

**ANNUAL
REPORT
2021**



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

Dear Presiding Officers,

I am pleased to transmit, in accordance with section 25 of the *Ombudsman Act 1973* (Vic) the Annual Report of the Victorian Ombudsman's office for the year ended 30 June 2021.

A handwritten signature in black ink, appearing to read 'Deborah Glass', with a stylized flourish at the end.

Deborah Glass
Ombudsman

28 October 2021

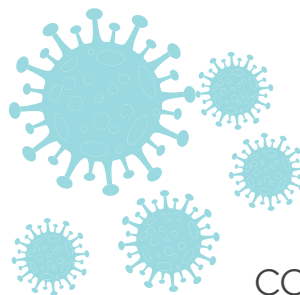
Contents

Year at a glance 2020-21	4
Ombudsman's message	6
Annual Plan 2020-21 outcomes	8
About us	10
Our relevance	14
Contact with us	18
COVID-19 impact	19
Complaints	24
ERT	24
Assessments	28
What people complained about	32
Local Government	40
Public Housing, Health and Human Services	50
Protecting Human Rights	56
Public Interest Disclosures	60
How we deal with public interest disclosures and complaints	61
Finalising complaints through enquiries	62
Engagement	66
Public Sector Education	70
Data and Technology	74
Our people	76
Our performance	84
Statutory disclosures	88
Financial statements	104

Year at a glance 2020-21

18,058 jurisdictional complaints received

up 12%



274

COVID-related complaints about public health directions*

*excluding business grants

5,199

enquiries +45%

Completed investigations

44



14,978

phone complaints



ten

reports tabled in Parliament



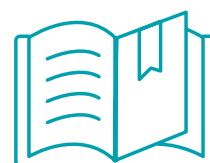
9,068 online complaints



+38%

Total recommendations

42



39

accepted

2,770

complaints about Human Rights breaches



Most complained about



Local Councils

Biggest issue of complaints

Correspondence and
communication
delays and no response



+47%
social
media

23 educational
workshops



108

Public Interest
complaints finalised



Environmental
impact

79

reams of paper used down from 350



Ombudsman impact

- 12,000 businesses invited to reapply for grants from Business Support Fund Investigation
- More than 17,400 parking fines could be overturned after a follow up report into internal reviews of parking fines
- WorkSafe legislation implemented from an Ombudsman's recommendation
- Residents in public housing towers treated more fairly during COVID-19 outbreaks following an investigation
- City of Melbourne agrees to refund 1,200 motorists who made errors on their PayStay parking app
- Councils make changes to their hardship policies following an Ombudsman investigation.

Ombudsman's message



Photo credit: Gerard McLenaghan

It is impossible to reflect on the year under review without some commentary on the conditions affecting everyone in Victoria, where we have experienced almost all the past year in lockdown. The office of the Ombudsman both serves the community and is a part of the community, and the continuing impact of COVID-19 makes itself felt in a multitude of ways.

The most obvious of these is the impact on the complaints we received and the systemic issues we investigated. Last year saw an increase of 12% in the number of jurisdictional complaints received, to over 18,000, a record number for the office. Our geographical spread has also increased: we have taken complaints from almost half of all Victorian postcodes. While not all were related to the pandemic, many were, raising new themes for the Ombudsman such as the fair distribution of grants to small businesses affected by lockdowns and the impact of hard lockdown on public housing tenants.

These complaints resulted in two major systemic investigations. Complaints about the Business Support Fund – numbering over a thousand – helped bring about systemic changes in the way the government rolls out grant schemes supporting many thousands of people. The outcome of the Business Support Fund investigation included the department's agreement to reassess over 10,000 grant applications, potentially leading to payment of over \$100 million to small businesses.

The investigation into the hard lockdown of an inner Melbourne public housing tower exposed another series of official failings, in this case a failure to properly consider the human rights of three thousand people. While the government did not accept my recommendation that it apologise to those people, I was pleased to see a very different response to a COVID-19 outbreak in the public housing towers a year later. Actions do indeed speak louder than words.

These complaints and other cases illustrated our rights in a pandemic, which has exposed some uncomfortable truths about freedoms we used to take for granted. There can be little doubt COVID-19 has forever changed the public's conception of government, human rights and what is possible in Australia, as we see limitations on those freedoms that would not long ago have been unimaginable.

But even during a global pandemic, perhaps especially during a global pandemic, human rights cannot be ignored. The Ombudsman is Victoria's human rights investigator; and while we considered many of the restrictions imposed by public health orders to be reasonable in the circumstances, we also closely scrutinised decisions that were not. Through our complaints resolution and investigations activity, we continue to remind public officials of the sometimes unwelcome truth that human rights still matter.

Local councils topped the list of most complained about public bodies this year, not surprisingly, given that almost all Victorians have some form of interaction with their local council. Issues complained about were similar to previous years: how councils communicated with ratepayers was the biggest area of concern; followed by how the complaint was handled.

These themes were reflected in our work involving local councils. We updated our good practice guide into complaints handling, to help councils develop their own complaints handling policies – a new legislative requirement that comes into effect in 2021 following my reports in 2015 and 2019.

“ Through our complaints resolution and investigations activity, we continue to remind public officials of the sometimes unwelcome truth that human rights still matter. ”

We also investigated how councils deal with financial hardship by ratepayers, a regular theme for the office made even more topical by the financial impact of the pandemic. We found both good and bad practice across Victoria's 79 local councils, and I am pleased that many councils have changed their hardship policies to be more sensitive to the circumstances of struggling ratepayers.

Some themes never change, and instances of poor behaviour by public officials continued to be investigated and exposed. Undisclosed conflicts of interest continued to dominate the list of misconduct allegations, illustrated this year by the local council IT contractor who secured over a million dollars in council work for his own company. I continue to investigate dozens of public interest complaints referred by IBAC and to table a small number of those investigations in the public interest.

While the core work of my office remains unchanged, I am pleased I am also able to report on some new matters. Legislative reforms coming into effect in 2020 gave me new functions including education, complaints review and alternative dispute resolution – as I said at the time, much-needed tools in a modern Ombudsman's toolkit. Financial constraints have prevented me being able to launch these new functions in any meaningful way but we are now starting to embed them in the work of the office and I expect to report further on these developments next year.

Another new legislative development was budget independence, and this year marked the first year my office has operated its financial arrangements fully independently. It is a credit to my hardworking finance team that the office's first audit of these arrangements has gone so smoothly.

My budget itself received a modest uplift this year, although not the full amount I had requested of the government. I am pleased I have received the Treasurer's commitment to make up the shortfall, to allow me to do the job expected of me by Parliament and the public. I am also grateful for the advice and assistance of the Department of Treasury and Finance.

This report contains some new data, and some changes to the way it is presented. This is the result of improvements in technology in how we collect and report our data, which will also allow us to use data better to inform our decision-making.

Although so many borders have been closed all year, my office remains part of a wider community of Ombudsmen, around Australia and around the world. I am proud to be a Director of the International Ombudsman Institute, which joins some 200 Ombudsman offices around the world, and to have participated in numerous online meetings and conferences to share good practice, many about the impact of COVID-19 on our work. Last December we celebrated the adoption of a new United Nations Resolution on the Ombudsman, a powerful reflection of the importance of the Ombudsman institution around the globe.

Finally, I must reflect on the impact of COVID-19 on my own workforce. While my physical office remained closed to the public all year, and mostly closed to the staff, we continued to provide a service to the public every working day. Unlike many other public services, our phone lines remained open all year, while online complaints increased. We did this while staff worked from home, many also home-schooling children or facing the other difficulties experienced by so many Victorians during the pandemic.

My staff dealt with both increased demand for Ombudsman services and an increased level of challenging behaviour from the public, with commendable dedication. My managers and leadership team continued to support their teams and boost morale through many gloomy days. To help the office not only survive, but thrive, is no mean feat. I thank them all for their hard work and dedication to the Ombudsman's vision of making Victoria a fairer place.

Deborah Glass
Ombudsman

Annual Plan 2020-21 outcomes

Our Intent	2020-21 Key Actions
ENSURE FAIRNESS <ul style="list-style-type: none"> Independent and impartial complaint resolution 	Finalise Reflect Reconciliation Action Plan (RAP) and develop a new three-year Innovate RAP Subject to COVID-19 restrictions, explore partnering with a Community Legal Centre to develop greater awareness of the complaints that can be referred to the VO* Refine and simplify the VO's online complaint form to ensure there is simple and convenient access to the office for complainants, 24/7 Provide Easy English accessible translations for all published reports
GREATER AWARENESS <ul style="list-style-type: none"> Encourage fair and reasonable decision making within the public sector 	Video summaries of majority of published reports Targeted brochures, particularly for Aboriginal and Torres Strait Islander communities, explaining the role of the VO and its services Quarterly online newsletter promoting best practice complaints handling and prevention of maladministration
ENHANCE INTEGRITY <ul style="list-style-type: none"> Independently investigate serious matters 	Receive, assess and make enquiries of private bodies performing a public function* Receive, assess and investigate all public interest disclosures and complaints* Develop formal conciliation capabilities to conduct alternative dispute resolution* Develop a framework for conducting complaint handling reviews of public organisations Develop a Complaint Handling Guide for Local Government Develop in-house strategic and financial expertise to support budget independence Due to COVID-19 restrictions, invest in interactive online education and prevention workshop content*
ENSURE ACCOUNTABILITY <ul style="list-style-type: none"> Report on misconduct and poor administration 	Enhance the website so complainants can receive real-time online responses to common queries or speak with VO via Webchat to initiate a complaint Introduce SMS updates so complainants can be more readily informed on the progress of their complaint Report on the VO's performance and complainant satisfaction survey outcomes Build on feedback from the complainant satisfaction survey to realise improvements in customer service Clearer communication of outcomes of complaints to public sector organisations Implement new quality assurance framework and operational key performance indicators to inform training, learning and development initiatives for VO staff Implement new performance measures (BP3) to align with the VO's amended legislation and better demonstrate the breadth and impact of our work
SUPPORT INNOVATION AND IMPROVEMENT <ul style="list-style-type: none"> Assist agencies learn from complaints and investigations Investigate systemic issues and identify solutions 	Conduct a joint investigation with IBAC on maladministration and corruption in the public sector* Subject to COVID-19 restrictions, deliver training and workshops to support improvements in public sector administration Subject to COVID-19 restrictions, conduct a public sector forum on maladministration* Develop a capability framework emphasising skills of the future Maintain strong staff engagement on People Matter Surveys Invest in the case management system and workflows to improve reporting capability and drive efficiency* Improve data analytics capability to identify systemic issues across the public sector and work with departments and agencies to resolve and prevent further occurrences*
PROTECT HUMAN RIGHTS <ul style="list-style-type: none"> Investigate whether an action or decision is incompatible with Human Rights Make it easier for vulnerable people to complain 	Develop a human rights case compendium* Prioritise COVID-19 related human rights complaints and investigations (Diversity & Inclusion Plan) New Accessibility Action Plan

Outcomes	
Reflect RAP has been finalised. Innovate RAP has been developed, reviewed by Reconciliation Australia and will be finalised in FY 2021-22.	✓
COVID-19 has impacted the realisation of this goal, however a suitable CLC has been identified and collaboration and partnership discussions have commenced with a implementation pending restrictions easing.	○
A change to online complaints form has resulted in reducing the average time to complete form to 7 mins. Ongoing improvements on the complainant feedback and the pattern of the online complaint form usage.	✓
Easy English accessible translations have been completed and implemented for all published reports (available from the VO website).	✓
Action has been completed and implemented where a video summary complementing the release of a public report is suitable (available from the VO website).	✓
Action has been completed and a targeted brochure distributed to various Indigenous organisations.	✓
Action has been completed with an introduction of a quarterly public newsletter as well as a targeted education and prevention newsletter (available on the VO website).	✓
Policy and internal legal guidance for staff have completed in readiness for the VO to take complaints and launch investigations into bodies covered by this jurisdiction. COVID-19 and budget constraints have prevented the public awareness and promotion of this function.	○
COVID-19 and budget constraints have prevented the public awareness and promotion of this existing function with expanded remit.	■
COVID-19 and budget constraints have prevented the implementation of this function, with draft policy and staff guidance in development.	■
Framework has been developed and a policy, procedure and an authority self-audit checklist have been finalised. COVID-19 and budget constraints have prevented the full implementation.	○
Action completed and the revised guide was tabled in Parliament.	✓
COVID-19 has impacted the full rollout of the new finance system solution with full implementation planned in Q1, FY 21-22, together with a fit-for-purpose finance expertise and capability.	○
Education program workshops are now delivered online with some modified course material. Lack of enrolments is largely attributable to COVID-19.	✓
Webchat in final stages of development, delayed due to COVID-19. A roll out is planned for Q1, FY 21-22.	○
SMS is in the final stages of development, with the implementation delayed due to COVID. A roll out is planned for Q1, FY 21-22.	○
Complainant satisfaction survey outcomes are reported as part of the VO's annual report.	✓
Complainant satisfaction and feedback with VO's services measured and analysed on a quarterly basis with appropriate changes made to ensure VO is responsive to complainant needs and community expectations.	✓
Changes to the communication of VO's decisions to provide greater detail behind the decision. Assessed and monitored as part of the continuous improvement via ongoing quarterly complainant satisfaction survey.	✓
A Quality Assurance Framework has been developed and applied.	✓
VO's new BP3 measures have been approved and will be reported against on VO's website on a quarterly basis from FY 21-22.	✓
A joint investigation with IBAC has commenced following a referral from Parliament.	✓
A blended model of face-to-face and online workshops has been introduced and is being implemented as part of greater flexibility and accessibility, however it remains subject to COVID-19 restrictions.	○
Action could not be completed due to COVID-19. Education and prevention initiatives are planned for FY 21-22, subject to COVID-19.	■
Capability Framework has been developed and will be implemented in FY 21-22.	✓
VPS-wide People Matter survey was conducted 87% uptake on completion by staff. Results to be published as part of Annual Report.	✓
Changes made to the case management system to streamline the system; expand the functionality as a result of changes to the VO Legislation and make investigations modules more fit-for-purpose.	✓
Data analytics capability developed with accurate, timely, transparent reporting and trend analysis – leading to identification of issues that lend themselves to systemic investigations (e.g. BSF investigation).	✓
Human rights casebook was published in Q1 FY 21-22.	✓
COVID-19 related Human Rights complaints have been prioritised, examples include the Public Towers lockdown investigation and the Human Rights casebook .	✓
Completion of the action has been delayed by COVID-19 related priorities and staff shortages. A development of a draft Accessibility Action Plan has been achieved with a full implementation as well as the development of a Diversity and Inclusion Plan to be rolled out in FY 21-22.	■

✓ performance target achieved – (both within 5 per cent variance and exceeds 5 per cent variance);

○ performance target not achieved – within 5 per cent variance; and
 ■ performance target not achieved – exceeds 5 per cent variance.

About us

Establishment

Recognising the power imbalance between the individual and the State and the need for government transparency and accountability, the Victorian Parliament established the office of the Victorian Ombudsman on 30 October 1973. The Ombudsman is an independent officer of the Parliament under section 94E of the *Constitution Act 1975* (Vic).

Purpose

Ensure fairness for Victorians in their dealings with the public sector and improve public administration.

Operation

Our day-to-day work involves:

- taking complaints about administrative actions of State Government departments, bodies established by legislation (eg WorkSafe, VicRoads) and local councils (and some private organisations acting on behalf of those bodies)
- making enquiries and resolving complaints informally where possible
- investigating when needed and making recommendations for change
- receiving and investigating complaints under the *Public Interest Disclosures Act 2012* (Vic)
- examining systemic problems in public administration.

We do not advocate for members of the public or for authorities. We make decisions based on evidence and operate in accordance with the *Ombudsman Act 1973* (Vic).

We can also consider whether administrative action is compatible with a right or whether a decision failed to give proper consideration to a right, set out in Victoria's *Charter of Human Rights and Responsibilities Act 2006* (Vic) ('the Charter of Rights Act').

The Terrorism (Community Protection) Act 2003 (Vic) requires us to be notified when a preventative detention order or prohibited contact order is made, and if a person is taken into custody. We can receive complaints and make representations to a nominated senior police officer about a person's treatment in connection with their detention.

Most of our work takes place in private in accordance with our legislation, but the Ombudsman can decide to make our work public in certain circumstances.

Human rights

The Charter of Rights Act sets out 20 rights and freedoms protected in Victoria. It recognises all people are born free and equal in dignity and rights, subject to reasonable limitations applied in accordance with the Act.

Human rights principles have always been central to our work. The introduction of the Act in 2006 amended the Ombudsman Act and empowered us to make explicit what had always been implicit in our work.

By looking at public administration through the lens of human rights, we can investigate and encourage a culture of human rights compliance across the public sector.

Our work

Our jurisdiction under the *Ombudsman Act 1973* (Vic) covers public organisations such as:

- State Government departments or administrative offices
- private or public prisons
- bodies established by legislation, such as the Transport Accident Commission
- local councils
- publicly-funded bodies.

Our main functions are:

- to resolve or investigate complaints about administrative actions or decisions taken in public organisations
- investigate systemic issues in these organisations
- investigate public interest or whistleblower complaints about improper conduct and detrimental action by public officers, which are referred to us by IBAC.

We often make remedial recommendations if we find the organisation appeared to act contrary to law, unreasonably or unfairly.

Our other functions include

- reviewing organisations' complaint handling
- educating and engaging with communities to raise awareness of our work, drive improvement in the public sector and ensure fairness is at the heart of decision making in public organisations.

Who we can investigate



Source: Victorian Ombudsman

Vision

There are four principles that guide our work:

1. ensuring fairness through independent and impartial complaint resolution and encouraging fair and reasonable decision making within the public sector
2. enhancing accountability by independently investigating serious matters and reporting on improper conduct and poor administration
3. fostering continuous improvement by assisting public organisations to learn from complaints and investigations and by investigating systemic issues and identifying solutions
4. protecting human rights by investigating whether an action or decision is incompatible with human rights and making it easier for vulnerable people to complain.

Strategic Framework



Our relevance

“ I just wanted to say thank you so much for all the efforts the Ombudsman’s Office went to in resolving my complaint. It has meant the world to me and my family and means that after almost 11 months this issue is finally resolved. ”

– email from a complainant.

Postcode breakdown of complaints



8,117

Complainants
registered a
postcode



883

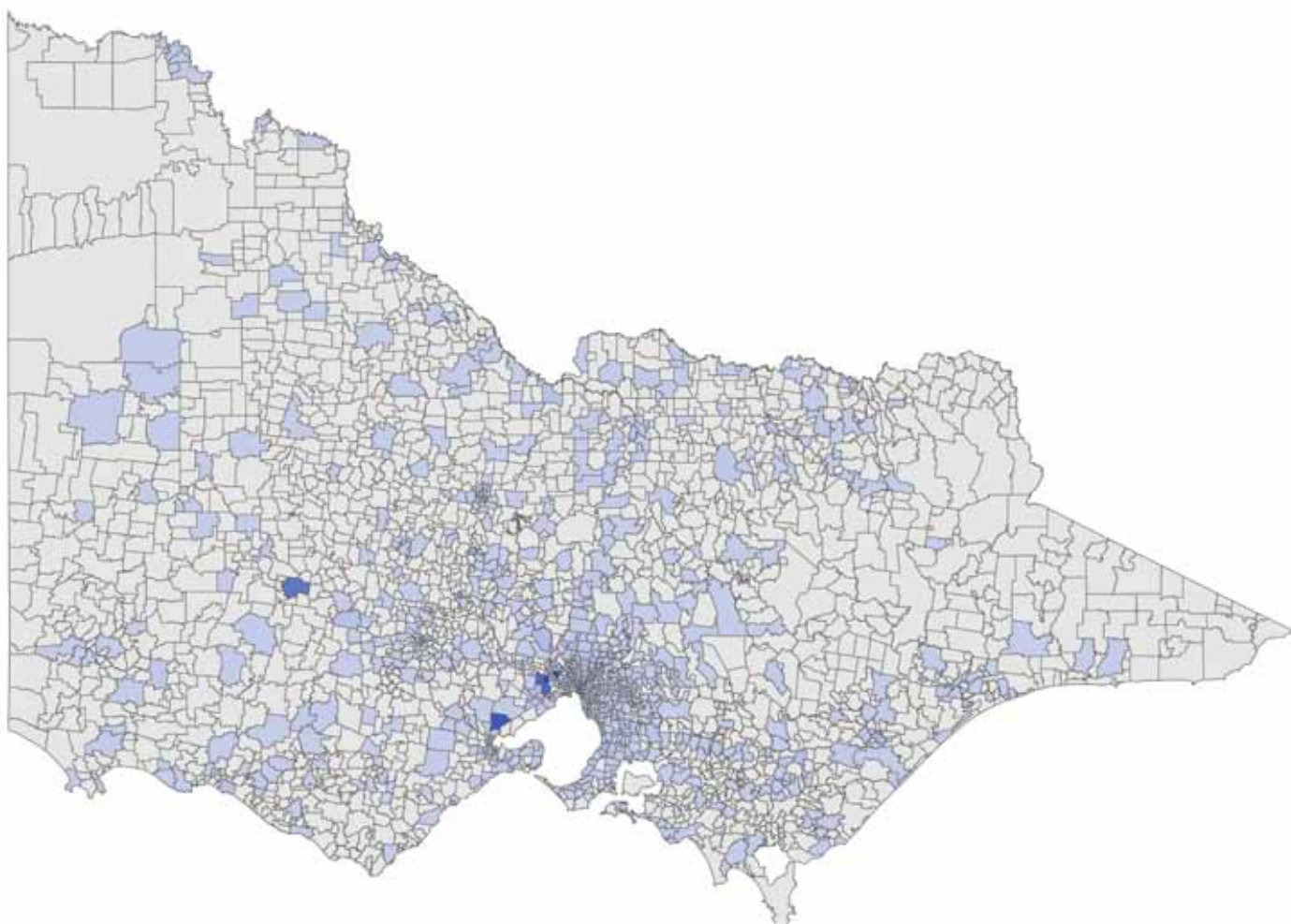
Locations
identified



44.2%

of Victorian
postcodes in
complaints to
the office

Complaints received by suburb



Source: Victorian Ombudsman

From Mildura in the state's north to Cabbage Tree Creek in East Gippsland, Beechworth in north-east of Victoria to the coastal town of Port Fairy and suburbs surrounding Melbourne, the Victorian Ombudsman is dedicated to being accessible to all, regardless of geography.

We have taken complaints from 44 per cent of Victoria in 2020-21, cementing our relevance to the wider Victorian community.

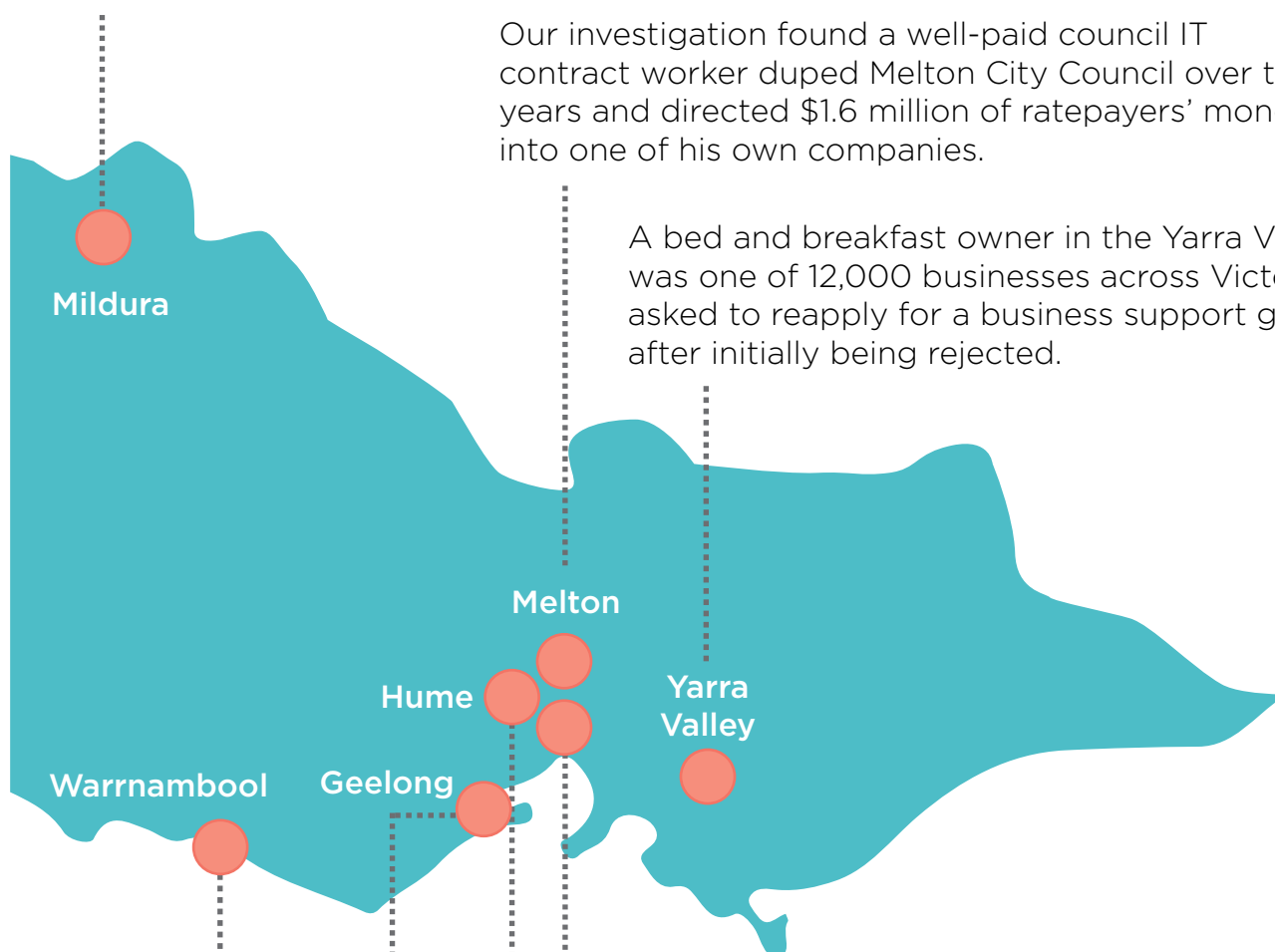
Our broad range of investigations during this financial year impacted people state-wide - whether it was business owners not getting their COVID-19 cash grants or our investigation into how all of Victoria's 79 councils dealt with financial hardship.

