



COMMONWEALTH
OMBUDSMAN



**17
18**

ANNUAL REPORT



COMMONWEALTH
OMBUDSMAN



**17
18**

ANNUAL REPORT

HIGHLIGHTS

The Office received
46,494 approaches



12% more
than last year.

68.5% of complaints were
finalised within 90 days.

We published

**7 investigation
reports**

across various jurisdictions.



We received

**3,790 postal industry
complaints,**

a **10 per cent decrease** from last year.



We received 1,528 complaints

about the **National Disability Insurance Agency**, 256 per cent increase from the

429 complaints received last year.



81% of people who complained
to the Private Health Insurance Ombudsman were
satisfied with the handling
of their complaint.



737

public interest disclosures were
received by agencies, with

313 cases

being investigated and

207

recommendations
made.

The Office
conducted

71

inspections/reviews

of the use of covert, intrusive or
coercive powers by law enforcement
and regulatory agencies.

We received **457 reports**
of serious abuse in Defence.

Over 95% of people

reporting to us **felt supported** through
their engagement with our Office.



We received 6,397 complaints

relating to the

new VET Student Loans

Ombudsman function.

CREDITS

Date of publication: October 2018

Publisher: Commonwealth Ombudsman,
Canberra Australia

© Commonwealth of Australia 2018

ISSN: 2206 – 8619

All material presented in this publication is provided under a Creative Commons Attribution 3.0 Australia licence (creativecommons.org/licences).

This material may be copied, distributed, transmitted or adapted (including for commercial purposes) provided the Office of the Commonwealth Ombudsman is credited as the creator and is not represented as endorsing your use of the material.

To avoid doubt, this licence only applies to the material as set out in this document.

The details of the relevant licence conditions are available on the Creative Commons website, as is the full legal code for the CC BY 3.0 AU licence (creativecommons.org/licences/by/3.0/au).

Under the Coat of Arms—the terms under which the Australian Coat of Arms may be used are detailed on the It's an Honour website (itsanhonour.gov.au).

Design: Papercut Graphic Design

LETTER OF TRANSMITTAL (TRANSMITTAL CERTIFICATE)

2 October 2018

The Hon Christian Porter MP
Attorney-General
Parliament House
CANBERRA ACT 2600

Dear Attorney-General

I am pleased to present the 41st Commonwealth Ombudsman Annual Report for the year ending 30 June 2018.

The report has been prepared in accordance with s 46 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and s 63 of the *Public Service Act 1999*, which requires that you table the report in Parliament.

The Annual Performance Statement in Appendix 3 of this report is prepared in accordance with paragraph 39(1)(a) of the PGPA Act and accurately presents my Office's performance for the 2017-18 financial year, in accordance with paragraph 39(2) of the PGPA Act.

The report includes the audited financial statements for my Office, prepared in accordance with the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*.

In addition, I certify that I am satisfied my Office has appropriate fraud control mechanisms in place which meet our needs and comply with the PGPA Act, PGPA Rule and associated framework.

Yours sincerely



Michael Manthorpe PSM
Commonwealth Ombudsman

GUIDE TO THE REPORT

This report provides information on the activities, achievements and performance of the Office of the Commonwealth Ombudsman (the Office) for the 2017–18 financial year.

Part 1 **REVIEW BY THE** **OMBUDSMAN**

The Commonwealth Ombudsman Michael Manthorpe's review of the year and the outlook for 2018–19.

Part 2 **OVERVIEW OF** **THE OFFICE**

This outlines the roles and functions and organisational structure of the Office.

Part 3 **REPORT ON** **PERFORMANCE**

An overview of complaints received by the Office, our performance and financial performance for the 2017–18 financial year.

Part 4 **WHAT WE DO**

Information about the work in our major areas of responsibility, including:

- Department of Human Services
- Department of Social Services
- Department of the Prime Minister and Cabinet
- Department of Health
- National Disability Insurance Agency
- Department of Jobs and Small Business
- Indigenous
- Immigration Ombudsman
- Optional Protocol to the Convention against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment
- Law Enforcement Ombudsman
- Inspections of covert, intrusive or coercive powers
- Defence Force Ombudsman
- Public Interest Disclosure Scheme
- International Program
- Postal Industry Ombudsman
- Overseas Students Ombudsman
- Vocational Education Training Student Loans Ombudsman
- Private Health Insurance Ombudsman.

Part 5 MANAGEMENT AND ACCOUNTABILITY

This outlines the Office's governance and accountability arrangements including external scrutiny, management of human resources, procurement and asset management.

Part 6 APPENDICES

This includes statistics on the number of approaches and complaints received by the Office, Financial Statements, Annual Performance Statement, a report on compliance with the information publication scheme, entity resource statement, ecologically sustainable development and environmental performance for the Office, correction of material errors in the previous annual report and Public Interest Disclosures.

Part 7 REFERENCES

This includes a glossary, a list of figures and tables contained in the body of the report, a compliance index and an alphabetical index.

CONTACTING THE OMBUDSMAN

Enquiries about this report should be directed to the Communication Manager, Office of the Commonwealth Ombudsman (by email to media@ombudsman.gov.au).

If you would like to make a complaint, or obtain further information about the Ombudsman, you can do one of the following things:

Online

Visit: ombudsman.gov.au

By phone

Call: 1300 362 072 between 9am and 5pm Monday to Friday. (*Note: this is not a toll-free number and calls from mobile phones are charged at mobile phone rates*).

Indigenous Line: 1800 060 789

In writing

GPO Box 442
Canberra ACT 2601

Services available to help you

If you are a non-English speaking person, we can help you through the Translating and Interpreting Service (TIS) on **131 450**. If you are hearing, sight or speech impaired, a TTY Service is available through the National Relay Service on **133 677**.

CONTENTS

Part 1 REVIEW BY THE OMBUDSMAN	2
Growth in complaints	2
Defence reparation payment	2
Reports	3
New function—VET Student Loans Ombudsman (VSLO)	3
National Disability Insurance Agency	3
Leadership of the Office	4
Part 2 OVERVIEW OF THE OFFICE	8
Roles and functions	8
Our purpose	8
Outcome and programs	8
Organisational structure	10
Senior Leadership Group	11
Part 3 REPORT ON PERFORMANCE	16
Complaints overview	16
Performance overview	18
Financial performance	20
Part 4 WHAT WE DO	24
Department of Human Services	24
Department of Social Services	27
Department of the Prime Minister and Cabinet	27
Department of Health	29
National Disability Insurance Agency	30
Department of Jobs and Small Business	35
Indigenous Australians	36
Immigration Ombudsman	39
Optional Protocol to the Convention against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment (OPCAT)	50

Law Enforcement Ombudsman	51
Inspections of covert, intrusive or coercive powers	52
Defence Force Ombudsman	58
Public Interest Disclosure Scheme	63
International Program	74
Postal Industry Ombudsman	77
Overseas Students Ombudsman	80
VET Student Loans Ombudsman	84
Private Health Insurance Ombudsman	89
Part 5 MANAGEMENT AND ACCOUNTABILITY	104
Corporate governance	104
External scrutiny	108
Management of human resources	108
Purchasing	112
Consultants	113
Advertising campaigns	113
Exempt contracts	113
Compliance reporting	113
Asset management	113
Part 6 APPENDICES	116
Appendix 1 – Statistics	116
Appendix 2 – Financial Statements	119
Appendix 3 – Annual Performance Statement	145
Appendix 4 – Information Publication Scheme	165
Appendix 5 – Entity Resources Statement	166
Appendix 6 – Ecologically Sustainable Development and Environmental Performance	167
Appendix 7 – Correction of material errors in previous annual report	168
Appendix 8 – Public Interest Disclosures	169
Part 7 REFERENCES	186
Glossary	186
List of tables and figures	192
List of requirements	194
Index	203

HIGHLIGHTS

- Growth in complaints
- Defence reparation payment
- Reports
- New function – VET Student Loans Ombudsman
- National Disability Insurance Agency
- Leadership of the Office

01

**REVIEW BY THE
OMBUDSMAN**

Part 1

REVIEW BY THE OMBUDSMAN



I am pleased to introduce the annual report for the Office of the Commonwealth Ombudsman for 2017–18.

Over the last 12 months we have made headway across many areas, new and existing functions, individual complaint issues and systemic issues. We have published reports on matters as diverse as problems with the NDIS, citizenship decision-making, the transport of cargo across our wharves, complaint-handling at Australia Post and health insurance policy changes. It was pleasing to see agencies accepting our recommendations, which reflects well on our capacity to influence systemic improvement.

As the following paragraphs demonstrate, 2017–18 was a year of continued growth and an expansion of my Office's jurisdiction. These factors, and the need to meet our statutory functions, made for a challenging year and continues to set the scene for the years ahead.

Growth in complaints

In 2017–18, our complaint-handling work continued to grow. We received a total of 46,494 approaches compared to 41,301 in 2016–17—an increase of 12 per cent.

Of the total approaches received, 38,026 were in-jurisdiction with 50 per cent of these attributable to the Department of Human Services (Centrelink and Child Support), Australia Post, the Department of Home Affairs and the National Disability Insurance Agency. Complaints received about Centrelink decreased by nine per cent over the previous year and comprised 28 per cent of all in-jurisdiction complaints received.

Defence reparation payment

On 15 December 2017, the Minister for Defence, Senator the Hon Marise Payne, announced the introduction of the Defence Reparation Scheme for survivors of Defence abuse.

My Office has been taking reports of abuse since 1 December 2016, complementing internal mechanisms to report abuse within Defence. Since this announcement, we commenced assessing reports against the government's policy to determine whether a reparation payment should be recommended.

Since the announcement of the reparation framework, we have sent 66 reparation payment recommendations to Defence. To 30 June 2018, Defence considered and accepted in full 51 recommendations, and none have been declined.

Reports

During 2017–18, I published the following reports which are available on our website:

- June 2018 – Bupa Health Insurance Hospital Policy Changes
- May 2018 – Investigation into delays in processing inbound Containerised Sea Cargo
- May 2018 – Administration of reviews under the *National Disability Insurance Scheme Act 2013*
- April 2018 – Review of Australia Post complaints about carding, Safe Drop and compensation
- April 2018 – Investigation into the circumstances of the immigration detention of Mr G
- December 2017 – Delays in processing of applications for Australian Citizenship by conferral
- October 2017 – A report on the Commonwealth Ombudsman’s inspection of the Australian Federal Police under the *Telecommunications (Interception and Access) Act 1979*.

In addition to the above reports we published quarterly reports on the VET Student Loans Ombudsman, Overseas Students Ombudsman and the Private Health Insurance Ombudsman.

The Defence Force Ombudsman team produced monthly reports on statistics for reporting abuse and the inspections team published a number of annual and quarterly reports throughout 2017–18.

New function—VET Student Loans Ombudsman (VSLO)

The new VET Student Loans Ombudsman function, which investigates complaints about the VET Student Loans program and VET FEE-HELP scheme, commenced on 1 July 2017.

In 2017–18 we received 6,397 complaints from students disputing their debts or other issues with their VET provider. The overwhelming majority of these complaints relate to debts incurred by complainants under the historic VET FEE-HELP program.

Much has been written about the failings of this program, its design, its administration and the behaviour of certain VET providers. However, it has left a long tail of individuals who have incurred debt for which some form of redress would appear to be desirable. We have been able to close some of the complaints with a satisfactory outcome, but many complex complaints remain subject to investigation and the identification of appropriate remedies. We continue to work constructively with relevant agencies on these matters.

National Disability Insurance Agency

During the year, as the roll out of the scheme continued, we received 1,528 complaints about the NDIS—256 per cent more than last year.

In May 2018, I released my report into the National Disability Insurance Agency’s (NDIA) handling of reviews of decisions under the *National Disability Insurance Scheme Act 2013*. The report discusses systemic issues highlighted by complaints and stakeholder feedback including significant backlogs, delays in decision-making and poor communication practices.

The report made 20 recommendations aimed at improving the NDIA’s administration of reviews, all of which were accepted by NDIA.

Leadership of the Office

2017–18 was my first full year as Commonwealth Ombudsman, having been appointed in May 2017. During the year, I was pleased with the government's appointment of the new Deputy Ombudsman, Ms Jaala Hinchcliffe who we welcomed to the Office on 6 November 2017.

Together with our senior leadership team, we have commenced several internal reforms aimed at sharpening our impact on the systems for which we play an oversight role. In particular, we have restructured the Office along more logical functional lines that will enable more efficient use of our resources. We have stood up a new Strategic Policy Board—comprising the Office's executive—the task of which is to assess, on a whole of Office basis, where we should direct our efforts towards systemic issues that ought be investigated and reported. We are focused on preparing timely, short, targeted reports where possible.

We are also focusing on how we can best help individual complainants. Like most Ombudsman schemes, it is impossible for us to thoroughly investigate more than a minority of complaints and, as a result, in some instances we refer complainants back to the agencies about whom they are complaining.

We are taking steps, therefore, to improve our knowledge of what the complainant experience is like, and to improve the capability of complaint-handling areas in the large line agencies. We are working to create a “feedback loop” so that we can gain an insight into what outcomes are being achieved; we have made good headway in this area with Australia Post during 2018, and we will pursue this concept further in other agencies in the year ahead.

We also continue to focus on providing assurance to the Parliament and the public about the manner in which certain intrusive and covert powers are used by law enforcement agencies.

While we have published a range of reports during the year, we also continue to do much of our best work in a more informal way with agencies, identifying issues and working collegiately to encourage agencies to fix them. I am grateful to Secretaries and agency heads for their assistance in this endeavour.

Of course, none of the work I have outlined would be possible without the hard work and dedication of our staff, who I sincerely thank for their contribution.



Michael Manthorpe PSM
Commonwealth Ombudsman

HIGHLIGHTS

- Roles and functions
- Our purpose
- Outcome and programs
- Organisational structure
- Senior Leadership Group



02

**OVERVIEW OF
THE OFFICE**

Part 2

OVERVIEW OF THE OFFICE

Roles and functions

The Office of the Commonwealth Ombudsman (the Office) is a non-corporate Commonwealth entity established under the *Ombudsman Act 1976* (the Act). The Act came into effect on 1 July 1977 and was administered by the Prime Minister until 10 May 2018, when the Attorney-General commenced administering the Act.

The Commonwealth Ombudsman has the following major functions:

- complaint investigations
- own motion investigations
- compliance audits
- immigration detention oversight
- oversight of the Commonwealth Public Interest Disclosure Scheme
- accepting and responding to reports of serious abuse within Defence
- private health insurance consumer information.

Our purpose

The purpose¹ of the Office is to:

- provide *assurance* that the Australian Government entities and prescribed private sector organisations that the Office oversees, act with *integrity* and treat people fairly
- *influence* enduring systemic *improvement* in public administration in Australia and the region.

Outcome and programs

The Office's outcome as described in the 2017–18 Portfolio Budget Statements² is:

“Outcome 1—Fair and accountable administrative action by Australian Government entities and prescribed private sector organisations, by investigating complaints, reviewing administrative action and statutory compliance inspections and reporting.”

The Office only has one program: “*Program 1.1 – Office of the Commonwealth Ombudsman*”.

1 http://www.ombudsman.gov.au/__data/assets/pdf_file/0019/50356/Corporate-Plan-2017-18-Final_Online.pdf

2 https://www.pmc.gov.au/sites/default/files/publications/2017-18-pmc-portfolio-budget-statements_1.pdf (pp 227–245)

The Office has jurisdiction over all Commonwealth entities and their contracted service providers, subject to some specific statutory exclusions (such as the intelligence agencies and Australian Taxation Office). The Office also oversees the activities of a range of private sector organisations, including:

- private health insurers
- some postal operators
- some providers of education services.

The Office has the following separate titles that describe specific functions and powers:

- Immigration Ombudsman—to investigate complaints and undertake own motion investigations about the Department of Home Affairs. The Ombudsman has a specific statutory reporting function to report to the Minister on people who have been detained for more than two years. The Office also inspects immigration detention facilities.
- Law Enforcement Ombudsman—to investigate conduct and practices of the Australian Federal Police (AFP) and its members. Under the *Australian Federal Police Act 1979* (AFP Act), the Ombudsman is required to review the administration of the AFP's handling of complaints through inspection of AFP records. The results of these reviews must be provided to the Parliament on an annual basis. We also inspect and report on other law enforcement agencies' use of covert and intrusive powers.
- Defence Force Ombudsman (DFO)—to investigate actions arising from the service of a member of the Australian Defence Force (Defence). The DFO can investigate complaints from current or former members of Defence about administrative matters relating to Defence agencies. On 1 December 2016, the DFO's functions were expanded to provide an independent mechanism to report serious abuse in Defence.
- Postal Industry Ombudsman (PIO)—to investigate complaints about Australia Post and private postal operators that elect to register with the Postal Industry Ombudsman Scheme.
- Overseas Students Ombudsman (OSO)—to investigate complaints from overseas students about private education providers in Australia. The OSO also gives private registered providers advice and training about best practice for handling complaints from overseas students.
- VET Student Loans Ombudsman (VSLO)—to investigate complaints from students studying a diploma, advanced diploma, graduate certificate or graduate diploma course, who have accessed the VET FEE-HELP or the VET Student Loans programs to cover the cost of their studies, in full or in part. The VSLO also provides vocational education and training providers with advice and training about best practice complaint-handling.
- Private Health Insurance Ombudsman (PHIO)—to protect the interests of private health insurance consumers. This is done in a number of ways including dispute resolution, identifying systemic issues within the practices of private health funds and providing advice and recommendations to government and industry. The PHIO can deal with complaints from health fund members, health funds, private hospitals or medical practitioners, however, complaints must be about a health insurance arrangement.

The Commonwealth Ombudsman is also the ACT Ombudsman. The ACT Ombudsman's role is delivered by the Office under a Service Agreement with the ACT Government.

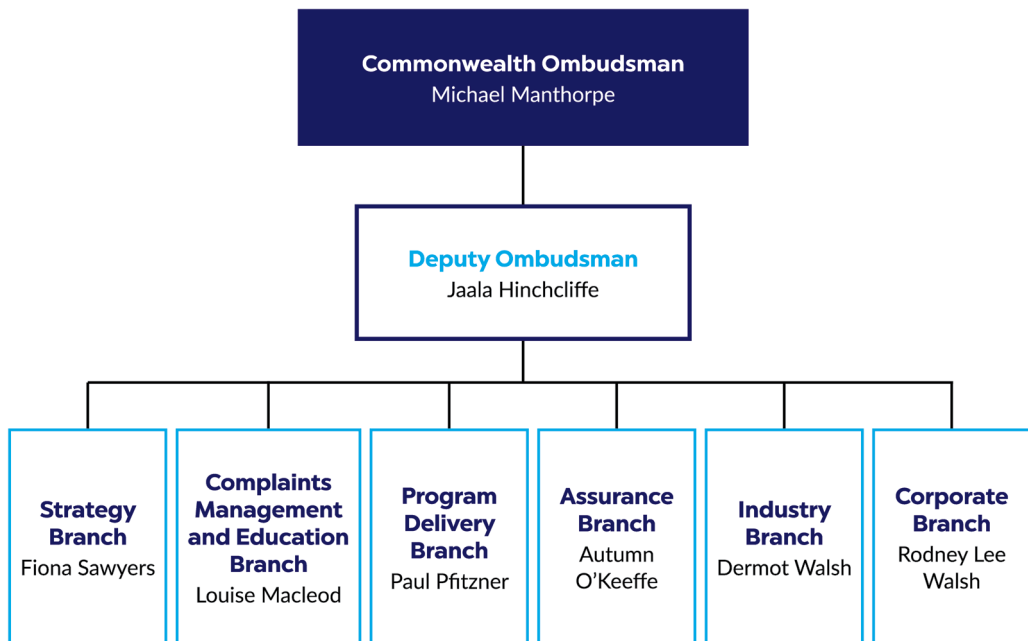
Additional information on the role of the ACT Ombudsman is located in the 2017–18 ACT Ombudsman Annual Report.

Organisational structure

The Office is located in Adelaide, Brisbane, Canberra, Melbourne, Perth and Sydney.

The Ombudsman and Deputy Ombudsman are statutory officers appointed under the *Ombudsman Act 1976*. Employees are engaged pursuant to the *Public Service Act 1999*. The Senior Assistant Ombudsmen and Chief Operating Officer are Senior Executive Service Band 1 employees. The Executive and Senior Management structure is provided at Figure 1.

Figure 1 – Executive and Senior Management structure at 30 June 2018



Senior Leadership Group



Senior Leadership Group (L to R): Autumn O'Keeffe, Paul Pfitzner, Fiona Sawyers, Jaala Hinchcliffe, Michael Manthorpe, Rodney Lee Walsh and Dermot Walsh. Photo taken in July 2018. (Absent: Louise Macleod)

Michael Manthorpe – Commonwealth Ombudsman



Michael Manthorpe PSM was appointed on 8 May 2017 as Commonwealth Ombudsman for a five year term. Coming to the role from the Department of Immigration and Border Protection, where he

led the Visa and Citizenship Services Group, he brings with him a wealth of experience from his many years in senior leadership roles across the public service.

Prior to joining the Department of Immigration and Border Protection in 2013, Michael was with the Department of Education, Employment and Workplace Relations and its predecessors for 25 years, where he worked across program, policy, corporate and strategy roles.

He was awarded the Public Service Medal in 2010 for his leadership of the government's handling of the insolvency of ABC Learning childcare centres.

Jaala Hinchcliffe – Deputy Ombudsman



Jaala Hinchcliffe was appointed to the position of Deputy Commonwealth Ombudsman on 6 November 2017. Prior to joining the Office, Jaala worked at Parliament House with the Department of

Parliamentary Services, where she headed the People and Governance Branch, which was responsible for a range of corporate functions.

Jaala spent a significant portion of her career with the Commonwealth Director of Public Prosecutions where, for 15 years, she worked across a range of legal functions, including as Senior Executive for Law Reform, and Policy and Strategic Review and Reform.

Jaala has been engaged in a number of community organisations in the ACT, including as a board member for Palliative Care ACT. She studied Arts and Law at the Australian National University and was admitted to practice as a Legal Practitioner in the ACT in 2000.

Fiona Sawyers – Senior Assistant Ombudsman, Strategy Branch



Fiona Sawyers joined the Office in July 2017. Prior to joining the Office, Fiona held leadership roles in a variety of Commonwealth agencies and departments, including most recently in Indigenous education at the Department of the

Prime Minister and Cabinet.

Fiona has over 20 years' experience in social policy and program management, primarily at the Department of Social Services and its predecessors, where she has worked on welfare and family payments, disability policy and housing support. Fiona's experience spans

program management and implementation, research and evaluation and policy development.

Fiona has lived and worked in rural NSW and in Canberra, and studied English literature and politics at the University of New South Wales.

Louise Macleod – Senior Assistant Ombudsman, Complaints Management and Education Branch



Louise joined the Office in July 2016. Her public service career spans over 15 years in various leadership roles, conducting investigations, compliance monitoring and dispute resolution in agencies such as the

Administrative Appeals Tribunal, the Australian Competition and Consumer Commission, the Energy and Water Ombudsman Victoria, the Queensland Justice and Attorney-General's Dispute Resolution Centres and the Family Court of Australia. Prior to this, Louise spent seven years as an officer in the Australian Army and served on operations in East Timor.

Louise is a lawyer and mediator by training. She was part of the 2014–15 Tribunals Amalgamation Taskforce at the Attorney-General's Department and led the team who conducted the own motion investigation into the Centrelink Online Compliance Intervention for the Ombudsman's Office.

Paul Pfitzner – Senior Assistant Ombudsman, Program Delivery Branch



Paul Pfitzner joined the Office in September 2016 as part of the expansion of the Defence Force Ombudsman jurisdiction relating to reports of serious abuse within Defence. He is currently

responsible for matters relating to Defence, both for reports of serious abuse and influencing broader systemic improvement in Defence agencies. He also has executive responsibility for the work of the ACT Ombudsman.

Paul has been in the Commonwealth public service since 2003. Prior to joining the Office, he held senior roles in the Attorney-General's Department in legal policy relating to human rights, legal services, national security and criminal justice.

Autumn O’Keeffe – Senior Assistant Ombudsman, Assurance Branch



Autumn O’Keeffe joined the Office in June 2018 as the Senior Assistant Ombudsman for the Assurance Branch.

Autumn is a lawyer by training and commenced her public service career in 2004 at the Australian

Competition and Consumer Commission where she worked on a range of issues including petrol price fixing, cartel behaviour and product safety.

