of the fee would cause hardship. Applicants are advised that other charges may be made in accordance with the *Freedom of Information (Access Charges) Regulations 2004*.

Appeals

Applicants may appeal decisions made in response to requests for access to documents or amendment of records, or against the cost levied for allowing access to documents.

Information about the appropriate avenue of appeal will be conveyed to the applicant in the letter advising of the initial decision. Applicants are advised to consult Part VI of the FOI Act for further information about appeal rights.

Further information about the FOI Act can be obtained from the Act, the regulations made under the Act and at <www.foi.vic.gov.au>.

FOI Act creates a right for the public to access certain documents held by public sector agencies. The Act applies to documents held by the Ombudsman, except – pursuant to section 29A of the Ombudsman Act – those that disclose information relating to a complaint, an enquiry, an investigation, a report of an investigation or a recommendation resulting from an investigation.

In the reporting period I received one FOI request for documents held by my office. The request was dealt with within the constraints of the statutory exemptions which applied. Further details can be found in the Attorney-General's Annual Report on FOI.

Protected Disclosure Act 2012

Under section 69 of the *Protected Disclosure Act 2012* I am required to include in my annual report information about how to access procedures established by VO to facilitate the making of disclosures to the Ombudsman, for the handling of those disclosures and, where appropriate, for the notification of those disclosures to IBAC. I am also required to include the data set out in table 24.

The disclosure procedures VO is required to establish must be based on guidelines issued by IBAC and be available no later than six months after the commencement of the Act (10 February 2013.) The IBAC guidelines were not yet finalised by 30 June 2013.

Data category	2012-13 data
Number of disclosures notified to IBAC	40
Number of protected disclosure complaints referred to VO by IBAC	33
Number of protected disclosure complaints investigated by VO	0
Number of protected disclosure complaints dismissed by VO	0
Number of applications for an injunction made by VO	0

³⁰ The protected disclosure complaints investigated and dismissed are nil as none of the referrals had been finalised by 30 June 2013.

Financial statements

for the year ended 30 June 2013

Independent Report - Victorian Auditor-General's Office

Comprehensive operating statement

Balance sheet

Statement of changes in equity

Cash flow statement

Notes to the financial statements 30 June 2013

Accountable Officer's and Chief Financial Officer's declaration



Victorian Auditor-General's Office

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Melbourne VIC 3000
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Facsimile 61 3 8601 7010
Email comments@audit.vic.gov.au
Website www.audit.vic.gov.au

INDEPENDENT AUDITOR'S REPORT

To the Victorian Ombudsman

The Financial Report

The accompanying financial report for the year ended 30 June 2013 of the Office of the Ombudsman which comprises the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, notes comprising a summary of significant accounting policies and other explanatory information, and the Accountable Officer's and Chief Financial Officer's declaration has been audited.

The Victorian Ombudsman's Responsibility for the Financial Report

The Victorian Ombudsman is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and the financial reporting requirements of the *Financial Management Act 1994*, and for such internal control as the Victorian Ombudsman determines is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Victorian Ombudsman, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independent Auditor's Report (continued)

Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of the Office of the Ombudsman as at 30 June 2013 and its financial performance and cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Financial Management Act 1994*.

Matters Relating to the Electronic Publication of the Audited Financial Report

This auditor's report relates to the financial report of the Office of the Ombudsman for the year ended 30 June 2013 included both in the Office of the Ombudsman's annual report and on the website. The Victorian Ombudsman is responsible for the integrity of the Office of the Ombudsman's website. I have not been engaged to report on the integrity of the Office of the Ombudsman's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in the website version of the financial report.

MELBOURNE
4 September 2013


for John Doyle
Auditor-General

Office of the Ombudsman

Comprehensive operating statement For the year ended 30 June 2013

	Notes	2013 \$	2012 \$
Income from transactions			
Grants	2	<u>10,603,197</u>	<u>9,744,736</u>
Total income from transactions		<u>10,603,197</u>	<u>9,744,736</u>
Expenses from transactions			
Employee benefits	3	7,367,856	7,187,742
Depreciation	3	155,333	152,198
Finance lease interest		5,126	4,385
Capital asset charge	1(f)	179,000	179,000
Supplies and services		<u>2,932,924</u>	<u>2,402,606</u>
Total expenses from transactions		<u>10,640,239</u>	<u>9,925,931</u>
Net result from transactions		<u>(37,042)</u>	<u>(181,195)</u>
Other economic flows included in net result			
Net gain/(loss) on disposal of property, plant and equipment		(1,336)	2,518
Net gain/(loss) arising from revaluation of long service leave liability		<u>40,411</u>	<u>(18,542)</u>
Total other economic flows included in net result		<u>39,075</u>	<u>(16,024)</u>
Net result		2,033	(197,219)
Other economic flows – other comprehensive income		<u>-</u>	<u>-</u>
Comprehensive result		<u>2,033</u>	<u>(197,219)</u>

The above comprehensive operating statement should be read in conjunction with the accompanying notes.

Office of the Ombudsman

Balance sheet As at 30 June 2013

	Notes	2013 \$	2012 \$
Assets			
Financial assets			
Cash on hand		1,000	1,000
Receivables	4	<u>1,116,601</u>	<u>643,588</u>
Total financial assets		<u>1,117,601</u>	<u>644,588</u>
Non-financial assets			
Prepayments		47,729	46,138
Non-financial assets held for sale		11,730	-
Property, plant and equipment	5	498,627	494,200
Intangible assets	6	<u>60,561</u>	<u>83,927</u>
Total non-financial assets		<u>618,647</u>	<u>624,265</u>
Total assets		<u>1,736,248</u>	<u>1,268,853</u>
Liabilities			
Payables		449,026	191,497
Provisions	7	1,486,618	1,321,453
Borrowings	8	<u>120,599</u>	<u>77,931</u>
Total liabilities		<u>2,056,243</u>	<u>1,590,881</u>
Net liabilities		<u>(319,995)</u>	<u>(322,028)</u>
Equity			
Contributed capital		513,376	513,376
Accumulated deficit		<u>(833,371)</u>	<u>(835,404)</u>
Total equity / (deficit)		<u>(319,995)</u>	<u>(322,028)</u>

The above balance sheet should be read in conjunction with the accompanying notes.