Impact around the State

Mildura Rural City Council to potentially refund 2,500 parking fines issued between July 2007 and May 2019 following a report into internal review practices.

Our investigation found a well-paid council IT contract worker duped Melton City Council over two years and directed \$1.6 million of ratepayers' money into one of his own companies.

A bed and breakfast owner in the Yarra Valley was one of 12,000 businesses across Victoria asked to reapply for a business support grant after initially being rejected.



An investigation found a former Warrnambool Council Manager misused his corporate credit card to claim at least \$8,000 worth of goods and services which were excessive or for his personal benefit.

Melbourne

An investigation into the snap lockdown of public housing residents found it breached their human rights – and the government has made improvements to ensure it does not happen again.

Hume City Council was one of many Victorian councils which agreed to improve their hardship policies following an Ombudsman's report.

City of Greater Geelong agreed to refund around \$600,000 to motorists after acknowledging outsourcing internal reviews.

Contact with us

“ Please send my compliments to the Ombudsman and the entire team for the effort that goes into investigating the numerous decisions made by Victorian Government agencies. Working in the public sector can make it easy to forget sometimes that there are real people affected by the decisions made by these agencies, but the Ombudsman’s office helps to shine a light and ensure that Victorians are given a voice to call out on injustices. ”

– email from a complainant.

Jurisdictional complaints

2020-21

89.38% closed within 30 days

18,058

2019-20

89.63% closed within 30 days

16,138

How people contacted us in 2020-21



14,978

Phone call



5,857

Online complaint



3,198

Email



664

Letter



13

Social media

The number of complaints we received that were in our jurisdiction set a record in 2020-21, increasing by 12 per cent to 18,058 compared to the previous year. Despite the higher workload, 89.38 per cent of jurisdictional complaints were closed within 30 days.

There was a 38 per cent increase in people using online methods to make a complaint, mainly via the complaint form, while we took almost 15,000 complaints on the phone. The ease of the online complaint form, which in many cases can be filled out in less than seven minutes, has led to 5,857 people selecting that option – an increase of 32 per cent.

COVID-19 impact

As COVID-19 continued to present challenges during 2020-21, our office ensured the Victorian community continued to be at the heart of what we do. While our physical office remained closed to comply with COVID-19 health directions, our call centre remained open every business day.

Our streamlined online complaints process also proved to be an attractive way to lodge a complaint. While our call centre endeavoured to remain open 9am-5pm, at times reduced hours of 10am-3pm were necessary to process a high volume of complaints as well as assist our staff with their own home working arrangements.

We continued to receive complaints about COVID-19 restrictions and health orders – lockdowns, border closures, restricted freedoms and compulsory mask-wearing. While all complaints are assessed and some complaints were investigated, we do not investigate all complaints to our office and this was also the case with complaints about COVID-19 restrictions.

While COVID-19 health orders restricted our freedom of movement, these restrictions must be balanced against our own and others' health and wellbeing. Our office believed it was reasonable for the Chief Health Officer and his delegates to decide to issue directions to limit people's movement in response to the pandemic.

Much of our work this financial year had COVID-19 pandemic-related themes:

- Business Support Fund investigation
- How Victoria's councils were handling cases of financial hardship
- Public Housing Towers lockdown investigation
- Complaints about other business lockdown grants and the HomeBuilder grants.

Our investigation into the snap lockdown of 3,000 public housing residents demonstrated our relevance to the community and the impact the office can deliver.

The Ombudsman's investigation was tabled in Parliament within five months to ensure the investigation could prompt change where needed.

The State Government has implemented many of the Ombudsman's recommendations, and there are now greater safeguards in place and better communication with residents.

The Ombudsman remains disappointed the State Government has not accepted a key recommendation to apologise to residents for the immediacy of the lockdown.

“ I continue to make it clear that I did not recommend an apology for the lockdown itself – the Government need not apologise for taking necessary action to keep us all safe. It was for the immediacy of the lockdown, that we found was not based on direct public health advice. ”

– Deborah Glass, Ombudsman

Snapshot: Detention and treatment of public housing residents arising from a COVID-19 ‘hard lockdown’ in July 2020

The Case

About 3,000 residents of nine inner-Melbourne public housing towers were detained by the State Government to help control a COVID-19 outbreak. Senior health officials expected the lockdown would start within 36 hours, to allow planning for food supplies and other logistics. But Premier Daniel Andrews announced at 4pm the lockdown would begin immediately. Residents received no advance notice or explanation of the public health directions. After five days the lockdown was lifted at eight of the nine towers however residents of 33 Alfred Street, some 11 per cent of whom by now had tested positive, were required to remain in their homes for a further nine days. The early days of the lockdown were chaotic: people found themselves without food, medication and other essential supports. Information was hard to understand, or lacking and temporary fencing was erected one night, surrounded by police, and although quickly taken down, reinforced the residents’ sense of being imprisoned.

Key Findings

- A temporary lockdown was warranted and contained the outbreak, but its immediacy was not based on direct public health advice
- The lockdown was not compatible with the residents’ human rights and the action appeared to be contrary to the law
- Victoria’s Acting Chief Health Officer had 15 minutes prior to the media conference to consider and sign directions for the lockdown, including the potential human rights impacts
- The Department of Health and Human Services did not have an Outbreak Management Plan in place for public housing towers
- Public authorities need to give proper consideration to human rights as outlined in the Charter of Rights Act when making decisions.

Key Recommendations

- The Victorian Government issue a public apology to the residents of the towers
- Amend the Public Health and Wellbeing Act 2008 to ensure those detained are provided with information to understand the detention, how to apply for any relevant exemptions, and the complaints or review process
- Develop and implement local guidelines relating to emergency detention powers, including consideration of obligations under the Charter of Human Rights and Responsibilities 2006.

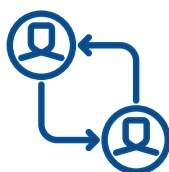
Outcome

- The Victorian Government has implemented many of the recommendations including some amendments to the Public Health and Wellbeing Act to increase safeguards around the use of detention powers, and to improve engagement with residents.

By the numbers



**3,000 residents
were affected**



**24+ COVID-19 cases at the
time the lockdown started
and more than 100 by the
time it ended**



**15 mins time provided for
Deputy CHO to consider
human rights implications**

YOUR STORIES

Apologise so we can move on

With COVID-19 taking a vice like grip on Melbourne in July 2020, the State Government took the extraordinary step of calling a hard lockdown at three public housing towers.

The two-week hard lockdown, enforced by a strong police presence and in some cases perimeter fencing, was called with no warning in a severe example of the State Government's emergency powers.

"I just came home and heard about it on TV," explained Barry Berih, a resident of fifteen years at the North Melbourne public housing tower on Alfred Street. "They brought in five-hundred police; it wasn't reasonable. I felt like I was in a prison; I felt unsafe."

For the public housing tower residents, many of whom had arrived from war-torn countries, the experience was triggering. Barry said the biggest concern for tower residents though, was the lack, and in some cases the absence, of communication. "We didn't know what was happening, so we started using social media as a platform to learn about what was going on," he said.

"What's special about this community though, is that everybody knows each other; everyone's got each other's backs. "We're pretty much brothers and sisters growing up in this area."

For Barry, it's clear what needs to be done for him and his community to heal. "I think the government just needs to apologise, so we can move on," he said.



VicRoads

VicRoads backflip puts Harry in the driver's seat after

Harry was working in a supermarket but COVID-19 imposed curfews made it difficult for him to attend work as he did not have his full driver's licence. He had just turned 18, and the restrictions meant he could only accept lifts from friends and his mother, who was a nurse and often rostered on late shifts and unable to drive her son to work.

Harry asked for an exemption application to sit his drivers' licence test and included a generic letter from his employer in support. Harry's co-workers in a similar situation followed the same process and were granted an exemption.

When VicRoads advised Harry his application was rejected as driving was not critical to his job, his mum complained to the Ombudsman. The Ombudsman's office made enquires and as a result, VicRoads confirmed it had accepted Harry's application for an exemption and allowed him to sit his driving test.

Department of Health and Human Services

Woman forced to urinate in a bottle in hotel quarantine blunder

After flying in from New South Wales, Tamika and her child were detained for five hours at Melbourne Airport while they were assigned a quarantine hotel. At the time, the Victorian Government required all travellers from New South Wales to spend 14 days in hotel quarantine due to a COVID-19 outbreak.

Tamika said she needed to use the toilet as she was walking to the bus but staff did not allow her to return to the airport and told her to wait until she arrived at the hotel. When the bus arrived, Tamika saw there was no toilet on it. Tamika tried to hold until she arrived at the hotel but couldn't. She found an empty water bottle and had to relieve herself in it while the bus was moving. "I have never been so humiliated," she told the office in a complaint after leaving the hotel.

In response to our enquiries, the Department of Health and Human Services called Tamika about her complaint and COVID-19 Quarantine Victoria provided a written response regarding her experience. Although buses used in the quarantine program do not have bathrooms and stops are not permitted to prevent infection risks, people should be able to use facilities at the airport before being transported. We monitored complaints to our office to make sure this did not happen again.

VicRoads

The great divide

Lena lived in Wodonga, which shares a border with Albury in New South Wales, but due to border restrictions she was unable to cross into Albury for an upcoming appointment with her cardiologist in Albury. Generally, residents of Wodonga were allowed to cross the border into Albury for medical treatment. Lena, however, did not have sufficient proof she lived in Wodonga because she still had a New South Wales driver's licence.

VicRoads refused her request to convert it to a Victorian licence because the national licensing database recorded her licence as suspended. Lena told VicRoads this was an error and confirmed this with New South Wales authorities. "I'm playing piggy in the middle and stuck not being able to go to Albury for cardiology appointments," she told the office in a complaint.

As a result of our enquiries, VicRoads contacted New South Wales authorities and confirmed Lena's licence was not suspended and was later issued her licence. As a gesture of goodwill, VicRoads also waived the licence conversion fee.

Department of Health and Human Services

COVID-19 testing mishap prompts immediate change

Tereza uses a wheelchair and went to a drive-through COVID-19 testing site on a hot day in January 2021. After waiting nearly four hours for a test, she asked staff to use the toilet. As the site's toilets were not wheelchair accessible, Tereza asked to be able to leave and re-join her spot in the line. Tereza was told she would have to return to the end of the line if she left. Tereza had to leave the queue and did not get her COVID-19 test.

A bystander later contacted us to complain about how Tereza was treated. 'It was blatant discrimination ... they made no consideration of her needs,' explained the bystander. After hearing about Tereza's case, the Ombudsman asked the Department of Health to respond to the bystander's complaint and made enquiries.

As a result, the Department contacted all COVID-19 testing sites and reminded them of their obligations. The Department also explained that in-home testing can be available for people with disabilities or chronic illness, and that testing sites should still make 'reasonable adjustments'.

In Tereza's case, the Department said staff at the site should either have hired a disability accessible toilet, offered to test Tereza ahead of others or helped her get to an accessible toilet without losing her spot in the queue.

Complaints

“ I want to thank you with all my heart for your caring assistance in this matter. The Department contacted me that same day and the issue was resolved within minutes. That was only possible because of your intervention. Now, thanks to you, my sons and I can enjoy a stress-free Christmas. ”

– email from a complainant.

Enquiries made

2020-21

5,199

2019-20

3,514

The Victorian Ombudsman deals with thousands of complaints every year, which do not result in investigations or public reports. Our Early Resolution Team (ERT) handles about 90 per cent of contacts to our office, closing most within 30 days.

In 2020-21, our office made enquiries into 5,199 complainants – an increase of 1,685 from the previous year.

When we receive a complaint, we might make enquiries to try to resolve it informally, without needing to start an investigation. This usually involves asking for an explanation about an organisation's actions. We may also suggest a resolution. We might make proposals if we consider the organisation's actions appear to have been unfair or unreasonable and when there is a practical outcome that can be achieved.

Early Resolution Team

Early resolution is an approach to assessing complaints which prioritises identifying and resolving them at the first possible opportunity, preventing small issues from growing into larger ones. Some complaints are solved within hours or days when making organisations aware. We work collaboratively with organisations – often on the phone – and make assessments about the prospects of resolving matters.



YOUR STORIES

Disability pensioner's \$3,000 in rent relief win

A woman was deemed ineligible for COVID-19 relief assistance after she could not produce a bank statement showing a loss of earnings, after a job she was offered was rescinded because of the pandemic.

In 2020 the Victorian Government established a rental assistance fund to provide Rent Relief Grants to Victorians experiencing rental hardship as a result of the pandemic. But

with her new job falling through, Jessica had difficulty proving her eligibility for the scheme and her application was rejected.

"My rent is something like 60 per cent of my income and I'm on a disability pension, so rent relief means a great deal to me," explained Jessica "I filled out all my documents and had to negotiate with the landlord to reduce the rent."

With few options remaining, Jessica reached out to the Victorian Ombudsman. "I spoke

to the Ombudsman because I heard on the television a few weeks earlier that some businesses had a similar sort of grant," she said. "Really, it was made a whole easier by the support from the Ombudsman."

After the Ombudsman's intervention, the Department awarded Jessica a \$3,000 rent relief grant. "I can now keep living here in this house, so it means a lot," she said. "The Ombudsman is a great alternative for these things, having someone on your side."

Education

Student in fight to claim degree from University

After finishing his final semester of study, Ethan was shocked to learn he was not eligible to receive his Bachelor of Business degree from a Melbourne university because he had not completed a core subject. The news made Ethan very anxious, as failure to complete all his subjects jeopardised his job prospects and would force him to re-enrol for another semester.

With enrolment for the next semester days away, Ethan was in a rush to have the issue resolved. Enquiries from the Ombudsman's office revealed that Ethan had been given the wrong advice about what subjects he was meant to enrol in. This meant he had enrolled in more elective subjects than required but left him one core subject short of completing his degree. After careful consideration, the university agreed to approve a non-standard program completion for Ethan, and he was able to receive his degree.

Department of Families, Fairness and Housing

Elderly couple in community housing without water and heating for days

An elderly couple living in community housing were left without hot water and heating for five days after an electrician caused the appliances to stop working. John, 77, and his wife Audrey, 80, were unable to shower and were trying to stay warm with blankets as they waited for the issue to resolve. They had called the Department of Families, Fairness and Housing office in Shepparton twice and hadn't received a response.

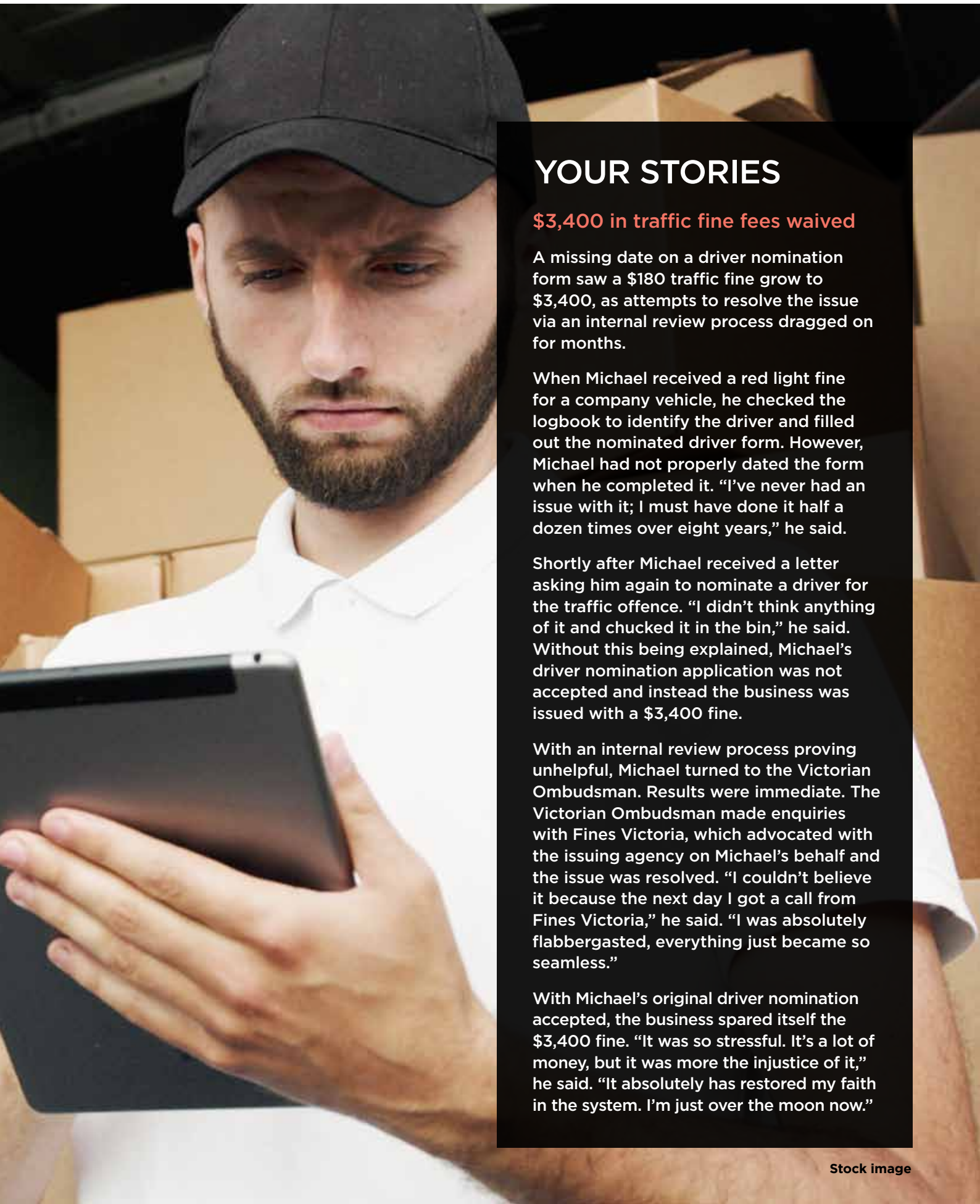
When John complained to the Victorian Ombudsman, we made urgent enquiries with the Department, and on the same day a contractor was sent out to fix the hot water and heating. As a result, the couple received an apology and a subsidy was applied to John's account to the value of 50 per cent of his weekly rent to compensate for the inconvenience. The Department also provided John with the correct contact details for future maintenance issues.

VicRoads

Driving a fair concession

With her car registration due for renewal in June, Gwen paid it in full and on time. In July, Gwen's healthcare card was approved allowing her access to concession rates. This included a concession on her registration fees. Gwen asked VicRoads for a reimbursement on her registration fees on a pro-rata basis. VicRoads declined and said only a concession card provided at the time of the payment would guarantee a reduced registration fee. Gwen thought this was unfair and complained to the Ombudsman.

We made enquiries with VicRoads and after discussions, VicRoads offered an extension to Gwen's registration and a refund of about \$200 to account for the period from when she was eligible for concession.



YOUR STORIES

\$3,400 in traffic fine fees waived

A missing date on a driver nomination form saw a \$180 traffic fine grow to \$3,400, as attempts to resolve the issue via an internal review process dragged on for months.

When Michael received a red light fine for a company vehicle, he checked the logbook to identify the driver and filled out the nominated driver form. However, Michael had not properly dated the form when he completed it. "I've never had an issue with it; I must have done it half a dozen times over eight years," he said.

Shortly after Michael received a letter asking him again to nominate a driver for the traffic offence. "I didn't think anything of it and chucked it in the bin," he said. Without this being explained, Michael's driver nomination application was not accepted and instead the business was issued with a \$3,400 fine.

With an internal review process proving unhelpful, Michael turned to the Victorian Ombudsman. Results were immediate. The Victorian Ombudsman made enquiries with Fines Victoria, which advocated with the issuing agency on Michael's behalf and the issue was resolved. "I couldn't believe it because the next day I got a call from Fines Victoria," he said. "I was absolutely flabbergasted, everything just became so seamless."

With Michael's original driver nomination accepted, the business spared itself the \$3,400 fine. "It was so stressful. It's a lot of money, but it was more the injustice of it," he said. "It absolutely has restored my faith in the system. I'm just over the moon now."

Assessments

“ What I decided to do was to ring up the Ombudsman because I always know ... a phone call to them, you get a little master key and the world opens up. ”

– Leanne, a business owner who was able to reapply for the Business Support Fund.

If a complaint cannot be speedily resolved through early resolution, our Assessments team is responsible for managing these more complex complaints.

This can involve:

- analysing complex supporting material to the complaint
- researching legislation, policies and procedures
- making detailed enquiries with the organisation
- inspecting files, documents and systems or examining the processes or practices of an organisation
- meeting with the parties to the complaint
- site visits
- negotiating a resolution to address the complaint
- deciding whether the complaint warrants formal investigation.

Soon after the State Government announced the Business Support Fund, a \$10,000 grant aimed at providing short term relief for business impacted by COVID-19 restrictions, our office was inundated with complaints - more than 1100 were received.

As a result, the Ombudsman launched an investigation into how the fund was administered. As a result of the investigation, the Department of Jobs, Precincts and Regions accepted a key Ombudsman recommendation to reopen the grant to 12,000 eligible businesses.

Our investigation snapshot on the following page details issues, key findings and recommendations.

But our team also managed to solve many complaints in 2020-21 without an investigation being triggered. Discussions with departments resulting in improvements included with the State Revenue Office, which as a result of Ombudsman enquiries opened the HomeBuilder scheme for anyone who started the application before its closing date. Our office was also in regular contact with the Registry of Birth, Deaths and Marriages to ensure people received their certificates in a timely manner.

Snapshot: Business Support Fund

The Case

The Victorian Government announced a support package for eligible businesses affected by COVID-19 lockdowns offering \$10,000 grants in March last year. The Department of Jobs, Precincts and Regions set the Business Support Fund up within nine days. Cracks soon started to appear, and the Victorian Ombudsman was inundated with complaints, prompting it to start an investigation into what went wrong. The Ombudsman received more than 1100 complaints about the grant. Business owners who were genuinely eligible for a grant were refused because they made a simple mistake, or were confused by the process. Many of these denials were because, unbeknown to the business owners, applications remained in draft awaiting further information when the deadline expired while others were denied a grant because of typos on their application, or information being provided through the wrong link.

Key Findings

- Business owners had grants rejected due to minor typographical errors when applying including entering an email address or a business name incorrectly
- A no bounce back email service was used meaning the Department was unable to follow up with business owners who made minor typographical errors in their application
- The Department refused to reassess applications it had returned to the business owner for revision and placed back into 'draft' where the business owner had uploaded documents but failed to press 'save and submit' again
- Time constraints, complexity of the application process and the inflexibility of the Department's initial decision-making confused and frustrated many business owners
- The Department outsourced its call centre and decided not to provide call centre staff access to the Department's case management system
- The complaints process was inadequate and inaccessible and the Department effectively outsourced its complaints to the Ombudsman.

Key Recommendations

- Invite more than 12,000 business owners to reapply to the fund
- An update to the Department's Better Grants by Design framework to include guidance on administering time critical grants
- Update the complaint handling process on the Business Victoria website to include detail about internal and external review avenues, including the Victorian Ombudsman
- Provide call centre staff relevant information to better respond to business owners.

Outcomes

- Over 10,000 businesses were invited to reapply for a grant and the Department also allowed applications from other affected businesses. So far, 3,307 businesses have been successful.
- The Department has redesigned its grants framework and developed a guide for administration of grants
- The Department has increased the capacity of the Business Victoria Hotline.

By the numbers



1,100+ complaints handled by the Ombudsman



Up to \$120m may be repaid if all meet eligibility criteria and are successful



More than 12,000 business owners may reapply



YOUR STORIES

Black Saturday survivor faces fresh business battle with COVID-19

Having already survived the Black Saturday bushfires, Joanne feared her Yarra Valley Bed & Breakfast would struggle to stay afloat when COVID-19 effectively shut down her business in 2020.

Joanne lived in the Yarra Valley for 40 years and she opened the businesses after a winery opened next door.

Despite different challenges the business would throw up, Joanne thought nothing could compare to the trauma of the Black Saturday fires – but COVID-19 pandemic proved much more troubling.

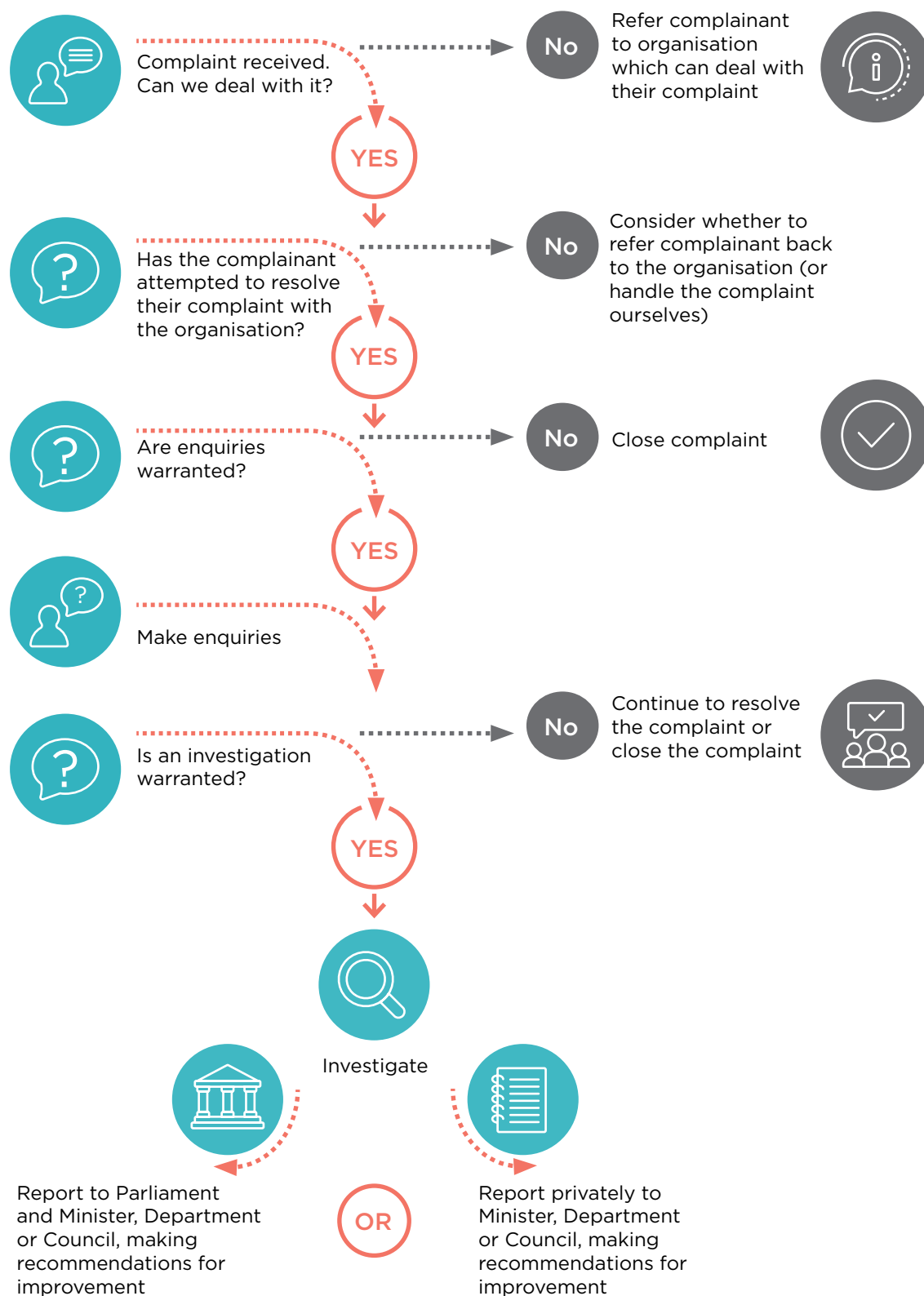
“We went from having virtually weddings every weekend and a lot of people coming during the week, to no people in about the space of a week,” said Joanne.