Immediately prior to joining the Office Autumn worked at the Attorney-General’s Department for 12 years in a wide variety of legal and policy areas including civil law, private international law, royal commissions, criminal justice and family law. In 2017 Autumn was a member of the delegation for Australia’s appearances before both the Committee for the Elimination of Racial Discrimination and the Human Rights Committee.

Dermot Walsh – Senior Assistant Ombudsman, Industry Branch



Dermot Walsh has been the Chief Operating Officer since October 2015, in June 2018 he moved to the role of Senior Assistant Ombudsman of the newly established Industry Branch.

The Industry Branch brings together all of the Office’s industry ombudsman functions, including: private health insurance, postal industry, overseas students and VET student loans.

Before joining the Office, Dermot held leadership roles in both the Australian and ACT Public Service, in a diverse range of organisations including: the ACT Land Development Agency, the ACT Economic Development Directorate, Comcare, the National Gallery of Australia, the Defence Service Homes Insurance Scheme and the Department of Veterans’ Affairs.

Dermot has a Bachelor of Commerce, is a Fellow member of CPA Australia and a member of the Australian Institute of Company Directors.

Rodney Lee Walsh – Chief Operating Officer, Corporate Branch



Rodney Lee Walsh joined the Office in July 2011. He is currently responsible for the agency’s corporate functions and the Public Interest Disclosure Scheme.

Rodney is a lawyer and mediator. He has held a range of SES roles since

2005 including IT applications development, senior executive lawyer (administrative law), organisational strategy, workplace relations and national employment programs.

HIGHLIGHTS

- Complaints overview
- Performance overview
- Financial performance



03

**REPORT ON
PERFORMANCE**

Part 3

REPORT ON PERFORMANCE

Complaints overview

In 2017–18 we received a total of 46,494 approaches (complaints and other approaches such as calls to request a publication), compared to 41,301 approaches received in 2016–17, an increase of 12 per cent.

Of the total approaches received, 38,026 were in-jurisdiction complaints (compared to 34,606 in 2016–17) with 50 per cent of these attributable to the following agencies: the Department of Human Services (Centrelink: 10,823 and Child Support: 1,315), Australia Post (3,772), the Department of Home Affairs (1,838) and the National Disability Insurance Agency (1,528). Complaints received about Centrelink decreased by nine per cent over the

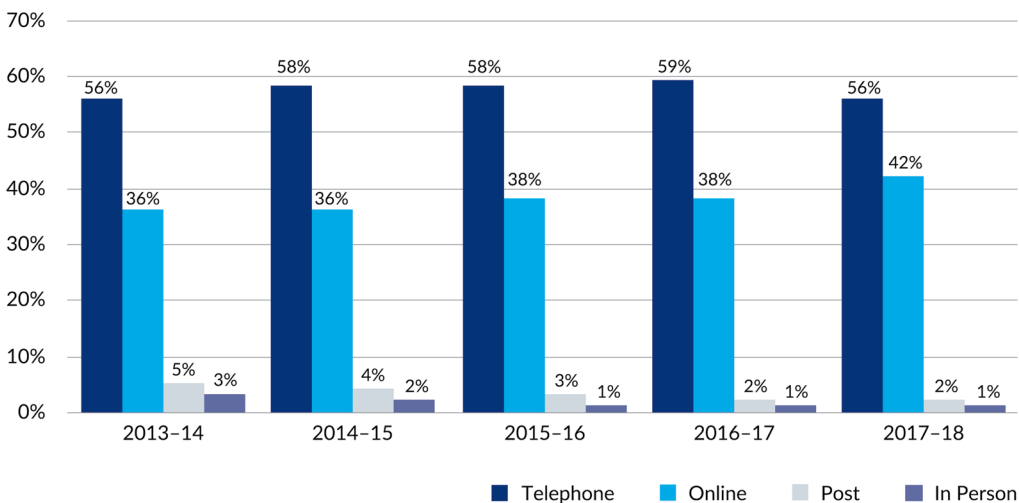
previous year and comprised 28 per cent of all in-jurisdiction complaints received.

Under the new Vocational Education and Training (VET) Student Loans Ombudsman function which began on 1 July 2017, we received 6,397 complaints from students disputing their debts or other issues with their VET provider.

In 2017–18 we also received 1,528 complaints about the National Disability Insurance Agency, an increase of 256 per cent from 2016–17.

The Office receives approaches by a variety of methods, with telephone being the preferred method, followed by online. Figure 2 below shows the trend in how approaches and complaints were received over the last five years.

Figure 2 – How approaches were received by the Office



The Office was able to finalise 35,357 in-jurisdiction complaints in 2017–18, a three per cent increase on 2016–17.

Of the complaints investigated, 20 per cent required more substantial investigation (categories four and five in the Office's five-category complaint system). This figure is 17 per cent higher than in 2016–17.

The Office generally declines to investigate when:

- the matter is out of jurisdiction (for example, it might relate to the actions or decisions of a Minister)
- the complainant has not approached the agency first (we generally give agencies an opportunity to address matters first)
- the complainant was transferred to another complaint-handling body where that body is more appropriate to handle the complaint, or
- there is no prospect of getting a remedy for the complainant by investigating their complaint.

Reviews

The Office has a formal non-statutory review process for complainants who may be dissatisfied with the decision reached by the Office.

As a first step, the investigation officer will reconsider their decision where a complainant indicates they are dissatisfied with the decision. A complainant who remains dissatisfied following the reconsideration may request a review. A review manager decides whether to grant a review and allocates the review to an officer not previously involved with the matter. This financial year, in the interests of greater consistency, one staff member has conducted the majority of the reviews.

In 2017–18, we received 155 requests for review (representing 0.3 per cent of complaints finalised), compared to 123 (0.3 per cent of complaints finalised) received in 2016–17.

The Office declined 48 requests, affirmed the original investigation decision in 76 reviews, decided to investigate, or further investigate, 16 reviews and to change the original decision in three.

The number of review requests declined is consistent with an increased focus on whether there was any reasonable prospect of getting a better outcome for the complainant and whether investigation or further investigation would be an effective use of available resources. The Office reflects upon any issues arising from reviews and uses them as an opportunity to improve our own practices and procedures.

Performance overview

A summary of the Office's 2017–18 annual performance results against each KPI, as established in the Office's 2017–18 Portfolio Budget Statement and 2017–18 Corporate Plan, is presented below in Table 1.

Table 1 – Office's key performance indicators, targets and results

Key Performance Indicator		Target	Result
KPI 1	Percentage of recommendations/suggestions made during an inspection for which progress has been followed up within 12 months of being made	100%	100%
KPI 2	Percentage of recommendations made in public reports accepted by entities	75%	100%
KPI 3	Percentage of reports on long term detention cases sent to the Minister within 12 months of the review being received from the Department	80%	99.7%
KPI 4	Percentage of State of the Network reports issued within three months of the reporting cycle	90%	0%
KPI 5	Percentage of stakeholders which participated in engagement activities who provided an average of 'satisfied' or 'very satisfied' rating in feedback forms/surveys	90%	98%
KPI 6a	Percentage of outputs delivered under the Australian Aid arrangements	80%	100%
KPI 6b	Percentage of reporting requirements met under the Australian Aid arrangements	100%	100%
KPI 7	Percentage of approaches finalised within the Office's service standards	85%	74.9%
KPI 8	Percentage of Office statutory requirements in relation to law enforcement met	100%	100%
KPI 9	Percentage of Office statutory requirements in relation to Commonwealth public interest disclosures met	100%	100%
KPI 10	Percentage of public users who completed the survey for privatehealth.gov.au who provided a 'satisfied' or 'very satisfied' response regarding the quality of information provided by the website	80%	78.9%

Analysis

The Office met eight of eleven KPI targets for 2017–18 with one target being missed only fractionally. These results demonstrate the Office's ability to carry out its purpose during the period.

The Office continues to operate in an environment of constrained resources and increasing approaches received. A total of 74.9% of approaches were closed by the Office during 2017–18 within service standard timeframes, which was below the target of 85% for KPI7.

Of particular note this year were the large volumes of complaints about the historic VET FEE-HELP program received by the new VET Student Loans Ombudsman team, the 256 per cent increase in complaints about the NDIS and an increasing workload for our Defence Force Ombudsman team, particularly since the Government's announcement of the reparation payment for historic Defence abuse victims.

Complaints in all of these areas require careful handling and analysis. Often, they are not amenable to rapid resolution. On occasions, too, our capacity to meet our timeliness targets is impacted by the speed with which agencies respond to our requests for information.

The result for KPI 3 improved significantly from 82.6 per cent last year to 99.7 per cent this year. The result is due to process improvement and hard work by the Statutory Reporting team.

While our result for KPI 4 did not meet our expectations, all post-visit reports were issued in a timely manner. Resources have been redirected towards this activity and the target is envisaged to be met in 2018–19.

We have recently adjusted our structure to improve functional alignment and improve efficiency. We are pleased to have received additional resources in the 2018–19 Budget that will enable us to bolster those parts of our Office that are currently under strain.

We will focus our energy in 2018–19 on enhancing the capability of agencies to handle complaints themselves with a view to reducing, over time, the need for some complainants to seek resolution of their issues with the Office. We are also developing means to assess whether agencies are providing reasonable outcomes for complainants following our involvement in, or referral of, complaints to agencies. Further details can be found in Appendix 3.

Financial performance

The Office recorded a small operating deficit of \$0.147 million in 2017–18—excluding depreciation and amortisation (2016–17 operating surplus of \$0.093 million). The deficit was driven by non-cash adjustments to employee leave liabilities (\$0.246 million). The 2017–18 operating deficit was broadly consistent with the balanced outcome estimate in the 2017–18 Portfolio Budget Statements.

Expenses

Total expenses increased from \$29.9 million in 2016–17 to \$36 million in 2017–18. The increase was mainly driven by costs associated with contractors (\$3.6 million) and additional staffing costs (\$2.9 million) relating to new functions including, the VSLO, expansion of the Defence Force Ombudsman (DFO) function, the ACT Reportable Conduct and ACT FOI schemes.

Income

Revenue from government increased from \$21 million in 2016–17 to \$23.7 million in 2017–18, an increase of \$2.7 million.

This was due to the additional funding received for:

- the new VET Student Loans Ombudsman function (\$1.6 million)
- oversight of the National Disability Insurance Scheme (NDIS) (\$1.2 million)
- the move to appropriation from rendering services revenue of \$0.3 million for oversight of the Australian Building and Construction Commission (ABCC) and the Australian Federal Police (AFP).

The funding increase were offset by reductions generated by savings measures and efficiency dividends.

Sale of goods and rendering of services revenue increased from \$8.1 million in 2016–17 to \$11 million in 2017–18. The increase mainly related to the cost recovery arrangement with the Department of Defence for the abuse reporting function and additional revenue from the ACT Government for the ACT Reportable Conduct and the ACT FOI schemes. The remaining revenue is represented by the International Program funded by the Department of Foreign Affairs and Trade and the work undertaken for the ACT Ombudsman function, funded by the ACT Government.

Assets

Total assets decreased marginally by \$0.03 million, key movements in assets included:

- a decrease in trade and other receivables (\$1.8 million)
- an increase in other financial assets of (\$0.74 million), related to lease incentives
- an increase in land and buildings (\$0.95 million), mainly related to new office fit-outs
- an increase in other non-financial assets (\$0.2 million).

The Office acquired \$2.1 million in new assets in 2017–18, funded through the Departmental Capital Budget. This included the replacement of ICT infrastructure, purchase of new software, refurbishment of offices and enhancements to core existing ICT systems.

Trade and other receivables accounted for a \$1.8 million decrease in assets, this was primarily associated with the cost recovery arrangements for the Defence abuse reporting function, which ceased this financial year. This function will be funded through revenue from the government from 2018–19.

Assets were checked for impairment and a stocktake undertaken at year end to assure completeness. Assets are maintained and kept in good working order by the Office.

Liabilities

Total liabilities increased by \$0.3 million, which was mainly due to:

- an increase in the lease incentives (\$0.6 million) and provisions (\$0.3 million), offset by
- a decrease in trade creditors (\$0.4 million) and unearned income (\$0.2 million).

The increase in provisions of \$0.3 million comprised an increase in employee provisions of \$0.8 million, offset by a decrease in onerous contracts of \$0.5 million. Further details can be found in Appendix 2.

HIGHLIGHTS

- Department of Human Services
- Department of Social Services
- Department of the Prime Minister and Cabinet
- Department of Health
- National Disability Insurance Agency
- Department of Jobs and Small Business
- Indigenous
- Immigration Ombudsman
- Optional Protocol to the Convention against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment
- Law Enforcement Ombudsman
- Inspections of covert, intrusive or coercive powers
- Defence Force Ombudsman
- Public Interest Disclosure Scheme
- International Program
- Postal Industry Ombudsman
- Overseas Students Ombudsman
- Vocational Education Training Student Loans Ombudsman
- Private Health Insurance Ombudsman



04

WHAT WE DO

Part 4

WHAT WE DO

Department of Human Services

The Department of Human Services (DHS) has responsibility for delivering a range of social welfare, health, child support and other payments and services to millions of people across Australia. This includes Centrelink payments and services for retirees, the unemployed, families, carers and students, as well as aged care payments to services that are funded under the *Aged Care Act 1997* and child support services.

Our role is to investigate complaints about the administration and delivery of these payments, programs and services. The main DHS programs that the Office receives complaints about includes Centrelink and child support payments and services.

In addition to resolving individual complaints, the Office monitors Centrelink programs to identify systemic issues which raise concerns about administration.

Complaints

In 2017–18, our Office received 12,595 complaints about DHS programs. This represents an 8.9 per cent decrease compared to the 13,832 received in 2016–17. This was largely due to a decline in the number of Centrelink complaints following improvement by DHS in alignment with our recommendations about Centrelink's automated debt system.³

Table 2 – DHS Complaints

DHS Programs	2018–19
Department of Human Services ⁴	457
Centrelink	10,823
Child Support	1,315
	12,595

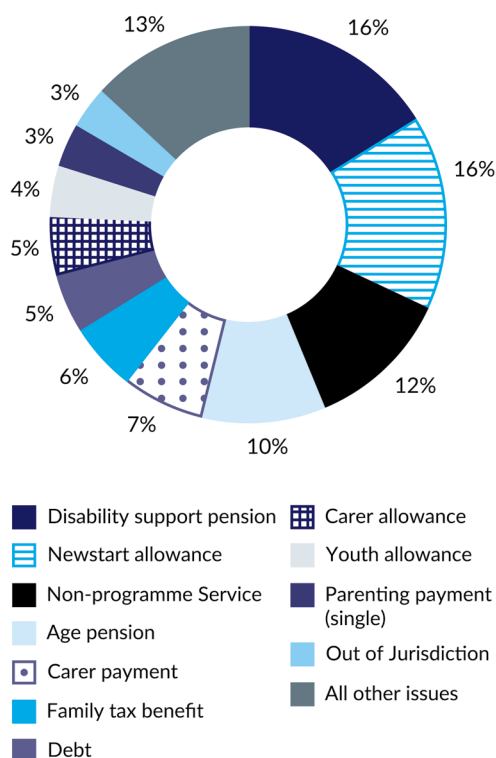
³ http://www.ombudsman.gov.au/__data/assets/pdf_file/0022/43528/Report-Centrelinks-automated-debt-raising-and-recovery-system-April-2017.pdf

⁴ Complaints about payments and services that DHS delivers that are not part of the Centrelink or Child Support programs. For example, Medicare, the early release of superannuation benefits, and the MyGov website.

Centrelink program complaints

Complaints about Centrelink continue to make up a substantial proportion of the overall complaints made to the Office, representing 28 per cent of the total number of in-jurisdiction complaints. Approximately 32 per cent of issues raised in Centrelink complaints are about disability support pension (DSP) and newstart allowance (NSA). Figure 3 illustrates the main Centrelink issues.

Figure 3 – Complaint issues



Submissions

The Office made submissions to Parliamentary Inquiries into amending legislation and other matters relevant to payments and programs administered by DHS, including with regard to the:

- Social Services Legislation Amendment (Welfare Reform) Bill 2017
- the Senate Finance and Public Administration References Committee Inquiry into the Digital Delivery of Government Services.

Monitoring of systemic issues

The Office continued to monitor a number of systemic issues during 2017–18. As in our 2016–17 Annual Report, the most significant of these continued to be DSP claims processes, Centrelink internal review processes and the data-matching employment income compliance reviews.

In 2017–18, improvements were made in all three areas:

- DHS instituted a new streamlined process for DSP claims, incorporating our feedback and lessons from our report *Accessibility to the DSP for Remote Indigenous Australians*.
- DHS conducted a review of its internal review process. DHS proposed a new internal review model which addresses concerns raised in earlier reports by our Office and incorporates additional feedback provided by the Office during the review process. We will monitor the new claims and internal review processes throughout 2018–19.
- Debt-data matching complaints have fallen from a peak of 651 in the first quarter of 2017 (January–March), which was prior to the publication of our report into Centrelink’s automated debt raising in April 2017, to 208 in the most recent quarter (April–June 2018).

In January 2017, debt-data matching complaints represented 17.5 per cent of Centrelink complaints to the Office. This reduced to 3.5 per cent of Centrelink complaints to the Office in early 2018. In April to June 2018 we received an increase in debt-data matching complaints that corresponded to an increase in DHS debt data matching activity.

Own motion investigations and issues monitoring

In 2017–18, the Office monitored the ongoing administration of the automated debt program and the ongoing implementation of recommendations made in our April 2017 report.

In 2018–19, we will continue to closely monitor the program and offer assistance to further improve administration. In addition to operational level meetings, briefings and system demonstrations that occur on regular and ad hoc bases, senior staff from our Office and DHS continue to meet regularly to monitor and progress administrative improvements.

Child Support program

Our Office has jurisdiction to investigate complaints about DHS' administration of Child Support program functions. This includes child support assessments, registering child support agreements, and collecting and disbursing child support between separated parents and the carers of eligible children.

The number of complaints received about Child Support remained relatively stable in 2017–18, with a 3.5 per cent decrease in complaints. The majority of complaints received in 2017–18 were from paying parents. The main complaint themes were regarding the collection and enforcement of child support liabilities, formula assessments, change of assessments and customer service.

In addition to investigating individual complaints, the Office liaised with DHS on Child Support matters, including the rollout of the new child support Information Technology system and changes to lodging online complaints. We also sought and received briefings on, and monitored the passage of, legislative changes affecting child support assessments. We will continue to closely monitor complaints for issues that may arise when DHS implements these changes.

CASE STUDY

Greg made a complaint to our Office, advising that DHS used a higher income than he actually earned to assess his child support liability. He told us he could not afford the payments DHS was deducting from his wages to repay the child support arrears he owed. Greg advised DHS he was in financial hardship and was concerned he could become homeless.

After we investigated Greg's complaint, DHS advised our Office that in June 2017 Greg's child support liability had increased when the receiving parent applied for a change of assessment in special circumstances. DHS is obliged to give Greg an opportunity to respond to the information provided by the other party, however DHS told us that Greg's response was not considered when deciding to increase the liability. Greg's objection in September 2017 was also not considered as it had not been lodged within the required timeframe and an extension of time had not been sought.

Following our investigation, DHS provided Greg an extension of time to object to the change of assessment decision. DHS reviewed the change of assessment decision and reduced Greg's annual child support liability by approximately \$4,000.

To address Greg's financial hardship concerns, DHS significantly reduced his weekly arrears repayment and apologised to Greg for the way his case was handled. DHS also provided feedback to staff on the importance of considering all information when making decisions.

Department of Social Services

Engagement and monitoring of systemic issues

Throughout the year we engaged with the Department of Social Services (DSS) on a number of systemic issues, including the administration of the National Rental Affordability Scheme, accessibility of DSP, effectiveness of legislated garnishee safeguards and use of Indigenous language interpreters.

We also provided input on the establishment of the National Disability Insurance Scheme (NDIS) Quality and Safeguards Commission, and the National Redress Scheme for Institutional Child Sexual Abuse.

Legislated garnishee safeguards

DSS has policy responsibility for the *Social Security (Administration) Act 1999*, which has safeguards to ensure that certain deposits held by financial institutions are quarantined in the administration of garnishee and garnishee-like

orders. However, these safeguards were drafted before technological advances in the banking sector and are less effective in the context of modern banking practices.

In 2017–18, the Office led liaison with DSS to identify solutions to problems with the effectiveness of legislated garnishee safeguards identified in our joint work with the New South Wales (NSW) Ombudsman. DSS acknowledged the issues raised by our Office and is now considering options to address these concerns. We will continue to liaise with DSS on these issues in 2018–19.

The Office will also continue to engage and collaborate across jurisdictions to improve the administration of garnishee orders for vulnerable people and build on previous work done with the NSW Ombudsman. This project will develop and consider options for administrative reform that aim to reduce the risk of financial hardship for social security payment recipients subject to garnishee arrangements.

Department of the Prime Minister and Cabinet

Indigenous language interpreters

In 2016–17 we investigated what steps had been taken to implement recommendations in our December 2016 report on the accessibility and use of Indigenous language interpreters. While there is still work to be done to improve accessibility, there has been progress since the publication of our report, especially among agencies participating in the reconvened Interdepartmental Committee for Indigenous Interpreters.

In December 2017, PMC published a new Protocol on Indigenous Language Interpreting for Commonwealth Government Agencies incorporating all 17 best practice principles proposed in our report.

Community Development Programme

Our Office continued to monitor administration of penalties applied to remote job seekers in the Community Development Programme (CDP).

The programme has also been reviewed by the Australian National Audit Office⁵ and a Senate Committee Inquiry.⁶

5 Australian National Audit Office (ANAO), *Design and Implementation of the Community Development Programme*, ANAO Report No 14 2017–18, 31 October 2017, https://www.anao.gov.au/sites/g/files/net5496/f/ANAO_Report_2017-2018_14a.pdf

6 Senate Finance and Public Administration References Committee, *Appropriate and effectiveness of the objectives, design, implementation and evaluation of the Community Development Program (CDP)*, (December 2017, https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Finance_and_Public_Administration/CDP/Report)

Our investigations concentrated on administrative issues not already canvassed by other oversight bodies, with a particular focus on the point where administration by the CDP providers and the DHS intersect.

In the complaints we investigated, a number of issues arose including problems with:

- processes for identifying and recording relevant information (including information about vulnerability, interventions to address job seeker barriers, details about job seekers contact attempts and reasons/excuses provided)
- the flow of information between providers and DHS

- barriers to accessing employment services assessment processes
- wait times on the DHS Participation Solutions Team (PST) telephone line
- accessibility and use of interpreters.

We also found some examples where administrative processes were failing to identify and adequately address vulnerability and work capacity issues.

The investigation also informed our response to PMC's consultation paper *Remote Employment and Participation*.

CASE STUDY

John's vulnerability indicator for cognitive impairment had expired in 2013. Despite the information on his file, he was not assessed by DHS as having a partial capacity for work and, instead, was required to participate in full-time Work for the Dole activities in order to receive income support. He was referred for an employment services assessment on numerous occasions, but these were unable to take place as he did not provide the required medical evidence to support the employment services assessment process.

As a result of not meeting these activities, John's lawyer advised us he had incurred numerous penalties and struggled to have his payments restored. John spent nearly five months without income support. He was not offered an interpreter and had difficulty accessing the DHS PST telephone line.

During our investigation we found John's Centrelink record showed significant barriers to work, including language barriers, cognitive impairment, dementia-like symptoms, social withdrawal, disorganised

thought patterns, reduced concentration and memory, very low literacy and numeracy and reliance on his partner to speak for him and tell him what to do.

Following our investigation, John was granted the disability support pension, and our Office provided comments and suggestions to both PMC and DHS.

Both agencies responded positively to our comments resulting in numerous administrative changes. Highlights include:

- PMC is revising its guidelines to improve identification and recording of relevant information. It has increased the weighting of performance targets for supporting job seekers to overcome barriers and proposes to reduce relevant medical evidence thresholds.
- DHS will stop its practice of 'auto ending' vulnerability indicators such as cognitive impairment indicators where review timeframes expire. It is employing new strategies to address PST wait times and is reviewing its guidelines and training for staff.

Department of Health

The Department of Health (Health) has responsibility for programs and policies delivering health, aged care and sports outcomes.

Complaints

In 2017–18, our Office received 164 complaints about Health. This represents a 198 per cent increase compared to the 55 received in 2016–17. The majority of these complaints were about the My Aged Care program (in particular the Home Care Packages Program) which represented 44 per cent of the total complaints received about Health. We also received complaints about the Aged Care Assessment process and Aged and Community Care which represented 15 per cent of the total complaints received about Health.