Office of the Ombudsman

***Statement of changes in equity
For the year ended 30 June 2013***

	Contributed capital	Accumulated deficit	Total
	\$	\$	\$
Balance at 1 July 2011	513,376	(638,185)	(124,809)
Net result for the year	-	(197,219)	(197,219)
Balance at 30 June 2012	<u>513,376</u>	<u>(835,404)</u>	<u>(322,028)</u>
Net result for the year	-	2,033	2,033
Balance at 30 June 2013	<u><u>513,376</u></u>	<u><u>(833,371)</u></u>	<u><u>(319,995)</u></u>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Office of the Ombudsman

Cash flow statement *For the year ended 30 June 2013*

	Notes	2013 \$	2012 \$
Cash flows from operating activities			
Receipts from government		10,603,197	10,088,161
Payments to suppliers and employees		(10,312,277)	(9,782,886)
Capital asset charge paid		(179,000)	(179,000)
Interest and other finance costs paid		(5,126)	(4,385)
Net cash flows from operating activities	16	106,794	121,890
Cash flows from investing activities			
Payments for property, plant and equipment		(86,277)	(40,996)
Proceeds from disposal of property, plant and equipment		35,227	18,612
Payments for intangible assets		-	(60,750)
Net cash flows used in investing activities		(51,050)	(83,134)
Cash flows from financing activities			
Repayment of finance leases		(55,744)	(38,756)
Net cash flows used in financing activities		(55,744)	(38,756)
Net increase in cash held		-	-
Cash at the start of the year		1,000	1,000
Cash at the end of the year		1,000	1,000
Non-cash financing and investing activities	17		

The above cash flow statement should be read in conjunction with the accompanying notes.

Note 1. Summary of significant accounting policies

(a) Statement of compliance

These general purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* and applicable Australian Accounting Standards including Interpretations (AASs), issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of AASB 1049 *Whole of Government and General Government Sector Financial Reporting*. Where relevant, those paragraphs of the AASs applicable to not-for-profit entities have been applied.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

(b) Basis of preparation

The accrual basis of accounting has been applied in the preparation of these financial statements whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods that are affected by the revision.

The financial statements are presented in Australian dollars and have been prepared in accordance with the historical cost convention, except where noted.

The accounting policies set out below have been applied in preparing the financial statements.

(c) Reporting entity

The financial statements include all the controlled activities of the Office of the Ombudsman. The Office was established under the *Ombudsman Act 1973*. Its principal address is:

Level 9, 459 Collins Street
Melbourne Victoria 3000

Objectives and funding

The Office handles complaints concerning administrative actions taken by Victorian Government departments, Victorian statutory authorities and local councils under the *Ombudsman Act 1973*; assesses disclosures received under the *Protected Disclosure Act 2012*, refers relevant disclosures to the Independent Broad-based Anti-corruption Commission (IBAC) and investigates protected disclosures referred by the IBAC; and has a role in ensuring compliance by designated agencies with the provisions of the *Freedom of Information Act 1982* and the *Victorian Charter of Human Rights and Responsibilities Act 2006*.

It aims to improve the accountability of State and local government agencies to the public and the Parliament, and to promote fair and ethical public administration.

The Office is predominantly funded by accrual based Parliamentary appropriations for the provision of outputs. These appropriations are received by the Department of Premier and Cabinet and on-forwarded to the Office in the form of grants.

(d) Scope and presentation of financial statements

Comprehensive operating statement

Income and expenses in the comprehensive operating statement are classified according to whether or not they arise from 'transactions' or 'other economic flows'. This classification is consistent with the whole of government reporting format and is allowed under AASB 101 *Presentation of Financial Statements*.

Balance sheet

Assets and liabilities are presented in liquidity order with assets aggregated into financial assets and non-financial assets. Current and non-current assets and liabilities are disclosed in the notes, where relevant. Non-current assets or liabilities are those expected to be recovered or settled more than 12 months after the reporting period.

Statement of changes in equity

The statement of changes in equity presents reconciliations of non-owner and owner changes in equity from opening balance at the beginning of the year to the closing balance at the end of the year. It also shows separately changes due to amounts recognised in the comprehensive result and amounts recognised in other economic flows – other movements in equity related to transactions with the owner in its capacity as owner.

Cash flow statement

Cash flows are classified according to whether they arise from operating, investing or financing activities. This classification is consistent with requirements of AASB 107 *Statement of Cash Flows*.

(e) Income from transactions

Income is recognised to the extent that it is probable that the economic benefits will flow to the Office and the income can be reliably measured.

Grants

Income from grants (other than contribution by owners) is recognised when the Office obtains control over the contribution. Where grants are reciprocal (i.e. equal value is given back by the Office to the provider), the Office is deemed to have assumed control when it has satisfied its performance obligations under the terms of the grant. Non-reciprocal grants are recognised as income when the grant is received or receivable. Conditional grants may be reciprocal or non-reciprocal depending on the terms of the grant.

(f) Expenses from transactions*Employee benefits*

Employee benefits comprise all costs related to employment including wages and salaries, superannuation, fringe benefits tax, leave entitlements, redundancy payments and WorkCover premiums.

Superannuation expenses represent the employer contributions for members of both defined benefit and defined contribution superannuation plans that are paid or payable to these plans during the year.

The Department of Treasury and Finance centrally recognises, on behalf of the State as the sponsoring employer, the defined benefit liability or surplus of most Victorian government employees in such funds.

Depreciation

All plant and equipment and other non-current physical assets (excluding items under operating leases and assets held-for-sale) that have finite useful lives are depreciated. Depreciation is generally calculated on a straight line basis at rates that allocate the asset's value, less any estimated residual value, over its expected useful life. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight line method.

Intangible produced assets with finite useful lives are depreciated as an expense from transactions on a straight-line basis over the asset's useful life. Depreciation begins when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

The estimated useful lives, residual values and depreciation method are reviewed at least annually. Typical estimated useful lives applicable for the years ended 30 June 2013 and 30 June 2012 are as follows:

Building fitouts	10 years
Office furniture and computer equipment	4-10 years
Motor vehicles under finance lease	2-3 years
Capitalised software development	7 years

Finance lease interest

Finance lease interest charges are recognised as expenses in the period in which they are incurred.

Capital asset charge

The capital asset charge represents the opportunity cost of capital invested in the non-current physical assets used in the provision of outputs. The charge is calculated on the budgeted carrying amount of applicable non-current physical assets (excluding leased motor vehicles).

Resources provided free of charge

Resources provided free of charge or for nominal consideration are recognised at their fair value when the transferee obtains control over them, irrespective of any restrictions or conditions imposed over their use, except that transfers to another government department or agency as a consequence of a restructuring of administrative arrangements are recognised at carrying value.

(g) Other economic flows included in net result

Other economic flows measure the change in volume or value of assets or liabilities that do not result from transactions. They include net gains and losses on financial and non-financial assets and liabilities and other gains and losses from other economic flows.