There was short term relief when the State Government announced the Business Support Fund to help struggling businesses with a \$10,000 grant.

“The challenges were I had to start filling out forms again, which was also another Black Saturday trigger, which I didn’t realise until I started doing it,” she said.

“Then, after I’d actually put the final one in for the first grant, I rang them and asked them if I’d done it properly and they couldn’t access my application.”

Complaints flowchart



Source: Victorian Ombudsman

What people complained about

There are consistent themes to the top 10 issues complained about to our office over the last few years. These include: delays in organisations responding to matters and inadequate remedies being offered to resolve complaints.

The top 10 most complained about issues 2020-21

2,482	Correspondence/Communications/Records – Delay/No Response/Withholding of information
2,397	Decision making – Wrong decision
1,009	Complaint handling – Inadequate remedy
959	Complaint handling – Delay
842	Complaint handling – Inadequate resources
796	Services – Quality
673	Services – Health services/Access to medical
504	Financial – Fees and charges
486	Services – Case management
465	Building and facilities – Quality/Condition/Maintenance/Repair

Who people complained about in 2020-21



3,457

Local councils



3,367

Corrections



1,414

Business
Victoria



761

Fines Victoria



695

VicRoads –
Registration and
Licensing



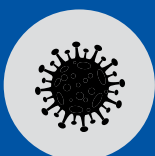
389

Registry of Births,
Deaths and
Marriages



312

State Revenue
Office



274

COVID-19 Dept of Health (Permits,
Exemptions, Testing, Leaving
Quarantine, Lockdowns/Restrictions)



212

TAC



209

State Trustees



191

WorkSafe



156

Department of
Transport (Roads)

Analysis

The Ombudsman took more complaints about local councils than any other agency within our jurisdiction.

Despite a five per cent drop in complaints about local councils, our complaints data showed how councils communicated with ratepayers, including delays, no response, withholding information, was the biggest area of concern followed by how the complaint was handled.

These themes were reflected in some of our investigations into local councils.

Our investigation into how local councils deal with ratepayers in financial hardship demonstrated how councils were treating struggling homeowners who fell into debt, and how some of those practices led to complaints to our office.

The Ombudsman also released a follow up report into a previous investigation into how councils had outsourced parking fine reviews, an action which appeared to have been contrary to the law.

The uncovering of the practice took the total number of councils and agencies to 12, which outsourced some fines review decisions to private contractors – with more than 268,000 fines potentially affected.

It was the first time in 4 years complaints about councils overtook Corrections as the most complained about sector.

Complaints about the Department of Jobs, Precincts and Regions had one of the biggest increases,

Increasing from 121 to 1,503 – 1,414 of those complaints were about Business Victoria and related to the Business Support Fund.

The Department of Health's COVID-19 branch was also the subject of complaints relating to permits, exemptions and lockdowns. While the office investigated some complaints, we continued to monitor the government response to the public health emergency closely through complaints to the office, and considered all complaints on their individual merits.

How we helped

Our data shows more than 5,000 complaints were resolved without a formal investigation required; many into departments and agencies like Fines Victoria and VicRoads.

Most of the complaints to the office were closed within 30 days; ending, at times, long and protracted disputes between complainants and departments.

Through the informal and efficient resolution of complaints, the public experiences the benefits of our intervention and agencies are given opportunities to improve their practices.

In 2020-21, we recorded 4,878 remedies for issues we considered.

The most common remedy for the complaints we dealt in 2020-21 involved “direct action” on the part of an authority to respond to an issue. Often, this is where we facilitate contact between the parties when a complaint hasn’t been responded to within a reasonable time or proper reasons for a decision haven’t been provided.

Actions agreed by agencies 2020-21



3,501

Direct action



551

Review or change
decisions, policy
or legislation



445

Investigate the
problem further



244

Apologise and/or
admit a mistake



97

Offer a payment,
refund or
reduction of fees



Complaints spotlight

Registry of Births, Deaths and Marriages

Our team liaised closely with the Registry of Births, Deaths and Marriages after complaints increased by 165 per cent due to the agency shutting down its call centre due to COVID-19.

Some people could not get in contact with anyone at the agency while others complained the Registry was not responsive to emails or returning phone calls. Our complaints team worked with the Registry to ensure it improved its processes, responded to people in a timely manner and that people got their certificates. The Ombudsman's intervention in many cases allowed people to get married and, in some cases, be able to claim health benefits via Medicare.

The Registry of Births, Deaths and Marriages was responsive in resolving issues once raised by the Ombudsman and met with our office to discuss how it was improving processes until its call centre could reopen. When the call centre reopened in May, complaints to our office halved. In the weeks following complaints reduced to their usual levels.

"Due to not having this document we have not been able to receive payments from Centrelink that we have been eligible for. My daughter has also been unwell and we have had to pay to see the doctors four times due to her not being on our Medicare ... PLEASE HELP!"

– Hoda, experienced delays in receiving a birth certificate to prove legal identity.



Complaints spotlight

VicRoads

VicRoads continues to be one of the Ombudsman's most complained about agencies. In more than 80 per cent of cases, the Ombudsman was able to resolve a complaint, when our office considered it was necessary to make enquiries with VicRoads. In most cases we were able to facilitate contact for the complainant with VicRoads, while some had refunds processed and others had their licences reinstated.

The impact of the pandemic resulted in several complaints being made about the availability of driver testing, access to VicRoads Customer Service Centres, customers experiencing delays when attempting to phone VicRoads and registration fees being payable where customers' use of vehicles was limited during public health ordered lockdowns.

VicRoads acknowledged the difficulties its customers experienced because of changes to its operations as a result of the pandemic. While driver testing was generally suspended during periods of lockdown, VicRoads offered driver testing for customers on application where there was a genuine need for a driver licence.



Complaints spotlight

State Revenue Office

The Ombudsman helped score a major win for those who were embarking on building a new home or substantially renovating their existing home. More than 65 per cent of complaints about the SRO were about the HomeBuilder grant. Many applicants who missed out on the \$25,000 grant complained they missed the cut off date due to not submitting all the correct information in time, despite starting their application.

HomeBuilder was a Commonwealth grant scheme and the SRO was administering the application process through its grants portal. The problem was that the Commonwealth changed the grant guidelines after applications had closed. At the request of the SRO, the grant scheme was reopened for those who had already started the application process.

We worked with the SRO to ensure that anyone who registered on their portal was considered under the new guidelines, leading to thousands of extra homeowners getting grants.

"I thought that saving my application was the correct thing to do. When I got my slab invoice from my house build, I went to log in and upload onto the system only to be told I was locked out and could no longer access the portal. At no time was I emailed or contacted to say that I need to submit my application in order to continue uploading documents later."

– an extract from a complainant.



Complaints spotlight

Fines Victoria

While complaint numbers remain stable, complaints about Fines Victoria remain one of our most common. Our office has helped Fines Victoria to strengthen its internal complaint handling mechanisms, which has assisted in keeping complaint numbers steady.

Many complaints are about missed opportunities to dispute a matter in court or that people are unaware of their right to an enforcement review. Infringement nominations continue to make up a large portion of complaints.

In many cases, complainants are coming to us as they are unsure of the infringement process. We continue to make enquiries or facilitate contact between our complainants and Fines Victoria to achieve a fair outcome.

Snapshot: Planning and delivery of the Western Highway duplication project

The Case

The State Government's Western Highway Duplication Project prompted complaints about the planning and delivery of highway duplication works near Ararat. Those opposed to the project said traditional custodians were not consulted, the government was not listening to people who wanted the area protected, and had ignored options that would have provided better cultural and environmental outcomes.

The complaints raised concerns about the potential for the highway project to damage or destroy sites of Aboriginal cultural heritage significance, including a number of trees that were said to be sacred to Djab Wurrung traditional custodians.

The Ombudsman's investigation looked at issues including how the alignment of the section of highway between Beaufort and Ararat was determined and the extent to which development of the project made allowances for the protection of Aboriginal cultural heritage. It also looked at how authorities responded to the cultural heritage concerns about the project.

Key Findings

- The investigation concluded VicRoads and Major Road Projects Victoria acted in good faith in their efforts to consult with traditional custodians, even though the initial consultation may not have reached all relevant audiences
- The proposed highway avoids 16 trees of significance, including two nominated birthing trees
- Proper consideration to the cultural rights of Aboriginal people must be given to ensure compliance with human rights
- For many reasons, including cultural and environmental, other route options were not considered as better alternatives, offering a better outcome
- The impact of the project on Aboriginal cultural heritage was recognised as a key issue early on
- Consultation with local residents and landholders was extensive
- Consultation with Aboriginal communities was limited to the officially recognised body.

Outcomes

- The investigation found the State Government had acted in good faith when responding to cultural heritage concerns about the project
- The Ombudsman observed that authorities would need to continue to respect the cultural rights of the Djab Wurrung peoples when moving forward with the project.

By the numbers



**7 complaints
relating to cultural
heritage issues**



**24 interested parties
contacted the
investigation**



**179,000 signed an
online petition
to halt works**

Registry of Births, Deaths & Marriages

Ombudsman helps ring wedding bells

With 16 days until Dominic's wedding, he needed to provide his church a Single Status Certificate. After filing his request with the Registry of Births, Deaths and Marriages, Dominic waited for the certificate to arrive. Upon receiving the certificate, Dominic noted that it incorrectly stated he was not single.

In a race against time, Dominic complained to the Ombudsman about the Registry's mistake. We made enquiries with the Registry, noting the time sensitivity. The Registry contacted Dominic and acknowledged its error. The Registry then offered to immediately post the new certificate, and Dominic was able to be married in his church.

Prisons

Brian's right to protection from degrading treatment after having a seizure

Brian called our office from the medical unit in prison after he had an epileptic seizure and wet the bed. Brian said staff provided him with a change of clothes, but there was no clean bedding available. As a result, Brian had to sleep in the wet bedding overnight. Later, Brian complained to the prison about what happened and called our office for advice. He felt he had not been treated with dignity.

Noting Brian's right to be protected from degrading treatment, we made enquiries with the prison about why it did not have spare linen in case of accidents like Brian's. The prison told us that additional laundry is supposed to be available. The prison agreed to ensure that extra bedding is on hand in the medical unit 24 hours a day. When we closed the complaint, we recommended the prison apologise to Brian.

VicRoads

Conditional licence delivered

Mahendra works as a food delivery driver and his licence was suspended as there were concerns about his medical fitness to drive following a road accident. The incident meant Mahendra was at risk of losing his employment. With a pending visa matter facing Mahendra and his family, he was unable to access government income support. Mahendra contacted the Ombudsman after not receiving a response from VicRoads.

In response to our queries, VicRoads worked constructively to resolve the issue. It contacted Mahendra and apologised for the delay in responding to his enquiries. VicRoads also obtained specialist medical reports to make an informed decision about his fitness to drive. After considering his circumstances, VicRoads agreed to grant Mahendra a "conditional licence" with no night driving. The licence was awarded under exceptional circumstances and not valid for more than three months.

Local Government

“ *I understand it needs to be paid, that’s not my dispute ... now they’re wanting \$535 a fortnight. I only get \$300 a fortnight.* ”

– a complainant, Ombudsman’s council financial hardship investigation.

Local Government complaints in 2020-21



3,457

Complaints



1,540

Cases closed
within 8-30 days



1,322

Complaints made
using online
complaint form



#1

Most complained
about



4

Tabled
investigations

Table 1 on page 42 shows the number of complaints we received about each Victorian council in 2020-21. When people make a complaint to us, they may raise more than one issue in their complaint.

In the table, we have provided percentages, per council, for how we dealt with the issues raised with us. We have categorised our actions according to whether we:

- considered the issue to be ‘premature’ as the person had not yet contacted the Council to give them an opportunity to resolve the matter. Such people were advised they could re-contact the Ombudsman if they remained dissatisfied with the Council’s response
- assessed the issue but did not make enquiries with the Council for one of several reasons, inc;
 - we assessed the action or decision of the Council was not wrong
 - an error may have occurred but the Council had dealt with it appropriately
 - the person raising the issue could pursue the matter through a court or tribunal and it was not appropriate for the Ombudsman to exercise her discretion to look into the matter
 - made enquires with the Council to assess and resolve the issue.

In some cases, we may refer an issue to another organisation. These referrals are not included in the following table, which is why some percentages do not add up to 100 per cent.

Top 10 Local Government issues for 2020-21

1	Correspondence/Communications/Records – Delay/No Response/Withholding of information
2	Complaint Handling – Inadequate Remedy
3	Decision making – Wrong decision
4	Fines / Infringements – Unreasonably issued
5	Enforcement Action – Insufficient
6	Complaint Handling – Delay
7	Planning and Development – Inappropriate Development Allowed
8	Fines / Infringements – Inadequate Review
9	Financial – Rates
10	Financial - Compensation/Damage

Table 1: Complaints in 2020-21 to the Ombudsman about Victoria's 79 local councils

Council name	Total closed cases	Advised to contact council	Assessed – no enquiries	Made enquiries
Alpine Shire Council	16	44%	50%	13%
Ararat Rural City Council	12	33%	58%	8%
Ballarat City Council	55	53%	40%	7%
Banyule City Council	72	36%	44%	19%
Bass Coast Shire Council	48	42%	48%	13%
Baw Baw Shire Council	32	41%	53%	9%
Bayside City Council	86	37%	58%	7%
Benalla Rural City Council	13	54%	38%	15%
Boroondara City Council	75	44%	49%	11%
Brimbank City Council	81	54%	31%	16%
Buloke Shire Council	-	-	-	-
Campaspe Shire Council	20	35%	45%	20%
Cardinia Shire Council	46	54%	39%	7%
Casey City Council	136	52%	34%	14%
Central Goldfields Shire Council	30	57%	33%	13%
Colac-Otway Shire Council	20	35%	50%	15%
Corangamite Shire Council	-	-	-	-
Darebin City Council	104	45%	39%	18%
East Gippsland Shire Council	41	56%	34%	15%
Elected Councillor	-	-	-	-
Frankston City Council	71	51%	37%	14%
Gannawarra Shire Council	-	-	-	-
Glen Eira City Council	70	51%	39%	11%
Glenelg Shire Council	-	-	-	-
Golden Plains Shire Council	28	46%	46%	7%
Greater Bendigo City Council	49	53%	27%	20%
Greater Dandenong City Council	56	54%	41%	7%
Greater Geelong City Council	126	37%	49%	14%
Greater Shepparton City Council	21	48%	43%	10%
Hepburn Shire Council	25	56%	40%	8%
Hindmarsh Shire Council	18	22%	72%	17%
Hobsons Bay City Council	32	66%	31%	3%
Horsham Rural City Council	25	52%	52%	0%
Hume City Council	156	49%	36%	17%
Indigo Shire Council	19	37%	63%	0%
Kingston City Council	76	55%	37%	9%
Knox City Council	71	55%	42%	7%
Latrobe City Council	50	44%	28%	32%
Local Council	11	36%	55%	0%
Local Government Inspectorate	-	-	-	-
Local Government Victoria	-	-	-	-

Council name	Total closed cases	Advised to contact council	Assessed – no enquiries	Made enquiries
Loddon Shire Council	-	-	-	-
Macedon Ranges Shire Council	37	68%	27%	8%
Manningham City Council	47	49%	47%	6%
Mansfield Shire Council	-	-	-	-
Maribyrnong City Council	79	38%	54%	9%
Maroondah City Council	36	44%	47%	8%
Melbourne City Council	109	39%	60%	6%
Melton City Council	66	50%	33%	17%
Mildura Rural City Council	22	36%	59%	9%
Mitchell Shire Council	32	59%	28%	16%
Moirā Shire Council	19	63%	16%	21%
Monash City Council	76	47%	50%	7%
Moonee Valley City Council	60	37%	50%	15%
Moorabool Shire Council	24	67%	29%	8%
Moreland City Council	129	43%	43%	13%
Mornington Peninsula Shire Council	103	44%	47%	13%
Mount Alexander Shire Council	17	29%	59%	12%
Moyne Shire Council	11	36%	64%	0%
Murrindindi Shire Council	17	65%	24%	12%
Nillumbik Shire Council	29	41%	55%	3%
Northern Grampians Shire Council	17	18%	65%	18%
Port Phillip City Council	100	45%	47%	12%
Pyrenees Shire Council	18	56%	33%	11%
Queenscliffe (Borough of)	-	-	-	-
South Gippsland Shire Council	19	58%	47%	0%
Southern Grampians Shire Council	11	45%	27%	27%
Stonnington City Council	87	46%	46%	10%
Strathbogie Shire Council	-	-	-	-
Surf Coast Shire Council	31	26%	45%	29%
Swan Hill Rural Council	-	-	-	-
Towong Shire Council	-	-	-	-
Wangaratta Rural City Council	11	45%	45%	9%
Warrnambool City Council	23	39%	52%	9%
Wellington Shire Council	32	53%	34%	13%
West Wimmera Shire Council	-	-	-	-
Whitehorse City Council	46	54%	39%	9%
Whittlesea City Council	112	56%	35%	12%
Wodonga City Council	17	24%	76%	0%
Wyndham City Council	66	53%	33%	17%
Yarra City Council	79	43%	48%	10%
Yarra Ranges Shire Council	82	50%	40%	13%
Yarriambiack Shire Council	-	-	-	-

“-” Represents cases received is less than 10.

Snapshot: Councils and ratepayers in financial hardship

The Case

The Victorian Ombudsman heard concerns from ratepayers, financial counsellors and community lawyers about the way local councils treat people who cannot afford their council rates. With the COVID-19 pandemic threatening to increase financial hardship in the community. The Ombudsman investigated the issue and found while some policies were good, some councils had policies that were inaccessible, and in some cases, unfair and wrong. Many people struggling to pay rates were told their only option was a payment plan, when the legal framework includes waivers and deferrals – which some councils have a blanket policy of refusing. Some councils took victims of family violence and those with mental health issues to court over unpaid rates, and people in hardship were charged penalty interest they could not pay back.

Key Findings

- Almost all councils had a hardship policy but they varied greatly
- Information about hardship relief hard to find
- Many councils encourage ratepayers in financial hardship to go on payment plans
- Councils do not always tell ratepayers their rates can be deferred or waived
- Many councils charge high penalty interest, currently 10 per cent, on unpaid rates
- Councils had an over reliance on debt collectors
- Some councils were too quick to sue, including litigation against victims of family violence and people with mental health issues
- Council hardship practices compare poorly with sectors such as banks, energy and water.
- New laws requiring councils to publish hardship information making it easier for ratepayers to know their rights
- Issuing standards for rates hardship relief, including where rates debts are associated with family violence
- Legal action to be the last resort.

Outcomes

- The Department agreed to consider recommendations to seek changes to relevant local government legislation and regulations
- The Department committed to ensuring the rating system is set out in legislation and provides transparent and flexible ways for councils to treat ratepayers facing financial hardship fairly
- The Department agreed to develop training and guidance material for local councils, and model financial hardship policy requirements
- The Department agreed to improve the use of debt collectors by councils.

Key Recommendations

- Capping councils' ability to charge penalty interest
- A stronger oversight of debt collectors

By the numbers



Average council rates in 2019-20 ranged between \$1,227 and \$2,000+



48% of councils do not include rate waivers as part of hardship policies



97% of councils use debt collectors



YOUR STORIES

Ratepayer drowning in debt denied rates relief

After losing his business whilst battling crohn's disease, Dean found the mounting bills hard to stay on top of.

While applications for hardship to his bank and utilities company proved helpful, Dean's local council was less understanding when it came to his overdue rates notices.

"I couldn't look after myself; I couldn't afford my medication. Everything went and my mental health just plummeted," said Dean.

"The whole thing fell apart and I basically couldn't pay my rates."

With his own financial situation dire, Dean struggled to get help from his local council. "Basically I just got a blanket 'no, we don't waive rates'," he said.

Dean said he was shocked his bank treated him fairer than his local council. "I was so worried I'd lose this house that I was so lucky to get. They said, 'don't worry, we're not here to destroy you and we'll help you while we can'.

"They reduced my payments so that I could actually pay a bit. They kept me on hardship until I could sort of get on my feet."

Photo credit: Victorian Ombudsman

Local Council

Signs of confusion

Roger was issued a parking infringement notice for parking within a metre of a fire hydrant. Either side of the fire hydrant was a sign saying 'two hour parking', making it unclear whether you could park there. There were also other markings on the ground showing it was prohibited to park.

Roger requested an internal review of the fine, but the Council upheld the infringement stating that it was illegal to park within a metre of the fire hydrant. Not satisfied with the Council's response, Roger complained to the Ombudsman. Given the signage appeared confusing and noting Roger's advice that not everyone was aware of that road rule, the Ombudsman made enquiries with the Council.

The Council agreed it would withdraw the infringement and review options for additional signage or markings to ensure the parking restrictions are made clear to avoid further confusion.

Local Council

Whose side of the road are you on?

A pothole needed to be fixed outside Juanita's property – but authorities did not know who was responsible for the issue. When Juanita tried to raise the issue, it became unclear whether the Council or the Department of Environment, Land, Water and Planning were responsible for maintaining the track. With the pothole remaining unfixed, Juanita complained to the Ombudsman. We made enquiries; and after an assessment of the situation, the Council and DELWP agreed the pothole was under the Council's jurisdiction. However, the road was a road reserve and was not listed as a public road for the Council to maintain it.

Although the Council did not have a statutory obligation to maintain it, as a gesture of goodwill, it agreed to repair the pothole. The Council also provided details about how Juanita could arrange for the road to be registered and maintained by Council in an ongoing manner.

Local Council

Sam's right to peaceful assembly at a community forum

Sam was unhappy about her local Council's proposal to turn a local park into a stadium. During the consultation process, the Council had to reschedule the first community forum when too many people arrived at the venue. The second forum had to finish early when a fire alarm went off. A third and final public forum went ahead, but was limited to 75 people, and attendees had to show photo ID and sign in.

Sam was suspicious when the second event ended early, and felt the third forum did not give people a reasonable opportunity to express their views. She said the Council should have arranged a larger venue and the requirement to show photo ID was discriminatory.

Although Sam felt her human rights had been breached, we didn't think this was the case. We accepted the Council's explanation for postponing and limiting the community forums. Although only 75 people were able to attend the third event, the Council was able to live stream it. We considered this promoted the right to participate in public life.

Local Council

Rosa's right not to be arbitrarily deprived of her property

Rosa called her local Council after her two dogs went missing and was told they were at the pound. The pound had not been able to contact Rosa or give her a 'notice of seizure', because her dogs were not registered or microchipped. Rosa was told she had to pay a \$435 fee within eight days to get her dogs back. Rosa was experiencing financial hardship and asked the Council for extra time to pay. She was given four extra days.

With the help of a charity, Rosa managed to raise the money and went to pick up her dogs on the last day of her extended deadline. But after getting caught in traffic, she arrived ten minutes after the register had shut. By the time Rosa called the next day to complain, the pound had already sent her dogs to a pet rescue agency to be rehomed. "Times have been tough the last few years ... I'm a single mum ... I had the money and everything was there, I just got there late," Rosa said.

The Council told us the pet rescue agency had already rehomed Rosa's dogs, and the new owners were not willing to give them back. It acknowledged it made a mistake and offered Rosa an ex gratia payment. It also agreed to change its policies and train staff to prevent the issue happening again.

Snapshot: Outsourcing of parking fine internal reviews – a follow-up report

The Case

More than 17,400 parking fines were in doubt after a follow-up Victorian Ombudsman report identified a further five councils, a university and an agency outsourced internal reviews of parking infringements. This takes the total number of councils and agencies identified as outsourcing some fine review decisions to private contractors to 12 – with more than 268,000 fines potentially affected.

The original investigation – which prompted Port Phillip, Stonnington and Glen Eira councils to set up refund schemes – found for about 10 years, some councils allowed an external contractor to decide many of their reviews, with the Ombudsman finding that such actions appeared to have been contrary to the law.

Key Findings

- This enquiry uncovered that outsourcing to private contractors had been occurring at other local councils and agencies
- The local councils outsourcing their review processes were:
 - City of Greater Geelong – 6,400 fines issued between 2009 and 2018
 - Frankston City Council – 8,500 issued between November 2008 and April 2014
 - Mildura Rural City Council – 2,500 fines issued between July 2007 and May 2019
 - Bass Coast Shire Council – unknown number of fines issued between 2007 and 2009
 - Hume City Council – unknown number of fines issued up to December 2016
- The agencies outsourcing were:
 - Parks Victoria – unknown number of fines issued at Albert Park Reserve between 2006 and March 2019
 - Monash University – unknown number of fines issued up to 2019
 - Several councils and agencies set up refund schemes in response to initial enquiries involved in preparing the follow-up report.

Next steps

- Twelve councils and agencies agreed to set up refund schemes for motorists
- The Department of Justice and Community Safety took up the task of checking outsourcing practices at other enforcement agencies. The Department wrote to about 129 enforcement agencies and audited those using contractors to assist with internal reviews.
- The Ombudsman will watch the Department's ongoing work and continue to respond to complaints from individuals about these issues
- It is in the public interest for all councils and agencies to comply with the Department's recommendations, as the lead and oversight agency, and ensure that the problems created by unlawful use of contractors are finally resolved.