The increase in complaints about My Aged Care was attributable to government reforms which took place in February 2017. These reforms were designed to make home care packages more accessible and flexible for consumers.

As a result of the reforms, Health now has the responsibility for assigning a client a home care package in line with the *Aged Care Act 1997*.

The responsibility for paying the government subsidy to the aged care provider, in line with the *Aged Care Act 1997*, still remains with DHS.

The majority of complaints we received related to two issues:

- home care packages being withdrawn in error
- delays in assigning a home care package.

There were also complaints to our Office about the way My Aged Care complaints were handled by Health.

In response to the increase in complaints, the Office has been working closely with Health and providing feedback on its complaint-handling process and the information it makes available to providers and consumers.

In December 2017, Health agreed to a transfer protocol with our Office where we transfer My Aged Care complaints directly to Health to resolve directly with the complainant (see example in the case study below). We have also made a number of comments and suggestions to Health about the administration of the My Aged Care program.

CASE STUDY

Beatrice and Andrew complained to our Office about issues they were experiencing with their parents' home care packages. They advised us they had contacted Health on multiple occasions but the issues had not been fixed. In each case, My Aged Care referred the complainants to DHS to fix the issue. When the complainants approached DHS, they were advised to go back to Health.

Our Office asked Health and DHS for information about their respective responsibilities and ultimately the matters were resolved. However, we were concerned that these complaints demonstrated there

was a lack of communication between both departments. In finalising these two complaints, our Office suggested to Health and DHS they consider implementing a 'no wrong door' approach where each department can transfer complaints to the other in relation to My Aged Care matters.

Both departments accepted our suggestion and have created a checklist and a process map to assist staff to ensure all actions are explored before transferring a person to the other department. They are also implementing a warm transfer process between both departments.

National Disability Insurance Agency

The National Disability Insurance Agency (NDIA) administers the National Disability Insurance Scheme (NDIS), a Commonwealth scheme that provides funding to people with a permanent and significant disability to assist them to participate in everyday activities. People who enter the NDIS are known as participants.

The NDIS is being introduced gradually across Australia. There were over 180,000 participants in the NDIS at 30 June 2018 and there will be around 460,000 by the time the national rollout is complete in July 2020. How and when people with a disability are able to access the NDIS depends on the state or territory they live in and whether they have accessed disability services previously.

Our Office handles complaints about the NDIA's administrative actions and decisions. We can also consider complaints about organisations who are contracted to deliver services on behalf of the NDIA, including local area coordinators who conduct information-gathering and pre-planning interviews, and Early Childhood Early Intervention partners.

Complaints

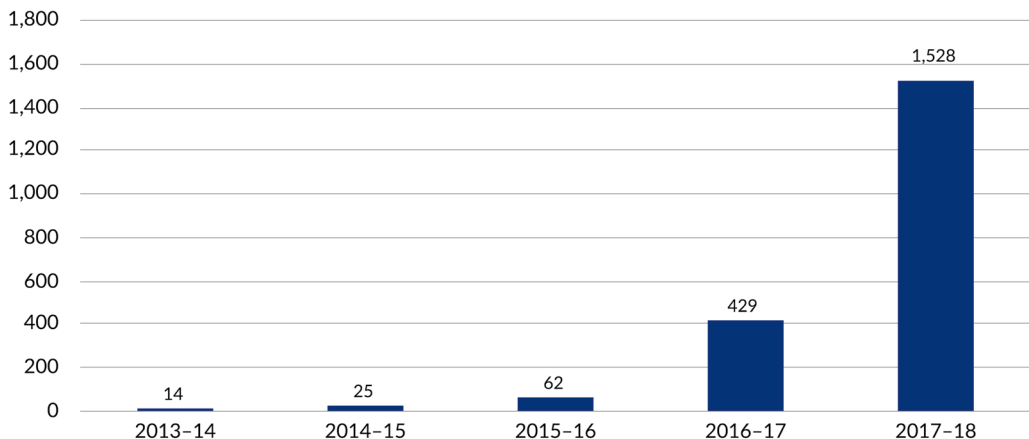
In 2017–18 we received 1,528 complaints about the NDIA, which is a 256 per cent increase on the 429 complaints received in 2016–17. During the same period the number of NDIS participants almost doubled.

Complaints to our Office in 2017–18 covered many aspects of participants' experiences with the NDIS as well as, to a lesser extent, providers' experiences. The most common complaint issue was the NDIA's handling of reviews of plans and decisions.

Other common complaint issues included:

- difficulty and delays in having quotes approved for assistive technology, including home and vehicle modifications
- dissatisfaction with the process and outcome of planning meetings
- providers having difficulty making service bookings and receiving payment

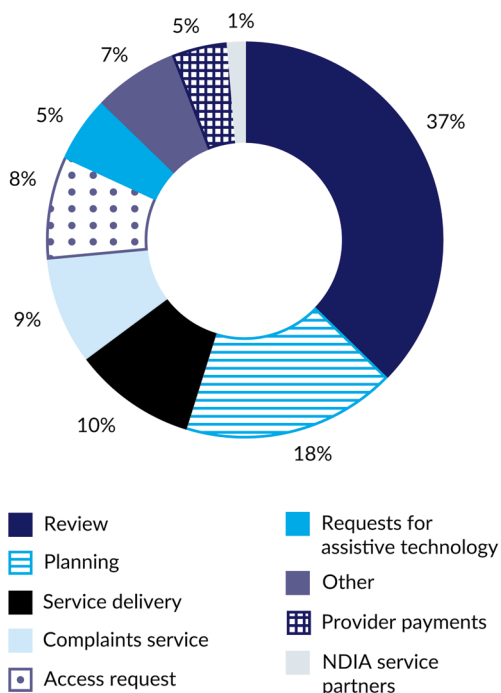
Figure 4 – NDIA complaints received



- inconsistencies between undertakings provided in planning meetings and the types and amounts of supports included in the final NDIS plan
- delays in receiving plans following planning meetings
- confusion about timeframes for receiving an NDIS plan after access to the scheme is granted.

A breakdown of the most common complaint issues⁷ is provided in Figure 5 below.

Figure 5 – NDIA complaint issues 2017–18



Handling of reviews

In our 2016–17 Annual Report we noted the NDIA’s handling of reviews featured prominently in complaints to our Office and suggested the review process was likely to be a focus for us going forward. In 2017–18 just over a third of

7 A single complaint may reflect more than one issue.

all NDIA related complaints to our Office were about the NDIA’s review process.

In May 2018 the Ombudsman issued a public report⁸ highlighting a number of issues with the NDIA’s approach to handling reviews. More information about the report is included under Reports later in this section.

Accessing assistive technology

Many complaints about the NDIA in 2017–18 highlighted difficulties participants experienced including funding for assistive technology⁹ in their NDIS plan. The most common complaints about accessing assistive technology included:

- delays in making decisions
- lack of clear guidance about how to make a request and what information or evidence is required
- inconsistencies in advice about who can prepare assistive technology quotes and what they need to include
- confusion about how and where assistive technology funds can be spent.

In May 2018 the NDIA implemented a new approach to managing requests for assistive technology items, which it considers will simplify and expedite its handling of straightforward requests. We will be monitoring this approach during 2018–19 to identify whether these changes resolve the issues highlighted in complaints to our Office.

8 Commonwealth Ombudsman report 03|2018, *Administration of reviews under the National Disability Insurance Scheme Act*, released 15 May 2018. http://www.ombudsman.gov.au/__data/assets/pdf_file/0029/83981/NDIS-NDIA-Final-report-on-administration-of-reviews-under-the-Act.pdf

9 Devices or systems that assist people with everyday living activities. This can include: aids for daily living like modified eating utensils, sensory aids for vision/hearing impairment, seating and positioning aids, mobility aids, recreational aids like audio descriptions and captioning, home/workplace modifications, communication devices, prosthetics and orthotics, computer access aids and environmental control systems.

CASE STUDY

Andrea, a disability advocate, complained to us about the NDIA's handling of her client Anna's request for home modifications. Andrea explained the NDIA had failed to provide clear information about who is able to provide home modification quotes and what information they must include in their quotes. She complained that, as a result, a decision on Anna's request for home modifications was unreasonably delayed.

Andrea told us Anna's occupational therapist (OT) sent the NDIA a quote for home modifications along with an occupational therapy assessment report, but the NDIA refused to consider the quote because Anna's OT had not completed NDIA training to be able to complete quotes. The NDIA provided Andrea with a list of suitable OTs so a new quote could be obtained.

Andrea then assisted Anna to obtain a quote from an NDIA-trained OT. When Andrea provided the new quote to the NDIA, she was told she needed at least two quotes. However, a month after submitting the second quote, NDIA staff told Andrea they could not accept either quote as they were not itemised.

In response to feedback provided as a result of our investigation, the NDIA undertook improvements to its training material and internal guidance documents for staff. The NDIA also improved its external communications material—for providers and participants—to make the requirements for home modification requests clearer.

Planning process and outcomes

Dissatisfaction with the NDIA's planning process continued to be a theme for complaints this year. Many participants and family members told us they were confused about how and when planning meetings should take place and, in some instances, they felt this prevented them from providing sufficient detail or evidence about the types and amount of support requested.

In other cases, complainants said the goals and supports discussed at the planning meeting were left out of the final plan and it was not always clear whether this was an oversight or the planner had decided these supports should not be funded.

In late 2017 the NDIA commenced a trial of a new approach to planning which sees the participant, local area coordinator and planner

meet to jointly develop a plan. Wherever possible, the participant will receive a copy of the plan at the meeting and have the opportunity to discuss any concerns or questions before the plan is finalised.

We consider this is a significant improvement on the current approach, where participants may receive their plan days or weeks after the planning meeting and must lodge a request for internal review if they disagree with the type or amount of supports included. We will monitor the progress of the new planning approach in 2018–19. We will also monitor the development and implementation of the NDIA's approaches tailored specifically for Aboriginal and Torres Strait Islander participants, culturally and linguistically diverse participants and participants with psychosocial disabilities.

CASE STUDY

Lawrence complained to us, on behalf of Christina, about the NDIA's approach to planning for Christina's daughter, Alice. In particular, Lawrence said he thought the NDIA had acted unreasonably by conducting a planning meeting to finalise Alice's plan even though her mother, Christina, had indicated she was obtaining additional evidence relevant to Alice's support needs.

Lawrence told us the NDIA notified Christina it had scheduled a planning meeting for Alice. Christina asked that the meeting be delayed to allow her to obtain a medical report she considered would more clearly demonstrate the support Alice needed. Despite this request the NDIA proceeded with the planning meeting, telling Christina she could request a review of the plan when she obtained the additional report.

Our investigation of Lawrence's complaint identified the NDIA had processes in place to pause or delay planning in the event of 'personal circumstances'. We concluded, based on Christina's experience, that the NDIA could improve how it communicates this option to staff.

We suggested the NDIA revise its guidance material to widen the range of circumstances in which staff can suspend or delay planning to include situations where a participant requires additional time to prepare or source supporting information.

The NDIA agreed with our suggestion and also apologised to Christina for proceeding with Alice's planning meeting before Christina had a chance to provide additional information.

Stakeholder engagement

Presentations

In 2017–18 staff members presented to:

- Advocacy organisations funded to assist NDIS participants with internal and external review processes, at forums convened by the Department of Social Services in Sydney, Melbourne, Adelaide and Brisbane.
- The NDIA's regional complaints officers' forum in January 2018.

These presentations gave us the opportunity to raise awareness of our role in the NDIS Quality and Safeguarding Framework and to share best practice approaches to making and handling complaints.

Western Sydney community round table

In December 2017 staff convened a community round table event in Western Sydney, where we invited local community and government stakeholders to:

- learn more about the role of the Office
- talk to us about issues they or their clients experience in dealing with Australian Government agencies, including the NDIA.

We received positive feedback following the event and hope to run similar events in other parts of Australia in 2018–19.

Submissions

In August 2017 we made a submission to the Joint Standing Committee on the NDIS' inquiry into the *Provision of services under the NDIA Early Childhood Early Intervention (ECEI) Approach*. Our submission highlighted issues raised in complaints and stakeholder feedback, including:

- delays in developing plans after access was granted
- a lack of suitable providers in certain areas which, in turn, causes significant delays in accessing services
- concerns about whether the NDIA's approach to the types and amounts of funded supports is consistent with best practice for early intervention services.

The Joint Standing Committee released its inquiry report in December 2017, making 20 recommendations aimed at improving the effectiveness of the NDIA's ECEI approach. We will continue to work with the NDIA during 2018–19 to monitor its implementation of the recommendations.

Reports

The NDIA's handling of reviews

In May 2018 the Ombudsman issued a public report¹⁰ highlighting a number of issues with the NDIA's approach to handling reviews.

These included:

- Poor communication—for example, review requests not being acknowledged, requests for updates not being responded to and participants being provided with incorrect information about their review rights.
- Delays—in particular, participants waiting up to nine months for a decision on their review request due to significant backlogs and the absence of timeliness standards for completing reviews.

10 Commonwealth Ombudsman report 03|2018, *Administration of reviews under the National Disability Insurance Scheme Act*, released 15 May 2018. http://www.ombudsman.gov.au/__data/assets/pdf_file/0029/83981/NDIS-NDIA-Final-report-on-administration-of-reviews-under-the-Act.pdf

- Gaps in staff training and guidance—for example, the absence of clear directions to staff about acknowledging reviews within standard timeframes and ensuring template letters require review officers to provide reasons for their decision.

The report made 20 recommendations for improvement, all of which were accepted by the NDIA. The NDIA's response to the report also advised it had commenced action to implement some of the recommendations. We will monitor the NDIA's progress against the recommendations during 2018–19.

Changes to the quality and safeguarding arrangements for the NDIS

Collaboration with oversight bodies

In July 2018 the NDIS Quality and Safeguards Commission (the NDIS Commission) will commence operation in New South Wales and South Australia. In these states, the NDIS Commission has oversight of NDIS providers and is responsible for:

- registration and regulation of NDIS providers
- compliance monitoring, investigation and enforcement action
- responding to concerns, complaints and reportable incidents
- oversight of behaviour support, including monitoring the use of restrictive practices, with the aim of reducing and eliminating those practices
- leading collaboration on the design and implementation of nationally consistent NDIS worker screening
- facilitating information-sharing arrangements with the NDIA, state and territory and other Commonwealth regulatory bodies.

Prior to the commencement of the NDIS Commission, most of these functions were administered by oversight bodies at the state level. Transferring these functions to the NDIS Commission in New South Wales and South Australia is the first step to implementing

a national approach to quality and safeguarding arrangements for the NDIS. The NDIS Commission will start operating in all other states and territories (except Western Australia) from 1 July 2019, and in Western Australia from 1 July 2020.

During the transition from state and territory arrangements to the NDIS Commission, we anticipate NDIS participants and providers may need additional help to understand the options for making complaints about the NDIA and NDIS service providers. We will aim to work closely with the NDIS Commission and the remaining state and territory oversight bodies during 2018–19 to:

- promote the right to make complaints and provide information about how to access complaint systems

- reinforce a ‘no wrong door’ approach to complaints, where oversight bodies assist complainants to make contact with the body that is best placed to handle their complaint.

Complaints about the NDIS Commission

Like all Australian Government agencies, the NDIS Commission is expected to have a robust and accessible process for handling complaints about its services. If the affected person or organisation is not happy with the way the NDIS Commission handles their complaint, they can make a complaint to our Office.

If we decide to investigate a complaint, we may consider the NDIS Commission’s handling of the complaint and the administrative actions or decisions about which the person complained.

Department of Jobs and Small Business

The Department of Jobs and Small Business is responsible for national policies and programs that help Australians to find and keep employment and to work in safe, fair and productive workplaces.

Complaints

In 2017–18, the Office received 292 complaints about the Department of Jobs and Small Business (DJSB) programs. This represents a 23 per cent decrease compared to the 382 received in 2016–17. The majority of the DJSB complaints related to the jobactive program, which represented 80 per cent of total complaints. Of the complaints about jobactive, 16 per cent of complaints were about the standard of service. Out of the 292 complaints received, the Office investigated 48.

Jobactive program participants are, in the first instance, encouraged to make a complaint to their provider. Where they are dissatisfied with the outcome of their complaint to the provider, or they have other reasons for not wishing to make the complaint directly to their provider, jobactive participants are able to access the DJSB National Customer Service Line either by phone or email. The DJSB has also a complaint form available on its website.

Stakeholder engagement

Through our investigations, the Office has provided feedback and guidance to the DJSB on complaint-handling practices and policies, improvements to the practices of the National Customer Service Line and suggested process reviews.

The Office has also been sharing the lessons learned from DHS’ automated debt system with the DJSB to inform the development of the Targeted Compliance Framework and supporting online systems for use by job seekers and employment services providers. We note that, consistent with the strategies developed by DHS, the DJSB has taken a user-centred design approach to the new system. This system aims to make the reporting and monitoring of job seeker activities as easy as possible.

We will continue to monitor the implementation of the new compliance arrangements throughout 2018–19 and will raise any concerns and issues that arise from complaints received from people subject to the framework.

Indigenous Australians

Reconciliation Action Plan 2018

On 13 February 2018 the Office launched its 2018 Reconciliation Action Plan (RAP). The launch coincided with the 10th anniversary of the National Apology to the Stolen Generations.

Our RAP provides a public commitment to continuing reconciliation. It includes practical steps to build relationships with Aboriginal and Torres Strait Islander peoples and communities, and to increase our understanding of Aboriginal and Torres Strait Islander cultures and histories. The RAP is part of our work to make our services more accessible to Indigenous peoples.

Implementing the Indigenous Accessibility Review recommendations

In our 2016–17 Annual Report we reported that Aboriginal communications company Gilimbaa Pty Ltd had completed a review of the Office's accessibility and inclusiveness of Aboriginal and Torres Strait Islander peoples and communities. The review considered all aspects of the Office's operations and made recommendations to improve our approach to engaging with Indigenous complainants and stakeholders.

During 2017–18 we focused on implementing recommendations from the review to improve our external communication practices. At the launch of our RAP we released a new range of Indigenous communication products including posters and brochures centred on the key message 'Your Story Matters'. We anticipate running a national campaign using these products in 2018–19.



Launch of 2018 Reconciliation Action Plan (RAP). L to R: Jaala Hinchcliffe Deputy Ombudsman, Russell Taylor AM, Michael Manthorpe PSM Commonwealth Ombudsman, Charles Turner Indigenous Manager, Fiona Sawyers Senior Assistant Ombudsman Strategy



APY Outreach

Stakeholder engagement

Engaging with Indigenous communities and organisations

We use a range of media including social media, radio interviews, outreach to rural and remote areas and roundtable discussions to increase awareness of our services, explain the complaint-handling process and highlight the value of complaints to achieve individual and systemic outcomes.

In 2017–18, we:

- Participated in radio interviews with the Anangu Lands Paper Tracker project¹¹ and the Central Australian Aboriginal Legal Service.¹²
- Visited Aboriginal communities in the Northern Territory and the Anangu Pitjantjatjara and Yankunytjatjara (APY) Lands in remote South Australia.

11 Broadcast to the Anangu Pitjantjatjara and Yankunytjatjara peoples in remote South Australia.

12 Broadcast to the Alice Springs and Barkley Tableland region of the Northern Territory.

- Hosted roundtable discussions in Western Sydney.
- Participated in outreach and complaints clinics in Bunbury and Busselton in Western Australia as part of the Western Australian Ombudsman's Regional Access and Awareness Program.

Engaging with peer organisations involved in complaint-handling

Australia New Zealand Ombudsman Association—Indigenous Engagement Interest Group

Our Office facilitates the Australian and New Zealand Ombudsman Association (ANZOA) Indigenous Engagement Interest Group, which provides opportunities to share information, resources and experiences with a view to improving complaint-handling practices and procedures for Indigenous peoples. The group meets quarterly and includes participants from parliamentary and industry ombudsmen offices from Australia and New Zealand.



Dr Jackie Huggins AM FAFH addressing staff from Brisbane Office of the Commonwealth Ombudsman during National Reconciliation Week 2018

Indigenous Right to Complain Working Group

Our Office provides leadership and support for an Indigenous Right to Complain Working Group. This group includes members from a range of government and non-government organisations at the state, territory and national level.

The working group provides a forum for sharing information, ideas, strategies, contacts and coordinating joint outreach aimed at increasing awareness of complaint rights and options for Aboriginal and Torres Strait Islander peoples and communities.

Both of these groups contribute to building a 'no wrong door' approach to Indigenous complaint-handling across agencies, oversight bodies and community stakeholders.

They provide opportunities for agencies to reflect on the effectiveness of their strategies for promoting the right to complain and ensuring complaint-handling systems are accessible and inclusive for our Aboriginal and Torres Strait Islander peoples.

Special events—marking National Reconciliation Week 2018

On 29 May 2018, to acknowledge National Reconciliation Week, the Co-Chair of the National Congress of Australia's First Peoples, Dr Jackie Huggins AM FAFH, attended our Brisbane office to provide an all-staff address. Throughout her address she encouraged staff to learn more about our shared histories and consider how we can individually and collectively contribute to achieving reconciliation.

Issues monitoring

We continue to monitor a number of significant issues of interest related to the delivery of Australian Government services to or for Indigenous peoples. This year, the most significant issues were:

- Centrelink debts
- Community Development Program participation penalties and compliance assessments.

Immigration Ombudsman

The Office investigates complaints about the migration and border protection functions of the Department of Home Affairs (the department) and its operational arm, the Australian Border Force (ABF).

The Office, through the Ombudsman’s own motion powers, also:

- monitors the ABF’s compliance activities involved in locating, detaining and removing unlawful non-citizens
- undertakes inspections of immigration detention facilities in Australia and elements of offshore processing centres that are within our jurisdiction.

Under the *Migration Act 1958* (Migration Act), the Office also has a statutory role to provide the Minister for Home Affairs an assessment of the appropriateness of a person’s detention when that person has been in immigration detention for two years and for every six months thereafter.

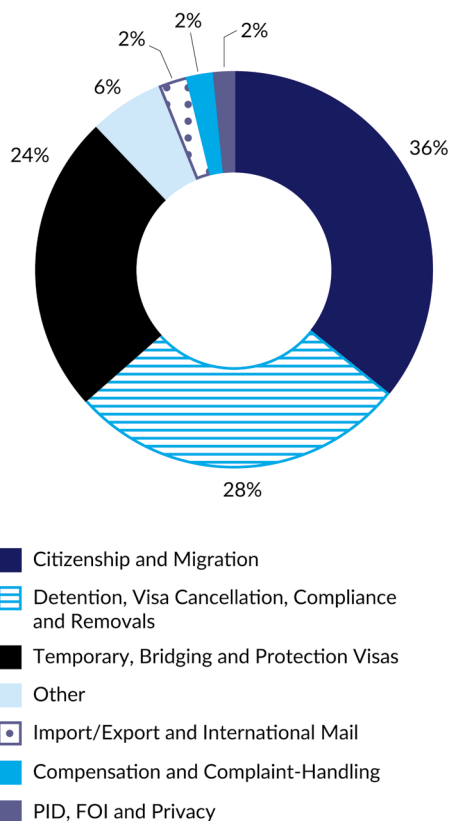
Complaints

In 2017–18 we received 1,838 complaints about the department, compared with 2,071 complaints in 2016–17, a decrease of 11.3 per cent. Of these, we investigated 322 (17.1 per cent).

Complaints concerning Citizenship and Migration made up the largest category of the complaints received by the Office followed by complaints about immigration detention. Immigration detention complaints reflected similar themes to those in previous years: loss or damage to detainees’ property, placement within the detention network and medical issues such as access to specialist care, appropriate treatment for injuries and illness and delays in the processing of claims for asylum.

In 2017–18 we closed 2,116 complaints compared to 2,382 in 2016–17. In 2017–18 we investigated 322 complaints and achieved 445 remedies for complainants.

Figure 6 – Breakdown of immigration complaints closed in 2017–18



CASE STUDY

In 2015, the department refused Marina's application for an offshore partner visa because it was not satisfied the couple were in a genuine and continuing relationship.

Marina's partner, Ehsan, sought review of the decision by the Administrative Appeals Tribunal (AAT), which remitted the application back to the department for reconsideration with the direction the couple were in a genuine and continuing relationship.

Approximately 10 months after the AAT's decision, the department granted Marina a temporary partner visa. However, the next day, the department notified Marina that her application for a permanent partner visa had been refused as the delegate was again not satisfied of their genuine and continuing relationship.