Net gains and losses on non-financial assets and liabilities include realised and unrealised gains and losses from impairments, and disposals of all physical assets and intangible assets. Net gains and losses on financial instruments include impairment and reversal of impairment for financial instruments at amortised cost, and disposals of financial assets. Other gains and losses from other economic flows include the transfer of amounts from reserves and accumulated surplus to net result due to reclassification, and from the revaluation of the present value of the long service leave liability due to changes in bond interest rates.

Disposal of non-financial assets

Any gain or loss on the disposal of non-financial assets is recognised at the date of disposal and is determined after deducting from the proceeds the carrying value of the asset at that time.

Impairment of non-financial assets

All non-current physical assets and intangible assets are assessed annually for indications of impairment. If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off as another economic flow except to the extent that the write-down can be debited to an asset revaluation reserve amount applicable to that class of asset.

It is deemed that, in the event of the loss of an asset, the future economic benefits arising from the use of the asset will be replaced unless a specific decision to the contrary has been made. The recoverable amount for most assets is measured at the higher of depreciated replacement cost and fair value less costs to sell. Recoverable amount for assets held primarily to generate net cash inflows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell.

Impairment of financial assets

The Office assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. All financial assets, except those measured at fair value through profit or loss, are subject to annual review for impairment.

Bad and doubtful debts are assessed on a regular basis. Those bad debts considered as written off by mutual consent are classified as a transaction expense. The allowance for doubtful receivables and bad debts not written off by mutual consent are adjusted as other economic flows.

(h) Financial assets

The financial assets held by the Office include cash and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

The Office assesses at each balance sheet date whether a financial asset or group of financial assets is impaired.

Receivables

Receivables consist of:

- contractual receivables, which include mainly debtors in relation to goods and services; and
- statutory receivables, which include predominantly amounts owing from the Victorian Government and GST input tax credits recoverable.

Receivables that are contractual are classified as financial instruments. Statutory receivables are recognised and measured on the same basis as contractual receivables (except for impairment) but are not classified as financial instruments as they do not arise from a contract.

Debtors are due for settlement at no more than 30 days from the date of recognition. Collectability of debtors is reviewed on an ongoing basis. A provision for doubtful debts is recognised when there is objective evidence that the debts may not be collected. Bad debts are written off when identified.

(i) Non-financial assets*Prepayments*

Prepayments represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

Property, plant and equipment

Property, plant and equipment are recognised initially at cost and subsequently measured at fair value less accumulated depreciation and impairment. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition. Assets transferred as part of a machinery of government change are transferred at their carrying amount.

The initial cost for non-financial physical assets under a finance lease (refer note 1(k)) is measured at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease.

The fair value of plant, equipment and vehicles, is normally determined by reference to the asset's depreciated replacement cost. For plant, equipment and vehicles, existing depreciated historical cost is generally a reasonable proxy for depreciated replacement cost because of the short lives of the assets concerned.

Intangible assets

Intangible assets represent identifiable non-monetary assets without physical substance. Intangible assets are measured at cost less accumulated depreciation and impairment. Costs incurred subsequent to initial acquisition are capitalised when it is expected that additional future economic benefits will flow to the Office.

(j) Liabilities*Payables*

Payables consist predominantly of creditors and accruals. Payables represent liabilities for goods and services provided to the Office that are unpaid at the end of the financial year. Payables are initially measured at fair value, being the cost of the goods and services, and then subsequently measured at amortised cost.

Provisions

Provisions are recognised when the Office has a present obligation where the future sacrifice of economic benefits is probable and the amount of the provision can be measured reliably. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows, using a discount rate that reflects the time value of money and risks specific to the provision.

Employee benefits

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required and they are capable of being measured reliably.

Provisions made in respect of employee benefits expected to be settled within 12 months are measured at their nominal values, using the remuneration rate expected to apply at the time of settlement. Provisions made in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the Office in respect of services provided by employees up to reporting date. The liability is classified as a current liability where the Office does not have an unconditional right to defer settlement for at least 12 months after the reporting date. The long service leave liability is classified as non-current where the Office has an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service.

(k) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Finance leases are recognised as assets and liabilities of the Office at amounts equal to the fair value of the lease property or, if lower, at the present value of the minimum lease payments, each determined at the inception of the lease. The leased asset is depreciated over the shorter of the estimated useful life of the asset or the term of the lease.

Minimum finance lease payments are apportioned between reduction of the lease liability and periodic finance charges which are calculated using the interest rate implicit in the lease and charged directly to the comprehensive operating statement.

Operating lease payments are recognised as an expense in the comprehensive operating statement on a straight line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset. The leased asset is not recognised in the balance sheet.

(l) Goods and services tax (GST)

Income, expenses and assets are recognised net of GST, unless the GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables.

Cash flows are presented on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the ATO is classified as operating cash flows.

(m) Contributed capital

Additions to net assets which have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions or distributions are also designated as contributed capital. Transfers of net assets or liabilities arising from administrative restructurings are treated as distributions to or contributions by owners.

(n) Commitments

Commitments for future expenditure include operating commitments arising from contracts. These commitments are disclosed in note 10 at their nominal value and inclusive of GST payable. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

(o) Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet, but are disclosed by way of a note and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

(p) Going concern basis

The liabilities of the Office exceed its assets. Despite this, the going concern basis continues to be appropriate for these financial statements. Under the current Government funding model, \$10.259 million of revenue has been allocated to the Office next financial year, which will enable the Office to pay its debts as and when they fall due.

(q) New Accounting Standards and Interpretations

As at 30 June 2013, the following standards and interpretations applicable to the Office had been issued but were not mandatory for the 30 June 2013 reporting period. The Office has not adopted, and does not intend to adopt, these standards early.

AASB 9 Financial Instruments. This standard simplifies requirements for the classification and measurement of financial assets resulting from Phase 1 of the IASB's project to replace IAS 39 *Financial Instruments: Recognition and Measurement* (AASB 139 *Financial Instruments: Recognition and Measurement*). Applicable for annual reporting periods beginning on 1 January 2015. Impacts will be assessed subject to AASB's further modifications to AASB 9, together with the anticipated changes resulting from the staged projects on impairment and hedge accounting.

AASB 10 Consolidated Financial Statements. This Standard forms the basis for determining which entities should be consolidated into an entity's financial statements. AASB 10 defines 'control' as requiring exposure or rights to variable returns and the ability to affect those returns through power over an investee, which may broaden the concept of control for public sector entities. The AASB has issued an exposure draft ED 238 *Consolidated Financial Statements – Australian Implementation Guidance for Not-for-Profit Entities* that explains and illustrates how the principles in the Standard apply from the perspective of not-for-profit entities in the private and public sectors. Applicable for annual reporting periods beginning on 1 January 2014. Not-for-profit entities are not permitted to apply this Standard prior to the mandatory application date. Subject to AASB's final deliberations on ED 238 and any modifications made to AASB 10 for not-for-profit entities, the Office will re-assess the nature of its relationships with other entities, including those that are currently not consolidated.