Outcomes

- All seven councils and agencies agreed to set up refund schemes for motorists who have incorrectly been fined
- All agencies and Councils investigated now make fine appeal decisions themselves
- The Department of Justice and Community Safety is now checking outsourcing practices at other enforcement agencies.

By the numbers



**12 councils and agencies
outsourced fine reviews**



**17,400 fines could be
overturned**



**Fine reviews were
outsourced for 10 years**

Snapshot: Investigation into review of parking fines by the City of Melbourne

The Case

After mistakenly interchanging the letter O and number 0 in the PayStay app when paying for a parking ticket, more than 1,200 drivers were fined when parking in the Melbourne City Council. A whistleblower complaint unveiled an internal culture of unfairly upholding fines against drivers, acting in favour of law enforcement over human discretion, and undermining the principles of fairness.

Key Findings

- The Council could easily have checked when the driver requested a review, particularly as they knew the number 0 and letter O were virtually indistinguishable on registration plates, and drivers would not be aware they had made an error.
- There was no evidence of staff overseeing fine reviews and prosecutions being pressured to raise revenue
- The Council unfairly upheld PayStay zero/O error fines at internal review between 2017-19, with only 19-22 per cent of fines withdrawn in that period
- The Council unfairly upheld penalties when challenged, despite admitting drivers had done nothing wrong
- It failed to act in the spirit of the Victorian Model Litigant Guidelines by taking PayStay error fines to court
- Penalty Reminder Notices were wrongly issued from Aug-Dec 2019 and contained statements which the Council Chief Legal Counsel considered were 'wrong' and 'misleading'.
- The Council refund the infringement where the Council now considers the infringement would have been withdrawn
- That Council's Chief Legal Counsel undertake a review of the 21 October 2019 Decision Matrix to ensure consistency with the principles of administrative law and decision making
- The Council provide training to relevant staff on the principles of administrative decision making
- The Council conduct an independent review of the behaviours, processes, systems, reporting structures and governance of the Branch.

Outcomes

- The Council commenced a cultural change program to transition it to a culture of greater openness, accountability and respect
- An updated Decision Matrix, or set of guidelines, allowing for decision-making to be exercised with a greater level of discretion and fairness
- Rewording its Penalty Reminder Notice to align with legal advice
- Agreement by the Council that the balance between consistency of decision making and flexibility in individual cases needs to be adjusted.

Key Recommendations

- The Council review all PayStay zero/O error fines issued during 1 July 2017 – 1 July 2018 and 1 November 2018 – 30 October 2019 where an internal review was rejected

By the numbers



1,200+ affected motorists



'zero' the number that sparked the mix up



20,000 drivers requested fine reviews in 2018-19

Public Housing, Health and Human Services



Complaints in 2020-21

2,623

Complaints about
Department of
Families, Fairness
and Housing

29%

Increase in
complaints from
last year

1,478

Complaints
about child
protection

1,137

Public or
community housing
complaints

113

Complaints
about Ambulance
Victoria

Complaints about public housing and community housing continue to be common for our office to deal with. Issues have ranged from lack of heating, access to hot water, living conditions and safety fears. In many cases, it is pleasing to see the Department acting quickly once we get involved to ensure residents' basic rights like having working utilities and not living with exposed asbestos in the house.

We remain concerned about the Department's overall handling of complaints from public and community housing residents and intend to examine this more closely in the coming year.

An Ombudsman report into child protection, *Investigation into complaints about assaults of five children living in Child Protection residential care units*, led to the Department of Health and Human Services, Child Protection accepting all of the Ombudsman's investigations. The complaints and stories were painfully sad, and in some cases shocking. They raised questions about the care, placement and supervision of children in State care.

Snapshot: Assaults of five children living in Child Protection residential care units

The Case

Five children were allegedly victims of physical and sexual assaults in residential care, either by other children in care or people in the community. They were aged 11 to 15 at the time of the incidents. Some of the cases included a teenage girl at risk of sexual exploitation and a transgender girl who says her experience in residential care destroyed her life. In another case one of the children said some weeks after arriving at a residential unit, a local drug dealer was giving her ice and some of the children were given psychotropic drugs to manage their behaviour. The complaints all raised questions about the care, placement and supervision of children in the care of the Department of Health and Human Services, Child Protection.

Key Findings

- Department staff spoke of a stretched system and having to make “least worse” decisions based on bed availability rather than the best interests of the child
- Multiple examples of Community Service Organisations failing to engage much needed services for the children, and a general confusion about child safety plans and who leads the Care Team
- Incorrectly categorising incident reports and failure to notify police
- Lack of cultural support and planning for Aboriginal children
- Three of the children may have been medicated to manage their behaviour. In the disability sector this is known as chemical restraint and required to be carefully controlled but no such controls exist in residential care. No laws currently in place for children in residential care
- LGBTIQ support – little guidance for staff on how to support LGBTIQ children in care.

Key Recommendations

- Commence conversion of standard four bed residential care units to therapeutic two-bed units
- Minimum standards and regulation for the prescription, administration and notification of chemical restraints to children
- Consider an independent advocate to promote the rights of children in care
- Ensure all alleged physical and sexual assaults of children in residential care are reported to Victoria Police
- Require that the Department conduct a review of the children in this report who remain in residential care to address the deficits in care that were identified.

Outcome

- The Victorian Government accepted all of the recommendations made to Ministers. An immediate action was the Government reinforced to all community service organisations the importance of reporting child sex abuse to police and the department.

By the numbers



925 children spent time in residential care in 2019-20



11 witnesses were interviewed



6 Community Service Org. were investigated

Department of Health and Human Services

Family crammed into public housing flat

Public housing resident Ahmed had outgrown his home. With a family of six to support, his two-bedroom apartment didn't provide enough space for his partner and four children. Two years before Ahmed's contact with the Ombudsman, he submitted a Priority Transfer application, which was approved under the category of 'Unsuitable Housing'.

The Department offered Ahmed alternative properties in March 2019 and July 2019. The first offer was cancelled as it did not meet the family's needs. The second offer was declined due to the location of the property not being suitable.

Ahmed's concern for his family was heightened after a violent siege outside his apartment, leaving his family traumatised. Anti-social behaviour and alleged drug use by his neighbours added to his push to want to leave. After Ahmed complained to the Ombudsman, we made enquiries with the then Department of Health and Human Services to find out more information and see if the matter could be resolved informally.

The Department worked with Ahmed, and a three-bedroom property was able to be offered and accepted by Ahmed and his family.

Department of Health and Human Services

Sick grandmother's bid to protect family

Terminally ill public housing grandmother Edwina lived with her daughter and three-year-old grandchild and she had become concerned for the safety of her family. The visitors to Edwina's neighbouring tenant had been increasingly abusive and threatening. Despite Edwina reporting these matters to police, her neighbour's visitors continued to abuse her and her family every time they went to the car or put rubbish out.

After Edwina complained, we made enquiries with the then Department of Health and Human Services. The Department advised it was offering the neighbouring tenant a transfer to another property due to family violence. It was accepted that the neighbour couldn't control her visitors' behaviour. The Department told Edwina it would carefully select a new tenant to try and ensure her and the family's safety.



YOUR STORIES

Grandparents granted \$10k in kinship back-payments

Grandparents Wendy and Joseph found their lives turned upside down when granddaughter Lilly was removed from her mother and placed into their protective care.

Arriving at their home with little more than a backpack, Wendy and Joseph quickly found the challenges of raising a child with health concerns a significant financial and emotional challenge. "She (Lilly) has disabilities, autism, ADHD, and anxiety disorder," explains Wendy.

"So we had to try and get services in place to address her removal from home as well as her disabilities. We did that, but she wasn't allowed to go to school full time." Wendy and Joseph were granted a Level 1 Kinship Payment by DHHS, but this amount didn't come close to covering the costs of looking after their grandchild. "Somebody always had to be at home - we had to try and reorganise our lives to fit in a 12-year-old child with a disability," said Wendy.

Struggling to receive backdated pay for her granddaughter's medical bills, Wendy contacted the Ombudsman for assistance. Prompted by the Ombudsman, The Department agreed to calculate back-payment dating back to the commencement of Lilly's placement. A payment of \$9,167 was made to the couple.

"I couldn't begin to tell you how much relief we gained from that," she said. "The Ombudsman left no stone unturned in trying to right a wrong."

Department of Health and Human Services

Contractors ignore mum's right to a safe home

A mother and her young children could not sleep in their public housing home after asbestos removalists did not finish the job and damaged the home. When Kim came home, after vacating for the clean-up organised by Department of Health and Human Services, the job was half-finished and the asbestos removalists had not replaced the plaster on the ceiling or walls, leaving electrical wires sticking out. They had also broken the toilet.

"I'm in the middle of having a panic attack ...I've been put in a situation with nowhere to sleep tonight, we don't have any friends or family around here, we don't even have somewhere to go to the toilet," Kim said.

Kim first called the Department, who tried to contact the contractors that undertook the repairs. However, by time she called us at 5pm, the contractors had not been in touch. The Department quickly arranged a contractor to go to Kim's home that night to fix the toilet and ensure the electrical wiring was safe. By that time, Kim had already booked a motel room to make sure her family had somewhere safe to stay.

The next day, new contractors plastered the holes in the walls and ceiling and capped the exposed wiring. Kim moved back home with her children and a housing manager agreed to update. Kim each day until the final repair works were complete. The Department also refunded Kim for the cost of the motel room and reminded the original maintenance contractors of their responsibility to leave homes in a liveable condition and properly communicate with tenants.

Protecting Human Rights



Complaints in 2020-21



2,770

Human Rights
complaints
- up 23%



15th

Anniversary
of Victoria's
Charter of Rights
legislation



20

Rights in the
Human Rights
Charter

The Victorian Ombudsman is the State's human rights investigator. This year saw 300 more human rights complaints than the previous year, taking the figure to 2770.

The COVID-19 pandemic has led to a change of people's perception of human rights as we saw limitations on our freedoms whether it be lockdowns or border closures and changes to our everyday lives, such as mask-wearing, to help keep the community safe.

This year marked the fifteenth anniversary of Victoria's Charter of Rights legislation, and we continue to encourage public servants to put human rights at the heart of their decision making.

Human rights were a common theme in many of our investigations this year. We took action in hundreds of cases prompting reversals of decisions, improved policies and other actions upholding the public's rights. Most of these complaints alleging breaches of human rights were resolved without formal investigations being required.

The 20 rights in the *Charter of Human Rights and Responsibilities Act 2006* (Vic)

- Right to recognition and equality before the law
- Right to life
- Right to protection from torture and cruel, inhuman or degrading treatment
- Right to freedom from forced work
- Right to freedom of movement
- Right to privacy and reputation
- Right to freedom of thought, conscience, religion and belief
- Right to freedom of expression
- Right to peaceful assembly and freedom of association
- Right to protection of families and children
- Right to take part in public life
- Right to enjoy your culture, practice your religion, and speak your language
- Right not to have your property taken away, unless the law says it can be taken
- Right to liberty and security of person
- Right to humane treatment when deprived of liberty
- Rights of children in the criminal process
- Right to a fair hearing
- Rights in criminal proceedings
- Right not to be tried or punished more than once for the same crime
- Right not to be found guilty of a crime if the behaviour was not against the law when it happened.

When we deal with any complaint made to us, we decide if:

- human rights are relevant
- the public organisation has limited a person's enjoyment of their human rights
- the limitation is unreasonable in the circumstances.

Human rights might be relevant in many complaints, including those about

- child protection
- participating in public life
- access to services and supports
- the treatment of people in prison, youth justice or a health service
- speaking different languages and practising particular religions or cultural activities.

Department of Health and Human Services

Mum pleads to help keep daughter alive

A mother was keeping her daughter alive by running three life support machines at her home. The cost of the electricity bill was significant for Jane; but in a lifeline of her own, she had been entitled to a discount on her electricity bills under a scheme set up by the (then) Department of Health and Human Services.

One day, Jane's power company said she would have to pay the full electricity rate because her daughter's machines were not on the Department's list of approved models. Without the discount, Jane could not afford to keep the machines running. "It was horrible having to make about twelve phone calls, and every time you get onto someone they put you onto someone else," Jane said.

We made enquiries with the Department and asked it to reconsider Jane's eligibility for the discount. The Department ultimately decided that Jane was eligible for the discount. It helped Jane prepare an application and later contacted her power company to reinstate her concession. It also back-paid Jane for the period she had been without the discount, so she was not left out-of-pocket.

Child Protection

Teen's right to maintain her connection to her Aboriginal community and culture

Kylie is a young Aboriginal woman from regional Victoria living in out-of-home residential care, provided over time by three different Community Service Organisations engaged by Child Protection. Kylie's mother contacted us because she was worried about her daughter's care. When we checked Kylie's records in 2018, we noticed she hadn't been given a plan to help her maintain her connection to her community and culture, despite the law requiring she have one within sixteen weeks of being in out-of-home care. Having a plan would have promoted Kylie's cultural rights and her best interests.

We investigated and found that proper cultural planning did not occur during Kylie's first or second residential care placements. It wasn't until her third placement with the Victorian Aboriginal Child Care Agency that Kylie had a plan developed to support her connection to culture and community and engage in cultural healing. One of the care providers agreed to strengthen ties with VACCA to improve cultural planning processes.

Parks Victoria

Balancing the right to freedom of movement with Aboriginal cultural rights

Parks Victoria put up temporary mesh fencing across access tracks at two areas of the Grampians National Park (Gariwerd) including popular rock-climbing spots. Signs were displayed telling people not to enter due to the rediscovery of Aboriginal artefacts. A group of rock-climbers contacted our office to complain. Local tourist and climbing industries depended on the rock-climbing attractions and were suffering due to the access restrictions. The group said the restrictions were not necessary.

We understood Parks Victoria had to balance the rights of rock-climbers with the cultural rights of Aboriginal peoples, including the Djab Wurrung and Jardwadjali communities. In response to our enquiries, Parks Victoria explained it put up temporary mesh fences and signage to protect the area while cultural surveys were prepared and community consultation occurred. This was part of the new 'Greater Gariwerd Landscape Management Plan'.

We decided the temporary fences did not appear to breach human rights; and we told the rock-climbers they could continue to provide feedback on the new Landscape Management Plan.

Corrections

Prisoner's right to have equal access to purposeful activity

Sarah is a female prisoner who became blind in prison and couldn't read books from the prison library. At the time, the library did not have any working audiobooks, so her mother, Pauline bought some. The prison's Diversity Manager reportedly told Pauline she could drop off the audiobooks. However, prison staff had no record of the manager's approval when Pauline arrived.

Pauline called our office for help when she was unable to sort out the issue. "Every other prisoner in that jail is able to get magazines and books in every week, and I can't even get an audiobook in to my daughter who is blind and suffering terribly," Pauline said.

As a result of our enquiry the complaint was resolved informally. The prison confirmed Sarah could have the audiobooks and arranged for Pauline to redeliver them.

Public Interest Disclosures

Victoria's public interest disclosure scheme encourages people to report improper conduct or detrimental action in the Victorian public sector and ensures those people are protected.

Protections include:

- keeping the identity of the person who made the disclosure confidential
- protecting them, and those who cooperate with any subsequent investigation, from reprisals including bullying, harassment or legal action.

What is a disclosure?

People can make disclosures about:

- public organisations or public officers
- another person whose conduct adversely affects the honest performance of a public organisation's or public officer's official functions, or who intends to adversely affect their effective performance to obtain a benefit. For example, a person who tries to bribe a public officer.

A disclosure can be about conduct that has already taken place, is occurring now, or may happen in the future.

Most allegations we received in 2020-21 related to the conduct of public officers, such as:

- Nepotistic recruitment
- Misuse of confidential information
- Manipulation of procurement processes to benefit a public servant or their personal connections
- Allegations of excessive use of force to restrain prisoners

- Misuse of financial delegations such as credit cards, or invoicing processes
- Use of public resources for personal benefit.
- Failure to declare conflicts of interest when making decisions that could actually or be perceived to benefit the decision maker
- In employment with promotions of friends, awarding contracts, favouring one party over another in regulatory enforcement, or failing to avoid the perception of this
- Allegations of falsifying records
- Allegations of making staff accept improper tenders

Our role

We have a role in assessing, enquiring into, and investigating public interest disclosures and complaints. We must refer disclosures to the Independent Broad-based Anticorruption Commission ('IBAC') if we decide they may be a public interest disclosure. IBAC then assesses the disclosure and determines if it is 'a public interest complaint'. IBAC often refers those complaints back to us, and we decide if they warrant investigation.

The Ombudsman has the powers of a Royal Commission when investigating these matters, including the power to:

- compel a person to attend an interview on oath or affirmation
- compel a person to produce documents
- inspect a public organisation's premises
- take statutory declarations.

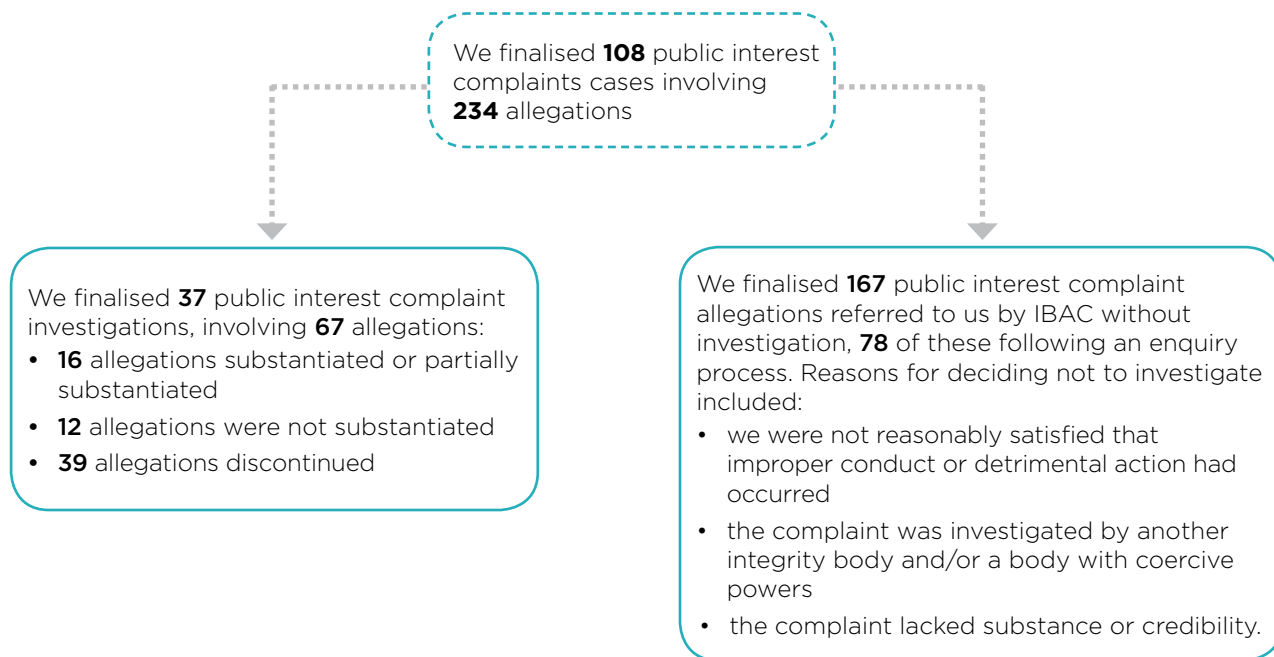
How we deal with public interest disclosures and complaints

The number of public interest complaints finalised by the Ombudsman was 108 compared with 120 the previous year. This includes formal investigations and enquires. Within these disclosures were 234 allegations.

Disclosure cases referred to and received from IBAC in 2020-21



Disclosure cases closed in 2020-21



Source: Victorian Ombudsman

Finalising complaints through enquiries

With referrals to this office increasing by 96 per cent over the past three years, determining which matters warrant an investigation has become particularly important. In 2020-21, 108 public interest complaints were finalised after substantial enquiries.

The purpose of enquiries is to ensure an investigation by us:

- would not prejudice another investigation or proceeding; and
- to determine if there is evidence to show, or tends to show, that improper conduct has occurred, thereby warranting an investigation.

Enquiries can be complex, often involving issues with confidentiality or anonymity. Some of the work involved may include:

- meeting with disclosers, witnesses and agencies
- reviewing employment, procurement or other contract documents
- conducting criminal record checks
- reviewing policies and procedures
- conducting site inspections
- securing and reviewing CCTV footage or other sensitive information.

Sometimes, our enquiries show an investigation is not warranted, but that examination of other issues is needed to improve public administration.

Snapshot: Melton City Council's procurement probe

The Case

A Victorian council IT worker misused his position to weave a web of deceit to attain \$1.6 million in Council work for his IT company due to lax oversight allowing him to manipulate processes. As a senior officer at Melton City Council, Mr M oversaw procurement processes for IT contracts. During his two years at the busy council he was able to dupe the council and recommend his own company MK Datanet as the successful tenderer for a significant IT contract.

He never disclosed any conflicts of interests and his company won the tender despite not meeting all mandatory requirements. He even assisted in preparing the tender submission that he later evaluated, featuring a copied OHS policy from another industry containing irrelevant references. In other procurement processes, he used two other IT companies he controlled to provide additional unfavourable quotes, to give the appearance that proper procurement processes were followed.

Key Findings

- Mr M engaged in improper conduct by dishonestly performing his functions while engaged by the Council
- Mr M was associated with MK Datanet and failed to declare a conflict of interest when engaging MK Datanet for work at the Council
- As the effective owner of MK Datanet, Mr M stood to directly financially benefit from any decisions by the Council to engage MK Datanet
- Mr M deliberately concealed his ownership of MK Datanet
- The Council's oversight of Mr M was lax, and the significant responsibility given to him allowed him to manipulate processes to benefit MK Datanet
- There were several breaches of the Council's Purchasing Procedures Manual and incorrect information in MK Datanet's tender submission
- Mr M knew his actions were wrong or unethical at the time and he made deliberate attempts to conceal his true involvement in MK Datanet and other companies

- Mr M sent quotes to the Council from fictional people disguising them as staff of companies he controlled.

Key Recommendations

- The council consider referring Mr M's conduct to Victoria Police and the Australian Securities and Investments Commission
- For the Council to consider integrity risks relating to conflict of interest and transparency in labour hire arrangements
- Advise the Ombudsman of how it addressed the concerns raised about the adequacy of the services MK Datanet provided.

Outcomes

- The Council is making improvements to contractor onboarding processes and induction
- The Council is reviewing and improving its procurement model to increase oversight
- The Council is implementing changes to the structure of its IT department
- The Council has engaged an external provider to conduct an audit of the services provided by MK Datanet.

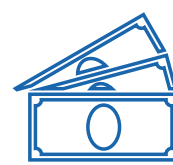
By the numbers



\$1.6m deceit



**21 months of
improper conduct**



**Mr M was paid
\$840 per day**

Snapshot: Corporate Credit Card misuse at Warrnambool City Council

The Case

Over a course of almost two years, the Manager, Visitor Economy, City Growth at Warrnambool City Council spent almost \$8,000 on espresso martinis, travel to Melbourne, gifts and entertainment. He hid his alcohol purchases through manipulating invoices to cover them up. Ratepayers also funded his excessive work-related expenditure. Following local media coverage about his spending spree in 2019, the manager resigned. In 2019, the Independent Broad-based Anti-corruption Commission (IBAC) referred multiple reports of allegations regarding the use of credit cards at the Council and how ratepayers' money was being spent to the Ombudsman. Following these reports and local media coverage, the Ombudsman's own motion investigation highlighted a lack of adherence to processes and insufficient oversight by some.

Key Findings

- The manager misused his corporate credit card, both in incurring excessive work-related expenditure and expenses for personal use
- Several invoices concealed the true nature of the goods or services obtained
- In November 2018, the Council's then-CEO gave a first and final warning for credit card misuse
- The manager accepted his spending was excessive but did not think it was at the time
- An experienced Council Director authorised the transactions. It was not until the finance team raised the issue of the RACV Cape Schanck Resort alcohol spend that it came to a head. His failure to identify some excessive transactions was due to his own inadvertence.
- While there is evidence of lax practices by staff and poor judgement by some in senior management, credit card misuse was not widespread
- The manager repaid all the money he owed to the Council – almost \$8,000.

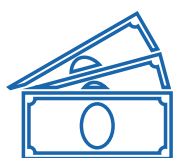
Key Recommendations

- Council consider the findings of the report, make further enquiries as necessary regarding the manager's credit card use, and consider referring the matter to Victoria Police
- Council reconsider the number of corporate credit cards in use and the rationale of the issuing of cards
- Council implement the recommendations of the two audit reports and report their progress to the Ombudsman within six months.

Outcomes

- In 2018, after the Investigation began, Council amended its Credit Card Procedure Policy to specify that alcohol is not permitted to be charged to a Corporate Credit Card in relation to travel, meals or entertainment. The Travel and Entertainment Policy was also amended.
- Policies have been tightened, with external audits and reviews implemented
- The number of corporate credit cards at the Council had reduced from 93 in 2018 to 70
- Council staff who have credit cards must now complete an online training course with information on their roles and responsibilities.

By the numbers



\$7,204
excessively spent



18 months – the length of
time corporate credit card
was misused



3,500 – the number
of transactions the
Ombudsman investigated

Snapshot: Protected disclosure complaints regarding the former Principal of a Victorian public school

The Case

As a result of a public interest complaint, it was found that a Victorian school Principal used school funds to support a gambling addiction and extravagant lifestyle, including an overseas family holiday. The Principal failed to disclose they were a discharged bankrupt when they were hired. The Principal obtained almost \$23,000 in school funds between 2016 and 2018 that remained undetected until the investigation. The investigation found the Principal used the school's purchasing card for hospitality and alcohol. Thousands of dollars were spent annually on gift cards. The Principal also inexplicably co-signed cash cheques for \$10,000 worth of stamps over the three years. At the Principal's request, cheques were cashed by staff for school equipment and handed to the Principal, who deposited the money into his own bank account.

Key Findings

- The Principal admitted taking cash cheques totalling \$14,150 for personal use and deposited the School funds into a personal bank account. The Principal denied personal use of the remaining \$8,700 cash funds obtained.
- Two Assistant Principals felt pressured into counter-signing cash cheques by the Principal.
- The Principal misused the school's purchasing card to buy alcohol, hospitality and thousands of dollars' worth of gift cards, some of which were used to purchase alcohol.
- The Principal failed to follow proper procurement processes for a \$280,000 shade shelter and \$300,000 worth of construction of building works.
- The school's internal controls and the Department's financial controls failed to detect and address the Principal's conduct over the three years.
- The school's Business Manager lacked qualifications, training and experience, and the School Council and its Treasurer were ill-equipped to prevent the Principal's conduct.