As Marina had not been able to travel to Australia during the 24 hours her temporary visa was in effect, the AAT could not review the decision. This is because the AAT is only able to review a decision to refuse a permanent partner visa if the applicant is in Australia when they apply for review.

Ehsan complained to our Office because he could not understand how he and Marina could be considered to be in a genuine relationship on one day and then to not be in a genuine relationship the following day.

During our investigation, the department acknowledged the decision to refuse Marina's permanent visa was not a lawful one, and the decision was set aside.

In November 2016, the department told Marina that her temporary visa would be in effect until a fresh decision was made. However, her application for the permanent visa was again refused the following day on the basis that the department remained

unsatisfied that the relationship was genuine based on the evidence before the case officer.

The reasons provided included that the delegate would expect to see evidence of the couple making 'firm arrangements' for Marina's arrival in Australia and evidence the couple was taking steps to build a life together. Significant weight was placed on the fact the couple had not provided further evidence supporting their ongoing relationship post the AAT decision in 2015.

During our investigation, we considered that in refusing the application, the delegate relied on outdated and irrelevant information. The couple were not in a position to know when a decision would be made and were not able to make 'firm arrangements' for Marina's arrival in Australia. Also, the couple had not been provided with an opportunity to provide evidence in support of their ongoing relationship prior to the permanent application being refused. We were also concerned the permanent application was again refused within one day of the temporary partner visa being re-enlivened.

In late 2017, the department acknowledged this refusal decision was not lawful and would be vacated. This meant that Marina's temporary visa would be in effect until a fresh decision was made. By now, considerable time had passed since Marina's temporary visa was first granted in 2016.

That visa had an 'entry before date' which required Marina to enter Australia before a specified date, which could not be changed. When Marina's temporary visa was re-enlivened, it was only valid for one more day. However Marina traveled to Australia while her temporary visa was still valid to await the processing of her permanent partner visa application.

Complaints can contain multiple issues, therefore the number of remedies can be greater than the number of complaints investigated.

Table 3 – Remedies achieved for complainants

Remedy	2017–18
Explanation	312
Action expedited	42
Decision changed or reconsidered	37
Other non-financial remedy	16
Remedy provided by agency without Ombudsman’s intervention	11
Law, policy or practice changed	10
Apology	1
Financial remedy	9
Agency officer counselled or disciplined	7

Stakeholder engagement

The Office continues to engage regularly with officers from the department and the ABF. We have also received briefings on policy changes and issues of interest.

We publish an e-newsletter, Immigration Matters, to share information about our priorities and issues of interest with external stakeholders.

We also host quarterly meetings with the Australian Human Rights Commission, the United Nations High Commissioner for Refugees, the Australian Red Cross and Foundation House.

In 2017–18 we presented to the department on the role of our Office. Office representatives also presented at the ABF’s training courses for Compliance and Removal Superintendents and s 251 warrant holders on our compliance monitoring and other immigration activities.

Own motion investigations

During 2017–18, our Office released three own motion investigation reports:

Investigation report on delays in the clearance of International Sea Cargo¹³

The investigation was prompted by complaints about delays in the processing of containerised sea cargo by the department and the ABF resulting in substantial additional costs for importers. After initial engagement with the ABF, the scope of the investigation was broadened to include biosecurity interventions at the border due to the Department of Agriculture and Water Resource’s (DAWR) power to place a border hold on containers independently of the ABF.

Our investigation focused on the efficiency of the administrative systems and the procedures that support the exercise of the ABF and DAWR’s powers to hold and inspect cargo.

We identified that while the ABF has well-established administrative processes to manage containerised sea cargo compliance, more could be done to manage backlogs at cargo and container examination facilities (CEFs). This, in turn, could minimise delays and reduce the costs imposed upon industry.

The report concluded that the major reason for these delays was the reduced operational capacity at CEFs during peak times.

The requirement for simultaneous inspections and physical examinations at times when staff are unavailable due to surge redeployment was also identified as a significant cause of pre-inspection delays.

The report made 10 recommendations—eight related to the department and the ABF, one to DAWR and one recommendation applying to both agencies. The department accepted six of these in full and three in part. DAWR partially accepted the two recommendations that applied to it.

¹³ http://www.ombudsman.gov.au/__data/assets/pdf_file/0027/84555/Investigation-into-delays-in-processing-inbound-Containerised-Sea-Cargo.pdf

Investigation into the circumstances of the detention of Mr G, maintaining a reasonable suspicion that a person is an unlawful non-citizen¹⁴

In August 2017, the Office investigated the detention of Mr G, who spent nearly four years in immigration detention before being removed to his country of origin. Mr G was originally detained in October 2013 when his partner visa application was refused and his associated bridging visa was ceased. The department later found that an error in the notification of the partner visa refusal meant that the notification was defective and his bridging visa was still valid.

In response to the Office's investigation, the department advised that an error in the partner visa refusal notification process was not known at the time of Mr G's initial detention. This error came to the department's attention five months after his detention in March 2014.

While the department undertook a review of cases that may have been affected by the error in the notification process, Mr G's case was not identified in that process. Subsequent monthly reviews of his case also failed to identify the issue with the visa refusal notification.

In our report, we expressed concern regarding the department's review processes for maintaining a reasonable suspicion that an individual continues to be an unlawful non-citizen and as a result should continue to be held in immigration detention.

The department accepted all four of the Ombudsman's recommendations, noting that the implementation of three of them depended on the outcome of ongoing litigation relating to other individuals that raised similar concerns.

¹⁴ http://www.ombudsman.gov.au/__data/assets/pdf_file/0018/83520/Investigation-into-the-circumstances-of-the-detention-of-Mr-G.pdf

Delays in processing of applications for Australian citizenship by conferral¹⁵

In July 2016, the Office commenced an own motion investigation into the then Department of Immigration and Border Protection's (DIBP) processing of applications for Australian citizenship by conferral that require enhanced identity and integrity checks. This was in response to increasing complaints to our Office from people who were subject to enhanced integrity and identity checks that resulted in extended processing times for their citizenship applications.

In 2016–17 DIBP received 201,250 applications for citizenship by conferral. Given some people had applications pending for over 18 months, without having been referred for identity and integrity checks, we considered that a systemic investigation into these issues was more appropriate than commencing a series of individual complaint investigations.

The report made four recommendations to DIBP aimed at improving the quality of information in the Australian Citizenship Instructions (ACI) in order to achieve greater certainty and timeliness in complex identity and character assessments. DIBP accepted all recommendations in this report. We will continue to monitor the implementation of the recommendations.

¹⁵ http://www.ombudsman.gov.au/__data/assets/pdf_file/0032/78980/Citizenship-own-motion-investigation-report.pdf

Current own motion investigation

'Investigation into the implementation of the Thom review recommendations'

In March 2017, the department identified that it had wrongfully detained two Australian citizens for 97 and 13 days respectively. Immediately following the identification of the two Australian citizens in detention, all detainees were reviewed and no further cases of Australian citizens were found. The department then engaged Dr Vivienne Thom to conduct a review of the circumstances of the detention of these individuals. Dr Thom is an independent consultant who conducts inquiries and reviews and advises agencies about governance and integrity matters.

Dr Thom made four recommendations in her review. Some focused on discrete issues including training and decision-making tools, while others looked more broadly at the implementation of recommendations by previous external reviews and quality assurance processes. The department accepted all recommendations made by Dr Thom and has been implementing responses to the recommendations.

In February 2018, we commenced an own motion investigation to examine the immigration detention process holistically and the department's implementation of Dr Thom's recommendations to prevent this situation from occurring again.

The investigation focuses on critical points across the immigration detention process, spanning visa cancellation to release from detention. The investigation is ongoing.

Compliance monitoring

Our Office monitors and inspects the compliance activities of the department and the ABF under our own motion powers.

The Office's oversight occurs through:

- conducting desktop reviews of warrants issued under s 251 of the Migration Act, which allows a warrant to be issued to search premises for unlawful non-citizens and their travel documents and associated documentation
- examining a sample of s 501 removal cases
- observing compliance and removal operations
- analysing six monthly reports on those detained and later released as lawful non-citizens.

Field compliance observations

In 2017–18 the Office observed compliance and removal operations in the following cities:

- Leeton (NSW) 30–31 August 2017
- Sydney 13–15 March 2018
- Melbourne 19–22 March 2018

We observed that ABF officers carry out their duties professionally. However, several issues raised previously with the ABF remained ongoing including officers not properly itemising, receipting or securing the valuables of those detained.

To address our concerns the ABF has been providing its staff with guidance through weekly updates. These updates have included instructions on the receipting of detainee valuables in the field and guidance for interviews. The ABF's Immigration Compliance Branch has also incorporated some of the issues raised by our Office into their new Procedural Instructions.

People detained and later released as 'not-unlawful'

The department provides the Office with six-monthly reports on people who were detained and later released with the system descriptor 'not-unlawful'. This descriptor is used when a detained person is later identified by the department to be holding a valid visa. This can occur due to a number of different factors including, by operation of case law or because of notification issues surrounding visa cancellation or refusal decisions.

For the first half of the 2017 calendar year, the department reported that 13 out of a total of 3,931 people detained (0.33 per cent) were later released as lawful non-citizens compared to 14 out of the 3,679 people detained (0.38 per cent) between 1 July and 31 December 2016. One person was detained for 436 days. The report also detailed the case of two Australian citizens who were unlawfully detained. In response, the department commissioned an independent review into the circumstances that led to the detention of the citizens. The Office is currently investigating the department's implementation of the recommendations arising from this review.

Immigration Detention Reviews

Statutory reporting (two-year review assessments)

Under s 486N of the Migration Act, the Secretary of the department is required to send a report to the Ombudsman regarding each individual that has remained in immigration detention for two years and every six months thereafter. These reports provide details regarding the circumstances of a person's detention including their detention history, case progression, health and welfare, family information and, if relevant, any criminal or security concerns.

Under s 486O, the Office assesses the appropriateness of the detention arrangements of each individual. For the purposes of preparing an assessment, the Office may

choose to interview a detainee to gather further information regarding individual and systemic concerns.

The assessments under s 486O can include any recommendations that the Ombudsman considers appropriate. A de-identified version of the assessment is tabled in Parliament by the Minister for Home Affairs with a statement responding to any recommendations. This is subsequently published on our website.

In 2017–18 a total of 1,088 s 486N reports were received from the department, compared to 1,238 in 2016–17. A total of 943 s 486O assessments were tabled, relating to 1,281 individual detainees. Our Office made recommendations in 340 assessments.

These recommendations included both generic recommendations that applied to a cohort of detainees as well as recommendations that were specific to the individual detainees.

Generic recommendations included matters such as the uncertainty associated with the immigration status of individuals who have been returned to Australia from Regional Processing Centres for medical treatment and who, under current policy settings, are not able to have their claims for protection assessed in Australia.

Recommendations that were specific to individual detainees included matters such as placement within the detention network, access to family or support networks, access to appropriate medical treatment, expediting the assessment of an individual's immigration status, consideration of the grant of a visa and consideration of placement in the community.

Issues raised in s 486O assessments

Assessments under s 486O raised a number of issues, including:

- The continued detention (in some cases over seven years) of individuals who have been found to be owed protection and were previously subject to adverse security assessments, who have since been issued qualified security assessments.

- Instances where assessments provided by the International Health and Medical Services (IHMS) provide inaccurate or inconsistent information.
- The continued placement of individuals in immigration detention facilities who have significant vulnerabilities or mental and physical health concerns.
- The impact of family separation on individuals, both within Australia and between Australian and Regional Processing Centres.
- The provision of adequate financial and health care support for individuals released on Final Departure Bridging visas.
- The movement and placement of detainees within the detention network that can impact on their ability to attend specialist medical or court appointments, as well as their access to family support and legal representation.

Detention inspections

The Office undertakes oversight of immigration detention facilities. During 2017–18 we inspected the immigration detention facilities listed in Table 4.

Table 4 – Immigration detention facility inspections

Immigration Detention or Regional Processing Facility	Location	Timing
Adelaide Immigration Transit Accommodation	Adelaide SA	Sept 2017 May 2018
Brisbane Immigration Transit Accommodation	Brisbane QLD	Jul 2017 Mar 2018
Manus Island Regional Processing Centre	Papua New Guinea	Aug 2017 April 2018 ¹⁶
Maribyrnong Immigration Detention Centre	Melbourne VIC	Nov 2017 Jun 2018
Melbourne Immigration Transit Accommodation	Melbourne VIC	Nov 2017 Jun 2018
Nauru Regional Processing Centre	Nauru	Dec 2017 Apr/May 2018
Christmas Island Immigration Detention Centre	Christmas Island WA	Jul/Aug 2017 Jan 2018
Perth Immigration Detention Centre	Perth WA	Jan 2018
Villawood Immigration Detention Centre	Sydney NSW	Sept 2017 Feb 2018
Yongah Hill Immigration Detention Centre	Northam WA	Oct 2017 Feb/Mar 2018

16 Our visit in April 2018 was a scoping visit not an inspection.

Our inspection function is undertaken under the provisions of the Office's own motion powers, in accordance with our jurisdiction to consider the actions of agencies and their contractors.¹⁷

The Office provides feedback to each facility after a visit, including any observations and suggestions. We also submit a formal report to the department at the end of each inspection cycle (every six months). The level of cooperation with our Office across the immigration detention network is generally high, with all staff having a reasonable understanding of the role of our Office.

The issues that arose over this reporting period included:

- security-based models in administrative detention
- restrictive practices within detention
- use of force and the Continuum of Force
- placement of detainees in the detention network
- management of internal complaints
- introduction of a service provider operational electronic records management system
- programs and activities
- management of detainee property
- access to mobile phones.

Security-based model of administrative detention

The Migration Act enables the detention of unlawful non-citizens, such as those who enter or remain in Australia without a valid visa. Detention has been mandatory for all unauthorised maritime arrivals since 1994¹⁸ and for people whose visas have been cancelled on character grounds since 2014.¹⁹

¹⁷ *Ombudsman Act 1976* s 5(1)(b)

¹⁸ *Migration Amendment Act 1992*

¹⁹ Direction No. 65 Migration Act 1958 Visa refusal and cancellation under s 501 and revocation of a mandatory cancellation of a visa under s 501CA dated 22 December 2014.

While placement in an immigration detention facility is mandatory for certain cohorts, it is administrative in nature—an individual is detained for the purpose of conducting an administrative function rather than as an end state of the criminal justice system.

The operations of an immigration detention facility are not supported by a legislative framework. The reliance on an administrative rather than a legislative framework to underpin the operations of the immigration detention network remains a concern for our Office.

During 2017–18 we noted an increasing emphasis on a security-based operational model. While the increasing numbers of detainees with histories of violent or antisocial behaviours require an increased focus on safety and security, we remain concerned that this may be at the expense of a focus on the welfare of detainees. This is not to imply that welfare should be the primary consideration when determining the management program for a detainee, but rather, both welfare and security need to be in balance to achieve a fair and reasonable outcome for all concerned.

Security-based operational models such as the 'controlled movement model' are the most restrictive of all operational models. Detainees can be restricted to accommodation areas and unable to move freely between common areas. Whilst there are circumstances where this model is appropriate, such as in high security compounds, facilities where detainees are vulnerable to coercion or intimidation, or immediately following periods of unrest, this model should not be the first preference for an administrative detention environment.

Placement of detainees within the network

The Australian Government, through the ABF and its respective facility Superintendents, has a duty of care to all detainees.²⁰ In order to fulfil the duty of care, detainee placements within a facility and the broader network should be made by considering the full set of circumstances of a detainee.

The Office remains concerned that placement decisions do not apply adequate weighting to detainee circumstances such as court appearances, specialist medical treatment and family considerations. We acknowledge that the risk assessment of a detainee is a significant consideration, however it would appear that on occasions little consideration is given to other factors.

While placement will be driven by operational needs, in particular bed space in East Coast facilities, this should not be the sole basis for placing a detainee on Christmas Island or at Yongah Hill. Where the facility is remote and isolated, it is essential that placement decisions take account of all relevant considerations and information.

Of equal concern to the Office is an inaccurate risk assessment or a poorly analysed assessment that is applied without consideration of individual circumstances.

Determining that all detainees who have a criminal history involving violence exhibit high-risk behaviour, can result in unfair outcomes. Good decision-making requires consideration of relevant factors such as the type of behaviour, the age of the detainee at the time of the incident, the passage of time since the incident, the circumstances that generated the behaviour and the relevance to the current environment. Positive reinforcement of good behaviour is negated in an environment where the negative behaviours of the past consistently dictate the use of restraints or placement in remote facilities.

²⁰ *Behrooz v Secretary of the Department of Immigration and Multicultural and Indigenous Affairs* [2004] HCA 36; 219 CLR 486; 208 ALR 271; 78 ALJR 1056 (6 August 2004) Gleeson CJ at para [21].

Towards the end of this reporting period, we have noted an increasing willingness to provide a more thorough analysis to the information upon which the risk assessment is based. The improvement in the provision of information held externally to the department has assisted in this, and the ABF continues to work with these sources to maximise the effectiveness and accuracy of the risk assessments. We have been advised that the placement tool used by the department is intended to address these issues and take into account the detainee's personal circumstances, family and community linkages and legal or medical circumstances.

As the placement processes, including the application of the revised placement tool, have evolved during this reporting period, we have noted that the decisions relating to the placement of a detainee within the network have improved, with decisions being made in a somewhat more holistic manner. We will continue to monitor this throughout 2018–19 as the placement modelling and risk assessment processes continue to evolve.

Restrictive practices in detention

The department and its service providers have a duty of care to both detainees and their staff to protect them from violent or aggressive behaviours and the ongoing risk of damage to people or property.

We acknowledge that there are occasions where for the good order, security and welfare of the facility, a detainee may need to be placed in restraints or moved to a more restrictive environment. Since the implementation of the Minister for Immigration and Border Protection Direction 65, and the subsequent increase of detainees with histories of violent or antisocial behaviours, we have noted an increasing use of these restrictive practices across the immigration detention network.

Without a legislative framework to underpin these practices, the department must rely on its administrative framework to support operating in this environment. We are concerned that the administrative processes underpinning these practices are not as robust as they should be and have identified shortfalls associated with the:

- use of mechanical restraints when transferring detainees
- use of the controlled movement operational model as the standard operational model
- placement of detainees in behaviour management programs.

Where there is no legislative framework to support the use of restraints or placement in contained environments, the administrative framework must support the principles of procedural fairness, provide independent points of review and appeal, as well as the appropriate mitigation against the risk of such practices becoming punitive in nature.

We acknowledge that the ABF has taken steps to tighten the administrative frameworks surrounding the use of high care accommodation. The ABF has also adopted practices that provide procedural safeguards for detainees placed in behaviour management regimes. We consider that this area provides a significant risk to the department and we encourage them to continue to strengthen the administrative framework that supports these critical operational areas.

Use of Force and the Continuum of Force

Over the inspection cycles during 2017–18, we have noted an increasing use of unplanned force²¹ by the department when dealing with detainees. While it is accepted that use of force can be necessary to protect the individual,

²¹ Unplanned force is defined as the use of force that has not been given prior approval to be used. For example, transferring a detainee with a high flight risk will generally include the pre-approved use of force in the form of mechanical restraints and the application of certain escort holds.

other people or property, we are concerned that the review of incident management records did not reflect the use of de-escalation techniques prior to the application of force.

On occasions, we perceived that some operational staff considered the application of physical force to address non-compliant behaviour as the start-point rather than the mid-point of the continuum. This suggests a continued need for training in this area.

In facilities where additional training in negotiation and de-escalation skills have been undertaken, the Office has observed an overall improvement in the method of engaging with detainees. That is, the first option is to approach a situation with a view to achieving a negotiated outcome first, with the use of force only considered as a last resort.

Management of internal complaints

One of our primary focuses for 2017–18 was the management of internal complaints by the ABF and its service providers. Good complaint-handling requires a systematic approach that is timely, appropriate and responsive.²² Overall, the standard of complaint-handling across the immigration detention network was reasonable with the suggestions made by the Office for improvements being implemented in a number of facilities.

During 2017–18 we undertook a detailed assessment of the internal complaint-handling practices across the immigration detention network. Despite an overarching standard operating procedure for the management of complaints being introduced by the ABF in September 2016, we have noted that an inconsistency in the manner or methods applied to the management of complaints made against the department and/or their service providers remains. We will continue to closely monitor this issue throughout 2018–19.

²² www.ombudsman.gov.au/docs/better-practice-guides/onlineBetterPracticeGuide.pdf

Programs and activities

Where detainees fail to engage with programs and activities, it is more than likely that they will experience deteriorating levels of mental health and an increased likelihood of self-harm or other non-compliant behaviour.²³

Engagement with programs and activities should be meaningful and involve activities that the detainees wish to undertake, rather than simply being carried out to alleviate boredom. We noted that activities that focused on physical fitness, life skills (such as cooking, resume-writing and job interview skills) and adult art and craft, were more likely to be considered meaningful by detainees and attract higher participation rates. Activities that were considered to be juvenile appeared to generate participation that was based on avoiding boredom rather than enjoyment.

We acknowledge there has been a significant change in the types of activities offered to meet the needs of the changing cohorts within centres. However, additional effort needs to be made to address the needs of people who have been educated in the Australian education system.

Introduction of service provider operational electronic records management system

In November 2016, Serco Immigration Services introduced an electronic record-keeping and process management tool. The system was introduced to streamline and capture operational activities such as welfare checks, attendance at activities, detainee property management and the compilation of incident management documents.

Despite a number of ongoing connectivity and other operation alignment issues, we have noted an overall improvement in the quality of record-keeping with the use of this system. We will continue to monitor the impact that this system has on the quality of reporting within

the immigration detention network, especially in those areas where the tool does not reflect the current departmental or service provider policies. This is apparent in the management of detainee property where the tool has generated a process that is not reflective of the current guidelines.

Management of detainee property

The management of detainee property is a key area of interest for the Office. During this reporting period we noted an overall general improvement across the network. The introduction of an electronic record-keeping and process management tool has improved the overall management of detainee property, however we have noted a number of inconsistencies that will be addressed as the property management guidelines are amended to include the new electronic management system.

There are outstanding complaints and associated issues relating to the compensation for items lost or damaged in the November 2015 unrest on Christmas Island. During the unrest, the secured storage facility used for the storage of detainee intrust property was ransacked and detainees' personal property removed. This incident and the subsequent difficulties that the department has experienced in compensating detainees for the loss of their intrust property reinforces the importance of detainee property being accurately recorded.

The new electronic property management system that includes both photographs and a detailed written description should address a number of the issues arising from this incident including:

- correctly identifying lost property
- providing appropriate levels of compensation for items that cannot reasonably be returned to a detainee on departure.

²³ www.ombudsman.gov.au/__data/assets/pdf_file/0022/30298/December-2013-Suicide-and-self-harm-in-the-Immigration-Detention-Network.pdf

Optional Protocol to the Convention against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment (OPCAT)

What is OPCAT?

Australia ratified the Optional Protocol to the Convention against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment in December 2017. OPCAT is an international agreement aimed at preventing torture and mistreatment through the use of a proactive inspection regime in places where people are deprived of their liberty.

Compliance with OPCAT involves the inspection by state and territory inspectorate bodies of places of detention including prisons, juvenile detention centres and psychiatric facilities. The implementation of OPCAT is occurring over a three year period.

The National Preventive Mechanism Coordinator

Our Office has been appointed as the National Preventive Mechanism (NPM) Coordinator to facilitate and coordinate the Commonwealth, state and territory oversight arrangements. This function commenced on 1 July 2018.

The Commonwealth NPM for Commonwealth Primary Places of Detention

Our Office has also been announced as the NPM Body for Commonwealth places of detention including immigration detention facilities, Australian Federal Police cells in the External Territories and military detention facilities.

Stakeholder engagement

While the implementation towards OPCAT will occur over a three year period, we are engaging with existing oversight bodies domestically and considering best practices from overseas. We are also engaging with the civil society, including participating in conferences and forums.

Churchill Fellowship

In October 2017, Mr Steven Caruana was awarded a Winston Churchill Memorial Trust Fellowship. This enabled him to research best practice inspection methodologies for oversight bodies with a focus on OPCAT. As part of the Fellowship, he visited the United Kingdom, Denmark, Norway, Switzerland, Malta, Greece and New Zealand to meet with inspection agencies, leading academics and notable anti-torture non-government organisations.

The learnings and insights arising from research undertaken as part of the Fellowship will assist our Office in its role as the NPM Coordinator.

Law Enforcement Ombudsman

The Office has a comprehensive role in the oversight of the Australian Federal Police (AFP). When performing functions in relation to the AFP, the Office of the Commonwealth Ombudsman may also be called the Law Enforcement Ombudsman.