AASB 11 Joint Arrangements. This Standard deals with the concept of joint control, and sets out a new principles-based approach for determining the type of joint arrangement that exists and the corresponding accounting treatment. The new categories of joint arrangements under AASB 11 are more aligned to the actual rights and obligations of the parties to the arrangement. Applicable for annual reporting periods beginning on 1 January 2014. Not-for-profit entities are not permitted to apply this Standard prior to the mandatory application date. Subject to AASB's final deliberations and any modifications made to AASB 11 for not-for-profit entities, the Office will assess the nature of arrangements with other entities in determining whether a joint arrangement exists in light of AASB 11.

AASB 12 Disclosure of Interests in Other Entities. This Standard requires disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with, interests in other entities and the effects of those interests on the financial statements. This Standard replaces the disclosure requirements in AASB 127 *Separate Financial Statements* and AASB 131 *Interests in Joint Ventures*. The exposure draft ED 238 proposes to add some implementation guidance to AASB 12, explaining and illustrating the definition of a 'structured entity' from a not-for-profit perspective. Applicable for annual reporting periods beginning on 1 January 2014. Not-for-profit entities are not permitted to apply this Standard prior to the mandatory application date. Impacts on the level and nature of the disclosures will be assessed based on the eventual implications arising from AASB 10, AASB 11 and AASB 128 *Investments in Associates and Joint Ventures*.

AASB 13 Fair Value Measurement. This Standard outlines the requirements for measuring the fair value of assets and liabilities and replaces the existing fair value definition and guidance in other Australian accounting standards. AASB 13 includes a 'fair value hierarchy' which ranks the valuation technique inputs into three levels using unadjusted quoted prices in active markets for identical assets or liabilities; other observable inputs; and unobservable inputs. Applicable for annual reporting periods beginning on 1 January 2013. Disclosure for fair value measurements using unobservable inputs are relatively detailed compared to disclosure for fair value measurements using observable inputs. Consequently, the Standard may increase the disclosures required for assets measured using depreciated replacement cost.

AASB 127 Separate Financial Statements. This revised Standard prescribes the accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements. Applicable for annual reporting periods beginning on 1 January 2014. Not-for-profit entities are not permitted to apply this Standard prior to the mandatory application date. The AASB is assessing the applicability of principles in AASB 127 in a not-for-profit context. As such, the impact will be assessed after the AASB's deliberation.

AASB 128 Investments in Associates and Joint Ventures. This revised Standard sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. Applicable for annual reporting periods beginning on 1 January 2014. Not-for-profit entities are not permitted to apply this Standard prior to the mandatory application date. The AASB is assessing the applicability of principles in AASB 128 in a not-for-profit context. As such, the impact will be assessed after the AASB's deliberation.

	2013 \$	2012 \$
Note 2. Income from transactions		
Grants		
Grants from Department of Premier and Cabinet	<u>10,603,197</u>	<u>9,744,736</u>
Total income from transactions	<u><u>10,603,197</u></u>	<u><u>9,744,736</u></u>

Note 3. Expenses from transactions

Expenses from transactions includes:

Employee benefits		
Salaries and wages	5,763,500	5,618,469
Superannuation		
- Defined contribution plans	472,636	481,587
- Defined benefits plans	59,885	45,881
Annual and long service leave expense	734,211	648,083
On-costs	<u>337,624</u>	<u>393,722</u>
Total employee benefits	<u><u>7,367,856</u></u>	<u><u>7,187,742</u></u>
Depreciation		
Building fitouts	39,021	43,808
Office furniture and equipment	64,711	66,090
Motor vehicles under finance lease	28,235	27,239
Capitalised software development	23,366	15,061
Total depreciation	<u><u>155,333</u></u>	<u><u>152,198</u></u>

Note 4. Receivables

Current:

Contractual

Other receivables	<u>6,865</u>	<u>-</u>
	<u>6,865</u>	<u>-</u>

Statutory

GST recoverable	34,506	12,331
Amounts receivable from Victorian government departments	<u>879,177</u>	<u>495,677</u>
	<u>913,683</u>	<u>508,008</u>
Total Current	<u><u>920,548</u></u>	<u><u>508,008</u></u>

Non-current:

Statutory

Amounts receivable from Victorian government departments	<u>196,053</u>	<u>135,580</u>
	<u>196,053</u>	<u>135,580</u>

Total receivables	<u><u>1,116,601</u></u>	<u><u>643,588</u></u>
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	2013 \$	2012 \$
Note 5. Property, plant and equipment		
Building fitouts at fair value	461,395	461,395
Less: accumulated depreciation	<u>(218,089)</u>	<u>(179,068)</u>
	<u>243,306</u>	<u>282,327</u>
Office furniture and equipment at fair value	535,026	518,838
Less: accumulated depreciation	<u>(387,456)</u>	<u>(383,695)</u>
	<u>147,570</u>	<u>135,143</u>
Motor vehicles under finance lease at fair value	129,009	134,378
Less: accumulated depreciation	<u>(21,258)</u>	<u>(57,648)</u>
	<u>107,751</u>	<u>76,730</u>
Total property, plant and equipment	<u><u>498,627</u></u>	<u><u>494,200</u></u>
Reconciliation of carrying amounts		
<i>Building fitouts</i>		
Carrying amount at start of year	282,327	337,586
Additions	-	40,853
Derecognition of restoration obligation	-	(52,304)
Depreciation expense (note 3)	<u>(39,021)</u>	<u>(43,808)</u>
Carrying amount at end of year	<u>243,306</u>	<u>282,327</u>
<i>Office furniture and equipment</i>		
Carrying amount at start of year	135,143	206,027
Additions	86,277	-
Disposals	(9,139)	(4,794)
Depreciation expense (note 3)	<u>(64,711)</u>	<u>(66,090)</u>
Carrying amount at end of year	<u>147,570</u>	<u>135,143</u>
<i>Motor vehicles under finance lease</i>		
Carrying amount at start of year	76,730	84,527
Additions	98,411	30,597
Disposals	(27,425)	(11,155)
Transfer to non-financial assets held for sale	(11,730)	-
Depreciation expense (note 3)	<u>(28,235)</u>	<u>(27,239)</u>
Carrying amount at end of year	<u>107,751</u>	<u>76,730</u>
Note 6. Intangible assets		
Capitalised software development – at fair value	104,750	104,750
Less: accumulated depreciation	<u>(44,189)</u>	<u>(20,823)</u>
	<u>60,561</u>	<u>83,927</u>
Carrying amount at start of year	83,927	38,238
Additions	-	60,750
Depreciation expense	<u>(23,366)</u>	<u>(15,061)</u>
Carrying amount at end of year	<u>60,561</u>	<u>83,927</u>