Key Recommendations

- The Department consider further auditing the Principal's financial activities while Principal at the school and decide whether to formally refer the conduct to Victoria Police.
- The Department introduce into principal recruitment material, guidance on making probative financial enquiries in relation to preferred principal candidates
- The Department introduce a process for school council members to acknowledge annually their awareness of financial policies and procedures that apply to their roles.

Outcomes

- The Department implemented training and developed resources focused on principal support, health and wellbeing, and supporting school councillors.
- The Department created a comprehensive guide regarding principal selection detailing the expectations of principals, selection criteria, advertisement and selection processes.
- A school council advisory helpdesk was created.

By the numbers



\$23,00 value of school cash Principal obtained by cash cheques



\$10,000 value of cash cheques Principal co-signed for stamps



\$1,200 cost of staff lunch using the school's purchasing card

Engagement



47% increase
in social media followers



198,228
visitors to
our website



40%
newsletter
click
open
rate

51,650
people made
contact with us



5,857 people filled out
the online complaint form

Engagement in 2020-21

Increasing the accessibility of our office, and making more communities and people aware about what we do, has been the focus of our engagement initiatives. While our vision for engagement has remained strong, the way we do it has changed. We have embraced new technologies to reach more people, whether it be the Ombudsman participating in webinars locally, nationally and internationally, increased use of the online complaints form and using social media to expand our reach.

We refreshed our social media channels with some of our newly created content including complainants telling us their stories on video, leading to an increase of 47% followers across our Facebook, LinkedIn, Twitter YouTube channels. The Ombudsman also introduced Facebook Live for press conferences. Our newsletter subscribers continued to increase with click open rates averaging 40 per cent. Online traffic to our website also continued to grow.

To help the public better understand our work, we introduced a “Snapshots” document summarising key sections of our public reports. People-focused reports on topics including fines, rates hardship and the investigation into the Business Support Fund led to increased media for the office across metropolitan and regional TV, radio and print.

While COVID-19 impacted much of our in-person events, the office was able to participate in Law Week again this year. Situated on the State Library Forecourt, we took more than 20 in-person complaints and had interactions with more than 300 people who spoke to us throughout the day. Ombudsman Deborah Glass also attended the event and spoke to many members of the public about their issues. The event highlighted not only our relevance and ongoing need within the community but also our wish to remain accessible for all Victorians.

The office engaged with 51,650 members of public who contacted our office, and where appropriate, redirected them to the correct jurisdiction with information about the correct Ombudsman or a body to deal with their complaint.

The Ombudsman and her staff continued to deliver presentations online to a wide range of community groups, public servants, legal centres, councils, human rights organisations and students. The Ombudsman also participated in numerous online seminars and conferences with fellow Parliamentary Ombudsman, including presentations to the quadrennial International Ombudsman Institute conference held remotely in Dublin, and the Asia-Pacific Ombudsman Region conference held remotely in New Zealand.

The Ombudsman also spoke at a seminar hosted by the New Zealand Ombudsman to discuss the United Nations Resolution on the Ombudsman institution, which was adopted by the UN General Assembly on 16 December 2020. The UN resolution represents a strong endorsement of the key principles of ombudsman institutions, including independence, objectivity, transparency, fairness and impartiality. It is an important further step in securing worldwide recognition for the work of Ombudsman institutions in promoting good administration, human rights, good governance and the rule of law.

Reconciliation Action Plan

Our office continues to seek to build trust, and form respectful and mutually beneficial relationships with Aboriginal and Torres Strait Islander peoples, through its second Reconciliation Action Plan which will be finalised this year.

The plan will build on strong foundations from the Ombudsman’s first RAP and feedback from the RAP Working Group during 2020-21 as we continue to educate and engage our staff and others on reconciliation.

Some of our actions for 2020-21 included a new RAP intranet page launched to staff, with signage for Indigenous meeting rooms updated to include the pronunciation and translation. We also continued Indigenous cultural awareness training for a fourth year and created an Indigenous annual calendar of events, which forms a key educational focus of our second RAP: Innovate.



VICTORIANombudsman

Autumn | 2021



The Victorian Ombudsman achieved one of the biggest outcomes for complainants from its investigation into the Business Support Fund with businesses across Victoria given a second chance at a lifeline. Go behind the scenes and see how we got the result, which the Department of Jobs, Precincts and Regions initially pushed back on.

[See how we did it](#)

Report in focus 🔍

Internal Reviews of Parking Fines

More than 17,400 parking fines could be overturned after a follow-up Victorian Ombudsman report identified that a further five councils, a university and an agency outsourced internal reviews of parking infringements.



4

Victorian Ombudsman

23 Apr · 🌐

The Victorian Ombudsman is aware of delays in receiving birth, death and marriage certificates and how long it is taking to respond to emails and voice messages.

We may be able to help resolve these issues. Please contact the office on 9613 6222 or fill out the online complaint form at <https://bit.ly/3ekIYc6>

#Independent #Impartial #Free

NEED TO MAKE A COMPLAINT

ABOUT BIRTHS, DEATHS & MARRIAGES?

5

\$1.6M

directed by Mr M into his own private company

5 summons issued for our investigation

21 months of Mr M's improper conduct

Mr M was paid **\$840** per day

6

- Deborah Glass on Nine Afternoon News with Alicia Loxley.
- & 3. Deborah Glass and our team at our Law Week event.
- Our newsletter.
- & 6. Examples of our social media posts.

Public Sector Education

During 2020-21, our Public Sector Education team continued to run our three key programs:

- Good complaint handling
- Conflict of interest risks: lessons from the Victorian Ombudsman
- Dealing with challenging behaviour.

The education facilitators ran 23 workshops for public sector employees, 14 fewer than the previous year, reflecting ongoing COVID-19 challenges and the absence of face to face workshops.

It was positive to see a wide breadth of the public sector booking workshops. We had participants from more than 50 organisations attend our sessions – some for the first time.

Satisfaction results remained strong across all three workshops with facilitators averaging a 87 per cent satisfaction rating.

The education team also introduced a new Key Learnings tip sheet stemming from our public reports to help as a prevention tool for the public sector on how to avoid becoming an investigation.

What participants said:

“Excellent mix of exercises and activities. Wonderful presenters – great with the group, considerate of all, welcomed input. Variety of topics and activities kept the group interested.”

Dealing with Challenging Behaviour participant.

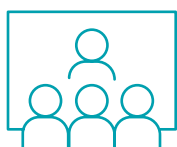
“Very relevant and helpful to my current role. Several elements from the session will be immediately put into practice, especially taking more time to ask about and manage clients’ expectations after receiving their complaint.”

Good Complaint Handling Workshop participant.

“This was my second Ombudsman training session. I found the course very informative whilst be inclusive and easy to understand. Really helped me gain a great depth of understanding.”

Conflict of Interest participant.

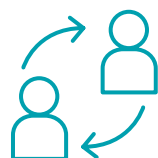
Education workshops in numbers 2020-21



23 total education workshops



20 online



3 in person



50+ organisations



87% satisfaction rating

Key Learnings Tip Sheet

How to roll out a successful grant, permit, licence or care package and eligibility requirements program

System design

- Test your application system, allowing for people with limited computer or language skills.
- Develop your system to accommodate applicants unfamiliar with government, grants or licencing processes.
- Be clear about what actions are needed and warn applicants of consequences of not taking specific actions, like not providing documentation within a timeframe.

Assessing applications

- Make allowances for human error, particularly when people are experiencing stress.
- Apply discretion and show flexibility where a person is experiencing an underlying disadvantage.
- Accept information in different formats as the focus is getting the required information.
- Ensure contact staff have an overview of the entire process and have appropriate access to enough information to deal meaningfully with applicants.
- Be consistent in your assessment of applications and ensure all staff understand eligibility criteria sufficiently.

Complaints

- Establish and implement an effective complaints and review process.
- Advertise your complaints and review procedure clearly where people will easily find it including website and email.

Communicating with applicants

- Communicate clearly and avoid jargon.
- Communicate via multiple channels, including email and SMS, in case one is wrong or there are delivery problems and allow for bounce back emails.
- Write outcome emails in plain English and provide reasons for the decision, identify the decision maker, provide contact details and information about review options.



In the real world

The Victorian Government announced a support package for eligible businesses affected by COVID-19 lockdowns offering \$10,000 grants in March last year. The Department of Jobs, Precincts and Regions set-up the Business Support Fund within nine days. Cracks soon started to appear, and the Victorian Ombudsman was inundated with complaints, prompting it to start an investigation into what went wrong. The Ombudsman received more than 1,100 complaints about the grant.

Business owners were refused because they made a simple mistake such as, typos on their application, providing information through the wrong link or were confused by the process. Many of these denials were because, unbeknown to the business owners, applications remained in draft awaiting further information when the deadline expired. As a result of the Ombudsman's investigation, up to 12,000 eligible businesses may be able to reapply for the grant.

Final word

"A good internal review and complaints process should be a priority for any system of public administration, even more so when it is set up in haste. Complaints will quickly identify the pressure points, the things that must be fixed." – Deborah Glass, Victorian Ombudsman.

Key Learnings Tip Sheet

How to prevent employees and contractors misusing procurement processes for personal gain

Know the requirements

- Managers overseeing procurement processes must have strong knowledge of both internal and sector requirements
- All staff involved in procurement activities must have a strong knowledge of expectations and requirements
- Recognise risks in using complex labour hire arrangements to engage contractors
- Contractors should receive the same induction as employees, including about their conflict of interest obligations
- Ensure all parties know the potential consequences of failing to comply with procedures.

Active oversight

- Ensure procurement requirements are followed and processes have occurred, like tender evaluation panels
- When procuring specialised or technical professional services, consider using panels of pre-evaluated providers to minimise risk
- Ensure due diligence and reference checks are conducted for tenderers
- Check for associations between staff managing procurement processes and tenderers or suppliers, for example conduct company register and employment relationship checks.

Ethical culture

- Ensure employees know how to raise concerns about improper conduct
- Explain to staff how reports of misconduct will be handled, including how confidentiality will be managed in the process
- Talk about the importance of procurement procedures
- Emphasise how checks and balances will be applied.



In the real world

A Victorian council IT worker misused his position to weave a web of deceit to attain \$1.6 million in Council work for his IT company due to lax oversight allowing him to manipulate processes. As a senior officer at Melton City Council, Mr M oversaw procurement processes for IT contracts. During his two years at the busy council he was able to dupe the council and recommend his own company MK Datanet as the successful tenderer for a significant IT contract.

He never disclosed any conflicts of interests and his company won the tender despite not meeting all mandatory requirements. He even assisted in preparing the tender submission that he later evaluated.

In other procurement processes, he used two other IT companies he controlled to provide additional unfavourable quotes, to give the appearance that proper procurement processes were followed. A lack of proper oversight, transparency and strict internal controls around procurement allowed his improper conduct to flourish.

Final word

“The inevitable conclusion of this investigation is that the subject knowingly misused his position at the Council to obtain a significant private benefit of about \$1.6 million.” – Deborah Glass, Victorian Ombudsman.

Data and Technology

Digital first approach

The Victorian Ombudsman has invested significantly in the use of data in people and systems to support the “digital first” approach of the office. In mid-2020 the office embarked on a digital transformation project implementing systems to better support the office during COVID-19 but also long term to meet the strategic objectives.

This included the implementation of Power BI to support greater accessibility of data across the office, enhanced data analytics and visualisation of the data collected.

This has allowed the Ombudsman to gain valuable insights into the community we serve and to look at how we can improve our outreach. It has also assisted improvements in our internal processes to ensure greater value from the data we collect and to monitor our key performance indicators with greater efficiency.

The office also introduced a media monitoring capability to identify key issues in the community relevant to the work of the office.

Data collection

In this year’s Annual Report there is a shift in how we collected, analysed and published the data. In previous years, the collating of data was a manual process of extracting data from different sources and manually interpreting it. This year we have focused on centralising our data within a dedicated data warehouse.

Quality reviews of data sources, along with analysis of workflows and formulas used to count and track key metrics have been implemented to ensure the data we share is transparent and provides an accurate overview of our work. A glossary of key terms and definition is provided in Appendix 1.

Technology upgrades

COVID-19 has demonstrated our need for flexibility in the work we do, and our office has made improvements to support this.

As our team continued to work from home, we made IT systems upgrades across the organisation to support greater virtual and conference capabilities.

Our people

We employ 118 staff with a diverse range of qualifications, experience and backgrounds. For instance, qualifications range from law and criminal justice to social sciences, media and communications, human rights and business.

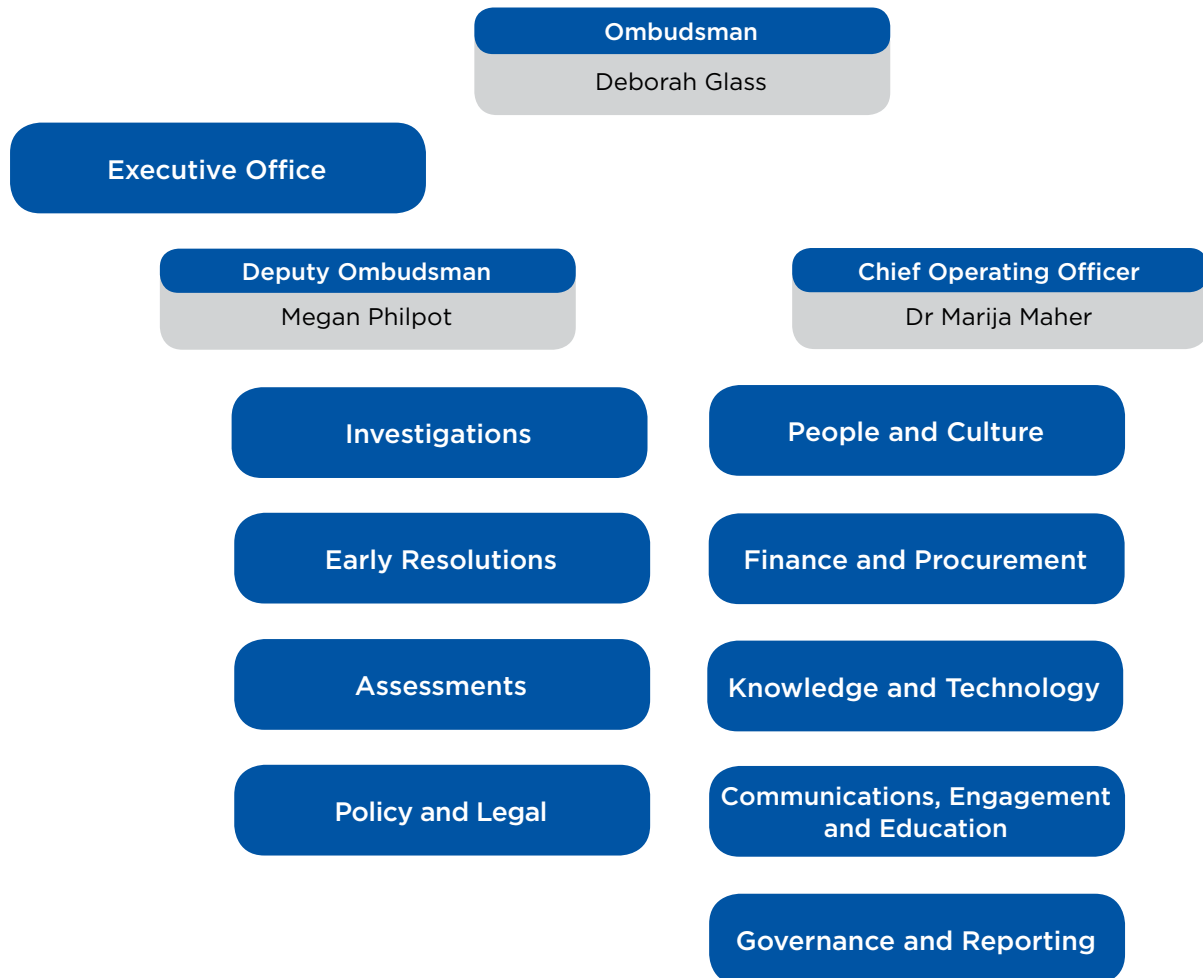
Table 2: Staff profile by gender, age and classification 2020-21*							
2020-21							
	All employees		Ongoing			Fixed term	
	Headcount	FTE	Full Time Headcount	Part Time Headcount	FTE	Headcount	FTE
Gender							
Male	37	35.40	22	3	24.20	12	11.20
Female	81	76.20	55	13	63.60	13	12.60
Self-described							
Total	118	111.60	77	16	87.80	25	23.80
Age							
Under 25	1	1.00	1		1.00		
25-34	34	32.60	29		28.20	5	4.40
35-44	39	35.50	23	10	29.90	6	5.60
45-54	32	30.70	18	6	22.70	8	8.00
55-64	10	9.80	5		5.00	5	4.80
Over 65	2	2.00	1		1.00	1	1.00
Total	118	111.60	77	16	87.80	25	23.80
Classification							
VPS 3	5	4.20	2		2.00	3	2.20
VPS 4	46	43.80	36	7	41.00	3	2.80
VPS 5	43	40.60	29	6	32.60	8	8.00
VPS 6	17	16.40	10	2	11.60	5	4.80
STS	1	0.60		1	0.60		
Executive	5	5.00				5	5.00
Independent officer of Parliament	1	1.00				1	1.00
Total	118	111.60	77	16	87.80	25	23.80

*Employees have been correctly classified in workforce data collections. Excludes staff on leave without pay, volunteers, contractors and consultants. Employees reported as 'seconded' are included in the fixed term counts.

Table 3: Staff profile by gender, age and classification 2019-20*							
2019-20							
	All employees		Ongoing			Fixed term	
	Headcount	FTE	Full Time Headcount	Part Time Headcount	FTE	Headcount	FTE
Gender							
Male	25	24.20	20	3	22.20	2	2.00
Female	74	67.82	46	18	58.62	10	9.20
Self-described							
Total	99	92.02	66	21	80.82	12	11.20
Age							
Under 25							
25-34	27	25.40	21	1	21.20	5	4.20
35-44	37	32.92	23	14	32.92		
45-54	25	23.70	14	6	18.70	5	5.00
55-64	8	8.00	7		7.00	1	1.00
Over 65	2	2.00	1		1.00	1	1.00
Total	99	92.02	66	21	80.82	12	11.20
Classification							
VPS 3	5	4.20	2		2.00	3	2.20
VPS 4	35	32.60	26	9	32.60		
VPS 5	37	34.10	26	8	31.10	3	3.00
VPS 6	15	14.52	12	3	14.52		
STS	1	0.60		1	0.60		
Executive	5	5.00				5	5.00
Independent officer of Parliament	1	1.00				1	1.00
Total	99	92.02	66	21	88.82	12	11.20

*Employees have been correctly classified in workforce data collections. Excludes staff on leave without pay, volunteers, contractors and consultants. Employees reported as 'secondee' are included in the fixed term counts.

Organisational structure



Salary

The following table discloses the annualised total salary for senior employees of the Victorian Ombudsman, categorised by classification. The salary amount is reported as the full-time annualised salary.

Table 4: Annualised total salary (by \$20,000 bands) for executives and other senior non-executive staff						
Income band (salary)	Executives	STS	PS	SMA	SRA	Other
< \$160,000						
\$160,000 – \$179,999						
\$180,000 – \$199,999	1					
\$200,000 – \$219,999	2					
\$220,000 – \$239,999						
\$240,000 – \$259,999						
\$260,000 – \$279,999						
\$280,000 – \$299,999						
\$300,000 – \$319,999	1					
\$320,000 – \$339,999	1					
\$340,000 – \$359,999						
\$360,000 – \$379,999						
\$380,000 – \$399,999						
\$400,000 – \$419,999						
\$420,000 – \$439,999						
\$440,000 – \$459,999						
\$460,000 – \$479,999						
\$480,000 – \$499,999						
Total	5	0	0	0	0	0

People Matter 2020-2021 survey

The results from the 2020-21 survey are largely consistent with previous year's results, with the Ombudsman once again scoring above its main comparator groups and the VPS across most areas.

Some of the key areas that we performed strongly in include:

- Staff experience +19.5 per cent more positive work-related emotions than the average level within comparator group
- Encouragement for employees to act in ways consistent with Human Rights came with 100 per cent satisfactory responses
- Staff continue to encourage a culture to treat everybody with respect (96 per cent)

To support continuous improvement the key areas highlighted from the survey for the VO to focus on in the year ahead include:

- learning and development opportunities
- workload and time pressures

Employment and conduct principles

Our staff comply with the public sector values established under the Public *Administration Act 2004* (Vic). The values prescribe the behaviours expected of public officials: responsiveness, integrity, impartiality, accountability, respect, leadership and promoting human rights.

Public sector employment principles

We are committed to applying merit and equity principles when appointing staff. Our selection processes ensure applicants are assessed and evaluated fairly and equitably, based on key selection criteria and other accountabilities, without discrimination.

We embrace the public sector employment principles established under section 8 of the Public Administration Act. We ensure:

- employees are treated fairly
- employment decisions are based on merit
- equal employment opportunity is provided
- human rights as set out in the Charter of *Human Rights and Responsibilities Act 2006* (Vic) are upheld
- employees have a reasonable avenue of redress against unfair or unreasonable treatment
- a career in public service is fostered.

Consistent with the Victorian Public Sector Commission's employment standards, we educate our employees on how to avoid conflicts of interest and manage conflicts where they cannot be avoided, and how to respond to offers of gifts and hospitality.

Workforce inclusion

We are committed to providing a working environment where equality, diversity and inclusion are valued.

Our workforce inclusion practices have resulted in us employing 69 per cent female, 31 per cent male in an ongoing or fixed term employment capacity this year.

Ways we celebrate diversity:

- recognising days of cultural significance
- supporting LGBTQIA+ events
- celebrating awareness days or weeks
- Cultural Safety and Awareness workshops
- Accessibility Action Plan
- Reconciliation Action Plan

Workforce inclusion policy

The Victorian Ombudsman is working towards creating an inclusive working environment where equal opportunity and diversity are valued, and that reflects the communities we serve consistent with the Gender Equality Act 2020. The Victorian Government has set a target of at least 50 per cent women on the executives' gender profile by 2021.

The Victorian Ombudsman values staff with non-binary gender identities. The Victorian Ombudsman acknowledges that due to historic and current barriers to disclosure of non-binary gender identities, staff may not choose to disclose this information. As a result, targets or quotas are not currently a useful way to promote opportunities for gender diverse staff at all levels.

The following table outlines the Department's actual progress against this target in 2020-21.

Table 5: Victorian Ombudsman's actual progress against this target in 2020-21

Workforce inclusion policy initiative	Target	Actual progress in 2020-21	Actual progress in 2019-20
Gender profile at executive levels ^(a)	Executive Officers: 50 per cent women; 50 per cent men by 2021	Executive Officers: 67 per cent women; 33 per cent men	Executive Officers: 67 per cent women; 33 per cent men

Note: (a) The self-described category is nil for this entity.

Occupational Health and Safety

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

As part of our ongoing commitment to the health, safety and well-being of our employees and others, our workplace activities and resources included:

- reimbursement initiative for prescription glasses
- influenza vaccination program
- paid leave for COVID-19 testing and vaccinations
- ergonomic assessments
- First Aid Officer training
- Fire Warden training
- 2020 R U OK day
- accredited Mental Health First Aid Officer training for all Leaders and Managers
- Mental Health First Aid Peer Support Officers
- Mental Health and Wellbeing employee workshops
- Mental Health Week
- Employee Assistance Program providing access to a 24/7 confidential counselling service via external professionals
- Weekly Employee Assistance Program onsite counselling service.

Our Occupational Health and Safety Committee, which includes our Health and Safety Representatives, continues to make recommendations to our Executive about all matters to do with the health, safety and well-being of employees.

Table 6: Occupational Health and Safety (OHS)				
Measure	Key Performance Indicator	2018-19	2019-20	2020-21
Incidents*	No. of reported incidents	2	8	8
	Rate per 100 FTE	1.8	1	1
	No. of incidents requiring first aid and/or further medical treatment	2	1	1
Claims	No. of standard claims **	1	1	0
	Rate per 100 FTE	1.06	1.035	0
	No. of lost time claims	1	1	0
	Rate per 100 FTE	1.06	1.035	0
	No. of claims exceeding 13 weeks	1	1	0
	Rate per 100 FTE	1.06	1.035	0
Fatalities	Fatality claims	0	0	0
Claim costs	Average cost per standard claim	\$707	\$735	\$0
Return to work	Percentage of claims with RTW plan <30 days	0	0	0
Management commitment	Evidence of OHS policy statement, OHS objectives, regular reporting to senior management of OHS, and OHS plans	In progress	In progress	Completed
	Evidence of OH&S criteria(s) in purchasing guidelines (including goods, services and personnel)	Completed	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	Completed
	Compliance with agreed structure of DWGs, HSRs and IRPs	Completed	Completed	Completed
Risk management	Percentage of internal audits/inspections conducted as planned	100%	100%	75%
	No. of Improvement Notices issued across the organisation by WorkSafe Inspector	0	0	0
	Percentage of issues resolved arising from:			
	<ul style="list-style-type: none"> internal audits and inspections HSR Provisional Improvement Notices (PINs) WorkSafe Notices 	100% 100% 100%	100% N/A N/A	100% 100% 100%
Training	Percentage of staff that have received OHS training:			
	• induction	100%	100%	100%
	• management training	100%	100%	100%
	• contractors, temps, and visitors	100%	100%	100%
	Percentage of HSRs trained:			
	• on acceptance of role	100%	100%	100%
	• re-training (refresher)	100%	100%	100%
	• on reporting of incidents and injuries	100%	100%	100%

*Incidents includes injuries and near misses.

**Standard claims are those that have exceeded the employer excess (for medical and like expenses) threshold and/or liability for 10 working days of time lost.