These functions include:

- assessing and investigating complaints about the AFP
- receiving mandatory notifications from the AFP regarding complaints about serious misconduct involving AFP members, under the *Australian Federal Police Act 1979* (AFP Act)
- statutory reviews of the AFP's administration of Part V of the AFP Act.

Complaints

In 2017–18, we received 258 complaints about the AFP, which was an 11 per cent decrease from 2016–17, of which we investigated 36.

In the majority of cases we declined to investigate complaints if the person had not first complained to the AFP. In those instances, we referred them back to the AFP.

Other reasons for not investigating included:

- another oversight body being the more appropriate agency to handle the complaint
- the matter had already been to court
- the complaint lapsed due to the complainant not providing us with certain information
- the complainant had insufficient interest in the matter, or
- complaint withdrawal.

When we investigate a complaint we first look at how the AFP handled the issue and assess the particulars of the matter against the relevant law, policy and practice.

Four of the complaints we investigated were finalised because an appropriate remedy was provided by the AFP. However, the majority of complaints were finalised on the grounds that further investigation was not warranted given circumstances. This usually meant that the issue, actions and decisions of the AFP were open to be made and not unreasonable.

In resolving and finalising nine complaint investigations in 2017–18, we made suggestions to the AFP with a view to remedying individual complaints and for future improvements.

Our Office also conducted two reviews of the AFP's administration of Part V of the AFP Act and published a report on the results of previous reviews.

As part of this process we engaged with the AFP Professional Standards (PRS) to discuss a number of reforms that are being implemented across PRS. We also met with representatives from the AFP Safe Place team to discuss their management of complaints under Part V of the Act. This area was established to provide support to complainants and to investigate sexual harassment and abuse, following an independent review of the organisation by former Sex Discrimination Commissioner, Elizabeth Broderick.

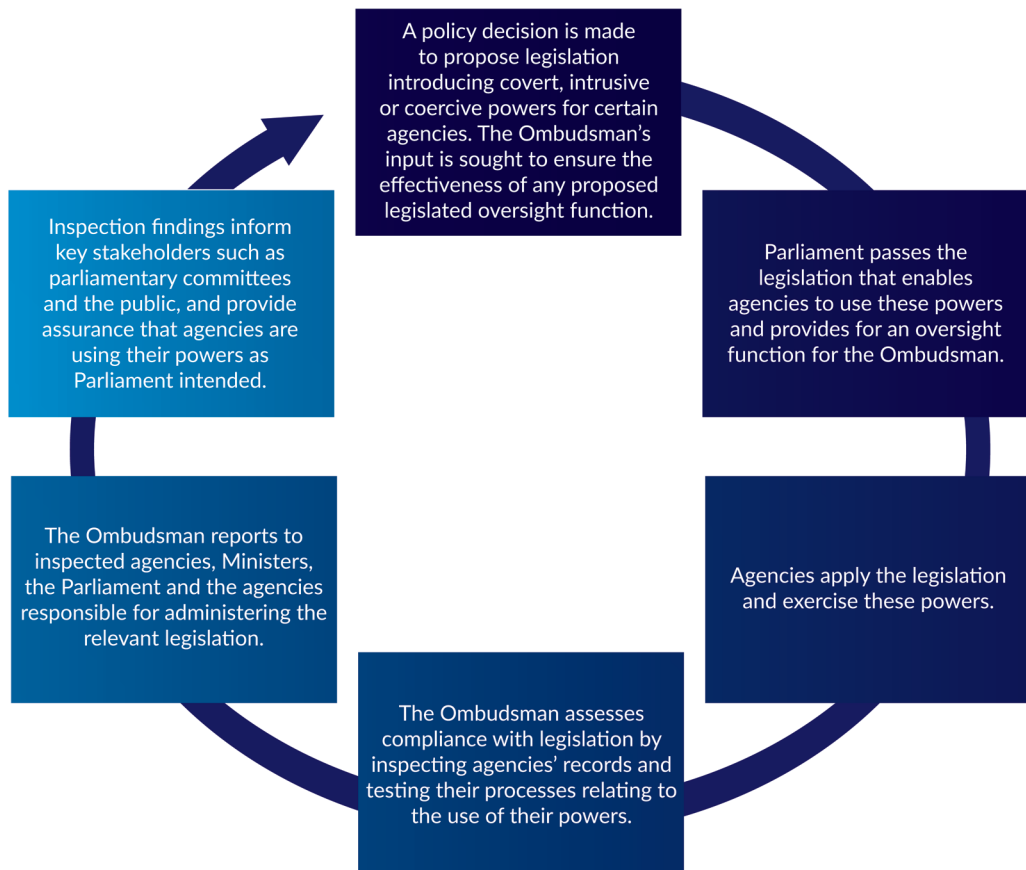
Inspections of covert, intrusive or coercive powers

Oversight activities

In 2017–18, the Office performed oversight functions under the *Telecommunications (Interception and Access) Act 1979*, the *Surveillance Devices Act 2004*, Part IAB of the *Crimes Act 1914*, the *Fair Work (Building Industry) Act 2012* and the *Building and Construction Industry (Improving Productivity) Act 2016*. This legislation grants intrusive, and often covert, powers to certain law enforcement agencies. Our role is to assess agencies' compliance with the above legislation.

We are required to inspect the records of enforcement agencies and report to the relevant Minister (who is responsible for administering the Commonwealth Acts we oversee) on the activities agencies have undertaken pursuant to each Act. Reports to the Minister are subsequently tabled in Parliament.

Figure 7 – The independent oversight process



Law Enforcement agencies subject to inspections by the Office

- Australian Commission for Law Enforcement Integrity
- Australian Competition and Consumer Commission
- Australian Criminal Intelligence Commission
- Australian Federal Police
- Australian Securities and Investments Commission
- Western Australia Corruption and Crime Commission
- Crime and Corruption Commission of Queensland
- Department of Home Affairs
- Independent Broad-based Anti-Corruption Commission (Victoria)
- New South Wales Independent Commission Against Corruption

- South Australia Independent Commissioner Against Corruption
- Law Enforcement Conduct Commission (NSW)
- New South Wales Crime Commission
- New South Wales Police Force
- Northern Territory Police Force
- Queensland Police Service
- South Australia Police
- Tasmania Police
- Victoria Police
- Western Australia Police

Non-law enforcement agencies subject to inspections by the Office

- Australian Building and Construction Commission
- Fair Work Ombudsman

Table 5 – Oversight activities in 2017-18

Function	Number of inspections or reviews
Inspection of telecommunications interception records under the <i>Telecommunications (Interception and Access) Act 1979</i>	6
Inspection of stored communications—preservation and access records under the <i>Telecommunications (Interception and Access) Act 1979</i>	18
Inspection of metadata records under the <i>Telecommunications (Interceptions and Access) Act 1979</i>	20
Inspection of the use of surveillance devices under the <i>Surveillance Devices Act 2004</i>	10
Inspection of controlled operations conducted under Part IAB of the <i>Crimes Act 1914</i>	6
Review of Fair Work Building and Construction’s use of its coercive examination powers under the <i>Fair Work (Building Industry) Act 2012</i>	3
Review of the Australian Building and Construction Commission’s use of coercive examination powers under the <i>Building and Construction Industry (Improving Productivity) Act 2016</i>	8
Total	71

Reports

During 2017–18 we produced seven public reports. All of our published reports are available on our website.²⁴ The reports published in 2017–18 included two quarterly reports under s 65(6) of the *Building and Construction Industry (Improving Productivity) Act 2016* and two reports on agencies' compliance with the *Surveillance Devices Act 2004*.

We also completed a report on the results of our inspection of the Australian Federal Police under the *Telecommunications (Interception and Access) Act 1979* (TIA Act) in response to the AFP disclosing that it had accessed a journalist's telecommunications data without a journalist information warrant. The content of this report is discussed in detail under the case study titled '*AFP Metadata Breach*'.

A list of reports finalised during 2017–18 is set out below.

Report	Date published
Report to the Attorney-General on agencies' compliance with the <i>Surveillance Devices Act 2004</i> – For the period 1 January to 30 June 2017	September 2017
A report on the Commonwealth Ombudsman's inspection of the Australian Federal Police under the <i>Telecommunications (Interception and Access) Act 1979</i> – Access to journalist's telecommunications data without a journalist information warrant	October 2017
Annual report by the Commonwealth Ombudsman under s 13(1) of the <i>Building and Construction Industry (Consequential and Transitional Provisions) Act 2016</i> – For the period 1 July 2015 to 30 June 2016	November 2017
Report to the Attorney-General on agencies' compliance with the <i>Surveillance Devices Act 2004</i> – For the period 1 July to 31 December 2017	March 2018
A quarterly report by the Commonwealth Ombudsman under s 65(6) of the <i>Building and Construction Industry (Improving Productivity) Act 2016</i> – For the period 1 July 2016 to 31 March 2017	March 2018
Quarterly report by the Commonwealth Ombudsman under s 65(6) of the <i>Building and Construction Industry (Improving Productivity) Act 2016</i> – For the period 1 April 2017 to 30 June 2017	March 2018
A report on the Commonwealth Ombudsman's activities under Part V of the <i>Australian Federal Police Act 1979</i> – For the period 1 July 2016 to 30 June 2017	June 2018

²⁴ <http://www.ombudsman.gov.au/publications/inspection-reports>

Although we produced a number of reports, we were not able to complete all annual inspections reports within 2017–18. For example, our annual report on inspections of controlled operations under Part IAB of the *Crimes Act 1914*, was not completed during 2017–18, as inspection results were still being finalised. This report will be finalised during 2018–19.

Our annual reports on inspections under Chapter 3 (stored communication) and Chapter 4 (metadata) of the TIA Act during this period were also not completed, as we had not finalised all relevant inspections results. These will be finalised and published in 2018–19.

Two quarterly reports under s 65(6) of the *Building and Construction Industry (Improving Productivity) Act 2016* were also not completed. These will be finalised and published in 2018–19.

For context, as a part of our inspections process, in order to ensure procedural fairness, we provide each agency with an opportunity to comment on inspection findings, before the results are finalised.

The delays in finalising our reports were primarily caused by our reporting process, which slowed down the Office's ability to report to individual agencies on inspection results. This legacy process has now been removed, and our process has been simplified and tailored to each inspection. This has substantially reduced the turnaround time required to finalise inspection findings and the associated annual reports. In some cases, we are now able to finalise inspection results within a matter of weeks, which would not have been possible using the previous process.

We are now in a much better position to complete our annual inspections reports in a timely manner and this will be reflected in the Office's output during the coming year.

Other activities

In 2017–18 we appeared before the Parliamentary Joint Committee on Intelligence and Security to discuss a review of police stop, search and seizure powers, the control order regime and preventative detention order regime. We also appeared before the Senate Standing Committee of Privileges to discuss Parliamentary Privilege and the use of intrusive powers. We briefed the Parliamentary Joint Committee on the Australian Commission for Law Enforcement Integrity (ACLEI) regarding the ACLEI's controlled operations.

We also regularly responded to requests from agencies for advice about best practice in compliance and requests from other oversight bodies for guidance in developing inspection methodologies.

Our approach

Our Office values independence, fairness and transparency. These values inform the way we conduct inspections and reviews, and how we engage with the agencies.

For each of these inspections and review functions, we have established methodologies that are applied consistently across all agencies. These methodologies comprise of test plans, risk registers, checklists and templates. They are based on legislative requirements and best practice standards in auditing, and ensure the integrity of each inspection and review.

We focus on areas of high risk and take into consideration the effect of non-compliance, such as unnecessary privacy intrusion. It is our practice to regularly review our methodologies to ensure their effectiveness.

We also give notice to agencies of our intention to conduct an inspection and provide them with a broad outline of criteria against which we assess compliance.

Depending on our reporting requirements under each function, the final report is either presented to the relevant Minister or forms the basis of our published reports.

For our published reports we remove reference to any sensitive information that could undermine or compromise law enforcement activities.

Fair Work Ombudsman oversight

A new oversight function relating to the Fair Work Ombudsman (FWO) took effect from 31 March 2018. Sections 712E and 712F of the *Fair Work Act 2009* require the FWO to notify our Office when a FWO examination notice is issued by the Administrative Appeals Tribunal (AAT) and to provide a report following an examination of a person under a FWO notice. In June 2018 we received three notifications from the FWO that a notice had been issued. These three reviews will be conducted in 2018–19.

Stakeholder engagement

During 2017–18, we participated in, and presented at, various forums and workshops held by the law enforcement community.

We provided advice on best practice in achieving compliance with relevant legislation and working productively with our Office at the following forums:

- the Australian Public Sector Anti-Corruption Conference 2017
- the Police Technology Forum 2018
- meetings and workshops with specific agencies, including the Australian Federal Police, the Queensland Crime and Corruption Commission and the Australian Criminal Intelligence Commission.

Overall we are satisfied that law enforcement entities which we inspect take their responsibilities to observe the relevant laws governing covert and intrusive activities very seriously.

However our inspections continue to identify administrative deficiencies from time to time. We will remain alert to, and report on, these matters as appropriate and continue to work with the relevant agencies to ensure compliance.

CASE STUDY

In April 2017 the AFP voluntarily advised our Office that a breach of the *Telecommunications (Interception and Access) Act 1979* (TIA Act) had occurred within the AFP.

The breach involved access to a journalist's metadata for the purpose of identifying the journalist's source without a warrant.

Metadata is information about a communication which does not include its content. For example, in a phone call, metadata may include the phone numbers of the two parties to the conversation, the duration, date and time of the call but not what was said.

Journalist Information Warrant provisions were introduced into the TIA Act as a higher threshold for instances where metadata is being sought in relation to a journalist for the purpose of identifying that journalist's source. This was a way to balance the public interest in protecting journalists' sources while ensuring agencies have the investigative tools necessary to protect the community.

After our Office was notified of the breach, we conducted an inspection at the AFP focusing on how the breach occurred and to assist the AFP to mitigate the risk of future breaches.

As a result, we made a recommendation that the AFP immediately review its approach to metadata awareness raising and training, to ensure that all staff involved

in exercising metadata powers have a thorough understanding of the legislative framework and their responsibilities under Chapter 4 of the TIA Act.

We also made a number of suggestions to the AFP regarding how it can strengthen its existing controls to prevent another breach of a similar nature.

In response to our recommendation, the AFP advised that it is finalising an online mandatory training package that all AFP authorised officers will need to undertake annually to maintain their authorised officer status.

The AFP also advised that it has already implemented some of our suggestions and will turn its attention to implementing all of them.

For all future AFP metadata inspections, we will monitor the AFP's implementation of our recommendation, particularly in relation to how it ensures that all authorised officers have completed the training. We will also monitor how the recommendation is applied to all staff involved in the exercise of metadata powers, not just authorised officers.

Our final report was published in October 2017 and can be found on our website.²⁵

²⁵ http://www.ombudsman.gov.au/__data/assets/pdf_file/0021/78123/Commonwealth-Ombudsman-AFP-JIW-report-PDF-FOR-WEBSITE.pdf

Defence Force Ombudsman

The Commonwealth Ombudsman is also the Defence Force Ombudsman. As part of this role, the Office has two primary functions. The first is to receive and investigate complaints from serving and former members of the Australian Defence Force (Defence) about administrative matters related to their Defence service. Complaints can be made against any Defence agency, which include:

- Australian Defence Force or one of the three Services (Navy, Army and Air Force)
- Department of Defence
- Department of Veterans' Affairs (DVA)
- Defence Housing Australia (DHA)
- Inspector-General of the Australian Defence Force (IGADF).

The second function is to receive reports of serious abuse from serving and former members of Defence who, for whatever reason, feel unable to report through internal Defence complaint mechanisms.²⁶

We continue to offer reportees, whose report of serious abuse has been accepted, a range of support options, including participation in a Restorative Engagement conference or facilitating a referral to counselling services.

Since 15 December 2017, following the Australian Government's announcement of its reparation payment framework for the most serious forms of abuse and matters which include unlawful interference involving an element of indecency, we can recommend to Defence, in some circumstances, that a reparation payment be made.

²⁶ This function commenced on 1 December 2016.

Administrative complaints

Complaints

In 2017–18, we received 653 complaints about administrative matters, compared to 635 in 2016–17. The main issues of complaints were:

- decisions relating to discharge of a member
- career advancement
- DVA entitlements
- offsetting of DVA payments
- DVA service delivery
- access to healthcare.

We also work closely and collaboratively with Defence agencies on emerging and systemic issues which we identified through complaint trends. The main areas of focus for 2017–18 were:

- offsetting of DVA entitlements
- the effect of Commonwealth Superannuation Corporation (CSC) payments on DVA benefits
- cadet jurisdiction
- Defence Housing jurisdiction
- working with vulnerable veterans
- transition services for Defence members who are discharging from service.

A priority focus for the year was the publication of a report following a major investigation into the actions and decisions of DVA in relation to a particular individual (Mr A). The report was published on our website in July 2018.²⁷

²⁷ http://www.ombudsman.gov.au/__data/assets/pdf_file/0022/86305/Investigation-into-the-Actions-and-Decisions-of-DVA-in-Relation-to-Mr-A.pdf

Issues monitoring

Working with advocacy and community organisations

To enhance our understanding of the experience of veterans and members in engaging with DVA and other Defence agencies, we consulted with over 20 veteran, service and ex-service organisations during 2017–18. As a result of this consultation, we are better placed to understand the fundamental issues the wider Defence community is facing at the service delivery level. By understanding these issues it has enabled us to influence continual improvement in administration and complaint-handling processes within the Defence agencies.

We have begun, and will continue, to work with the Defence Community Organisation (DCO) through its Transition Seminars, to provide transitioning members with information about our complaints and reporting functions.

Stakeholder engagement

In October 2018, the Office attended the 9th International Conference of Ombuds Institutions for the Armed Forces, co-hosted by the Geneva Centre for the Democratic Control of Armed Forces and the United Kingdom Service Complaints Ombudsman for the Armed Forces in London. We accepted an invitation to share our experiences with respect to Defence abuse, and in particular our Restorative Engagement program, as part of the conference theme of how ombuds institutions can play a role to contribute to 'The Moral Compass of the Armed Forces'.

Submissions

We are often invited to provide submissions to parliamentary and other public inquiries, relating to our role overseeing Defence and Defence agencies. In 2017–18, we made one submission, in response to the Productivity Commission Inquiry on Compensation and Rehabilitation for Veterans.²⁸

²⁸ Submission by the Commonwealth Ombudsman, Productivity Commission Inquiry into Compensation and Rehabilitation for Veterans. http://www.ombudsman.gov.au/_data/assets/pdf_file/0027/88272/Ombudsman-Submission-to-Productivity-Commission-A1628586.pdf

Reports of abuse in Defence

Our abuse reporting function is based around trauma-informed principles that establish safety and trust. Dedicated Liaison Officers provide support to reportees, enabling them to report their experiences of abuse and participate in processes that may be able to address the harm they have suffered.

"I would like to express my thanks... for handling my case in a sensitive and timely manner and thus facilitating a successful outcome for me. In particular, I am also very appreciative of all the assistance that you have extended to me over the time that you have been handling my case...I think that the Commonwealth Ombudsman's motto 'Influencing systemic improvement in public administration' is a very worthy description of what has occurred in processing my report of serious abuse." [Reportee]

After receiving a report, we assess it against the *Ombudsman Regulations 2017* to determine if it can be accepted as a report of serious abuse in Defence.

In 2017–18, we received 457 reports of serious abuse within Defence, with 368 received since the Government's announcement of its reparation payment framework on 15 December 2017.

"...I would like to take this opportunity to sincerely thank you for the professional manner in which you handled my matter and the empathy and kindness you displayed throughout the entire process." [Reportee]

"...All I ever wanted was for my case to be accepted, treated fairly and with dignity. I believe this has been accomplished. I would like to thank you all for your assistance, as you have made this process so much easier for me. It is such a positive step that I can finally put the past under lock and key and move on with my life."
[Reportee]

In 2017–18, we completed the assessment process on 230 reports, with 151 reports accepted, whether wholly or in part, noting that some reports contain multiple incidents of abuse. The remaining 79 reports were assessed as out of jurisdiction and not accepted.

A report of abuse can be accepted where our Office is satisfied that:

- the report constitutes serious abuse
- the report is reasonably likely to have occurred
- the reportee, at the time of the alleged abuse, was an employee of Defence
- the alleged abuser was an employee of Defence
- there is/was a connection between the alleged abuse and the reportee's employment in Defence.

Reasons why a report may be assessed as out of jurisdiction can include:

- the report was already dealt with by the Defence Abuse Response Taskforce (DART)
- the reportee, at the time of the alleged abuse, was not an employee of Defence
- the alleged abuser, at the time of the alleged abuse, was not an employee of Defence
- there was no connection between the conduct and Defence employment, or
- the Ombudsman's delegate is not satisfied that the conduct meets the required threshold of *serious abuse* that is *reasonably likely* to have occurred.

Given the nature of the subject matter, the Office has a strong focus on staff wellbeing. During 2017–18, our Office took a proactive approach to ensure relevant staff members had access to the resources and support they needed to maintain good mental health and wellbeing and be able to support reportees. Similar arrangements will continue into 2018–19 for staff in identified high-risk roles.

Available responses to accepted reports

Restorative Engagement

Participation in the Restorative Engagement program provides an opportunity for reportees to participate in a meeting that allows their personal account of abuse to be heard and acknowledged by Defence. A secondary objective of the program is to enable a broader level of insight into the impact of abuse and its implications for Defence. This insight is critical to building cultural change strategies in Defence.

"I felt it was very cleansing... The apology from Defence was particularly moving and appreciated." [Reportee]

In 2017–18, we held 37 Restorative Engagement conferences throughout Australia. Any reportee whose report has been accepted can request a conference.

"Understanding the very personal and profound impact the abuse has had on victims over the following decades. This understanding has been particularly useful to me as a commanding officer..."
[Defence representative]

"I felt like the conference went well and that the reportee conveyed the issues and treatment they received and the after-effects on their life in an incredible way. Again, I was humbled by the experience of being able to sit and listen to this story. I can only hope that in some small way, through an apology, the reportee can move on in their life and believe that what happened was not their fault..." [Defence representative]

All participants receive feedback surveys and these are an important component in monitoring the benefits of participation in the program. A majority of program participants have returned feedback surveys—88 per cent of reportees and 77 per cent of Defence representatives have provided feedback through the survey.

Feedback surveys are designed to measure whether reportees felt:

- they were involved in, and consulted about decisions related to their participation
- they were able to say what they wanted to, in a way that was safe for them
- that their story was heard and believed by the Defence representative
- that the Defence representative acknowledged the personal impacts of the abuse and expressed regret for this through apology and being accountable to the reportee for the ongoing impacts of the abuse.

"I personally found the conference was conducted in a respectful manner by myself, the Defence representative and the facilitator. I feel the venue was excellent and provided a safe place to talk about hard and difficult issues. The conference gave me a once in a lifetime opportunity to communicate my experience in the Australian Defence Force..." [Reportee]

To date, the feedback received from all reportees has been positive, with an overwhelming number reporting they felt well prepared, supported and safe during the conference process. In their feedback, many reportees (more than 90 per cent) felt they were able to say what they wanted to say and that the Defence representative believed their story and acknowledged that what happened to them was wrong.

"Overall I feel that the conference went very well and truly exceeded my expectations. To have my story heard and sincerely received was a very humbling and profound experience. The Commonwealth Ombudsman's Office and in particular [the liaison officers] went to great lengths to ensure my wellbeing during their facilitation of this process, and for that, I am truly grateful..." [Reportee]

Defence representative responses indicated that they felt well prepared and that the conference built an understanding of workplace abuse and its impacts (more than 95 per cent). All Defence representatives who responded to the survey provided expressions of regret, sorrow and apology, and felt they were accountable for what should have happened and what will happen in the future.

Counselling

Another response to accepted reports is our ability to facilitate referral to counselling services. In 2017–18, we facilitated 28 referrals to counselling with the Veterans and Veterans Families Counselling Service (VVCS).

Reparation payments

On 15 December 2017, the Australian Government determined that for the most serious forms of abuse and/or sexual assault, the Ombudsman may recommend Defence make a reparation payment. There are two possible payments which we may recommend:

- a payment of up to \$45,000 to acknowledge the most serious forms of abuse
- a payment of up to \$20,000 to acknowledge other abuse involving unlawful interference, accompanied by some element of indecency.

If our Office recommends one of these payments, an additional payment of \$5,000 may also be recommended where we are satisfied that Defence did not respond appropriately to the report of abuse.