	2013 \$	2012 \$
Note 7. Provisions		
Current:		
Employee benefits		
- Annual leave payable within 12 months	395,849	358,556
- Long service leave		
Expected to be paid within 12 months	87,559	90,297
Expected to be paid after 12 months	693,198	583,061
- Performance bonus	51,000	31,000
Restoration costs	122,959	122,959
	<u>1,350,565</u>	<u>1,185,873</u>
Non-current:		
Employee benefits		
- Long service leave	136,053	135,580
	<u>136,053</u>	<u>135,580</u>
Total provisions	<u>1,486,618</u>	<u>1,321,453</u>

Note 8. Borrowings**Secured**

Current lease liabilities	37,180	58,425
Non-current lease liabilities	83,419	19,506
	<u>120,599</u>	<u>77,931</u>

Lease liabilities are effectively secured as the rights to the leased assets revert to the lessor in the event of default.

Assets pledged as security

The carrying amounts of non-current assets pledged as security are:

Motor vehicles under finance lease	107,751	76,730
Non-financial assets held for sale	11,730	-
	<u>119,481</u>	<u>76,730</u>

Note 9 discloses the maturity analysis of borrowings and the nature and extent of risks arising from borrowings.

Note 9. Financial instruments

(a) Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset, financial liability and equity instrument are disclosed in note 1 to the financial statements.

(b) Categorisation of financial instruments

	Note	Category	Carrying amount	
			2013	2012
Financial assets			\$	\$
Cash on hand		Cash	1,000	1,000
Receivables *	4	Loans and receivables	6,865	-
			<u>7,865</u>	<u>1,000</u>
Financial liabilities				
Payables		Financial liabilities at amortised cost	449,026	191,497
Borrowings	8	Financial liabilities at amortised cost	120,599	77,931
			<u>569,625</u>	<u>269,428</u>
Net holding gain/(loss) on financial instruments by category:				
Financial assets		Category		
Cash on hand		Cash	-	-
Receivables *		Loans and receivables	-	-
			<u>-</u>	<u>-</u>
Financial liabilities				
Payables		Financial liabilities at amortised cost	-	-
Borrowings		Financial liabilities at amortised cost	(5,126)	(4,385)
			<u>(5,126)</u>	<u>(4,385)</u>

* Receivables disclosed here exclude statutory receivables (i.e. amounts receivable from government departments and GST recoverable).

The net holding gains or losses disclosed above are determined as follows:

- For cash and receivables, the net gain or loss is calculated by taking the interest revenue, if any, minus any impairment recognised in the net result; and
- For financial liabilities measured at amortised cost, the net gain or loss is the related interest expense.

(c) Credit risk

Credit risk arises from the financial assets of the Office, which comprise cash and cash equivalents, and trade and other receivables. The Office's exposure to credit risk arises from the potential default of counter parties on their contractual obligations resulting in financial loss to the Office. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with the Office's financial assets is minimal because the main debtor is the Victorian Government. For debtors other than government, it is the Office's policy to only deal with entities with high credit ratings and to obtain sufficient collateral or credit enhancements where appropriate. The Office does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Office's maximum exposure to credit risk without taking account of the value of any collateral obtained.

Financial assets that are either past due or impaired

There are no material financial assets which are individually determined to be impaired. Currently the Office does not hold any collateral as security nor credit enhancements relating to any of its financial assets.

As at the reporting date, there was no event to indicate that any of the financial assets were impaired.

There are no financial assets that have had their terms renegotiated so as to prevent them from being past due or impaired, and they are stated at the carrying amounts as indicated. There are no financial assets that are past due but not impaired.

(d) Liquidity risk

Liquidity risk arises when the Office is unable to meet its financial obligations as they fall due. The Office operates under the Victorian Government's fair payments policy of settling financial obligations within 30 days and in the event of a dispute, making payments within 30 days from the date of resolution.

The Office's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk. Maximum exposure to liquidity risk is the carrying amounts of financial liabilities. The interest rate exposure and maturity analysis of financial liabilities are:

	Carrying amount \$	Nominal amount \$	Maturity dates *			
			Less than 1 month \$	1-3 months \$	3 months – 1 year \$	1-5 years \$
2013						
Payables	449,026	449,026	449,026			
Borrowings	120,599	132,916	14,351	5,323	23,951	89,291
	569,625	581,942	463,377	5,323	23,951	89,291
2012						
Payables	191,497	191,497	191,497			
Borrowings	77,931	82,600	18,227	3,867	39,719	20,787
	269,428	274,097	209,724	3,867	39,719	20,787

* The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities.

(e) Market risk

The Office has no exposure to interest rate, foreign currency or other price risks.

(f) Fair value

The carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their fair values because of the short term nature of the financial instruments and the expectation that they will be paid in full.

None of the classes of financial assets and liabilities are readily traded on organised markets in standardised form.

Note 10. Commitments for expenditure

	2013 \$	2012 \$
Operating lease commitments		
Commitments for minimum lease payments in relation to non-cancellable operating leases, not recognised as liabilities, are payable as follows:		
Within one year	443,031	436,061
Later than 1 year but not later than five years	1,016,524	1,460,692
Later than five years	-	-
	<u>1,459,555</u>	<u>1,896,753</u>
Finance lease liabilities		
Commitments in relation to finance leases are payable as follows:		
Within one year	43,625	61,813
Later than one year but not later than five years	89,291	20,787
Minimum lease payments	132,916	82,600
Less: future finance charges	(12,317)	(4,669)
Total lease liabilities	<u>120,599</u>	<u>77,931</u>
Shown in the financial statements (note 8) as:		
Current	37,180	58,425
Non-current	83,419	19,506
	<u>120,599</u>	<u>77,931</u>

Note 11. Contingent liabilities and contingent assets

There are no contingent liabilities or contingent assets for the Office at 30 June 2013 or at 30 June 2012.

Note 12. Responsible persons

The persons who held the positions of Minister and Accountable Officer in the Office during the financial year were as follows:

Responsible Minister	The Hon Ted Baillieu, MP, Premier (to 6 March 2013) The Hon Dr Denis Naphine, MP, Premier (from 6 March 2013)
Accountable Officer	George Brouwer, Ombudsman

Remuneration

Remuneration received or receivable by the person holding the office of Ombudsman, in connection with the management of the Office during the reporting period, was in the income bands shown below:

\$410,000 - \$419,999 (2012: \$400,000 - \$409,999)

Amounts relating to Ministers are reported in the financial statements of the Department of Premier and Cabinet.