Our performance

Table 7: Output statement 2020-21

Output	Unit of measure	2020-21 actual	2020-21 target	Performance variation (%)	Result
Quantity measures					
Number of jurisdictional cases opened	number	18,058	14,000	29	✓
The number of jurisdictional cases opened is contingent on approaches to the office by members of the public. This can lead to a variance between the target and the outcome.					
Jurisdictional cases selected for enquiry/investigation	per cent	30	20	50	✓
Where possible, VO has introduced 'batching' as a method to efficiently deal with enquiries into a number of complaints about a systemic issue.					
Education and training participants	number	358	642	44.2	■
The COVID-19 pandemic has impacted on the VO's ability to hold face to face training. Towards the end of the financial year, the VO introduced online course delivery.					
Quality measures					
Jurisdictional cases that lead to an agreed improvement (e.g. practice/policy/law reform, remedial/rectification/mitigation action)	per cent	19	35	46.3	■
Jurisdictional cases that lead to an agreed improvement is contingent on case issues having a remedy. This can lead to a variance between the target and the outcome.					
Public sector education program satisfaction rate	per cent	87	85	2	✓
Collectively both virtual and face to face training programs have delivered consistent and positive satisfaction rates across FY20/21 period.					
Complaint service satisfaction	per cent	57	60	5	■
Complaint service satisfaction results are consistent with FY19-20 results. Complaints submitted through a channel other than online, or telephone are less likely to be satisfied with the service provided.					
Timeliness measure					
Complaints closed within 30 days	per cent	89	85	11.3	✓
The VO is prioritising resourcing its early resolution team to ensure timely closure of complaints.					
Investigations closed within 12 mths	per cent	93	80	16.5	✓
The VO has implemented project management principles and system upgrades to support timely completion of its investigations.					
Cost					
Total cost output	\$ million	\$19.307	\$19.307	0	✓
This excludes; Parliamentary Referral expense reimbursement, Special Appropriation and ATNAB funding.					

Note: ✓ Performance target achieved or exceeded.

■ Performance target not achieved – exceeds 5 per cent variance.

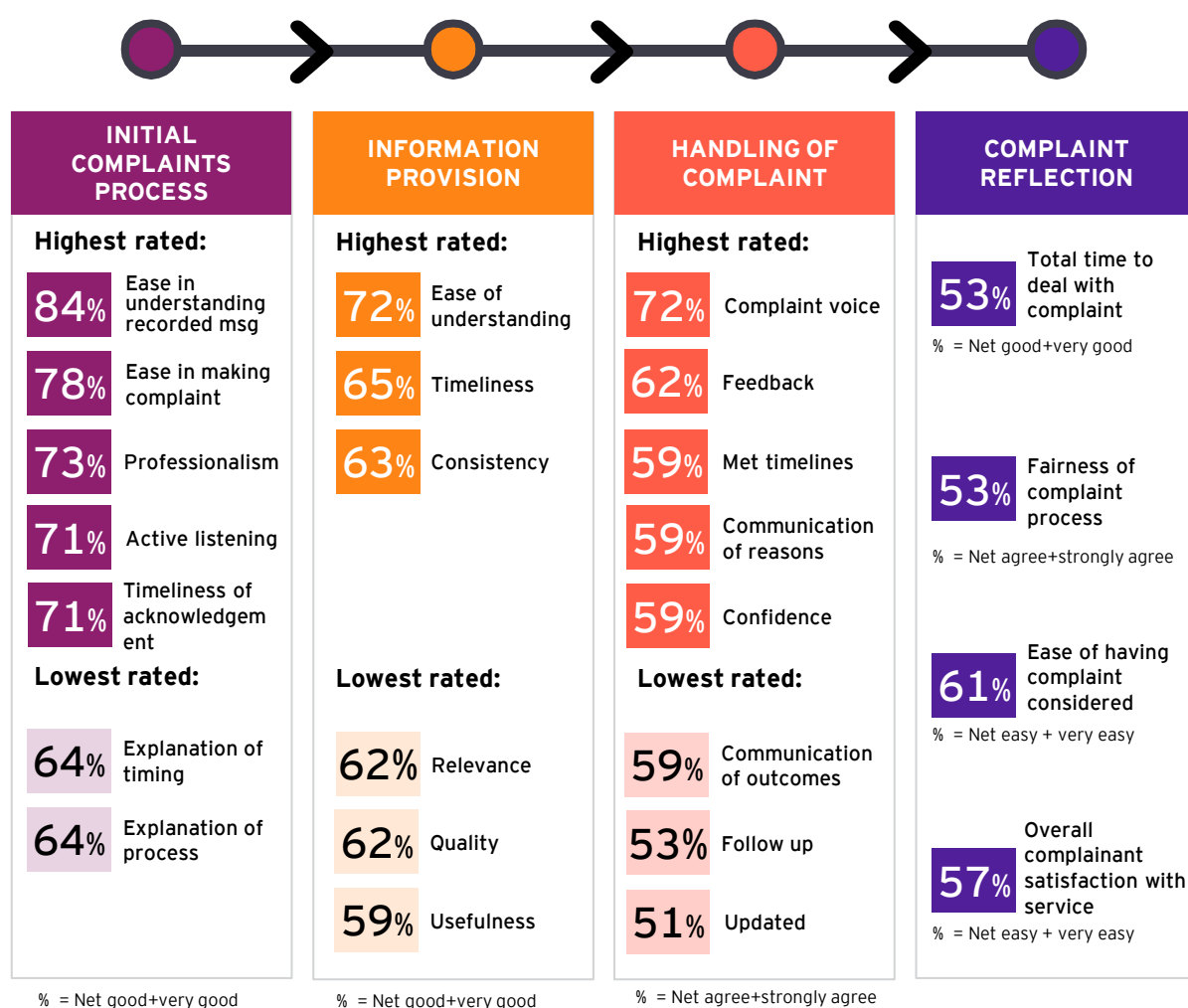
The Ombudsman tabled 10 reports in Parliament in 2020-21.

Table 8: Reports tabled in Parliament 2020-21	
Title	Date tabled
Investigation into the planning and delivery of the Western Highway duplication project	July 2020
Investigation into review of parking fines by the City of Melbourne	September 2020
Investigation into corporate credit card misuse at Warrnambool City Council	October 2020
Investigation into complaints about assaults of five children living in Child Protection residential care units.	October 2020
Investigation into the detention and treatment of public housing residents arising from a COVID-19 'hard lockdown' in July 2020	December 2020
Investigation of protected disclosure complaints regarding the former Principal of a Victorian public school	February 2021
Outsourcing of parking fine internal reviews – a follow-up report	March 2021
Investigation into the Department of Jobs, Precincts and Regions' administration of the Business Support Fund	April 2021
Investigation into how local councils respond to ratepayers in financial hardship	May 2021
Investigation into Melton City Council's engagement of IT company, MK Datanet Pty Ltd	June 2021

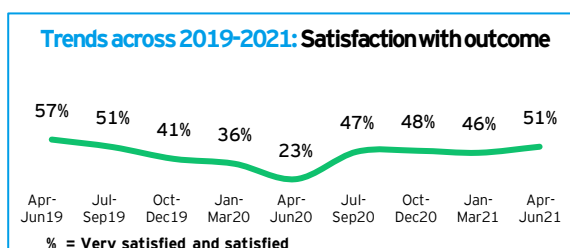
Complaint survey snapshot 2020-21

The Victoria Ombudsman commissioned EY Sweeney to conduct complainant satisfaction research. The purpose of the survey is improve services provided, our quality of communication with the complainants and evaluate the impact of resolutions and impact made. Overall satisfaction at a total level has remained consistent between 2019-2020 and 2020-2021, with no statistically significant changes across any of the aspects measured. Ease in having a complaint considered by the Ombudsman continues to receive the highest rating (61% in 2020-2021).

Process satisfaction



Satisfaction with complaint outcomes



“ I understand why they would want me to go through the internal mechanism for complaints, but it took a long time to get to that point, approximately six weeks. It was frustrating. ”

Relationship of VO service to complaint outcome

SERVICE DELIVERY

53%

Fairness of complaint process

% = Net agree+strongly agree

56%

in 2019-20

“ I told [company] that I was going to the involve the Ombudsman and I immediately got a response. They [the Ombudsman] hold a lot of power in the community. ”

57%

Overall complainant satisfaction with service

% = Net satisfied + very satisfied

60%

in 2019-20

“ The complaint process is ineffective. They promise to get back to you and then you become a victim of time. As time goes on the case often becomes less relevant. ”

53%

Total time to deal with complaint

% = Net good+very good

61%

Ease of having complaint considered

% = Net easy + very easy

Awareness of VO's role

“ They were excellent to deal with, solved the issue quickly. I was battling for months to deal with it. A really positive experience. People take notice of Ombudsman. Normally they [organisations] walk over regular people. ”

Were extremely or very aware of the role of the VO before making the complaint...

47%

Feedback about us

Complaints we received

When people complain to us about the merits of our decisions or our service delivery, we undertake a review. If the complaint alleges corrupt conduct or staff misconduct, we notify IBAC and the Victorian Inspectorate respectively and they deal with the complaint independently to us.

We closed 131 cases in 2020-21, compared with 115 cases in 2019-2020, where a senior officer not previously involved in the matter reviewed how we had handled a matter. Of the 88 reviews into the merits of our decisions:

- In 81, we decided the original decision was satisfactory.
- In 7, we reconsidered the complaint or took further action.

Of the 43 complaints about our service delivery:

- In 30, we determined our service delivery was satisfactory.
- In 13, we determined that service delivery was unsatisfactory and attempted to resolve the concerns raised through providing an explanation, apologising or agreeing to take further action.

Requests from the Victorian Inspectorate

In 2020-21, the Victorian Inspectorate asked us for information about 17 matters, compared with 29 matters in 2019-20. These included allegations that our staff:

- did not investigate complaints, had not properly investigated them or improperly dismissed them
- did not provide procedural fairness
- had not provided an outcome in a timely manner.

This financial year, we provided information to the Inspectorate about the welfare of witnesses in Victorian Ombudsman cases, and in relation to the provision of reasonable adjustments to people who come into contact with our office. In all cases, we provided the information the Inspectorate requested.

Freedom of information

The *Freedom of Information Act 1982* (Vic) ('FOI Act') creates a right for the public to access certain documents held by public sector agencies, including the Victorian Ombudsman.

Section 29A of the Ombudsman Act means the FOI Act does not apply to documents that disclose information about:

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

In 2020-21 we received 29 FOI requests. Due to the operation of section 29A of the Ombudsman Act, the FOI Act did not apply to 19 of the FOI requests. Three FOI requests were processed and access to the documents sought was denied in full. Seven FOI requests were processed and access to the documents was granted in full. Three requests for consultation under section 33 of the FOI Act were received and processed.

Categories of documents held

We hold a number of categories of documents:

- investigation reports tabled in Parliament and published on our website
- internal administrative and operational documents
- internal policy and procedural documents
- documents about developing or implementing policy and legislation
- human resources documents
- financial records

- documents obtained or created in the course of conducting investigations or making enquiries, including complaints, correspondence, file notes and reports
- documents relating to our functions under the Public Interest Disclosures Act
- background material, records of conversation, analysis and advice
- fact sheets, brochures and promotional material.

Certain documents are destroyed or transferred to the Public Record Office Victoria in accordance with the *Public Records Act 1973* (Vic).

Publicly available information

The following information is available on our website:

- statements about the Ombudsman's role, responsibilities, scope, governing law and reporting to Parliament
- information about the Public Interest Disclosures Act
- reports that have been tabled in Parliament
- our Service Delivery Charter and Code of Conduct
- good practice guides on handling complaints, effective communication for complaint handlers and managing complaints involving human rights
- our policies on Public Interest Disclosures, Human Rights, and Gifts, Benefits and Hospitality, Complaints, Enquiries, Investigations, Referrals and Notifications, information requests, Complaints about and oversight of the Ombudsman
- answers to common questions
- information about public sector workshops
- media releases.

This material can also be requested by emailing or calling us:

enquiries@ombudsman.vic.gov.au
1800 806 314

Making an FOI request

If you are considering making an FOI request to the Victorian Ombudsman, contact us for a discussion first.

We do not want you to pay an up-front fee for:

- documents that are already publicly available
- documents that you will not receive due to our confidentiality provisions.

Contact us for a discussion at:

FOI Officer
Victorian Ombudsman
legal@ombudsman.vic.gov.au
1800 806 314

An FOI request can be made to the Victorian Ombudsman directly or you can complete an online form at <https://online.foi.vic.gov.au/foi/request.doj>

If you are applying to us directly, your FOI request should clearly describe the document/s sought, specify that the application is a request made under the FOI Act and should not form part of a letter or email on another subject. The applicant should provide the following information:

- name
- address
- phone number
- details of document(s) requested
- form of access required; for example, copy of documents, inspection of file or other.

If seeking to have the application fee waived or reduced due to hardship, the applicant should include this request in the application.

Fees

An application fee of \$29.60 is required unless an authorised officer, satisfied that the payment of the fee would cause hardship, waives or reduces that fee.

Reviews

Applicants may seek an external review of a decision made about:

- requests for access to documents or amendment of records
- the cost levied for allowing access to documents.

Depending on the decision made in the first instance, the Information Commissioner or the Victorian Civil and Administrative Tribunal can conduct the review. The letter to the applicant advising our FOI decision will include information on the appropriate avenue of review, if any. Applicants are advised to consult Part VI of the FOI Act for more information about appeal rights.

For those FOI applications to which section 29A of the Ombudsman Act applies, there is no avenue of appeal to the Information Commissioner for a review of the decision.

An applicant may seek a review by the Victorian Civil and Administrative Tribunal under its review jurisdiction (see Part 3 of the *Victorian Civil and Administrative Tribunal Act 1989* (Vic)).

Complaints

A person may complain to the Information Commissioner about certain matters relating to an FOI request, including about:

- an agency's decision that a requested document does not exist or cannot be located
- a delay by the agency in processing an FOI request
- any other action taken or failed to be taken by an agency in performing its functions and obligations under the FOI Act.

For those FOI applications to which section 29A of the Ombudsman Act applies, there is no avenue of complaint to the Information Commissioner.

For more information on seeking a review or complaining to the Information Commissioner, visit:

ovic.vic.gov.au/freedom-of-information/forthe-public/apply-for-a-review/

Further information about the FOI Act is available online at:

www.ovic.vic.gov.au

Corporate governance

The Ombudsman is the:

- 'Accountable Officer' pursuant to section 42 of the *Financial Management Act 1994* (Vic).
- 'Responsible Body' under the *Standing Directions of the Minister for Finance*.
- 'Public Service Body Head' pursuant to sub-section 16(1)(h) of the *Public Administration Act 2004* (Vic) and section 3 of the *Privacy and Data Protection Act 2014* (Vic).
- 'Officer in Charge' pursuant to section 13 of the *Public Records Act 1973* (Vic).

The Ombudsman Act bestows all the powers and functions conferred on the Office of the Ombudsman on the Ombudsman personally.

Employees or executive staff exercise only the powers and functions that the Ombudsman delegates to them via delegation instrument.

This year, the Ombudsman was supported by two key committees: the Executive Committee and the Audit and Risk Management Committee. Each committee:

- has terms of reference approved by the Ombudsman stating:
 - the purpose and membership
 - meeting frequency*
 - record keeping obligations
 - reporting obligations.
- may co-opt expertise from across the office as required
- receives appropriate secretariat support.

*Which may be that the committee meets as frequently as it sees fit.

Table 9: Internal committee

Executive Committee	Function
Membership Ombudsman Deputy Ombudsman Chief Operating Officer	The Committee oversees the office's strategic focus, good governance, strategies and plans that commit significant resources and monitor overall performance. It regularly reviews the status of the office's budget, compliance obligations, strategic risks, business continuity planning and information management governance.

Audit and Risk Management Committee

The main responsibilities of the Audit and Risk Management Committee are to:

- Independently review and assess the effectiveness of VO's systems and controls for financial management, performance and sustainability, including risk management.
- Review and report independently to the Ombudsman on the annual financial statement and report of operations published by the office.
- Review and monitor compliance with the Financial Management Act including remedial actions.
- Oversee and review the effectiveness of the internal audit function including the approval of the internal audit charter, strategic internal audit plan and the annual audit work program.
- Maintain effective communication with external auditors.
- Consider recommendations made by internal and external auditors and review the implementation of actions to resolve issues raised.

Table 10: Audit and Risk Management Committee membership

Independent member and Chairperson	Adam Awty Chief Executive Officer Law Institute of Victoria
Independent member	Andrew Dell Global Chief Information Security Officer QBE Insurance Group Pty Ltd
Independent member	Patricia Christie Portfolio of board and committee positions and former CEO and acting Principal Registrar, Family Court of Australia
Independent member	Dennis Clark Chief Executive Officer Clark Corporate Consulting
Independent member	Damien Manuel Director, Cyber Security Research and Innovation Centre Deakin University
Victorian Ombudsman representative	Megan Philpot Deputy Ombudsman
Victorian Ombudsman representative	Dr Marija Maher Chief Operating Officer

Victorian Ombudsman Financial Management Compliance Attestation Statement

I, Deborah Glass, in my capacity as the Responsible Body, certify that the Victorian Ombudsman has no Material Compliance Deficiency with respect to the applicable Standing Directions under the Financial Management Act 1994 and Instructions.

Signed:



Victorian Ombudsman

Date: 10 September 2021

Strategically focussed

Our corporate planning framework is based on the six core elements of the Victorian Government's Strategic Management Framework:

- analyse
- plan
- allocate resources
- implement and monitor
- evaluate
- report.

Key outputs from the corporate planning framework are:

- a multi-year strategic framework
- an annual plan
- regular reporting on progress against objectives.

Transparent and accountable

We make our priorities known publicly through our annual plan. Performance targets are set and published in the output statement included in our annual report (see page 91). The Integrity and Oversight Committee of Parliament reviews our annual report and can hold public hearings where the Ombudsman gives evidence.

We also ensure we are accountable by:

- tabling reports in Parliament
- having internal review and complaint processes
- establishing performance criteria for every member of staff
- having a service charter
- assessing our recommendations to public organisations against our own practices
- having a rigorous internal audit plan.

Committed to compliant practices

We are committed to complying with all relevant obligations, internal and external. We use quality assurance and internal audit programs to monitor compliance.

Ethical culture

Good governance practices are only effective when supported by an ethical culture, where the values of the office are lived and its institutional practices are respected. This is particularly critical for us, as an integrity agency. An ethical culture not only supports good governance but supports our position as a leading public sector oversight organisation.

Our leaders are accountable for upholding and developing an ethical culture by:

- modelling ethical conduct
- expressly canvassing ethical issues as they arise
- recognising and reinforcing ethical conduct by staff
- intervening and addressing unethical conduct.

Ethical decision making is also supported by:

- the *Code of Conduct for Victorian Public Sector Employee*
- the *Code of Conduct for Victorian Public Sector Employees of Special Bodies* issued by the Victorian Public Sector Commission
- internal policies and procedures, such as our Conflict of Interest Policy, Grievance Resolution Policy and our Gifts, Benefits and Hospitality Policy.

Compliance with the Building Act 1993

We do not own or control any Government buildings, so are exempt from notifying our compliance with the building and maintenance provisions of the *Building Act 1993* (Vic).

National Competition Policy

The National Competition Policy requires that (among other things) where Government services compete with the private sector, any advantage arising solely from Government ownership be removed if the advantage is not in the public interest. We do not provide services in competition with the private sector.

Local Jobs First Act 2003

Local Jobs First aims to:

- promote employment and business growth by expanding market opportunities to local industry
- provide contractors with increased access to, and raised awareness of, local industry capability
- expose local industry to world's best practice in the workplace innovation, e-commerce and use of new technologies and materials
- develop local industry international competitiveness and flexibility in responding to changing global markets by giving local industry a fair opportunity to compete against foreign suppliers.

Departments and public sector bodies are required to apply the Local Jobs First policy in all projects valued at \$3 million or more in Metropolitan Melbourne or for statewide projects, or \$1 million or more for projects in regional Victoria.

The Local Jobs First Act requires public bodies to report on their compliance. In 2020-21, the Victorian Ombudsman had no procurements or projects to which the policy applied.

Procurement Related Complaints

A procurement related complaint is defined as an issue or concern expressed by a supplier in relation to the process and probity applied by an organisation when carrying out a procurement activity.

The Victorian Ombudsman has a procurement complaints management system, setting out the process for addressing complaints by suppliers. The Victorian Ombudsman's Chief Procurement Officer (Chief Financial Officer) is responsible for the complaints management process. In 2020-21, the Victorian Ombudsman received no complaints from suppliers related to procurement activity

Statutory disclosures

Under Standing Direction 5.2 Annual Reporting and the *Financial Management Act 1994* (Vic), we are required to disclose certain information. There is a disclosure index at Appendix 1.

Accountable officer's declaration

In accordance with the *Financial Management Act 1994* (Vic), I am pleased to present the Report of Operations for the Victorian Ombudsman's office for the year ended 30 June 2021.

A handwritten signature in black ink, appearing to read 'Deborah Glass', with a stylized, flowing script.

Deborah Glass
Ombudsman

28 October 2021

Financial information

	2021	2020	2019	2018	2017
Total income from transactions	\$20,675,043	\$19,313,014	\$18,724,330	\$15,823,834	\$16,488,377
Total expenses from transactions	\$19,959,766	\$18,851,676	\$18,750,436	\$15,663,219	\$16,760,434
Net result from transactions ^(a)	\$715,277	\$461,338	(\$26,106)	\$160,615	(\$272,057)
Other economic flows included in net result	\$1,211,389	\$77,100	(79,385)	(687)	22,815
Net result from the period ^(b)	\$1,926,666	\$538,438	(\$105,491)	\$159,928	(\$249,242)
Net cash flow from operating activities	(\$709,475)	\$606,679	\$40,667	\$385,579	\$304,989
Total assets	\$18,173,328	\$11,276,436	\$9,444,405	\$8,884,351	\$9,072,213
Total liabilities	\$11,337,292	\$6,387,047	\$5,983,806	\$5,318,261	\$5,666,051

Notes:

(a) The 'net result from transactions' is identical to the 'net operating balance' for the general government sector.

(b) Includes net result from discontinued operations.

Current financial year review

The Victorian Government considers the net result from transactions to be the appropriate measure of financial management. This measure excludes the effects of gains and losses associated with the disposal of assets and the impact of the revaluation of leave liabilities due to changes in discount rates and market assumptions. Such gains and losses are outside the control of the Victorian Ombudsman.

In 2020-21, the Victorian Ombudsman achieved a net result from transactions of a surplus \$0.715 million. This result is due to timing differences for the expenditure incurred by the Victorian Ombudsman.

The growth in income and expenses from transactions in 2020-21 is mainly reflective of the growth of the Victorian Ombudsman's operating budget and associated expenditure compared to 2019-20.

Financial position – balance sheet

The Victorian Ombudsman's net asset base as at 30 June 2021 is \$6.8 million, which is a \$1.9 million increase from the previous year. This was mainly due to the transfer of the Office's Right of Use building lease for 570 Bourke Street, Melbourne. There were no other significant changes or factors that affected the current year's performance.

Cash flows

The net cash inflows from operating activities (\$0.709) million for the year. This was mainly driven by timing differences relating to the receipting of appropriation revenue from Government and the payment of accrued expenditure from the financial year.

Significant changes in financial position

Control of the Office's building lease for 570 Bourke Street, Melbourne, transferred from Department of Treasury & Finance Shared Service Provider (DTF/SSP) effective from 1 July 2020. This impacted the Office's financial position increasing net assets by \$1.9 million. No other significant changes occurred during 2020-21.

Capital projects

The Office completed phase 1 of the Budgeting and Planning Software ERP project at the end of 2020-21, with the system activated for transactional processing from 1 July 2021 for the core financial system. Implementation of budgeting and reporting module will be completed by September 2021. Other minor capital projects relating to Victorian Ombudsman's Technology Lifecycle Replacement Program were also completed during the year, including an upgrade to the Office's Audio and Visual Equipment.

Disclosure of grants and transfer payments

The Victorian Ombudsman has not provided any grants or transfer payments to companies or organisations.

Subsequent events

There are no subsequent events to report.

Advertising expenditure

The Victorian Ombudsman did not conduct any activities that triggered the disclosure threshold of \$100,000 or greater on government advertising expenditure. We make a nil report statement against this requirement.

Consultancies

Nil to report for 2020-21.

Other information available on request

In compliance with the requirements of the Standing Directions under the *Financial Management Act 1994* (Vic), details of items listed below have been retained by the Ombudsman's office and are available on request, subject to the provisions of the Freedom of Information Act.

These items include:

- a statement that declarations of pecuniary interests have been duly completed by all relevant Ombudsman officers including the Ombudsman
- details of all consultancies and contractors.

ICT expenditure

Our ICT expenditure comprises:

- non-business as usual expenditure: extending or enhancing our current capabilities
- business as usual expenditure: all remaining ICT expenditure, which primarily relates to operating and maintaining our current capability.

This year, we had a total operational ICT expenditure of \$2.301 million.

Table 12: 2020-21 ICT Expenditure (\$000)

All Operational ICT expenditure	ICT expenditure related to projects to create or enhance ICT capabilities		
Business As Usual (BAU) ICT expenditure	Non-Business As Usual (non-BAU) ICT expenditure	Operational expenditure	Capital expenditure
(Total)	(Total = Operational expenditure and Capital expenditure)		
2,301,673	\$1,218,671	\$898,020	\$320,651

Office based environmental impact

The use of electrical power, paper and office vehicles over the past five years is outlined below.