As reparation payments are limited, as set out above, not all reports of abuse will meet the parameters set out in the framework.

Since the announcement of this reparation framework, we have sent 66 reparation payment recommendations to Defence. To 30 June 2018, Defence considered and accepted in full 51 recommendations, and none have been declined.

All reportees who have a report of abuse that has been assessed to be within jurisdiction can request a referral to the Restorative Engagement program or a facilitated referral to counselling with VVCS regardless of whether or not a reparation payment is recommended.

Public Interest Disclosure Scheme

The Office oversees the operation of the Public Interest Disclosure (PID) Scheme (the scheme), established under the *Public Interest Disclosure Act 2013* (PID Act).

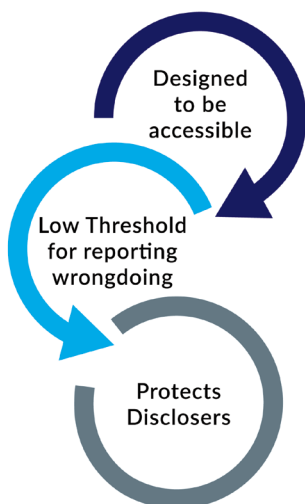
The scheme forms part of the Commonwealth anti-corruption ('whistleblower') framework. It allows for the investigation of wrongdoing in the Commonwealth public sector and protects public officials who make disclosures.

The Office has three primary functions under the scheme:

- allocation of disclosures and investigation of complaints
- delivery of education and awareness programs
- annual reporting on the scheme's operation.

The Inspector-General of Intelligence and Security (IGIS) has oversight of the six intelligence agencies subject to the scheme²⁹ and has the same allocation, investigative and education functions.

Key elements of the scheme



The scheme is designed to be accessible. The low threshold for making a disclosure is intended to encourage officials to come forward and report wrongdoing.

To receive protections, a disclosure must:

- be made by a current or former public official
- be made to an authorised recipient
- involve 'disclosable conduct'.

'Public official' is broadly defined and includes contracted service providers and subcontractors. Similarly, 'disclosable conduct' captures a broad range of conduct, such as the breach of a law or of the Australian Public Service (APS) Code of Conduct. These broad definitions mean the scheme attracts reports of wrongdoing across a wide cross section of agencies and activities.

Agencies must investigate a PID unless certain circumstances apply, such as the matter having previously been dealt with through another process. At the conclusion of an investigation, agencies must provide disclosers with an investigation report that explains the findings of the investigation, and any actions taken or recommendations made. Disclosers can make a complaint to the Office or IGIS if they are dissatisfied with an agency's handling of their PID.

²⁹ Australian Security Intelligence Organisation, Australian Secret Intelligence Service, Australian Signals Directorate, Australian Geospatial-Intelligence Organisation, Defence Intelligence Organisation and Office of National Assessments

Disclosures at a glance

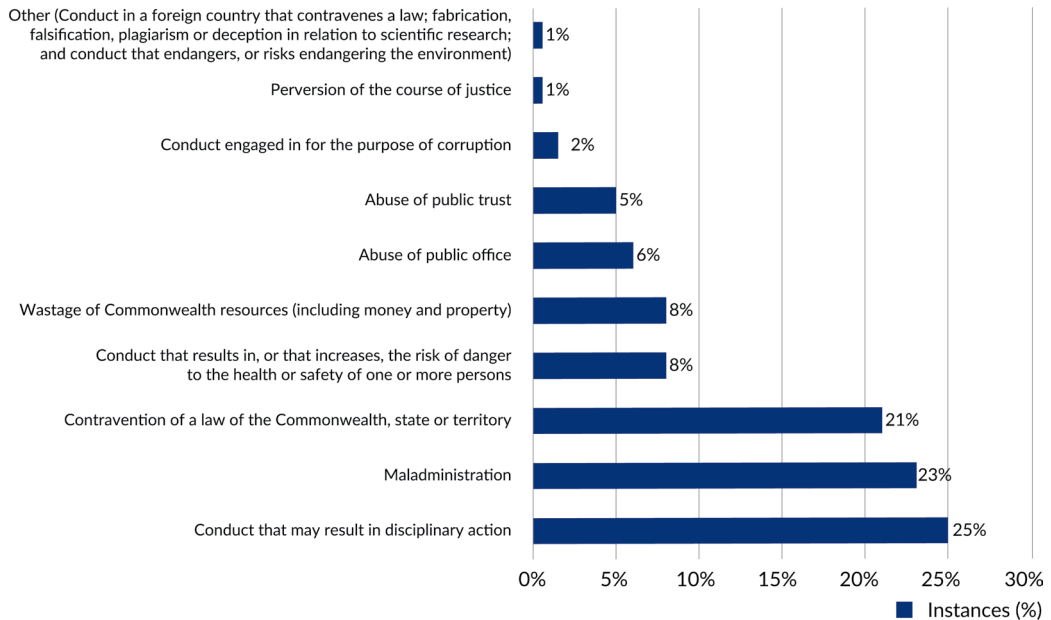
2017–18 saw an increase in disclosures, consistent with previous years, from 684 to 737.

A single allegation, such as fraud or bullying, may generate multiple types of disclosable conduct. Of the 737 disclosures this year, 894 possible instances of disclosable conduct were identified.³⁰ As with previous years, the most identified types of disclosable conduct are broad-based, such as breach of a law or maladministration, which can capture a large range of actions.

Figure 8 – 2017–18 Disclosures at a glance



Figure 9 – 2017–18 Allegations of disclosable conduct



³⁰ This refers to allegations of disclosable conduct prior to an investigation being undertaken.

This year, 354 PIDs did not meet the PID threshold and were not allocated for investigation. As with previous years, a substantial number of these disclosures were reported by Australia Post. Australia Post has strong processes in place for publicising the scheme on its public-facing website, which results in a higher proportion of members of the public, who are not public officials, seeking to access the scheme. Two hundred disclosures to Australia Post did not meet the PID threshold as the discloser was not a public official.

Agencies may also decline to investigate a disclosure, or decline to further investigate, for a range of reasons. This year, agencies declined to investigate 147 disclosures, most commonly because the disclosure did not concern serious disclosable conduct or because it had already been investigated.

Disclosure outcomes

The scheme continues to generate outcomes which improve the integrity and accountability

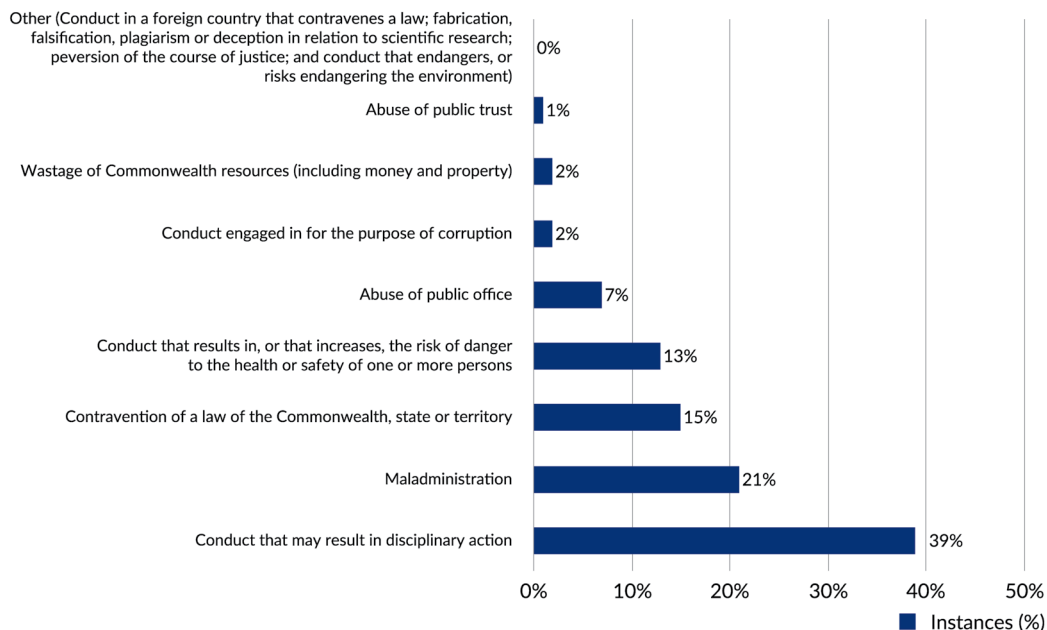
of Commonwealth agencies. A total of 313 PID investigations were finalised this year. Of these, 81 investigations resulted in one or more findings of disclosable conduct and 207 recommendations were generated.

Agencies reported a range of outcomes and actions following investigation, including:

- improved safeguards for procurement processes
- improvements to recruitment documentation and review practices
- direction for performance improvement issued to a contracted service provider
- formal warning and disciplinary action following inappropriate conduct
- counselling and transfer following allegations of bullying and abusive behavior.

Agencies advised that on four occasions they notified the police of disclosures on the basis that there were reasonable grounds to suspect that a disclosure was evidence of an offence.

Figure 10 – 2017–18 Findings of disclosable conduct



CASE STUDY

A discloser alleged that an agency had engaged in maladministration on the basis of discrepancies in the information provided by the agency to the Australian Taxation Office. The discloser did not consent to their name and contact details being provided to the agency's Principal Officer and the disclosure was allocated anonymously, with redactions to the discloser's documentation.

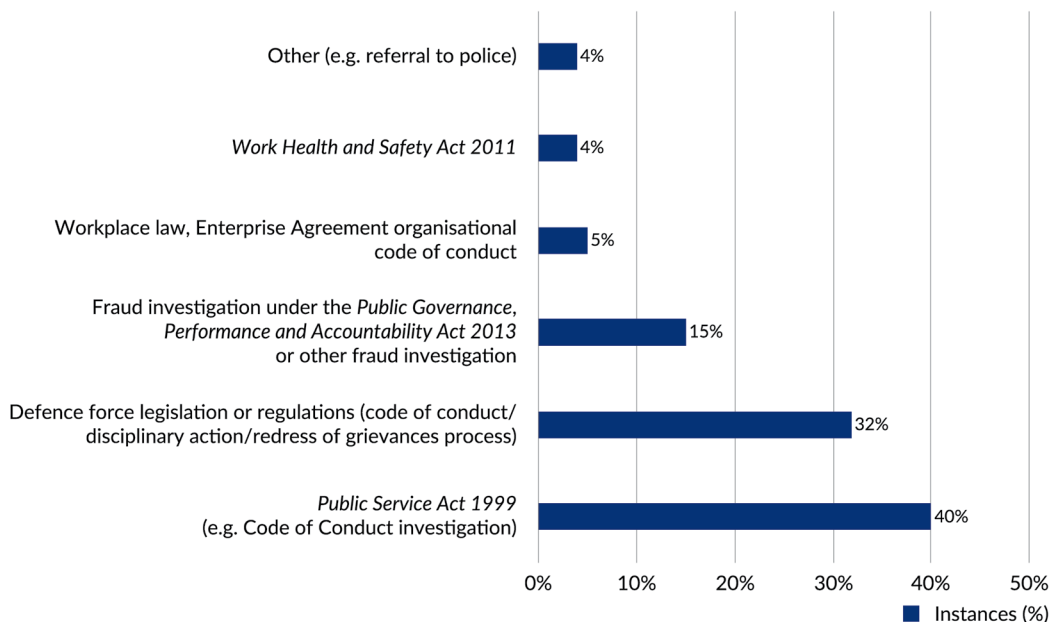
Initially, the agency believed it could not investigate the alleged discrepancies without knowing the identity of the discloser. However, the agency subsequently decided to conduct a full audit of their processes for the relevant period of time to identify any discrepancies and ensure it had followed correct procedures.

The scheme also enables agencies to recommend investigation under another law. Common areas for referral include the *Public Service Act 1999* (for investigation of Code of Conduct matters), Defence Force legislation, *Public Governance Performance and Accountability Act 2013* (for fraud matters) and Workplace Health and Safety legislation. This year, 81 recommendations

for referral were made, reflecting the types of matters the scheme attracts.

For full details of the number of public interest disclosures received, the kinds of disclosable conduct, the number of disclosure investigations and the actions taken in response to recommendations, see Appendix 8.

Figure 11 – 2017–18 Referrals to other investigative mechanisms



Access and training

As the number of disclosures increase from year to year, awareness of the scheme is expanding and agencies are becoming more confident handling and responding to disclosures. However, there are some areas of lower take-up where barriers to access, or lack of education and awareness, may be a factor.

Who is using the scheme?

The majority of disclosures were made by current or former public officials, consistent with previous years, with this cohort amounting to 84 per cent of all disclosures. The number of deemed public officials accessing the scheme remains fairly constant at 12 per cent.³¹ The number of disclosures by contracted service providers appears relatively low at 4 per cent.

The number of contracted service providers subject to the scheme is difficult to accurately assess. The scheme extends to both employees and subcontractors of contracted service providers, and in practice the number of public officials captured by contracted service providers may be comparable to or greater than employee figures. Accordingly, it is reasonable to conclude that contracted service providers are under-represented in the overall numbers of disclosures.

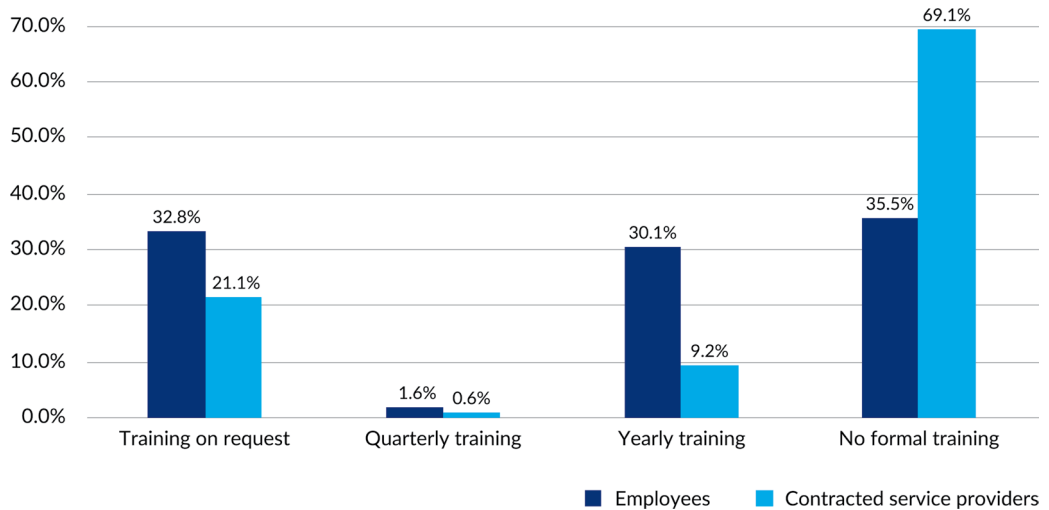
Training

Agencies reported providing a variety of PID-related information and training to employees. The mix of PID training and education varies from agency to agency, and includes mandatory induction programs, intranet or employee handbook materials, all staff communications, or a component of an agency’s fraud awareness training. Around a third of agencies provide formal PID training on a yearly basis, with 68 per cent of agencies providing either no formal training or providing training only upon request.

Figure 12 – Who disclosures were made by



31 Agencies may deem a person to be a public official in certain circumstances. Agencies generally use this approach to investigate PIDs from non-public officials who may have special or inside information about wrongdoing in an agency.

Figure 13 – Comparison of training opportunities

Most agencies report providing no formal PID training to contracted service providers. Many agencies however report providing PID information to contracted service providers via other means, such as during the procurement and contracting process, via access to the agency's intranet, or through informal distribution of information. The Office will be exploring ways to encourage greater engagement by, and education of, contracted service providers in relation to the scheme over the next year.

Authorised officers

A public official may only make a disclosure to an authorised officer,³² to their supervisor or to the agency's principal officer. This year, as with previous years, the substantial majority of disclosures were made to authorised officers (88 per cent), with 5 per cent and 7 per cent of disclosures made to principal officers and supervisors respectively.

³² A person appointed by an agency's Principal Officer to receive disclosures. Principal Officers are required to ensure there are sufficient numbers of authorised officers to ensure they are readily accessible to public officials in their agency.

For the most part, agencies report having a reasonable number and distribution of authorised officers. The average number of authorised officers for all agencies is four, with the majority (55 per cent) being appointed in agencies' business or line areas.

Table 6 – Average number of authorised officers

Staff numbers	Average number of authorised officers
< 50	2
50–250	3
250–1,000	4
1,000–10,000	5
Over 10,000	12

It is notable, however, that some agencies have a relatively small number of authorised officers proportionate to their size. For example, one agency with over 10,000 staff reports a total of four authorised officers.

The substantive level of authorised officers across the scheme is relatively high. Just over 50 per cent of authorised officers are appointed at Senior Executive Level or equivalent and 40 per cent are at Executive Level. Agencies may have sound reasons for appointing senior staff to the authorised officer role in view of the complex and sensitive matters it attracts, however placing authorised officers in more senior roles may also create a barrier to access for less senior staff.

As part of our education activities this year, we will be encouraging agencies to ensure they have appropriate numbers of authorised officers appointed at varying levels and locations.

Timeliness

The PID Act imposes a 90 day timeframe on investigations, subject to possible extension from the Office or IGIS where there are reasonable grounds. If an investigation is not completed in time and an extension is not granted, the discloser may in certain circumstances seek redress by disclosing the information externally.

This year, over 65 per cent of investigations were completed within the 90 day timeframe.

The PID Act recognises that agencies may require more than 90 days to complete an investigation. This year, the Office received 125 requests for extension of time, of which 119 were granted. Agencies commonly sought additional time due to the complexity

of investigations and the requirement for additional time to interview witnesses.

In 2018, we published new guidance material to assist agencies and disclosers to understand the circumstances in which extensions may be granted. The policy encourages agencies to apply for an extension well before the 90 day timeframe is complete, and to keep disclosers informed of the progress. We anticipate this approach will reduce the number of declined applications and assist disclosers to understand the possible causes of delay.

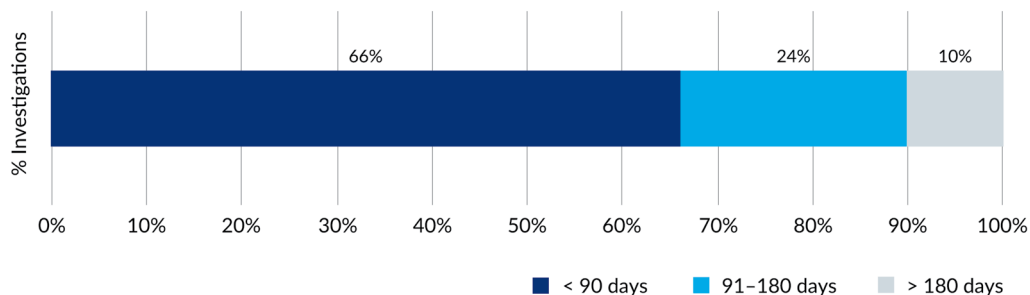
Reporting

Agencies can use internal reporting of public interest disclosures as a tool to identify and mitigate areas of risk.

Just over a quarter of agencies report on public interest disclosures as part of their internal reporting processes, with reporting varying from weekly to quarterly or 'as required'. Several agencies told us they do not complete any PID reporting on disclosures as they have not received any disclosures or because disclosure numbers are so few that they are always shared with the reporting audience.³³

However, as part of our broader education activities during 2018-19, we will be encouraging agencies to consider the benefits of monitoring and reporting on staff engagement with the scheme for early identification and mitigation of risks.

Figure 14 – Investigation timeframes



33 One hundred agencies reported receiving no public interest disclosures this financial year.

Reprisal

Disclosers who believe they have been subject to reprisal are encouraged to raise the issue with their agency. Agencies are expected to investigate claims of reprisal and, if appropriate, refer the matter to the police or other oversight agency. Disclosers may also contact the Office if they are dissatisfied with the agency's handling of their reprisal claim.

This year, Commonwealth agencies reported a total of 16 claims of reprisal.

Of these reprisal claims, agencies reported that, following investigation, three were substantiated and actions included referral for Code of Conduct investigation or to the police.

The Office also received 12 enquiries or complaints directly from disclosers raising concerns about reprisal, which included concerns about:

- the agency not keeping the disclosure confidential
- the agency's subsequent or concurrent handling of the discloser's Comcare claim
- the discloser being the subject of disciplinary action or receiving a conduct warning
- non-renewal of the discloser's employment
- termination of the discloser's employment.

When contacted about allegations of reprisal, we assist in educating disclosers about the options available to them under the scheme. In our experience, disclosers commonly elect to make a PID regarding the reprisal action, make a complaint to the Office or await the outcome of the agency's investigation report.

Complaints

The Office and IGIS can review agencies' handling of PIDs to assess whether their actions are reasonable and whether agencies are complying with the PID Act and their own PID procedures.

This year the Office received 44 complaints about agencies' handling of PIDs, an increase of 29 per cent from the previous year. The majority of complaints related to the process and outcome of disclosure investigations.

Of the 44 complaints about agencies' handling of disclosures, the Office investigated 17 matters. Some common complaint themes were:

- reasonableness of the outcome, including concerns over the investigation process, such as adequacy of enquiries made and perceived conflicts of interest or bias
- agencies declining to investigate, including disputes about conduct that was previously investigated
- agencies not accepting disclosures, including disputes about whether or not conduct is disclosable
- delays associated with the investigation, including failures to keep disclosers informed.

Table 7 – Claims of reprisal

Nature of reprisal/detrimental action					
43 %	21 %	14 %	8 %	7 %	7 %
Bullying and harassment	Employment disadvantage	Unreasonable management, performance managed	Other	Damage to or loss of property	Termination

CASE STUDY

A discloser complained that an agency failed to investigate one aspect of their disclosure, relating to false and misleading statements. Upon investigation, the agency informed our Office that the particular allegation did not meet the threshold of disclosable conduct and the agency had therefore not allocated it for investigation. The agency had not informed the discloser of this assessment.

Our investigation concluded that the agency should have informed the discloser of its decision not to allocate the allegation, even though it allocated the remainder of the issues for investigation. We suggested that in the future the agency provide the discloser with reasons for a decision not to allocate a disclosure, or an aspect of a disclosure, and that they inform the discloser of any other action available. The agency accepted our suggestions.

Ombudsman investigations

The PID Act enables disclosers to make a disclosure directly to the Office if they have reasonable grounds to believe the Office should investigate. Generally speaking, the agency to which the disclosure relates is best-placed to investigate a disclosure. However, the Office may consider investigating a matter directly if satisfied that the agency is unable to properly investigate or respond to the disclosure.

This year, the Office received 78 disclosures about other Commonwealth agencies, the majority of which were allocated to the relevant agency. We accepted allocation of six disclosures relating to other agencies for investigation. We also allocated four disclosures to the Australian Public

Service Commission as the disclosures fell within its jurisdiction under the *Public Service Act 1999*.

We completed 15 disclosure investigations this year, with a number of these having commenced in the previous reporting period. Of the investigations completed, none resulted in a finding of disclosable conduct, however the Office made comments and suggestions to agencies in five cases and referred one matter to the Australian Federal Police. Suggestions focused on quality of record-keeping, reminding staff of their statutory obligations when handling disclosures under the PID Act, providing agency staff with information about PID and ensuring extension requests are made within the time limits prescribed.

IGIS investigations

Throughout the year the IGIS provided assistance and advice to officials within the intelligence agencies. Our office assisted the IGIS, where needed, on the operation of the scheme and the performance of their functions under s 63 of the Act.

The IGIS received seven direct disclosures, all of which related to Australian intelligence agencies. Of these, one was allocated to an intelligence agency for investigation, with six remaining with the IGIS for investigation. Of these disclosures, the agency exercised discretion not to investigate, or investigate further under s 48 in one case. During the year, six investigations were completed under the *Inspector General of Intelligence and Security Act 1986* (IGIS Act).

The six security and intelligence agencies which form the Australian Intelligence Community³⁴ received seven PIDs. These agencies exercised discretion not to investigate, or not investigate further, in three cases and completed three investigations under s 51 of the PID Act.

³⁴ Australian Security Intelligence Organisation, Australian Secret Intelligence Service, Australian Signals Directorate, Australian Geospatial-Intelligence Organisation, Defence Intelligence Organisation and Office of National Assessments.

Education and awareness

Since the scheme's inception four years ago, uptake has increased and agencies' understanding of, and compliance with, the scheme has matured. This year our education focus has been to help agencies improve PID outcomes and discloser experiences with a view to reducing PID handling complaints and the need for subsequent disclosures. Drawing from the issues raised by disclosers in their complaints, we have emphasised the themes of trust, communication and action.