Other transactions

Other related transactions and loans requiring disclosure under the Directions of the Minister for Finance have been considered and there are no matters to report.

Note 13. Remuneration of executives**(a) Remuneration of executives**

The numbers of executive officers, other than the Accountable Officer, whose total remuneration exceeded \$100,000 during the reporting period, are shown in their relevant income bands in the first two columns of the table below. The base remuneration of these executive officers is shown in the third and fourth columns. Base remuneration is exclusive of bonus payments, long service leave payments, redundancy payments and retirement benefits.

Income band	Total remuneration		Base remuneration	
	2013 No.	2012 No.	2013 No.	2012 No.
\$240,000 - \$249,999			-	1
\$250,000 - \$259,999			1	-
\$260,000- \$269,999	-	1	1	1
\$270,000 - \$279,999	1	-		
\$310,000 - \$319,999	1	1		
Total numbers	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
Total amount (\$)	<u>\$594,672</u>	<u>\$570,825</u>	<u>\$526,071</u>	<u>\$516,813</u>
Total annualised employee equivalent	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

Note 14. Remuneration of auditors

	2013 \$	2012 \$
Audit fees paid or payable to the Victorian Auditor-General's Office		
Audit of the annual financial statements	<u>14,000</u>	<u>13,700</u>

No other services were provided by the Victorian Auditor-General's Office.

Note 18. Glossary of terms

Annualised employee equivalent

Annualised employee equivalent is based on paid working hours of 38 ordinary hours per week over 52 weeks for a reporting period.

Comprehensive result

Total comprehensive result is the change in equity for the period other than changes arising from transactions with owners. It is the aggregate of net result and other non-owner changes in equity.

Capital asset charge

The capital asset charge represents the opportunity cost of capital invested in the non-current physical assets used in the provision of outputs.

Commitments

Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources.

Depreciation

Depreciation is an expense that arises from the consumption through wear or time of a produced physical or intangible asset. This expense is classified as a transaction and so reduces the net result from transactions.

Employee benefits expenses

Employee benefits expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, redundancy payments and superannuation contributions.

Financial asset

A financial asset is any asset that is:

- (a) cash;
- (b) an equity instrument of another entity;
- (c) a contractual right:
 - to receive cash or another financial asset from another entity; or
 - to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity; or
- (d) a contract that will or may be settled in the entity's own equity instruments and is:
 - a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or
 - a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

Financial instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets or liabilities that are not contractual (such as statutory receivables or payables that arise as a result of statutory requirements imposed by governments) are not financial instruments.

Financial liability

A financial liability is any liability that is:

- (a) a contractual obligation:
 - to deliver cash or another financial asset to another entity; or
 - to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or
- (b) a contract that will or may be settled in the entity's own equity instruments and is:
 - a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or
 - a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose the entity's own equity instruments do not include instruments that are themselves contracts for the future receipt or delivery of the entity's own equity instruments.

Financial statements

Depending on the context of the sentence where the term 'financial statements' is used, it may include only the main statements (i.e. comprehensive operating statement, balance sheet, cash flow statement, and statement of changes in equity); or it may also be used to include the main statements and the notes.

Grants

Transactions in which one unit provides goods, services, assets (or extinguishes a liability) or labour to another unit without receiving approximately equal value in return. Grants can either be operating or capital in nature. While grants to governments may result in the provision of some goods or services to the transferor, they do not give the transferor a claim to receive directly benefits of approximately equal value. Receipt and sacrifice of approximately equal value may occur, but only by coincidence. For example, governments are not obliged to provide commensurate benefits, in the form of goods or services, to particular taxpayers in return for their taxes. For this reason, grants are referred to by the AASB as involuntary transfers and are termed non-reciprocal transfers.

Grants can be paid as general purpose grants which refer to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants which are paid for a particular purpose and/or have conditions attached regarding their use.

Interest expense

Costs incurred in connection with the borrowing of funds. Interest expense includes interest on bank overdrafts and short term and long term borrowings, amortisation of discounts or premiums relating to borrowings, interest component of finance leases repayments, and the increase in financial liabilities and non-employee provisions due to the unwinding of discounts to reflect the passage of time.

Net result

Net result is a measure of financial performance of the operations for the period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other non-owner changes in equity'.

Net result from transactions

Net result from transactions or net operating balance is a key fiscal aggregate and is revenue from transactions minus expenses from transactions. It is a summary measure of the ongoing sustainability of operations. It excludes gains and losses resulting from changes in price levels and other changes in the volume of assets. It is the component of the change in net worth that is due to transactions and can be attributed directly to government policies.

Non-financial assets

Non-financial assets are all assets that are not 'financial assets'.

Other economic flows

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions. They include gains and losses from disposal, revaluation and impairment of non-current physical and intangible assets; actuarial gains and losses arising from defined benefit superannuation plans and fair value changes of financial instruments. In simple terms, they are changes arising from market re-measurements.

Payables

Includes short and long term trade debt and accounts payable, grants and interest payable.

Receivables

Includes short and long term trade credit and accounts receivable, grants, taxes and interest receivable.

Sales of goods and services

Refers to revenue from the direct provision of goods and services and includes fees and charges for services rendered, sales of goods, fees from regulatory services, work done as an agent for private enterprises. It also includes rental income under operating leases and on produced assets such as buildings and entertainment, but excludes rent income from the use of non-produced assets such as land.

Supplies and services

Supplies and services generally represent cost of goods sold and the day to day running costs, including maintenance costs, incurred in the normal operations of the Office.

Transactions

Transactions are those economic flows that are considered to arise as a result of policy decisions, usually an interaction between two entities by mutual agreement. They also include flows within an entity such as depreciation where the owner is simultaneously acting as the owner of the depreciating asset and as the consumer of the service provided by the asset. Taxation is regarded as mutually agreed interactions between the government and taxpayers. Transactions can be in kind (e.g. assets provided/given free of charge or for nominal consideration) or where the final consideration is cash. In simple terms, transactions arise from the policy decisions of the government.

Office of the Ombudsman

Accountable Officer's and Chief Financial Officer's declaration

We certify that the attached financial statements for the Office of the Ombudsman have been prepared in accordance with Standing Direction 4.2 of the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards, including interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and notes to the financial statements, presents fairly the financial transactions during the year ended 30 June 2013 and financial position of the Office as at 30 June 2013.

We are not aware of any circumstance, which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on 29 August 2013.



Joe Bonnici
Chief Financial Officer
Department of Premier and Cabinet

Melbourne
29 August 2013



G E Brouwer
OMBUDSMAN
Office of the Ombudsman

Melbourne
29 August 2013

Appendix 1

Disclosure index

Parts 1 and 2 of the annual report of the Office of the Ombudsman have been prepared in accordance with all relevant Ministerial directions and legislation. The index below will facilitate identification of compliance items with the requirements.