Table 13: Electricity usage since 2016-17

	2016-17	2017-18	2018-19	2019-20	2020-21
Total electricity used in the office (gigajoules)	505	447	469	502	547
Electricity used per FTE staff member (megajoules)	5,729	5,062	4,408	5,151	5,364
Electricity used per m ² office space (megajoules)	244	216	227	231	251
Net Greenhouse emissions (tonnes)	144	134	151	156	164
Net Greenhouse emissions per FTE staff member (tonnes)	1.63	1.52	1.42	1.60	1.61

Table 14: Paper use from 2016-17

	2016-17	2017-18	2018-19	2019-20	2020-21
Total paper used in office (reams)	893	727	543	350	79
Paper used per FTE staff member (reams)	10.14	8.23	5.10	3.59	.077

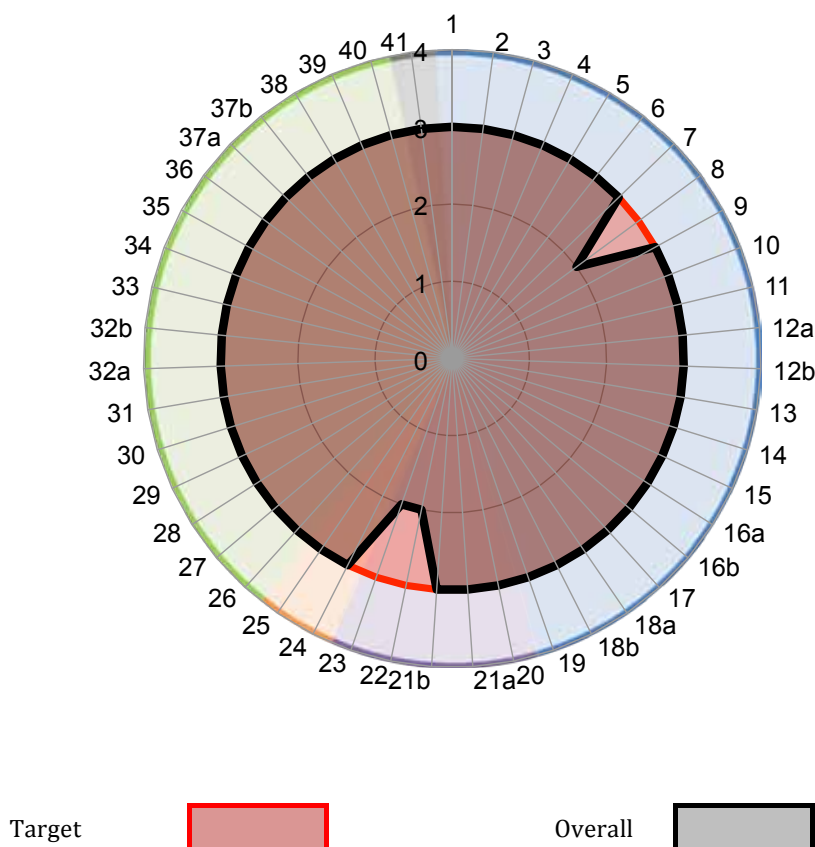
Table 15: Vehicle use from 2016-17

	2016-17	2017-18	2018-19	2019-20	2020-21
Passenger vehicle trips					
Total kilometres driven	21,159	11,503	14,910	4,104	4,194
Kilometres driven per FTE staff member	240	130	140	42	41
Greenhouse gas emissions associated with vehicles					
Total tonnes CO ₂ -e emitted	3	1.53	1.92	0.55	0.73
Tonnes CO ₂ -e emitted per FTE staff member	0.03	0.02	0.02	0.01	0.01

Asset Management Accountability Framework (AMAF) maturity assessment

The following sections summarise the department's assessment of maturity against the requirements of the Asset Management Accountability Framework (AMAF). The AMAF is a non-prescriptive, devolved accountability model of asset management that requires compliance with 41 mandatory requirements. These requirements can be found on the DTF website <<https://www.dtf.vic.gov.au/infrastructure-investment/asset-management-accountability-framework>>.

The Department's target maturity rating is 'competence', meaning systems and processes fully in place, consistently applied and systematically meeting the AMAF requirement, including a continuous improvement process to expand system performance above AMAF minimum requirements.



Legend

Status	Scale
Not Applicable	N/A
Innocence	0
Awareness	1
Developing	2
Competence	3
Optimising	4
Unassessed	U/A

Leadership and Accountability (requirements 1-19)

The Victorian Ombudsman has met its target maturity level under most requirements within this category.

The Victorian Ombudsman did not comply with one requirement in the area of allocating asset management responsibility. There is no material non-compliance reported in this category. A plan for improvement is in place to improve the Victorian Ombudsman's maturity rating in this area.

Planning (requirements 20-23)

The Victorian Ombudsman has met its target maturity level for half of the requirements in this category.

The Victorian Ombudsman did not comply with some requirements in the area of risk management and contingency planning. There is no material non-compliance reported in this category. A plan for improvement is in place to improve the Victorian Ombudsman's maturity rating in this area.

Acquisition (requirements 24 and 25)

The Department has met its target maturity level in this category.

Operation (requirements 26-40)

The Department has met its target maturity level in this category.

Disposal (requirement 41)

The Department has met its target maturity level in this category.

Financial statements

Financial statements



Independent Auditor's Report

To the Ombudsman of the Victorian Ombudsman

Opinion	<p>I have audited the financial report of the Victorian Ombudsman (the Ombudsman) which comprises the:</p> <ul style="list-style-type: none">• balance sheet as at 30 June 2021• comprehensive operating statement for the year then ended• statement of changes in equity for the year then ended• cash flow statement for the year then ended• notes to the financial statements, including significant accounting policies• Accountable Officer's and Chief Financial Officer's declaration. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the Ombudsman as at 30 June 2021 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of the Financial Management Act 1994 and applicable Australian Accounting Standards.</p>
Basis for opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the Ombudsman in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Ombudsman's responsibilities for the financial report	<p>The Ombudsman is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Financial Management Act 1994, and for such internal control as the Ombudsman determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Ombudsman is responsible for assessing the Ombudsman's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Level 31 / 35 Collins Street, Melbourne Vic 3000
T 03 8601 7000 enquiries@audit.vic.gov.au www.audit.vic.gov.au

Auditor's responsibilities for the audit of the financial report

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit 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 Ombudsman's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Ombudsman
- conclude on the appropriateness of the Ombudsman's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Ombudsman's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Ombudsman to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Ombudsman regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE
6 October 2021

Andrew Greaves
Auditor-General



OFFICE OF THE OMBUDSMAN

Comprehensive operating statement For the financial year ended 30 June 2021

	Notes	2021 \$	2020 \$
Continuing operations			
Revenue and income from transactions			
Output appropriations	2.1	20,159,420	-
Special appropriation	2.1	515,623	-
Grants	2.4.3		19,313,014
Total revenue from transactions		20,675,043	19,313,014
Expenses from transactions			
Employee expenses	3.1.1	13,708,070	13,048,125
Depreciation	5.1.3	1,515,642	886,421
Capital asset charge	3.3	287,065	287,100
Interest expense	7.1	247,575	86,678
Other operating expenses	3.4	4,201,413	4,543,352
Total expenses from transactions		19,959,766	18,851,676
Net result from transactions		715,277	461,338
Other economic flows in net results			
Net gain/(loss) from disposal of physical assets	9.2	-	(16,631)
Net gain/(loss) arising from revaluation of leave liabilities	9.2	-	93,731
Total other economic flows included in net results		-	77,100
Net result from continuing operations		715,277	538,438
Items that will not be classified to net result			
Changes in non-financial assets revaluation surplus	9.4	1,211,389	-
Total other economic flows - other comprehensive income		1,211,389	-
Comprehensive result		1,926,666	538,438

OFFICE OF THE OMBUDSMAN

Balance sheet
As at 30 June 2021

		2021	2020
	Notes	\$	\$
Assets			
Financial assets			
Receivables	5.1	6,610,750	6,899,189
Total financial assets		6,610,750	6,899,189
Non-financial assets			
Property, plant and equipment	4.1	10,346,225	3,121,061
Intangible assets	4.2	959,620	1,114,401
Other non-financial assets	5.4	256,734	141,785
Total non-financial assets		11,562,579	4,377,247
Total assets		18,173,328	11,276,436
Liabilities			
Payables	5.2	572,634	3,760,813
Other provision	5.5	413,600	413,600
Borrowings	6.1	8,088,256	24,127
Employee benefits	3.1.2	2,262,802	2,140,174
Other liabilities	5.3	-	48,333
Total liabilities		11,337,292	6,387,047
Net assets		6,836,036	4,889,389
Accumulated surplus/(deficit)		1,136,133	(790,534)
Contributed capital		5,699,904	5,679,923
Net worth		6,836,036	4,889,389

OFFICE OF THE OMBUDSMAN

Cash flow statement For the financial year ended 30 June 2021

	2021	2020
	\$	\$
Cash flows from operating activities		
Receipts		
Receipts from Victorian Government	21,928,820	18,841,390
Total receipts	21,928,820	18,841,390
Payments		
Payments to suppliers and employees	(22,103,655)	(17,860,933)
Capital asset charge payments	(287,065)	(287,100)
Interest and other financing costs 6.2.3	(247,575)	(86,678)
Total payments	(22,638,295)	(18,234,711)
Net cash flows from/(used in) operating activities	(709,475)	606,679
Cash flows from investing activities		
Payments for property, plant and equipment	807,646	(296,999)
Proceeds from disposal of property, plant and equipment	-	18,864
Payments for intangible assets	(8,000)	(1,096,708)
Net cash flows from/(used in) investing activities	799,646	(1,374,844)
Cash flows from financing activities		
Owner contribution by Victorian Government	374,324	921,633
Repayment of lease	(464,495)	(153,468)
Net cash flows from/(used in) financial activities	(90,171)	768,165
Net increase in cash and cash equivalents	-	-
Cash and cash equivalents at the beginning of the financial year	-	-
Cash and cash equivalents at the end of the financial year	-	-

OFFICE OF THE OMBUDSMAN

Statement of changes in equity For the financial year ended 30 June 2021

	Contributed capital	Accumulated deficit	Total
	\$	\$	\$
Balance at 1 July 2019	4,789,571	(1,328,972)	3,460,599
Net result for the year	890,352	538,438	1,428,790
Balance at 30 June 2020	5,679,923	(790,534)	4,889,389
Capital contribution from government	374,323	-	374,323
Right of Use Lease Asset Transfer in	(354,342)	-	(354,342)
De-recognition of Lease incentive	-	1,456,988	1,456,988
Other Economic Flows – Right of Use Lease Fair Value Adjustment	-	(245,598)	(245,598)
Net result for the year	-	715,277	715,277
Balance at 30 June 2021	5,699,904	1,136,133	6,836,037

1. About this report

The Office of the Ombudsman (the Office) is a government agency of the State of Victoria, established under the *Ombudsman Act 1973*.

The principal address is:

Level 2, 570 Bourke Street
Melbourne Victoria 3000

A description of the nature of the principal services of the Office is included in the “Report of Operations” of the Annual Report which does not form part of these financial statements.

Basis of preparation

These financial statements are prepared in Australian dollars and the historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured on a different basis.

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.

Consistent with the requirements of AASB 1004 *Contributions*, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of the Office.

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 to or distributions by owners have also been designated as contributions by owners.

Transfers of net assets arising from administrative restructurings are treated as distributions to or contributions by owners. Transfers of net liabilities arising from administrative restructurings are treated as distributions to owners.

Judgements, estimates, and assumptions are required to be made about financial information being presented. The significant judgements made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements are disclosed. 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. Judgements and assumptions made by management in applying Australian Accounting Standards (AASs) that have significant effects on the financial statements and estimates are disclosed in the notes to which they relate.

These financial statements cover the Office of the Ombudsman as an individual reporting entity and include all the controlled activities of the Office.

Compliance information

These general-purpose financial statements have been prepared on a going concern basis in accordance with the *Financial Management Act 1994* and applicable Australian Accounting Standards (AASs) which include Interpretations, 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 appropriate, those AASs paragraphs applicable to not-for-profit entities have been applied. Accounting policies selected and applied in these financial statements ensure 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.

Other accounting policies

Significant and other accounting policies that summarise the recognition and measurement basis used and are relevant to an understanding of the financial statements are provided throughout the notes to the financial statements.

2. Funding delivery of our services

Introduction

The Office is funded by accrual based Parliamentary appropriations for the provision of outputs. These appropriations are received directly by the Office.

Structure

- 2.1 Summary of revenue and income that funds the delivery of our services
- 2.2 Appropriations
- 2.3 Summary of compliance with annual Parliamentary and special appropriations
- 2.4 Sale of goods and services

2.1. Summary of revenue and income that funds the delivery of our services

	Notes	2021 \$	2020 \$
Output appropriations	2.2, 2.3	20,159,420	-
Special appropriations	2.2, 2.3	515,623	-
Grants ^(a)		-	19,313,014
Total revenue and income from transactions ^(b)		20,675,043	19,313,014

Notes:

(a) The Office was part of the Department of Premier and Cabinet's portfolio until 30 April 2020. Post 1 May, up until 30 June 2020 in accordance with Machinery of Government changes, the Office was classified as part of the Department of Justice and Community Safety's portfolio.

(b) The total revenue and income from transactions includes the Offices Annual and Special appropriations, and other supplementary funding such as Treasurer's Advance, fee for service revenue collected and retained through a Section 29 arrangement. All these funds have been received directly as appropriations from Department of Treasury and Finance (DTF).

The Office no longer receives appropriation funding paid as grants by the Department of Premier and Cabinet (DPC) or the Department of Justice and Community Safety (DJCS).

Revenue and income that fund delivery of the Office's services are accounted for consistently with the requirements of the relevant accounting standards disclosed in the following notes.

2.2. Appropriations

Once annual Parliamentary appropriations are applied by the Treasurer, they become controlled by the Office and are recognised as income when applied for the purposes defined under the relevant Appropriations Act.

Output appropriations: Income from the outputs the Office provided to the Government is recognised when those outputs have been delivered and the relevant minister has certified delivery of those outputs in accordance with specified performance criteria.

Special appropriations: Under Ombudsman Act, income related to Office is recognised when the amount appropriated for that purpose is due and payable by the Office.

2.3. Summary of compliance with annual Parliamentary and special appropriations

The following table discloses the details of the various annual Parliamentary appropriations received by the Office for the year.

In accordance with accrual output-based management procedures, 'provision of outputs' and 'additions to net assets' are disclosed as 'controlled' activities of the Office. Administered transactions are those that are undertaken on behalf of the State over which the Office has no control or discretion.

	Appropriations Act			Financial Management Act				Total Parliamentary authority	Appropriations applied	Variance ^(a)
	Annual appropriation	Advance from Treasurer	Section 3(2)	Section 29	Section 30	Section 32	Section 35			
2021										
Controlled										
Provision for outputs	19,090,147	995,823	-	73,450	-	-	-	20,159,420	20,159,419	-
Addition to net assets	300,000	-	-	-	216,853	-	-	516,853	374,323	142,531
Administered										
Payments made on behalf of the State	-	-	-	-	-	-	-	-	-	-
2021 total	19,390,147	995,823	-	73,450	216,853	0	-	20,676,273	20,533,742	142,531

Notes:

(a) Variance represents capital expenditure not drawn against ATNAB capital appropriation due to the partial capitalisation of project costs that were completed up to 30 June 2021.

The following table discloses the details of compliance with special appropriations:

Appropriations applied			
Authority	Purpose	2021 \$	2020 \$
Ombudsman Act	Payment of Ombudsman's salary and employee related entitlements	515,623	516,805
		515,623	516,805

3. The cost of delivering services

Introduction

This section provides an account of the expenses incurred by the Office in delivering services and outputs.

The funds that enable the provision of the services were disclosed in Note 2.

Structure

- 3.1 Expenses incurred in the delivery of services
- 3.2 Employee benefits
- 3.3 Capital asset charge
- 3.4 Other operating expenses

3.1. Expenses incurred in the delivery of services

	Notes	2021 \$	2020 \$
Employee benefit expenses	3.2	13,708,070	13,048,125
Capital asset charge	3.3	287,065	287,100
Other operating expenses	3.4	4,201,413	4,543,352
Total expenses incurred in delivery of services		18,196,549	17,878,577

3.2. Employee benefits

3.2.1. Employee benefits in the comprehensive operating statement

	2021 \$	2020 \$
Defined contribution superannuation expense	1,031,693	953,704
Defined benefit superannuation expense	-	219
Salaries and wages, annual leave and long service leave	12,676,377	12,094,202
Total employee expenses	13,708,070	13,048,125

Employee expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, termination payments and WorkCover premiums.

The amount recognised in the comprehensive operating statement in relation to superannuation is employer contributions for members of both defined benefit and defined contribution superannuation plans that are paid or payable during the reporting period. The Office does not recognise any defined benefit liabilities because it has no legal or constructive obligation to pay future benefits relating to its employees. Instead, the Department of Treasury and Finance (DTF) discloses in its annual financial statements the net defined benefit cost related to the members of these plans as an administered liability (on behalf of the State as the sponsoring employer).

3.2.2. Employee benefits in the balance sheet

Provision is made for benefits accruing to employees in respect of annual leave and long service leave for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

	2021 \$	2020 \$
Current provisions:		
Annual leave	1,086,376	939,471
Long service leave	1,078,234	981,274
Total current provisions	2,164,610	1,920,745
Non-current provisions:		
Long service leave	98,193	219,429
Total non-current provisions	98,193	219,429
Total provisions for employee benefits	2,262,802	2,140,174

Current provisions: The annual leave liability is classified as a current liability and measured at the undiscounted amount expected to be paid, as the Office does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Unconditional long service leave (LSL) is disclosed as a current liability even where the Office does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

No provision has been made for sick leave as all sick leave is non-vesting and it is not considered probable that the average sick leave taken in the future will be greater than the benefits accrued in the future. As sick leave is non-vesting, an expense is recognised in the Comprehensive Operating Statement as it is taken.

Employment on-costs such as payroll tax, workers compensation and superannuation are included as a component of the provision for employee benefits.

Non-current provisions: Conditional LSL is disclosed as a non-current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. This non-current LSL is measured at present value.

Any gain or loss following revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest rates for which it is then recognised as an 'other economic flow' in the net result.

3.3. Capital asset charge

	2021 \$	2020 \$
Capital asset charge	287,065	287,100

A capital asset charge is a charge levied by the Department of Treasury and Finance (DTF) on the budgeted written down value of non-current physical assets in the Office's balance sheet which aims to attribute to the opportunity cost of capital used in service delivery and provide incentives to the Office to identify and dispose of underutilised or surplus assets in a timely manner. The capital asset charge is calculated on the budgeted carrying amount of applicable non-current physical assets.

3.4. Other operating expenses

	2021 \$	2020 \$
Supplies and services		
Purchase of services	2,705,189	2,264,946
Information technology	697,450	1,062,951
Supplies and services	621,502	480,550
Occupancy costs	177,272	734,905
Total other operating expenses	4,201,413	4,543,352

Other operating expenses represent the day-to-day running costs incurred in delivering services of the Office.

4. Key assets available to support output delivery

Introduction

The Office controls property, plant and equipment in fulfilling its objectives and conducting its activities. These assets represent the key resources that the Office uses for the delivery of those activities.

Structure

- 4.1 Property, plant and equipment
- 4.2 Intangible assets
- 4.3 Depreciation and amortisation

4.1. Property, plant and equipment

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2021 \$	2020 \$	2021 \$	2020 \$	2021 \$	2020 \$
Leasehold improvements	4,815,290	4,761,618	(2,392,854)	(1,882,778)	2,422,435	2,878,840
Right of Use Buildings	8,940,384	-	(1,469,250)	-	7,471,134	-
Office furniture and equipment at fair value	831,360	604,403	(402,509)	(390,993)	428,851	213,410
Lease Motor vehicles	26,906	26,906	(7,848)	(2,891)	19,058	24,015
Cultural assets at fair value	5,000	5,000	(254)	(204)	4,746	4,796
Net carrying amount	14,618,940	5,397,928	(4,272,715)	(2,276,866)	10,346,225	3,121,062

The following tables are subsets of buildings, and plant and equipment by right-of-use assets.

Reconciliation of movements in carrying amount of property, plant and equipment

	<i>Leasehold improvements</i> \$	<i>Rights of use Assets ^(a)</i> \$	<i>Office furniture and equipment at fair value</i> \$	<i>Lease Motor vehicles</i> \$	<i>Cultural assets at fair value</i> \$
Opening balance – 1 July 2020	2,878,840	-	213,410	24,015	4,796
Transfer from SSP	-	10,868,404	-	-	-
Adjustment to include lease incentive	-	(2,662,645)	-	-	-
Additions	-	-	372,265	-	-
Disposals/ Retirement	-	-	-	-	-
Transfers between classes	-	-	-	-	-
Depreciation	(510,076)	(734,625)	(103,152)	(4,957)	(50)
Closing balance – 30 June 2021	2,368,764	7,471,134	482,522	19,058	4,746
Opening balance – 1 July 2019	3,351,865	8,940,384	171,044	13,386	-
Additions	51,700	-	134,131	26,906	-
Transfer to SSP	-	(8,695,510)	-	-	-
Disposals	-	-	-	(11,494)	-
Transfers between classes	-	-	(5,000)	-	5,000
Depreciation	(524,725)	(244,874)	(86,765)	(4,783)	(204)
Closing balance – 30 June 2020	2,878,840	-	213,410	24,015	4,796

Notes:

(a) The Office's lease for 570 Bourke Street, Melbourne, was transferred from the Department of Treasury and Finance (DTF) Shared Service Provider through an equity transfer effective from 1 July 2020 and has been re-recognised as a Right of Use Asset and Right of Use Liability (refer to Note 6.2 Leases).

Property, plant and equipment other than right of use assets

Initial recognition: Items of property, plant and equipment are recognised initially at cost. Where an asset is acquired for no or nominal consideration, the cost is its fair value at the date of acquisition.

The cost of leasehold improvements is capitalised as an asset and depreciated over the remaining term of the lease or the estimated useful life of the improvements, whichever is the shorter.

The cost of the office furniture and equipment is the purchase price and any other additional cost incurred in bring the asset to the place and condition it is available for use.

The cost of the leased motor vehicle 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.

Subsequent measurement: Property, plant and equipment is subsequently measured at fair value less accumulated depreciation and impairment. Fair value is determined with regard to the asset's highest and best use (considering legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset).

Right-of-use asset acquired by lessees – Initial recognition

The Office recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date less any lease incentive received; plus

- any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

Right-of-use asset – Subsequent measurement

The Office depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The right-of-use assets are also subject to fair value revaluation.

Impairment: Property, plant and equipment, is tested for impairment whenever there is an indication that an asset may be impaired.

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 considered to be an impairment and is written off as an 'other economic flow', except to the extent that it can be offset to an asset revaluation surplus amount applicable to that class of asset.

The recoverable amount for most assets is measured at the higher of current 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.

4.2. Intangible assets

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2021	2020	2021	2020	2021	2020
	\$	\$	\$	\$	\$	\$
Intangible assets - Work in progress	8,000	-	-	-	8,000	-
Capitalised software	1,139,471	1,139,471	(187,852)	(25,070)	951,620	1,114,401
Net carrying amount	1,147,471	1,139,471	(187,852)	(25,070)	959,620	1,114,401

Reconciliation of movements in carrying amount:		
	2021	2020
	\$	\$
Carrying account at start of year	1,114,401	42,763
Additions -work in progress	8,000	1,096,708
Amortisation expense	(162,782)	(25,070)
Carrying amount at the end of year	959,620	1,114,401

Intangible assets represent identifiable non-monetary assets without physical substance.

Initial recognition: Purchased intangible assets are measured at cost less accumulated amortisation and impairment. Costs incurred subsequent to initial acquisition are capitalised when it is expected that additional future economic benefits will flow to the Office.

Amortisation 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.

Subsequent measurement: Intangible assets with finite useful lives are amortised as an 'expense from transactions' on a straight-line basis over their useful lives. Purchased intangible assets have useful lives of between 3 and 7 years.

Impairment: Intangible assets with finite useful lives are tested for impairment annually and whenever an indication of impairment is identified.

4.3. Depreciation and amortisation

Charge for the period

	2021 \$	2020 \$
Leasehold improvements	510,077	524,725
Right of use buildings ^(a)	734,625	244,874
Office furniture and equipment	103,152	86,765
Leased motor vehicles	4,957	4,783
Cultural assets at fair value	50	204
Capitalised software	162,782	25,070
Total depreciation and amortisation	1,515,642	886,421

Notes:

(a) The Right of use buildings depreciation charges relates to the Office's accommodation lease which has been transferred back to the Office effective from 1 July 2020.

All buildings, plant and equipment and other non-financial physical assets 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 estimated useful life.

Typical estimated useful lives for the different asset classes for current and prior years are included in the table below:

Asset	Useful life
Leasehold buildings	2 to 60
Plant, equipment and vehicles (including leased assets)	3 to 10
Cultural assets (with finite useful lives)	100
Leased motor vehicles	2 to 3
Capitalised software	3 to 5

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term. Where the Office obtains ownership of the underlying leased asset or if the cost of the right-of-use asset reflects that the entity will exercise a purchase option, the entity depreciates the right-of-use asset over its useful life.

Leasehold improvements are depreciated over the shorter of the lease term and their useful lives.

5. Other assets and liabilities

Introduction

This section sets out those assets and liabilities that arise from the Office's operations.

Structure

- 5.1 Receivables
- 5.2 Payables
- 5.3 Deferred lease incentive
- 5.4 Prepayments
- 5.5 Other provisions

5.1. Receivables

	2021 \$	2020 \$
Contractual		
Receivables	7,498	-
Statutory		
Amount owing from Victorian Government ^(a)	5,848,936	6,378,785
GST recoverable	754,316	520,404
Total receivables	6,610,750	6,899,189
<i>Represented by</i>		
Current receivables	6,610,750	6,710,408
Non-current receivables	-	188,781

Notes:

(a) Amounts owing from Victorian Government represent funding for all commitments incurred by the Office, which are drawn from the Consolidated fund (Government's primary financial account) as the commitments fall due.

Contractual receivables are classified as financial instruments and measured at amortised cost. They are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment.

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.

Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment) but are not classified as financial instruments.

5.2. Payables

	2021 \$	2020 \$
Contractual		
Supplies and services	456,333	-
Amounts payable to government and agencies ^(a)	49,862	1,926,984
Other payables - Creditors and accruals	66,439	1,833,829
Total payables	572,634	3,760,813
<i>Represented by:</i>		
Current payables	572,634	3,760,813

Notes:

(a) Amounts owing to Victorian Government represent the lease cash incentive payable to DTF with implementation of the Centralised Accommodation Management.

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.

5.3. Deferred lease incentive

	2021 \$	2020 \$
Current	-	48,333
Non-Current	-	-
Total deferred lease incentive	-	48,333

The lease incentive, which includes Cash and Contribution to fit-outs, relates to the Office's premises at Level 2, 570 Bourke Street, Melbourne. The Office will amortise the incentive received as Contribution towards fit outs, over remainder of the lease term, separate to the recognition of the lease as a Right of Use Asset and Right of Use Liability.

5.4. Prepayments

	2021 \$	2020 \$
Prepayment	256,734	141,785
Total Prepayments	256,734	141,785

Prepayments represent payments in advance of receipt of goods or services or payment for expenditure relating to future periods.

5.5. Other provisions

	2021 \$	2020 \$
Make good provision	413,600	413,600
Total Prepayments	413,600	413,600

The make-good provision is recognised in accordance with the agreement over the leased premises. The Office is required to remove any leasehold improvements from the leased premises and restore the premises to its original condition at the end of the lease term.