Discloser dissatisfaction with the PID process can sometimes arise as a result of a discloser not being properly informed of the nature of the investigation being undertaken, or not understanding the possible outcomes of a PID investigation, as opposed to other remedies which may be available. Accordingly, we encourage agencies to view PIDs as a tool within a broader range of complaint resolution and integrity mechanisms, and to ensure that public officials are properly informed about the full range of options available to them.

Figure 15 – The three core themes delivered at the Authorised Officers forums



We delivered authorised officer forums to 131 representatives from a large cross section of agencies. Focusing on these three core themes, agencies are encouraged to build trust with disclosers, and to ensure a clear understanding of the issues being investigated, through regular and responsive communication.

"...provided insight into complex issues/ concerns."

Feedback from attendees this year was very positive.

Throughout the year we also delivered tailored briefings to SES-level staff at agencies, promoting best practice in the handling of PIDs.

Our publication of guidance materials and our PID hotline assist agencies and disclosers to navigate the scheme and promote positive engagement across the Commonwealth.

"...an enabling platform that re-enforces the value of the scheme."

"...addressed challenges faced in the administration scheme."

“...benefits gained through shared experiences.”

This year, the Office responded to 289 telephone and email enquiries from agencies and disclosers, a nine per cent increase from last year, and we received 18,453 visits to our content pages on our website. We have also added to our online resources this year, publishing a new information sheet designed to assist public officials to understand their options and achieve a meaningful remedy when reporting wrongdoing, together with a set of frequently asked questions (FAQ) for requesting extensions. In the coming year, we will be examining ways to further improve the accessibility and relevance of the information on our website.

“...offered new initiatives (steps towards better outcomes).”

The Office is a research partner for the *Whistling While They Work 2* project led by Griffith University, which aims to improve managerial responses to whistleblowing in the private and public sectors. We also maintain a presence in the online PID community through the Whistling Wiki—an initiative which the Office jointly administers with the NSW and Queensland Ombudsman offices, and we actively engage with the Commonwealth’s broader integrity framework across the Commonwealth public sector.

International Program



In 2017–18, the Department of Foreign Affairs and Trade (DFAT) continued to fund the Office's delivery of an International Program in the Asia-Pacific region. The program supported regional ombudsmen and allied integrity bodies through the delivery of technical assistance, promoting best practice and enhancing regional cooperation.

The International Program delivered three programs in 2017–18 with our partners across the Asia-Pacific region:

- a partnership program with the Ombudsman Republik Indonesia
- a twinning program with the Ombudsman Commission of Papua New Guinea
- the Pacific Integrity Network with seven Pacific Island countries.

Indonesia

Our partnership program with the Ombudsman Republik Indonesia (ORI) continues to go from strength to strength, through the delivery of targeted activities supporting the sharing of best practice and knowledge across the two agencies. Through ongoing engagement, the two agencies have built a successful program that has produced tangible and long term outcomes.

The 2017–18 program delivered six activities, focusing on the priority areas of building staff capacity in complaint-handling, leading public sector reform on integrity matters and building relationships with Indonesian government agencies. Senior leaders attended industry conferences to build ORI's regional networks which included ORI's annual regional training event – training 107 staff members from 33 regions on managing unreasonable complainant conduct. Our Office also hosted 10 ORI staff members to undertake an intensive two week internship to explore best practice complaint-handling and investigation processes.

Papua New Guinea

In 2017-18, the twinning program with the Ombudsman Commission of Papua New Guinea (OCPNG) supported the delivery of 11 activities, including training, internships and technical support.

The program supported the OCPNG to develop effective complaint-handling capability within PNG's public sector agencies, including at a workshop held in June 2018. At the workshop, participants from Papua New Guinea Government agencies shared their complaint-handling initiatives and experience, and participated in a practical training session. These activities complemented best practice complaint-handling guidelines developed by an OCPNG officer during a placement with our Office in 2016-17.

In November 2017, the OCPNG Chief attended the Australian Public Sector Anti-Corruption Conference in Sydney and the OCPNG Ombudsman attended the Australasian and Pacific Ombudsman Region (APOR) Conference. These visits supported the OCPNG to share best practice approaches and engage closely with ombudsmen and integrity agencies in the Asia-Pacific region.

Four OCPNG staff representatives, together with ORI officers, also completed an Australian Ombudsman internship program, exchanging information on best practice complaint-handling and investigation processes.

Papua New Guinea Conflict of Interest Training in Port Moresby

During October and November 2017, the program supported Conflict of Interest Training for Port Moresby based OCPNG officers. A Public Law specialist facilitated a series of workshops, incorporating both theoretical and practical ways to deal with conflict of interest issues.

Over 80 staff members attended the workshops, including junior and management level officers across operational and corporate areas.

Participants were highly engaged and commented on the quality of the workshops and relevance to the Commission's work, which was the first of this kind to be delivered under the twinning program.



Conflict of interest training and technical support for OCPNG staff, delivered under the PNG Twinning Program in Port Moresby, November 2017.

Pacific Integrity Network

The Pacific Integrity Network (PIN) supports ombudsmen and allied integrity bodies across seven countries: Papua New Guinea, the Federated States of Micronesia, Republic of the Marshall Islands, Samoa, the Solomon Islands, Tonga and Vanuatu.

In 2017–18, the activities included training to enhance the leadership and management capacity of middle management staff, five flexible funding projects targeted at enhancing public awareness of integrity functions and professional development for staff.

In September 2017, the Office launched a shared web platform, pacificintegritynetwork.com, where integrity bodies can access resources, share technical material and participate in online practitioner forums.

In October 2017, in partnership with the United Nations, we delivered Advanced Investigations Training in Tonga for 40 practitioners from 23 Pacific integrity bodies. We also delivered Administrative Skills Investigation training to the Vanuatu Police and the Ombudsman of Vanuatu in June 2018. The training strengthened cooperation between the two agencies and helped build a consistent, best practice approach to administrative investigations.

On 30 June 2018 funding for the Pacific program ceased. During 2017–18 our Office supported a PIN working group to develop a transition strategy and succession plan to support ongoing collaboration between Pacific integrity agencies. The succession plan focused on networking, sharing best practice and improving technical capacity and cooperation.

Our Office will continue to participate in Pacific integrity agency regional networks. In place of the PIN program, the Office will have smaller scale bilateral partnership programs with the Solomon Islands and Samoa over 2018–19.

CASE STUDY

In March 2018, a group of 10 Ombudsman Republik Indonesia officers from nine different regions participated in a customised internship hosted by the Office to explore best practice complaint-handling and investigation processes. They undertook training in our Canberra and Melbourne offices and participated in tailored sessions with our staff. Their internship was complemented by two training sessions hosted by the New South Wales Ombudsman in Canberra and by the Victorian Ombudsman at its head office in Melbourne.

Over the two week period, the interns gained technical experience in effectively managing difficult and complex complaints and built upon their professional skills as investigation officers. The interns reported the presentations and workshops broadened their knowledge and helped them to think critically about their own business processes and where they can influence change.

Postal Industry Ombudsman

The Office investigates complaints about postal and similar services provided by Australia Post and Private Postal Operators (PPOs) under the Postal Industry Ombudsman (PIO) Scheme. We also investigate complaints about administrative actions and decisions taken by Australia Post.

Australia Post is a mandatory member of the PIO Scheme, while PPOs may choose to voluntarily register. As at 30 June 2018, there were five voluntary members on the Private Postal Operator Register.

Complaints

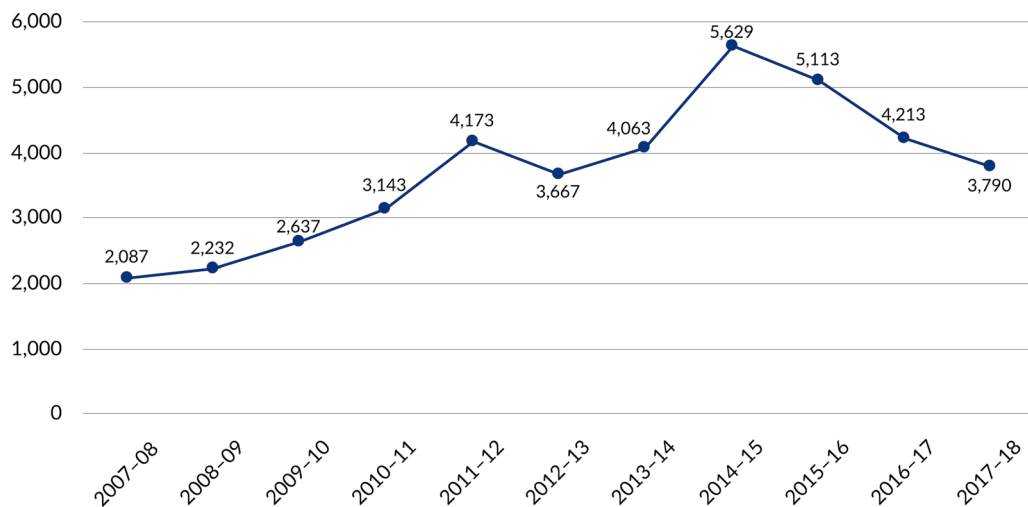
Our Office values the complaints we receive from the community about postal services and uses this feedback to promote best practice complaint-handling for postal operators.

In 2017–18, we received 3,790 complaints, representing a 10 per cent decrease from 2016–17 (4,213).

Table 8 – Complaints received and finalised 2017–18

Postal Operator	Complaints received	Complaints finalised ³⁵
Australia Post and StarTrack	3,772	3,990
Other Postal Operators	18	18
Total	3,790	4,008

Figure 16 – Postal Industry complaint numbers



35 Not all complaints are finalised in the same financial year in which they are received.

CASE STUDY

Daphne returned a painting to an interstate art gallery via Parcel Post. Daphne purchased Extra Cover and requested Signature on Delivery. The art gallery claimed not to have received the painting so Daphne had to pay the full cost of the lost painting.

Daphne complained to Australia Post, who advised Daphne that the delivery contractor reported the art gallery did not want parcels to be 'safe dropped', so Daphne's parcel was returned to the

depot. However, no collection card was left with the art gallery to notify them to collect the parcel.

Unsatisfied with this outcome, Daphne made a complaint to our Office. We contacted Australia Post who conducted an internal investigation and deemed that the parcel was not appropriately delivered. Australia Post apologised to Daphne and agreed to compensate her for the cost of the painting and postage.

The Office has continued to explore methods to improve our operational efficiency and effectiveness to deliver faster complaint resolution for consumers.

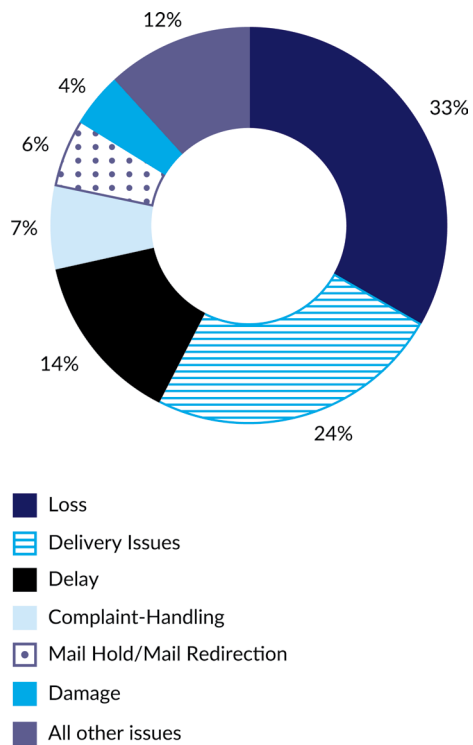
In 2017–18 we trialed a new process for referring complaints to Australia Post that we assessed Australia Post should be able to resolve quickly with a customer. Australia Post would advise us of the outcome and then we would consider if further investigation of the complaint was required.

We referred 10 per cent of complaints via this process, which proved effective in providing a timely resolution of a postal dispute with a consumer. This process also reduced the number of detailed investigations required by the Office.

Complaint issues

In 2017–18 complaints about loss, delivery issues and delay continued to generate significant numbers of complaints to our Office, with the main focus on particular delivery processes like carding.

Figure 17 – PIO complaint issues in 2017–18



Outcomes

Some key outcomes from investigations in 2017–18 were:

- the faster resolution of complaints, with the average time taken to finalise investigations reducing by 10 per cent compared to last year
- the provision of better explanations by our Office and postal operators
- apologies to complainants by the postal operator
- the provision of financial remedies including compensation, refunds, goodwill payments and in-kind services
- feedback to postal operator staff.

Reports

In 2008 and 2010 we published three reports concerning delivery issues:

- use of notification cards (carding) (December 2008)³⁶
- determining levels of compensation for loss or damage of postal items (February 2010)³⁷
- ‘Safe Drop’ program—a review of the first year (March 2010).³⁸

These reports resulted in our Office making a total of 13 recommendations and observations to assist Australia Post in addressing customer dissatisfaction and complaints, and to improve customer service. Australia Post implemented some of the recommendations and provided a detailed response concerning those not implemented.

In June 2017, we commenced an own motion review into the abovementioned reports focusing on complaints about delivery, loss and damage, and compensation. The own motion report

36 http://www.ombudsman.gov.au/__data/assets/pdf_file/0013/26302/investigation_2008_14.pdf

37 http://www.ombudsman.gov.au/__data/assets/pdf_file/0026/29771/aust_post_determining_levels_of_compensation.pdf

38 http://www.ombudsman.gov.au/__data/assets/pdf_file/0025/29329/austpost-safe-drop_one-year-review.pdf

was published on 3 April 2018.³⁹ The report recognised that the postal environment has changed rapidly in the last decade and that Australia Post has embraced a number of technology solutions and implemented reforms to improve its performance. However, in the area of complaint-handling, it was our view that greater focus and attention were required on the part of Australia Post to improve its complaint-handling performance.

The report highlighted a number of areas Australia Post should focus on to improve the complaint experience, such as making it easier for customers to make a complaint and escalating complaints early on to appropriately trained staff to resolve complaints quickly.

The report made six recommendations to Australia Post on carding, Safe Drop, compensation and complaint-handling. Australia Post also committed to a number of actions and activities to address issues in the report.

We will monitor Australia Post’s implementation of the report recommendations during 2018–19.

Additional reporting under s 19X of the Ombudsman Act

The Office has a number of requirements that it is required to report on in its annual report under s 19X of the Act:

- There were no occasions where a complaint or part of a complaint was transferred from the Postal Industry Ombudsman to the Commonwealth Ombudsman under s 19N (3).
- The Office did conduct an investigation in 2017–18 under s 19S, which examined three previous reports the Office made in 2008 and 2010. This investigation was finalised with the publishing of a report on 3 April 2018 titled, ‘Review of Australia Post complaints about carding, Safe Drop and compensation’.

39 http://www.ombudsman.gov.au/__data/assets/pdf_file/0025/82618/20180220-Final-Report_For-publishing.pdf

Overseas Students Ombudsman

The Office investigates complaints from intending, current and former international students about problems with private education providers.

Complaints

In 2017–18, we received 999 complaints, which is similar to the number received in 2016–17 (981).

Of the completed investigations, 48 per cent were resolved in support of the provider and 29 per cent in support of the complainant.

In 23 per cent of cases our investigation outcome supported neither party because the case was otherwise finalised, for example the provider fixed the problem quickly before we needed to fully investigate or we decided after starting an investigation that the issue would be better dealt with by another complaint-handling body.

Not all complaints received are investigated. We finalised 675 complaints in 2017–18 without investigating (compared to 635 in 2016–17).

Figure 18 – Complaints received by year

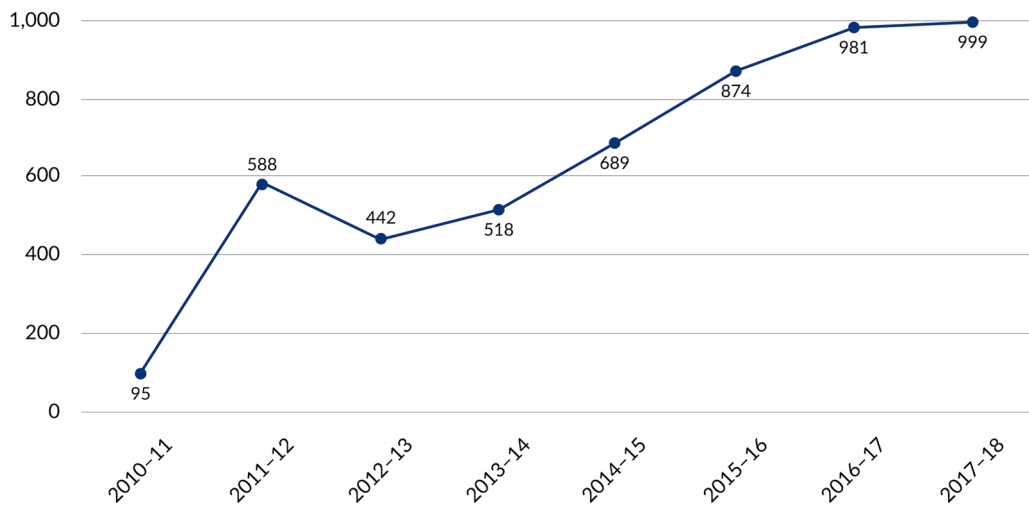


Table 9 – Complaints received and investigations commenced and finalised

Year	Complaints received	Investigations commenced	Investigations completed ⁴⁰
2017-18	999	305	298

⁴⁰ Some investigations commenced late in 2016–17 and were finalised in 2017–18.

Figure 19 – How complaint issues were finalised in 2017–18

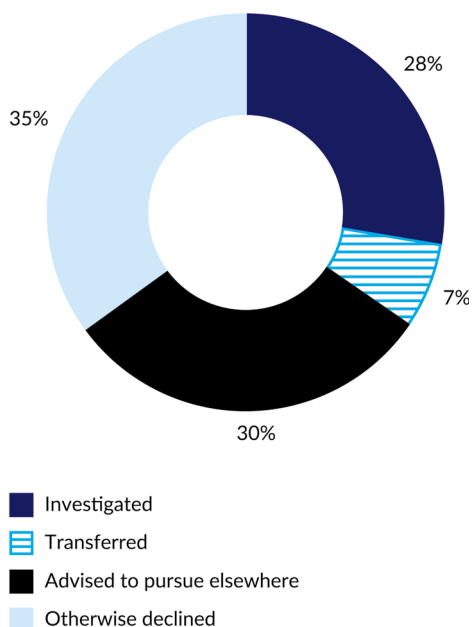


Table 10 – Complaints transferred to other complaint bodies

Complaint Body	Complaints transferred in 2017–18
Tuition Protection Service (TPS)	34
Australian Skills Quality Authority (ASQA)	28
Office of the Training Advocate, South Australia	13
Tertiary Education Quality and Standards Agency (TEQSA)	2
Other	2
Total	79

Complaint issues

The top five complaint issues represented 76 per cent of all issues raised in complaints received in 2017–18:

1. written agreements (fees and refunds)
2. monitoring attendance, progress and course duration
3. transfer between education providers
4. grades/assessment
5. provider complaints and appeals processes.

Reports

Reports to the regulators and use of s 9 powers

The Office may, under s 35A of the *Ombudsman Act 1976* (the Act), disclose information of concern about a provider’s actions to the relevant regulator. In 2017–18 the Office made 14 disclosures to the Australian Skills Quality Authority (ASQA). The disclosures concerned:

- provider failures to take action on outcomes of our investigations
- provider non-cooperation with investigations
- serious and/or repeated breaches of the Education Services for Overseas Students (ESOS) legislative framework.

We did not use our s 9 powers to obtain information or documents in 2017–18.

Reports on trends and systemic issues

Below is a list of submissions, issues papers and stakeholder materials produced by the Office during 2017–18:

- a submission to the Department of Education and Training (DET) review of English Language Intensive Courses for Overseas Students (ELICOS) National Standards, made in August 2017

- a submission to the Victorian Registration and Qualification Authority on updated guidelines for the enrolment of overseas students aged under 18 years, made in February 2018
- a submission to the Joint Standing Committee on Migration relating to the efficiency of regulation of migration agents, made in May 2018
- an issues paper on the framework for regulating the behaviour of education agents engaged in Australia's international education sector, published in June 2018
- four quarterly reports highlighting key issues, trends and outcomes
- three e-newsletters for private education providers, published in September and December 2017, and May 2018.
- Presentation to Study Canberra's international student ambassadors in February 2018, and a presentation at the Australian Federation of International Students information day in March 2018
- International Education Association of Australia, compliance and admissions workshop on 4 May 2018
- Presented at the Council for International Students Australia (CISA) national conferences in Canberra in July 2017 and in Cairns in June 2018.

Stakeholder engagement

Conferences and forums

Representatives from the Office presented at, or participated in, the following events:

- National Overseas Student Complaint-Handling Forum, hosted by the Commonwealth Ombudsman, in October 2017
- ISANA International Education Association Inc. professional development session in Sydney in November 2017
- Joint conference of ISANA International Education Association Inc. and the Australian and New Zealand Student Services Association in December 2017
- ISANA International Education Association Inc. knowledgebase workshops on the updated National Code for Providers of Education and Training in Melbourne in December 2017
- TPS provider information sessions in Sydney, Melbourne, Brisbane, Perth, Adelaide and Canberra in February and March 2018

Liaison activities

- The Office held regular liaison meetings with the regulators, ASQA and the Tertiary Education Quality Standards Agency (TEQSA), as well as the TPS, DET and the Department of Home Affairs to discuss issues relating to international education and overseas student complaints.
- Representatives from our Office participated in the Commonwealth, state and territory International Education and Training Forums (CSTIETF).
- Representatives from our Office organised and chaired regular conferences with a network of ombudsmen and similar overseas student complaint-handlers.
- In February 2018, representatives participated in a meeting with the Federation of Ethnic Community Councils Australia.
- Representatives from our Office participated in a meeting of International Education Stakeholders organised by DET in February 2018.

The Office also collaborated with VOIS Magazine, a student-run publication which produced a student video highlighting a problem about provider fees faced by one overseas student and his strategy for resolving the problem (including contacting our Office).

CASE STUDY

Celia commenced a Diploma of Business with a private education provider and was concurrently studying at Bachelor's level with a different education provider. She was not satisfied with the quality of teaching in the diploma course, claiming that the teacher did not give any lectures and encouraged students not to attend class. She stopped attending classes after one semester and did not pay further fees.

The private education provider continued to bill Celia for fees relating to the remaining semesters of the diploma course and later cancelled the student's Confirmation of Enrolment (CoE) for non-payment. During this period the provider did not send her any notification regarding her attendance or course progress.

The provider engaged a debt collector who billed Celia over \$6,000 in fees, which she paid. The provider later billed Celia for an additional amount, which was when she made a complaint to our Office.

We investigated the complaint over course fees owed. The issues around course quality were transferred to the regulator, ASQA.

Our investigation found that the provider had not entered into a valid written agreement with Celia. Therefore, after examining the provisions relating to student default in the *Education Services for Overseas Students Act 2000*, the Office recommended that the provider repay her around 75 per cent of the amount paid, within 28 days.

The provider did not repay the amount within this timeframe. As a result we advised the provider that we would disclose the matter to the appropriate regulator ASQA, as this constitutes a breach of the National Code of Practice for Providers of Education and Training to Overseas Students.

The provider then refunded Celia and ceased pursuing for additional course fees.

VET Student Loans Ombudsman

Our Office investigates disputes between students and their Vocational Education and Training (VET) loan scheme providers under the VET Student Loans Ombudsman function.

We also deliver best practice complaint-handling advice and training to VET loan scheme providers to help improve their ability to manage complaints, which results in better outcomes for students and providers.

If required, we have powers to compel VET loan scheme providers to attend meetings, and we can make recommendations to other Australian Government agencies in relation to systemic issues about provider practices uncovered through our investigations.

Complaints

In 2017–18, we received 6,397 complaints from students disputing their debts or other issues with their VET loan scheme provider.

In the fourth quarter of 2017–18, we observed an earlier than anticipated increase in complaints. We received on average 135 complaints per week during 2017–18, however, in the last three weeks of the year this increased to 209. We believe this is due in part to complainants receiving correspondence from the Australian Taxation Office (ATO) about their obligation to make student loan repayments.