Table 1: Ministerial directions		
Report of Operations		
Direction	Matter	Page No.
Charter and purpose of office		
FRD 22C	Manner of establishment and the relevant Ministers	7
FRD 22C	Objectives, function, powers and duties	7
FRD 22C	Nature and range of services provided	7
Management and structure of the office		
FRD 22C	Organisational structure	33
Financial and other information relating to the office		
FRD 8B	Budget portfolio outcomes	56-59
FRD 10	Disclosure index	80
FRD 12A	Disclosure of major contracts	N/A
FRD 15B	Executive officer disclosures	73
FRD 22C; SD 4.2(k)	Operational and budgetary objectives and performance against objectives	30
FRD 22C	Employment and conduct principles	38
FRD 22C	Occupational health and safety policy	38
FRD 22C	Summary of the financial results for the year	56-59
FRD 22C	Significant changes in financial position during the year	57
FRD 22C	Major changes or factors affecting performance	N/A
FRD 22C	Subsequent events	N/A
FRD 22C	Application and operation of the <i>Freedom of Information Act 1982</i>	49
FRD 22C	Compliance with the building and maintenance provisions of the <i>Building Act 1993</i>	43
FRD 22C	Statement of National Competition Policy	N/A
FRD 22C	Application and operation of the <i>Whistleblowers Protection Act 2001</i>	49
FRD 22C	Details of consultancies over \$10,000	48
FRD 22C	Details of consultancies under \$10,000	48
FRD 22C	Statement of availability of other information	50
FRD 24C	Reporting of office-based environmental impacts	44-47
FRD 25A	Victorian Industry Participation Policy disclosures	48
FRD 29	Workforce data disclosures	35
SD 4.5.5	Risk management compliance attestation	42
SD 4.5.5.1	Insurance compliance	43
SD 4.2(j)	Sign-off requirements	1

Financial Report		
Financial statements required under Part 7 of the Financial Management Act		
SD4.2(a)	Statement of Changes in Equity	58
SD4.2(b)	Operating Statement	56
SD4.2(b)	Balance Sheet	57
SD4.2(b)	Cash Flow Statement	59
Other requirements under Standing Direction 4.2		
SD4.2(c)	Compliance with Australian Accounting Standards and other authoritative pronouncements	60
SD4.2(c)	Compliance with Ministerial Directions	60
SD4.2(d)	Rounding of amounts	N/A
SD4.2(c)	Accountable officer's declaration	78
SD4.2(f)	Compliance with Model Financial Report	60
Other disclosures in notes to the financial statements		
FRD 9A	Disclosures of administered assets and liabilities	74
FRD 11	Disclosure of ex-gratia payments	N/A
FRD 13	Disclosure of parliamentary appropriations	67
FRD 21A	Responsible and executive officer disclosures	73
FRD 102	Inventories	N/A
FRD 103D	Non-current physical assets	57
FRD 104	Foreign currency	N/A
FRD 106	Impairment of assets	62
FRD 107	Investment properties	N/A
FRD 109	Intangible assets	57
FRD 110	Cash flow statements	59
FRD 112A	Defined benefit superannuation obligations	74
FRD 113	Investments in subsidiaries and jointly controlled entities and associates	N/A
FRD 114A	Financial Instruments - General Government Entities and public non-financial corporations	N/A
FRD 119	Contributions by owners	57

Table 2: Legislation	
Legislation	Page No
<i>Ombudsman Act 1973</i>	7
<i>Freedom of Information Act 1982</i>	49
<i>Building Act 1983</i>	43
<i>Protected Disclosure Act 2012</i>	52
<i>Whistleblowers Protection Act 2001</i>	52
<i>Victorian Industry Participation Policy Act 2003</i>	48
<i>Financial Management Act 1994</i>	60

Appendix 2

Workload impact of new integrity regime on VO – February 2013 to 30 June 2013

I noted in the introduction to this report that the impact of the new integrity system on VO would be significant, but that the size and nature of that impact in 2013-14 and beyond was not yet clear. I noted, too, that VO and the Departments of Premier and Cabinet and Treasury and Finance have agreed to assess the impact early in 2014 so that we are able to properly advise Government about the budgetary implications.

Early data already indicates that the new system will involve substantial work for my office. The following is an outline.

Referrals in writing

I noted in Part 1 of this report that, when making certain referrals to other agencies, I am obliged to do so in writing. This mandatory requirement, regardless of the circumstances of the initial approach to my office, creates a significant additional administrative workload.

In the period 11 February to 30 June I made 362 such written referrals. The table below sets out the details:

Nature of approach to VO and subsequent referral to	No. received at VO by telephone	No. received at VO by letter	Total received
Allegations about IBAC: To the Victorian Inspectorate	2	2	4
Allegations of corrupt conduct: To IBAC	1	5	6
Complaints about FOI: To FOI Commissioner	-	14	14
Possible protected disclosures: To IBAC	17	23	40
Allegation relating to Victoria Police: To IBAC	206	92	298
Total	226	136	362
Percentage of total	62%	38%	

These mandatory referral procedural requirements add little, if any, value to the handling of approaches to my office. They restrict the implementation of efficiencies and unnecessarily consume resources. It would be preferable, for example, if the legislation allowed my officers to simply provide those approaching my office with the relevant agency's contact details. No further involvement from my office would then be required. This was the practice in the past, particularly in relation to police complaints³¹.

³¹ In a small number of cases, where the complainant was disadvantaged in pursuing their concerns, or because the issue was very serious, my officers would use their discretion to assist the complainant make the referral.

Protected Disclosures

IBAC's 'clearing house' role in respect to protected disclosures under the *Protected Disclosure Act 2012* is also creating an additional workload for my office. Under the former *Whistleblowers Protection Act 2001* I was empowered to determine whether a disclosure was a public interest disclosure. Staff would apply my internal procedures for the assessment of potential public interest disclosures to enable me to make my determination.

Under the Protected Disclosure Act I am required to refer an approach to IBAC if that body *may* potentially decide that it is a protected disclosure.

I am also required to make assessments of approaches that IBAC has determined to be protected disclosures and referred to me for investigation. Sections 15D and 15E of the *Ombudsman Act 1973* include a number of elements which I must consider before investigating a protected disclosure complaint. As many of these referrals were initially made to my office and referred to IBAC, the legislation requires these approaches to be assessed on three separate occasions. There were 20 such approaches that were subject to this process between 10 February and end June 2013.