5.5.1. Reconciliation of movements in make-good provision

	2021 \$	2020 \$
Opening balance	413,600	361,900
Additional provision	-	51,700
Closing balance	413,600	413,600

6. Financing our operations

Introduction

This section provides information on the sources of finance utilised by the Office during its operations, along with interest expenses (the cost of borrowings) and other information related to financing activities of the Office. This section also includes disclosures on commitments for expenditure.

Structure

- 6.1 Borrowings
- 6.2 Leases
- 6.3 Commitments for expenditure
- 6.4 Reconciliation of net result for the period to cash flow from operating activities

6.1. Borrowings

	2021 \$	2020 \$
Secured		
Current lease liabilities	748,484	4,888
Non-Current lease liabilities	7,339,772	19,239
Total borrowings	8,088,256	24,127

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 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.

Leases are secured borrowings as the right to the leased assets will revert to the lessor in the event of a default. There were no defaults and breaches of any lease conditions during the current or previous financial years.

6.2. Leases

Information about leases for which the Office is a lessee is presented below.

The Office's leasing activities

The Office leases various IT equipment and motor vehicles.

The lease contracts are typically made for a fixed period of 1-10 years with an option to renew the lease after that date.

Leases of IT equipment with shorter contract terms of up to 12 months or low-value items of \$10k or less are not recognised as right-of-use assets and lease liabilities. These lease expenses are recognised when they become payable by the Office.

6.2.1. Right-of-use Assets

Right-of-use assets are presented in note 4.1.

6.2.2. Amounts recognised in the comprehensive income statement

The following amounts are recognised in the comprehensive income statement relating to leases:

	2021 \$	2020 \$
Interest on leases liabilities	247,575	86,678
Total interest expense	247,575	86,678

6.2.3. Amounts recognised in the statement of cashflows

The following amounts are recognised in the statement of cashflows relating to leases:

	2021 \$	2020 \$
Total cash outflow for leases	464,495	153,468
Total interest expense	464,495	153,468

'Interest expense' includes costs incurred in connection with interest component of lease repayments and the increase in financial liabilities and other provisions due to the unwinding of discounts to reflect the passage of time.

Interest expense is recognised in the period in which it is incurred.

The Office recognises borrowing costs immediately as an expense, even where they are directly attributable to the acquisition, construction or production of a qualifying asset.

Separation of lease and non-lease components

At inception or on reassessment of a contract that contains a lease component, the lessee is required to separate out and account separately for non-lease components within a lease contract and exclude these amounts when determining the lease liability and right-of-use asset amount.

Recognition and measurement of leases as a lessee

Lease Liability – initial measurement

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or the Office's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments (including in-substance fixed payments) less any lease incentive receivable.
- variable payments based on an index or rate, initially measured using the index or rate as at the commencement date.
- amounts expected to be payable under a residual value guarantee.
- payments arising from purchase and termination options reasonably certain to be exercised.

Lease Liability – subsequent measurement

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

Short-term leases and leases of low-value assets

The Office has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss when the expenditure is incurred.

Presentation of right-of-use assets and lease liabilities

The Office presents right-of-use assets as 'property plant equipment' unless they meet the definition of investment property, in which case they are disclosed as 'investment property' in the balance sheet. Lease liabilities are presented as 'borrowings' in the balance sheet.

Recognition and measurement of leases

In the comparative period, leases of property, plant and equipment were classified as finance lease.

The Office determined whether an arrangement was or contained a lease based on the substance of the arrangement and required an assessment of whether fulfilment of the arrangement is dependent on the use of the specific asset(s); and the arrangement conveyed a right to use the asset(s).

Leases of property, plant and equipment where the Office as a lessee had substantially all of the risks and rewards of ownership were classified as finance leases. Finance leases were initially recognised as assets and liabilities at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payment, each determined at the inception of the lease.

The leased asset is accounted for as a non-financial physical asset and depreciated over the shorter of the estimated useful life of the asset or the term of the lease.

Minimum finance lease payments were apportioned between the reduction of the outstanding lease liability and the periodic finance expense, which is calculated using the interest rate implicit in the lease and charged directly to the consolidated comprehensive operating statement.

Contingent rentals associated with finance leases were recognised as an expense in the period in which they are incurred. Assets held under other leases were classified as operating leases and were not recognised in the Office's balance sheet. Operating lease payments were recognised as an operating expense in the statement of comprehensive income on a straight-line basis over the lease term.

6.3. Commitments for expenditure

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are recorded below at their nominal value and inclusive of GST. Where it is considered appropriate and provides additional relevant information to users, the net present values of significant individual projects are stated. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

	2021 \$	2020 \$
Operating commitments		
Commitments contracted for at the end of the reporting period but not recognised as liabilities, are payable as follows:		
Within one year	805,941	968,586
Later than one year but not later than five years	1,709,268	2,754,116
Total commitments (inclusive of GST)	2,515,209	3,722,702
Less GST recoverable	251,521	338,427
Total commitments (exclusive of GST)	2,263,688	3,384,275
Capital commitments		
Commitments for capital projects payable as follows:		
Within one year	31,045	155,405
Total commitments (inclusive of GST)	31,045	155,405
Less GST recoverable	3,105	14,128
Total commitments (exclusive of GST)	27,941	141,277
Centralised Accommodation Management (CAM) commitments(b)		
Commitments for management of accommodation leases by Department of Treasury and Finance (DTF) as follows:		
Within one year	-	1,395,896
Later than one year but not later than five years	-	5,583,581
Total commitments (inclusive of GST)	-	6,979,477
Less GST recoverable-	-	634,498
Total commitments (exclusive of GST)	-	6,344,979

6.4. Reconciliation of net result for the period to cash flow from operating activities

	2021 \$	2020 \$
Net result for the period	715,277	538,438
Non-cash movements		
Depreciation	1,515,642	886,421
(Gain)/loss on disposal of non-current assets	-	16,631
Movements in assets and liabilities		
(Increase)/decrease in receivables	288,439	(1,336,497)
(Increase)/decrease in prepayments	(114,949)	160,870
Increase/(decrease) in payables	(3,188,179)	2,615,256
Increase/(decrease) in provisions	122,628	(230,123)
Increase/(decrease) in other liabilities	(48,333)	(2,044,317)
Net cash flows from operating activities	(709,475)	606,679

7. Risks, contingencies, and valuation judgements

Introduction

The Office is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information, (including exposures to financial risks) as well as those items that are contingent in nature or require a higher level of judgement to be applied.

Structure

- 7.1 Financial instruments specific disclosures
- 7.2 Contingent assets and contingent liabilities

7.1. Financial instruments specific disclosures

Introduction

Financial instruments arise out of contractual agreements between entities that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of the Office's activities, certain financial assets and financial liabilities arise under statute rather than a contract. Such financial assets and financial liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*. For example, statutory receivables do not meet the definition of financial instruments as they do not arise under contract. The Office's statutory receivables are disclosed in note 5.1.

Categories of financial assets and financial liabilities

Financial assets at amortised cost

Financial assets are measured at amortised costs. These assets are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method less any impairment. Financial assets at amortised cost include the Office's trade receivables, but not statutory receivables.

Financial liabilities at amortised cost

Financial liabilities are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial measurement, these financial instruments are measured at amortised cost using the effective interest method.

Financial liabilities measured at amortised cost include all of the Office's contractual payables and lease liabilities (borrowings).

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the asset have expired.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

Offsetting financial instruments

Financial instrument assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Office has a legal right to offset the amounts and intend either to settle on a net basis or to realise the asset and settle the liability simultaneously.

7.1.1. Categorisation of financial instruments

		Carrying amount	
		2021 \$	2020 \$
Financial liabilities			
Payables	5.2 Financial liabilities at amortised cost	550,459	3,760,813
Borrowings	6.1 Financial liabilities at amortised cost	8,088,256	24,127
Total financial liabilities		8,638,715	3,784,940

7.1.2. Financial risk management objectives and policies

As a whole, the Office's financial risk management program seeks to manage the risks arising from volatility in financial instruments. The Office's main financial risks include credit risk, liquidity risk and market risk. The Office manages these financial risks in accordance with its financial risk management policy.

Credit risk

Credit risk arises from the financial assets of the Office, which comprise trade and other receivables. The Office's exposure to credit risk arises from the potential default of counterparties 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.

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 10 days and in the event of a dispute, making payments within 10 days from the date of resolution. The Office's exposure to liquidity risk is deemed insignificant based on a current assessment of risk. Maximum exposure to liquidity risk is the carrying amounts of financial liabilities. The Office manages its liquidity risk by maintaining an adequate level of uncommitted funds that can be used at short notice to meet its short-term obligations.

Market risk

The Office has no exposure to interest rate, foreign currency or other price risks. Interest rates on the Office's lease liabilities are fixed.

7.2. Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet but are disclosed and, if quantifiable, are measured at nominal value.

Contingent assets and liabilities are presented inclusive of GST receivable or payable, respectively.

Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

These are classified as either quantifiable, where the potential economic benefit is known, or non-quantifiable. There were no contingent assets based on the above definitions relating to the Office at 30 June 2021 (30 June 2020: Nil).

Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- present obligations that arise from past events but are not recognised because:
 - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations; or
 - the amount of the obligations cannot be measured with sufficient reliability.

Contingent liabilities are also classified as either quantifiable or non-quantifiable. There were \$80,000 for contingent liabilities based on the above definitions relating to the Office at 30 June 2021 (30 June 2020: Nil).

8. Other disclosures

Introduction

This section includes additional material disclosures required by accounting standards or otherwise, for the understanding of this financial report.

Structure

- 8.1 Subsequent events
- 8.2 Responsible persons
- 8.3 Remuneration of executives
- 8.4 Related parties
- 8.5 Remuneration of auditors
- 8.6 Administered items
- 8.7 Change in accounting policies
- 8.8 Australian Accounting Standards issued that are not yet effective which are applicable to the Office

8.1. Subsequent events

There have been no subsequent events that have been identified by the Office as at 30 June 2021.

8.2. Responsible persons

The persons who held the positions of Minister and Accountable Officer in the Office (from 1 July 2020 to 30 June 2021) were:

Responsible Minister:

The Hon Jill Hennessy MP, Attorney-General (1 July 2020 to 31 December 2020)
The Hon Jaclyn Symes MLC, Attorney-General (1 January 2021 to 30 June 2021)

Accountable Officer:

Deborah Glass OBE, Ombudsman

Remuneration

The total remuneration package of the person holding the office of Ombudsman, in connection with the management of the Office during the reporting period, was in the range: \$530,000 – \$539,999 (\$530,000 – \$539,999 in 2019-20).

Amounts relating to Ministers are reported in the financial statements of the Department of Parliamentary Services.

8.3. Remuneration of executives

The number of executive officers, other than Ministers and Accountable Officers, and their total remuneration during the reporting period are shown in the table below. Total annualised employee equivalents provide a measure of full time equivalent executive officers over the reporting period. Remuneration comprises employee benefits in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered, and is disclosed in the following categories.

Short-term employee benefits: include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

Post-employment benefits: include employer contributions for members of both defined benefit and defined contribution superannuation plans.

Other long-term benefits: include long service leave, other long-service benefits or deferred compensation.

Termination benefits: include termination of employment payments, such as severance packages.

	2021 \$	2020 \$
Remuneration of executive officers		
Short-term employee benefits	1,285,707	1,017,093
Post-employment benefits	96,656	77,124
Other long-term benefits	38,352	12,879
Total remuneration	1,420,715	1,107,096
Total number of executives	5	5
Total annualised employee equivalents ^(a)	5.0	4.5

Note:

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

Related parties

The Office is a wholly owned and controlled entity of the State of Victoria. Related parties of the Office include:

- all key management personnel and their close family members.
- all cabinet Ministers and their close family members.
- all departments and public sector entities that are controlled and consolidated into the whole of State consolidated financial statements.

Significant transactions with government-related entities

The Office received direct appropriation funding from the Department of Treasury and Finance of \$19.819 million (2020: \$0.000 million).

Prior to 1 July 2020, The Office received grant funding from, the Department of Premier and Cabinet of \$14.67 million (1 July 2019 to 31 April 2020) and the Department of Justice and Community Safety of \$4.64 million for the post Machinery of Government (MoG) period (1 May 2020 to 30 June 2020).

Key management personnel (KMP) of the Office included the Portfolio Minister being The Hon Jill Hennessy MP (1 July 2020 to 31 December 2020), The Hon Jaclyn Symes MLC, Attorney-General (1 January 2021 to 30 June 2021) and the Executive Team of the Office being the Ombudsman, Deborah Glass OBE, Deputy Ombudsman, Megan Philpot, and Chief Operating Officer, Dr Marija Maher. The compensation detailed below excludes the salaries and benefits of the Portfolio Minister receives. The Minister's remuneration and allowances are set by the *Parliamentary Salaries and Superannuation Act 1968* and are reported in the financial report of Department of Parliamentary Services.

	2021 \$	2020 \$
Remuneration of KMP's		
Short-term employee benefits	1,125,439	488,151
Post-employment benefits	61,182	20,931
Other long-term benefits	35,151	28,519
Total remuneration	1,221,772	537,601

Transactions with KMPs and other related parties

Given the breadth and depth of State government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public. Further employment of processes within the Victorian public sector occur on terms and conditions consistent with the *Public Administration Act 2004* and Codes of Conduct and Standards issued by the Victorian Public Sector Commission.

Procurement processes occur on terms and conditions consistent with the Victorian Government Procurement Board requirements.

Outside of normal citizen type transactions with the Office, there were no related party transactions that involved KMPs and their close family members. No provision has been required, nor any expense recognised, for impairment of receivables from related parties.

8.5. Remuneration of auditors

	2021 \$	2020 \$
Audit fees paid or payable to the Victorian Auditor-General's Office		
Audit of the annual financial statements	17,300	16,900
Total remuneration of auditors	17,300	16,900

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

8.6. Administered items

In addition to the specific operations of the Office which are included in the balance sheet, comprehensive operating statement and cash flow statement, the Office administers or manages activities on behalf of the State. The transactions relating to these activities are reported as administered in this note. Administered transactions reflect the operations of the Commuter Club. During the year ended 30 June 2021, net administered assets amounted to \$0.00 (2020 - \$12,327).

Change in accounting policies

Appropriations

From 1 July 2020, the Office received funding directly from the Department of Treasury and Finance (DTF) from Parliamentary appropriations.

Prior to this, the Office was part of the Department of Premier and Cabinet (DPC) portfolio until 30 April 2020 and the Department of Justice and Community Safety (DJCS) portfolio until 30 June 2020. Appropriation funding was paid to the Office in the form of grants from these departments and recognised under accounting standard AASB 1004 Contributions.

There has been no change to VO's policy for revenue recognition as a result of now receiving to direct appropriation funding.

Related Parties – Key Management Personnel

VO has reviewed the accounting policy position and definition used in previous financial years relating to the previously adopted definition of Key Management Personnel under the Australian Accounting Standard AASB 124 – Related Party Disclosures.

In the 2019/20 annual financial statements, the disclosure for KMP's had only included the Ombudsman being the sole KMP for the purpose of related party disclosures under AASB 124.

VO has now adopted a broader definition of KMP's and determined that the KMP group is to include all members of the Executive team holding the authority and responsibility for planning, directing and controlling of the activities of VO. This will more closely align with the requirements of AASB 124.

Australian Accounting Standards issued that are not yet effective which are applicable to the Office

Certain new and revised accounting standards have been issued but are not effective for the 2020-21 reporting period. These accounting standards have not been applied to this Financial Statements. The Office is reviewing its existing policies and assessing the potential implications of these accounting standards which includes:

- AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date

This standard amends AASB 101 Presentation of Financial Statements to defer requirements for the presentation of liabilities in the statement of financial position as current or non-current that were added to AASB 101 in AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current.

The amendments will now apply to annual reporting periods beginning on or after 1 January 2023 instead of 1 January 2022, with earlier application permitted.

The Office is in the process of analysing the impacts of this Standard. However, it is not anticipated to have a material impact.

- AASB 2021-3 Amendments to Australian Accounting Standards – COVID-19-Related Rent Concessions beyond 30 June 2021

This standard amends AASB 16 to extend by one year the application period of the practical expedient added to AASB 16 by AASB 2020-4 Amendments to Australian Accounting Standards – COVID-19-Related Rent Concessions.

The practical expedient permits lessees not to assess whether rent concessions that occur as a direct consequence of the COVID-19 pandemic and meet specified conditions are lease modifications and, instead, to account for those rent concessions as if they were not lease modifications.

This standard extends the practical expedient to rent concessions that reduce only lease payments originally due on or before 30 June 2022, provided the other conditions for applying the practical expedient are met. This standard applies to annual periods beginning on or after 1 April 2021. Earlier application is permitted, including in financial statements not authorised for issue at the date this Standard was issued.

The Office is in the process of analysing the impacts of this Standard. However, it is not anticipated to have a material impact.

Several other amending standards and AASB interpretations have been issued that apply to future reporting periods but are considered to have limited impact on the Office's reporting.

- AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities (Appendix C).
- AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments.
- AASB 2020-7 Amendments to Australian Accounting Standards – Covid-19-Rent Related Concessions: Tier 2 Disclosures.
- AASB 2020-8 Amendments to Australian Accounting Standards - Interest Rate Benchmark Reform – Phase 2.
- AASB 2020-9 Amendments to Australian Accounting Standards – Tier 2 Disclosures: Interest Rate Benchmark Reform (Phase 2) and Other Amendments.
- AASB 2021-1 Amendments to Australian Accounting Standards – Transition to Tier 2: Simplified Disclosures for Not-for-Profit Entities.
- AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definitions of Accounting Estimates.

Ombudsman and Chief Financial Officer's Declaration

The attached financial statements for the Office of the Ombudsman have been prepared in accordance with Direction 5.2 of the Standing Directions of the Assistant Treasurer under 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 accompanying notes, presents fairly the financial transactions during the year ended 30 June 2021 and financial position of the Office of the Ombudsman at 30 June 2021.

At the time of signing, 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 28 September 2021.



Ashley Hawkins
Chief Financial Officer

Melbourne
28 September 2021



Deborah Glass OBE
Ombudsman

Melbourne
28 September 2021

Appendix 1: Disclosure index

Disclosure index		
Legislation	Requirement	Page Ref
Ministerial Directions & Financial Reporting Directions		
Report of operations		
Charter and purpose		
FRD 22H	Manner of establishment and the relevant Ministers	10
FRD 22H	Purpose, functions, powers and duties	10-12
FRD 8D	Departmental objectives, indicators and outputs	84-85
FRD 22H	Key initiatives and projects	8-9
FRD 22H	Nature and range of services provided	10-70
Management and structure		
FRD 22H	Organisational structure	78
Financial and other information		
FRD 8D	Performance against output performance measures	84-85
FRD 8D	Budget portfolio outcomes	106-109
FRD 10A	Disclosure index	136-137
FRD 12B	Disclosure of major contracts	N/A
FRD 15E	Executive officer disclosures	129-131
FRD 22H	Employment and conduct principles	80-81
FRD 22H	Occupational health and safety policy	82-83
FRD 22H	Summary of the financial results for the year	97
FRD 22H	Significant changes in financial position during the year	N/A
FRD 22H	Significant changes or factors affecting performance	98
FRD 22H	Subsequent events	98
FRD 22H	Application and operation of <i>Freedom of Information Act 1982</i> (Vic)	88-90
FRD 22H	Compliance with building and maintenance provisions of <i>Building Act 1993</i> (Vic)	95
FRD 22H	Statement on National Competition Policy	95
FRD 22H	Application and operation of the <i>Public Interest Disclosures Act 2012</i> (Vic)	60-65
FRD 22H	Application and operation of the <i>Carers Recognition Act 2012</i> (Vic)	N/A
FRD 22H	Details of consultancies over \$10,000	98
FRD 22H	Details of consultancies under \$10,000	98
FRD 22H	Disclosure of government advertising expenditure	98
FRD 22H	Disclosure of ICT expenditure	98
FRD 22H	Statement of availability of other information	98
FRD 24C	Reporting of office-based environmental data by government entities	99
FRD 25D	Local Jobs First Act disclosures	95
FRD 29C	Workforce Data disclosures	76-77
SD 5.2	Specific requirements under Standing Direction 5.2	84-134

Disclosure index – continued		
Compliance attestation and declaration		
SD 5.1.4	Attestation for compliance with Ministerial Standing Direction	94
SD 5.2.3	Declaration in report of operations	96
Financial statements		
Declaration		
SD 5.2.2	Declaration in financial statements	134
Other requirements under Standing Directions 5.2		
SD 5.2.1(a)	Compliance with Australian accounting standards and other authoritative pronouncements	110-111
SD 5.2.1(a)	Compliance with Ministerial Directions	94
Other disclosures as required by FRDs in notes to the financial statements (a)		
FRD 9B	Departmental Disclosure of Administered Assets and Liabilities by Activity	N/A
FRD 11A	Disclosure of Ex gratia Expenses	NIL
FRD 13	Disclosure of Parliamentary Appropriations	N/A
FRD 21C	Disclosures of Responsible Persons and Executive Officers in the Financial Report	129-130
FRD 103H	Non-Financial Physical Assets	116-119
FRD 110A	Cash Flow Statements	108
FRD 112D	Defined Benefit Superannuation Obligations	114-115
<i>Note: (a): References to FRDs have been removed from the Disclosure Index if the specific FRDs do not contain requirements that are of the nature of disclosure.</i>		

Appendix 2: Business glossary

Business glossary	
Business term	Definition
Cases Received	Cases Received means the number of cases VO has recorded in our case management system in a given FY period. (Includes Jurisdictional plus Non-Jurisdictional cases)
Website Redirects	Website redirects means the number of matters we automatically redirect from our website to the correct organisation, because we can't deal with them. (These are not recorded in the VO case management system).
Matters redirected by phone	Matters redirected by phone means the number of matters we automatically redirect from our phone system to the correct organisation, because we can't deal with them. (These are not recorded in the VO case management system).
Totals Approaches (Contacts)	Total Approaches means the number of initial contacts (cases plus redirected matters) made to VO in a given FY period.
Matters redirected via phone or website Total	Matters redirected via phone or website means the number of website redirects and matters redirected by phone.
Jurisdictional cases received	Jurisdictional cases received means the number of cases opened we could deal with, including complaints, public interest complaints, assessable disclosures and own motions.
Investigations finalised	An Investigation is a formal investigation notified to an authority under section 17 of the Ombudsman Act, in which the Ombudsman is able to exercise coercive powers.
Recommendations accepted %	A Recommendation is a formal suggestion by the Ombudsman to remedy an issue identified in an investigation.
Recommendations accepted #	
Enquiries Made	Enquiries made means any action taken by VO (e.g. seeking information from an authority, research, inspecting records) to decide whether the issue may be informally resolved or whether it should be investigated.
Assessable Disclosures notified to IBAC (S21 Assessable Disclosure)	An assessable disclosure is a whistleblower complaint to VO about public organisations/officers that might involve improper or corrupt conduct, which VO refers to IBAC under the <i>Public Interest Disclosures Act 2012</i> (Vic).
Public interest complaints finalised by VO	A public interest complaint is a whistleblower complaint about a public organisation/officer which IBAC has referred to VO to deal with. Public interest complaints receive specific legal protections.
# Potential PID allegations assessed	Number of allegations assessed by VO for possible referral as an assessable disclosure to IBAC under the <i>Public Interest Disclosures Act 2012</i> (Vic). Each assessable disclosure may contain multiple allegations.
# PIC Investigations Finalised	Number of investigations into public interest complaints VO finalised.
# PIC Allegations that were substantiated or partially substantiated	Number of public interest complaint allegations substantiated or partly substantiated by VO.
# PIC Allegations that were not substantiated	Number of public interest complaint allegations not substantiated by VO.
(PIC) Public Interest Complaints Received	Number of public interest complaints IBAC referred to VO to deal with. VO is required to investigate public interest complaints referred by IBAC, with some exceptions.

Business term	Definition
# ALL Investigations commenced	An Investigation is a formal investigation notified to an authority under section 17 of the Ombudsman Act, in which the Ombudsman is able to exercise coercive powers.
# 16E Corrupt conduct notifications	Number of notifications VO made to IBAC under section 16E of the <i>Ombudsman Act 1973</i> (Vic). If the Ombudsman suspects at any time that a case involves corrupt conduct, the Ombudsman must notify IBAC.
# Jurisdictional complex cases	Refers to cases that require significantly more effort and resources than other cases of the same category.
# Allegations notified to IBAC under S21	Number of allegations in the assessable disclosures VO notified to IBAC under section 21 of the <i>Public Interest Disclosures Act 2012</i> (Vic).
# PIC allegations received	Number of allegations in the public interest complaints VO received from IBAC under section 73 of the <i>IBAC Act 2011</i> (Vic).
# PIC allegations declined to investigate “Enquiries Made”	Number of public interest complaint allegations VO declined to investigate after making enquiries (closed cases).
“# PIC allegations declined to investigate “No Enquiries Made”	Number of public interest complaint allegations VO declined to investigate without making enquiries (closed cases).
# PIC cases suspended	Number of public interest complaint cases suspended. It may be appropriate for VO to suspend action on a public interest complaint for reasons such as another agency is investigating or has completed an investigation into the matter.
% Jurisdictional complaints completed within 30 days	Jurisdictional complaints that have been completed within a set time period in this case 30 calendar days.
Jurisdictional cases finalised	Jurisdictional cases finalised means the number of cases we could deal with that were finalised, including complaints, public interest complaints, assessable disclosures and own motions.
# NJU cases received	NJU means Non-Jurisdictional cases the Ombudsman could not deal with. People with NJU cases are redirected to the correct organisation.
# Information requests received	Information Requests are not complaints, but instances where people contact the Ombudsman for information about the office. Information requests are not requests made under the <i>Freedom of Information Act 1982</i> (Vic).
# PIC Investigations commenced	Number of investigations into public interest complaints VO commenced.
# PIC Allegations/ Issues Investigated	Number of public interest complaint allegations VO investigated and finalised.
Allegations Discontinued	Number of public interest complaint allegations VO discontinued investigating in accordance with section 17 of the <i>Ombudsman Act 1973</i> (Vic).
Non-PIC investigation cases	The number of (non-PIC) investigation cases we closed.
Non-PIC investigation issues	The number of (non-PIC) issues VO investigated in the cases we closed.

Victorian Ombudsman
Level 2, 570 Bourke Street
Melbourne VIC 3000

Phone 1800 806 314
Email complaints@ombudsman.vic.gov.au
www.ombudsman.vic.gov.au