Under the Whistleblowers Protection Act I was able to refer Public Interest Disclosures to other bodies for investigation where that was appropriate. Under the new legislative arrangements that option is not available to me. That is, I am now not able to refer on to other agencies for investigation any protected disclosure complaints referred to me by IBAC; they must all be investigated by my staff. In the period from early February to end June 2013 this resulted in my office investigating about 20 more disclosure cases than in each of the previous two financial years. I expect that the increase will be much greater in 2013-14.

Ombudsman's Reports 2004-13

2013

Ombudsman Act 1973 Own motion investigation into unenforced warrants August 2013

Whistleblowers Protection Act 2001 Investigation into allegations of improper conduct by a Magistrates' Court registrar May 2013

2012

Own motion investigation into the governance and administration of the Victorian Building Commission December 2012

A section 25(2) report to Parliament on the proposed integrity system and its impact on the functions of the Ombudsman December 2012

Whistleblowers Protection Act 2001 Investigation into allegations concerning rail safety in the Melbourne Underground Rail Loop October 2012

Whistleblowers Protection Act 2001 Investigation into allegations of improper conduct by CenITex officers October 2012

Whistleblowers Protection Act 2001 Investigation into allegations of improper conduct involving Victoria Police October 2012

Whistleblowers Protection Act 2001 Investigation into allegations against Mr Geoff Shaw MP October 2012

Investigation into the temporary closure of Alfred Health adult lung transplant program October 2012

Investigation into an alleged corrupt association October 2012

Whistleblowers Protection Act 2001 Investigation into allegations of detrimental action involving Victoria Police June 2012

Own motion investigation into Greyhound Racing Victoria June 2012

The death of Mr Carl Williams at HM Barwon Prison – investigation into Corrections Victoria April 2012

Whistleblowers Protection Act 2001 Conflict of interest, poor governance and bullying at the City of Glen Eira Council March 2012

Investigation into the storage and management of ward records by the Department of Human Services March 2012

2011

Investigation into the Foodbowl Modernisation Project and related matters November 2011

Investigation into ICT-enabled projects November 2011

Investigation into how universities deal with international students October 2011

Investigation regarding the Department of Human Services Child Protection program (Loddon Mallee Region) October 2011

Investigation into the Office of Police Integrity's handling of a complaint October 2011

SafeStreets Documents – Investigations into Victoria Police's Handling of Freedom of Information request September 2011

Investigation into prisoner access to health care August 2011

Investigation into an allegation about Victoria Police crime statistics June 2011

Corrupt conduct by public officers in procurement June 2011

Investigation into record keeping failures by WorkSafe agents May 2011

Whistleblowers Protection Act 2001 Investigation into the improper release of autopsy information by a Victorian Institute of Forensic Medicine employee May 2011

Ombudsman investigation – Assault of a Disability Services client by Department of Human Services staff
March 2011

The Brotherhood – Risks associated with secretive organisations
March 2011

Ombudsman investigation into the probity of The Hotel Windsor redevelopment
February 2011

Whistleblowers Protection Act 2001
Investigation into the failure of agencies to manage registered sex offenders
February 2011

Whistleblowers Protection Act 2001
Investigation into allegations of improper conduct by a councillor at the Hume City Council
February 2011

2010

Investigation into the issuing of infringement notices to public transport users and related matters
December 2010

Ombudsman's recommendations second report on their implementation
October 2010

Whistleblowers Protection Act 2001
Investigation into conditions at the Melbourne Youth Justice Precinct
October 2010

Whistleblowers Protection Act 2001
Investigation into an allegation of improper conduct within RMIT's School of Engineering (TAFE) – Aerospace
July 2010

Ombudsman investigation into the probity of the Kew Residential Services and St Kilda Triangle developments
June 2010

Own motion investigation into Child Protection – out of home care
May 2010

Report of an investigation into Local Government Victoria's response to the Inspectors of Municipal Administration's report on the City of Ballarat
April 2010

Whistleblowers Protection Act 2001
Investigation into the disclosure of information by a councillor of the City of Casey
March 2010

Ombudsman's recommendations – Report on their implementation
February 2010

2009

Investigation into the handling of drug exhibits at the Victoria Police Forensic Services Centre
December 2009

Own motion investigation into the Department of Human Services – Child Protection Program
November 2009

Own motion investigation into the tendering and contracting of information and technology services within Victoria Police
November 2009

Brookland Greens Estate – Investigation into methane gas leaks
October 2009

A report of investigations into the City of Port Phillip
August 2009

An investigation into the Transport Accident Commission's and the Victorian WorkCover Authority's administrative processes for medical practitioner billing
July 2009

Whistleblowers Protection Act 2001 Conflict of interest and abuse of power by a building inspector at Brimbank City Council
June 2009

Whistleblowers Protection Act 2001
Investigation into the alleged improper conduct of councillors at Brimbank City Council
May 2009

Investigation into corporate governance at Moorabool Shire Council
April 2009

Crime statistics and police numbers
March 2009

2008

Whistleblowers Protection Act 2001 Report of an investigation into issues at Bayside Health
October 2008

Probity controls in public hospitals for the procurement of non-clinical goods and services
August 2008

Investigation into contraband entering a prison and related issues
June 2008

Conflict of interest in local government
March 2008

Conflict of interest in the public sector
March 2008

2007

Investigation into VicRoads' driver licensing arrangements
December 2007

Investigation into the disclosure of electronic communications addressed to the Member for Evelyn and related matters
November 2007

Investigation into the use of excessive force at the Melbourne Custody Centre
November 2007

Investigation into the Office of Housing's tender process for the cleaning and gardening maintenance contract - CNG 2007
October 2007

Investigation into a disclosure about WorkSafe's and Victoria Police's handling of a bullying and harassment complaint
April 2007

Own motion investigation into the policies and procedures of the planning department at the City of Greater Geelong
February 2007

2006

Conditions for persons in custody
July 2006

Review of the *Freedom of Information Act 1982*
June 2006

Investigation into parking infringement notices issued by Melbourne City Council
April 2006

Improving responses to allegations involving sexual assault
March 2006

2005

Investigation into the handling, storage and transfer of prisoner property in Victorian prisons
December 2005

Whistleblowers Protection Act 2001 Ombudsman's guidelines
October 2005

Own motion investigation into VicRoads registration practices
June 2005

Complaint handling guide for the Victorian Public Sector 2005
May 2005

Review of the *Freedom of Information Act 1982* Discussion paper
May 2005

Review of complaint handling in Victorian universities
May 2005

Investigation into the conduct of council officers in the administration of the Shire of Melton
March 2005

Discussion paper on improving responses to sexual abuse allegations
February 2005

2004

Essendon Rental Housing Co-operative (ERHC)
December 2004

Complaint about the Medical Practitioners Board of Victoria
December 2004

Ceja task force drug related corruption - second interim report of Ombudsman Victoria
June 2004

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