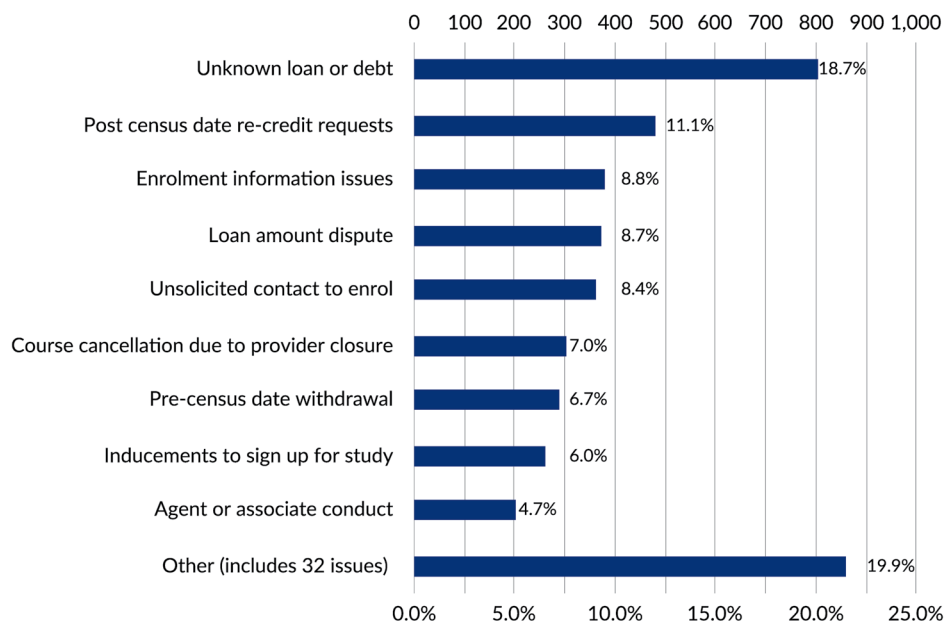
Complaint issues

In 2017–18 we closed 3,049 complaints, of these the top issues raised by students included:

- Unknown debt or enrolment—complaints about VET FEE-HELP where the complainant does not recall signing up for a course or was not aware there was a student loan associated with the course.
- Post census re-credit requests—complaints about withdrawal after the census date, where a student has enquired about or applied for a re-credit of their VET FEE-HELP, including in special circumstances.⁴¹
- Enrolment information issues—complaints about inaccurate, incomplete or unclear information a provider or broker gave a prospective student about eligibility for VET FEE-HELP or VET Student Loans, fees for the course or the amount of the loan prior to enrolment.
- Loan amount dispute—complaints about the provider's calculation of the loan amount or advice from the provider relating to the loan amount.
- Unsolicited contact to enrol—complaints about cold-calling, approaching a person in a shopping centre or public space and other similar approaches.
- Course cancellation due to provider closure—complaints about course cancellation due to the provider closing.
- Pre-census date withdrawal—complaints about the provider's handling of a pre-census date withdrawal request.
- Inducements to sign up for study—complaints about providers or brokers offering a prospective student something of value such as a laptop, tablet or money in exchange for enrolling in a course and taking out a loan.
- Agent or associate conduct—complaints about a broker or agent and their conduct when enrolling the student in a course.

⁴¹ The census date is the last day a student can withdraw from a course without incurring a cost.

Figure 20 – VET Student Loans and VET FEE-HELP closed complaints and top issues for 2017–18



Investigations

Due to the high number of complaints received in the first half of 2017–18 we focused on the initial screening and preliminary assessment of complaints. Where possible we referred complainants to their provider or another oversight body in the first instance, to secure a timely and positive outcome. This included referring complainants to their provider or another oversight body. This triaging of complaints allowed us to resolve those complaints that had an immediate available remedy ahead of those that required in-depth assessment or investigation.

In the second half of 2017–18, we received fewer complaints than we received in quarters one and two. As such, we moved to in-depth assessments of complaints allowing us to commence and finalise more investigations.

In 2017–18, we commenced 186 investigations and finalised 40 investigations that included 70 issues. Complaints can include multiple issues therefore there are more issues (70) than total complaints closed following investigation (40). The outcome of the issues for our finalised complaints were:

- No remedy required (29)—the investigation did not result in a re-credit or other remedy for the complainant. Typically, in these cases, the Office was satisfied with the provider’s explanation of its actions and decided not to investigate further.
- Debt waived or reduced (24)—a provider actioned a full or partial re-credit of a loan debt as a result of our investigation.
- Other non-financial remedy (6)—there was no re-credit made as a result of our investigation, but another remedy was offered by the provider such as extending a student’s study period without charge, issuing a student’s completion certificate, or issuing a decision letter to a student.

- Provider undertook to reconsider the matter (6)—due to our investigation, the provider agreed to reconsider their decision and/or action. For example, the provider agreed to conduct a fresh review of the complaint.
- Action expedited (1)—as a result of our investigation, the provider expedited an action, such as a loan debt re-credit.
- Remedy provided by the agency without our Office intervening (1)—the provider had already given an appropriate remedy to the complainant, outside of our investigation.
- Better explanation by agency (3)—the provider gave our Office a better explanation about the decision it made and our Office was satisfied with the provider’s actions.

ATO deferments

We have an arrangement with the ATO where complainants’ compulsory student repayments can be deferred while we investigate their complaints if there is sufficient evidence of provider misconduct. The complainant is made aware that the deferment is temporary, the debt remains and indexation continues to accrue unless the debt is re-credited or otherwise cancelled.

As at 30 June 2018, we referred 1,844 complainants to the ATO for deferment of their loan repayments. In July 2018, we contacted all complainants that were eligible for a rollover of existing deferments for the new financial year and provided advice on how to do this.

Reports

We publish four quarterly updates for the VET Student Loans Ombudsman function, which provide detailed data and analysis of complaints and issues handled by our Office. These quarterly reports are available on our website.⁴²

⁴² <http://www.ombudsman.gov.au/about/vslo>

CASE STUDY

Tony engaged with a job search agency in 2014. The job search agency suggested that he should enrol in an online course to further his skills. Tony considered enrolling in a diploma level course, but decided not to. Instead, he signed up to an external job search website, where he uploaded his resume.

Later on, Tony received a call from a person who he believed was from his job search agency, but was instead a broker for VET providers. The person spoke to him about enrolling in a diploma level qualification. Tony explained that he believed he wasn't suitable for the course, as he had left school before year 10 and didn't maintain good grades throughout his schooling. Tony was under the impression that if he did not enrol, he would be in breach of Centrelink requirements and would lose his welfare benefits.

A month after that phone call, Tony found a job and no longer required welfare payments, so he called the broker and told them he wanted to withdraw from the course.

In 2017, Tony discovered he had a loan debt for two diploma level courses with a provider. Tony unsuccessfully attempted to have the debt remitted through the provider's complaint-handling process before contacting our Office.

Following assessment of Tony's complaint, our Office requested further information from the provider, including a response to the issue of unsolicited contact and suitability for the course.

The provider responded by offering to re-enrol Tony into the same course, with additional support in the form of extensive language, literacy and numeracy training.

In response to the issue of suitability, the provider advised our Office that the life skills Tony had, and his former job in a trade, contributed to their assessment of his ability to complete the diploma level qualifications.

The provider also stated that when Tony signed up to the external job search website he ticked a box agreeing to receive information about training courses.

However, the provider's assessment of Tony's eligibility did not reflect that Tony did not hold a trade certificate and his particular circumstances meant he did not have relevant life skills. It also appeared that Tony did not meet the provider's requirements to be enrolled in either course and was therefore unsuitable.

As a result of our investigation, the provider agreed to remit both debts in full.

Stakeholder engagement

In 2017–18 we undertook engagement work with government agencies, community and legal bodies to increase awareness of the VET Student Loans Ombudsman function. The focus of this work was to establish and develop relationships with agencies that interact with people who have a VET student loan debt they wish to dispute and to assist complainants in approaching our Office.

Agencies and bodies we have worked with include the Department of Education and Training (DET), Department of Finance (DoF), the Australian Taxation Office (ATO), the Australian Competition and Consumer Commission (ACCC), the Australian Skills Quality Authority (ASQA), TAFE Directors Australia (TDA), the Australian Council for Private Education and Training (ACPET), the South Australian Training Advocate, the Queensland Training Ombudsman, Legal Aid and the Consumer Action Law Centre.

In 2017–18, we presented to or participated in:

- a Velg Training webinar about the VET Student Loans function in July 2017
- ACPET conference in Brisbane in August 2017
- Networked TAFE Conference hosted by TDA in Adelaide in September 2017
- 2017 National VET Conference hosted by Velg Training in Sydney in September.

Looking forward

We consider a provider is ‘unavailable’ when it has closed and there is no representative available to discuss individual complaint matters. In 2017–18 it was difficult to progress investigations of complaints that related to unavailable providers due to the lack of available information and evidence to support or contradict complaints. To overcome these issues, we have been working with government agencies and liquidators of closed providers to obtain student records to assist with our investigations. Through a procurement process late in 2017–18, we obtained access to over 400,000 records relating to the enrolments of students at a large unavailable provider. In 2018–19 we will use these records to assess and investigate complaints received about this provider and in our assessment of systemic issues.

In 2018–19, we will also be working with providers to deliver best practice complaint-handling training and providing advice by:

- meeting individually with providers
- participating in provider workshops
- providing information packs to providers about complaint-handling and informing students of our services.

Private Health Insurance Ombudsman

The Office investigates complaints about health insurance arrangements. Our role is to protect the interests of consumers in relation to private health insurance. Our Office is an independent body that acts to resolve disputes about private health insurance at all levels within the private health industry. We also report and provide advice to industry and government about these issues.

Complaints Overview

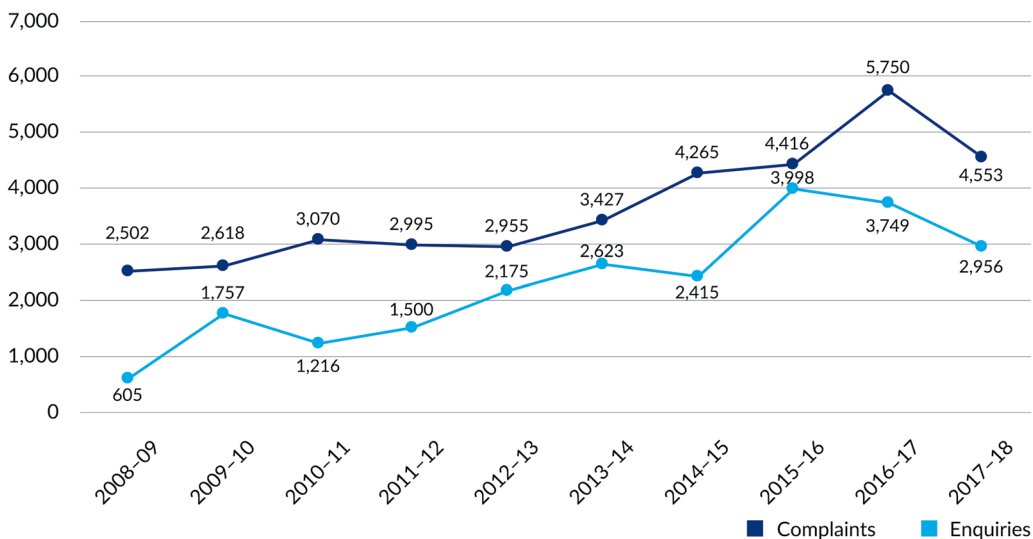
In 2017–18 complaints to our Office declined 21 per cent to 4,553 which was a significant reduction compared to 5,750 in 2016–17. The number of private health insurance complaints received has increased significantly over the last decade as shown in Figure 21. In 2016–17, we received 5,750 complaints, compared to 4,416 in the previous year – an increase of over 1,300 complaints. This was

the largest increase we have experienced over the past 10 years. Although complaints have moderated in 2017–18, there remains a steady increase in trend terms.

The level of overall satisfaction as reported by complainants to our Office was 81 per cent, compared to 84 per cent in 2016–17. The results show that 78 per cent of survey respondents were happy with the time taken to resolve their complaints, compared to 80 per cent in the previous year – our Office will prioritise the timeliness of complaint-handling in the year to come.

The number of consumer information enquiries received by the Office relating to private health insurance reduced by 21 per cent in 2017–18. We received 2,956 enquiries, of which 65 per cent were received through the consumer website privatehealth.gov.au.

Figure 21 – Total complaints and enquiries by year



Complaints about Private Health Insurers

The following table illustrates the number of complaints and disputes received about registered private health insurers and compares these to their market share. A high ratio of complaints or disputes compared to market share usually indicates either a less-than-adequate internal dispute resolution process, especially for complex issues, or an underlying systemic or policy issue.

Table 11 – Complaints or disputes about registered private health insurers

	Complaints	Percentage of Complaints	Disputes	Percentage of Disputes	Market Share
ACA	0	0.0%	0	0.0%	0.1%
Australian Unity	209	5.4%	28	5.9%	3.0%
BUPA	909	23.5%	145	30.8%	27.0%
CBHS Corporate Health	0	0.0%	0	0.0%	<0.1%
CBHS	54	1.4%	7	1.5%	1.5%
CDH (Cessnock)	1	0.0%	1	0.2%	<0.1%
CUA	29	0.7%	5	1.1%	0.6%
Defence	52	1.3%	6	1.3%	2.0%
Doctors	8	0.2%	3	0.6%	0.3%
Emergency Services Health	0	0.0%	0	0.0%	<0.1%
GMHBA	118	3.0%	12	2.5%	2.3%
Grand United Corporate	35	0.9%	4	0.8%	0.4%
HBF (incl. GMF/Healthguard)	271	7.0%	23	4.9%	8.0%
HCF (Hospitals Contribution Fund)	574	14.8%	75	15.9%	10.4%
HCI (Health Care Insurance)	8	0.2%	0	0.0%	0.1%
Health.com.au	40	1.0%	14	3.0%	0.6%
Health-Partners	13	0.3%	3	0.6%	0.6%
HIF (Health Insurance Fund of Australia)	32	0.8%	4	0.8%	0.9%
Latrobe	18	0.5%	0	0.0%	0.7%
Medibank (AHM)	945	24.4%	59	12.5%	26.9%

	Complaints	Percentage of Complaints	Disputes	Percentage of Disputes	Market Share
Mildura	2	0.1%	1	0.2%	0.2%
MyOwn	0	0.0%	0	0.0%	<0.2%
National Health Benefits (Onemedifund)	0	0.0%	0	0.0%	0.1%
Navy	5	0.1%	1	0.2%	0.3%
NIB	357	9.2%	51	10.8%	8.3%
Nurses and Midwives	3	0.1%	0	0.0%	<0.1%
Peoplecare	19	0.5%	2	0.4%	0.5%
Phoenix	11	0.3%	3	0.6%	0.1%
Police	5	0.1%	0	0.0%	0.3%
Queensland Country Health	3	0.1%	0	0.0%	0.4%
Railway and Transport	27	0.7%	5	1.1%	0.4%
Reserve	2	0.1%	0	0.0%	<0.1%
St Lukes	8	0.2%	0	0.0%	0.5%
Teachers Health	76	2.0%	15	3.2%	2.3%
Teachers Union	16	0.4%	2	0.4%	0.6%
Transport	15	0.4%	1	0.2%	0.1%
Westfund	9	0.2%	1	0.2%	0.7%
Total	3,874		471		

Complaint Issues

Benefits

Complaints: 1,641

Issues:

- hospital exclusions and restrictions
- general treatment (extras or ancillary benefits)
- delay in payment.

The main issue of concern was hospital policies with unexpected exclusions and restrictions. Some basic and budget levels of hospital cover exclude or restrict services that many consumers assume are routine treatments or standard items. Delays in benefit payments and complaints about insurer rules that limited benefits also represented a significant proportion of complaints received.

CASE STUDY

Mandeep was admitted to hospital via emergency after suffering abdominal pain. Tests confirmed he was suffering appendicitis and required immediate surgery.

He had chosen to go to a private hospital because he was covered for emergencies and appendectomies by his health insurer. During the admission process the hospital contacted his private health insurer to check his cover and confirmed he was eligible for the planned surgery.

During the surgery, the surgeon found that the issue was more complex than the tests had initially indicated. The surgeon had to remove part of Mandeep's bowel in order to treat his condition.

It is relatively common for procedures to be varied once surgery has commenced and this can present a problem if a person is only covered for a limited number of procedures—as it turned out Mandeep was. Two weeks later, his hospital claim was rejected by his health insurer. The reason cited by the insurer was that the hospital claim form showed that the surgery was not an appendectomy, but was a more complex procedure which was not covered by his policy. The claim needed to be for the specific Medicare item number the hospital had used to check his policy upon admission.

As the health insurer refused to pay, Mandeep received a bill of \$7,000. After receiving no satisfaction from complaining to his health insurer and the hospital, Mandeep contacted our Office for assistance.

Following an investigation, our Office's view was that it was reasonable for Mandeep and the hospital to rely on the result of the eligibility check which confirmed that he would be covered for the appendectomy. It was not his or the hospital's fault that the nature of the surgery changed when Mandeep was on the operating table, nor was there any further reasonable action that he or the hospital could have taken to prevent the situation from arising.

Rather, Mandeep's situation was a result of poor product design from the insurer, as the policy would cover an appendectomy but would not cover a very similar surgery, when the underlying condition for both surgeries was still appendicitis. Our Office's view in these type of cases is that health insurers should exercise flexibility, especially when the patient and the hospital have made all reasonable attempts prior to admission to check that the person will be covered.

As a result of our investigation, the insurer agreed to cover the cost of Mandeep's admission.

Membership

Complaints: 867

Issues:

- cancellation
- clearance certificates.

Membership complaints typically involved policy administration issues, such as processing cancellations or payment of premium arrears. Delays in the provision of clearance certificates when transferring between health insurers was also a major cause of complaint.

CASE STUDY

Tessa held both hospital and general treatment cover with insurer JKL. She decided to keep her general treatment policy with JKL, as she was satisfied with her dental and physiotherapy benefits, but to transfer her hospital insurance to insurer PQR.

Three months later, Tessa had a dental appointment so she contacted JKL to check the benefits under her general treatment policy. On calling the insurer, she was surprised to find her JKL general treatment policy had been cancelled at the same time as her hospital policy. Tessa had not received any arrears notices or cancellation letters from JKL nor had she been contacted by the insurer in the previous three months. The insurer would not assist her in reversing the cancellation so Tessa then contacted our Office for assistance.

We contacted JKL and asked why they had cancelled both Tessa's hospital and

general treatment policies. JKL stated they had received a cancellation request from PQR which did not specify whether the cancellation was for the hospital policy or both. Therefore JKL cancelled both policies and refunded the excess premiums to Tessa's bank account.

Following our referral, JKL restored Tessa's general treatment policy from the date it had been incorrectly cancelled. She was able to continue her cover and receive benefits for her upcoming dental appointment.

Our advice to insurers is they should take note to include specific instructions when sending cancellation requests to reduce the number of these kind of complaints. The insurer who is losing the customer also has the responsibility to provide confirmation of cancellation to the former member, so that if an error has been made it can be reversed as quickly as possible.

Service

Complaints: 675

Issues:

- service delays
- premium payment problems
- general service issues.

Service issues are usually not the sole reason for complaints. The combination of unsatisfactory customer service, untimely responses to simple issues and poor internal escalation processes can cause policy-holders to become more aggrieved and dissatisfied in their dealings with the insurer, until the service itself becomes a cause of complaint as well as the original issue.

CASE STUDY

Silvana paid her health insurance premiums by monthly direct debit from her bank account. In September, she noticed an additional debit of over \$200 with the name of her insurer on it. She made a complaint to her insurer within a few days of the debit and was told the insurer would investigate and call her back.

She was still waiting for a response from the insurer when there was again another debit of over \$200 the following month. She repeated the process of contacting the insurer and was again told the insurer would investigate and call her back.

After waiting another three weeks with no response from the insurer, Silvana contacted our Office for assistance.

Following our escalation of the matter with the health insurer, the insurer refunded both payments and the money was received by Silvana within one week.

This was a simple matter which could have been dealt with by the insurer directly, had the matter been escalated internally. However, the delays in processing the refund and the lack of response from the insurer to Silvana caused her to approach our Office to lodge a formal complaint.

Information

Complaints: 476

Issues:

- verbal advice
- lack of notification.

Information complaints usually arise because of disputes or misunderstandings about verbal or written information provided by an insurer. Generally, verbal advice is the cause for more complaints than any other sub-issue and these can be particularly complex if the insurer has not kept a clear record or call recording of its interaction with the member.

CASE STUDY

Shu Chen noticed unusual debits being taken from her bank account so she contacted her insurer for assistance. She went to a retail centre where she was told the direct debits would be put on hold while the insurer investigated the issue, and that she would not have to pay for the insurance while the investigation was being conducted. The retail centre staff member said it would take about ten days for the problem to be corrected.

Shu Chen contacted the insurer on several occasions to check the status of her policy and was told the investigation was ongoing.

Four months later, Shu Chen was advised by the insurer that the issue had been fixed. However, the insurer also advised that she was now four months in arrears and would need to make an immediate lump sum payment for her policy to continue. Shu Chen then contacted our Office for assistance.

On investigating the matter, we found that there had been no records of the initial discussion between Shu Chen and the

retail centre staff member. There was also no written, email or other notification made to Shu Chen about the arrears due on her membership throughout the period. Furthermore, when she called the insurer two months after the debits ceased, she was merely told the matter was ongoing—no advice was given that she was in arrears and needed to take action to resume payments to continue her policy or risk cancellation.

Our Office examined the records provided by the insurer and identified a number of interactions that had occurred, where it was likely a staff member would have noticed the arrears were increasing on Shu Chen's policy. However, at no point was this communicated to Shu Chen, nor did the insurer keep any record of the advice provided. On raising this issue with the insurer, they agreed to waive the four months of arrears due to the inadequate recordkeeping at the branch and the lack of notifications provided to Shu Chen over the investigation period.

Table 12 – Complaint issues

ISSUE Sub-issue	2015–16	2016–17	2017–18
BENEFIT	1,359	1,740	1,641
Accident and emergency	49	43	70
Accrued benefits	3	5	14
Ambulance	66	86	76
Amount	67	166	91
Delay in payment	142	237	136
Excess	56	68	65
Gap – Hospital	53	75	69
Gap – Medical	151	151	138
General treatment (extras/ancillary)	194	214	282
High cost drugs	13	12	7
Hospital exclusion/restriction	276	308	397
Insurer rule	131	152	120
Limit reached	14	18	25
New baby	6	22	17
Non-health insurance	9	9	9
Non-health insurance – overseas benefits	3	2	0
Non-recognised other practitioner	22	35	11
Non-recognised podiatry	15	14	8
Other compensation	14	15	18
Out of pocket not elsewhere covered	15	25	17
Out of time	15	18	22
Preferred provider schemes	32	54	37
Prostheses	11	8	8
Workers compensation	2	3	4
CONTRACT	28	43	43
Hospitals	18	23	22
Preferred provider schemes	8	17	20
Second tier default benefit	2	3	1

ISSUE Sub-issue	2015-16	2016-17	2017-18
COST	149	146	120
Dual charging	2	8	3
Rate increase	147	138	117
INCENTIVES	143	275	241
Lifetime Health Cover	121	222	206
Medicare Levy Surcharge	11	10	14
Rebate	9	41	18
Rebate tiers and surcharge changes	2	2	3
INFORMATION	599	599	476
Brochures and websites	34	55	48
Lack of notification	90	70	50
Oral advice	430	408	341
Radio and television	1	1	1
Standard Information Statement	6	9	4
Written advice	38	56	32
INFORMED FINANCIAL CONSENT	84	68	73
Doctors	35	25	15
Hospitals	36	36	54
Other	13	7	4
MEMBERSHIP	845	1159	867
Adult dependents	15	25	35
Arrears	106	114	67
Authority over membership	16	21	25
Cancellation	315	399	379
Clearance certificates	196	310	159
Continuity	114	190	101
Rate and benefit protection	32	17	10
Suspension	51	83	91

ISSUE Sub-issue	2015-16	2016-17	2017-18
OTHER	232	216	202
Access	3	2	0
Acute care certificates	2	7	15
Community rating	1	0	2
Complaint not elsewhere covered	54	73	63
Confidentiality and privacy	11	21	14
Demutualisation/sale of health insurers	1	1	1
Discrimination	4	0	2
Medibank sale	1	1	1
Non-English speaking background	0	0	0
Non-Medicare patient	2	9	5
Private patient election	6	9	5
Rule change	147	93	94
SERVICE	704	1,370	675
Customer service advice	106	137	113
General service issues	234	298	219
Premium payment problems	211	494	271
Service delays	153	441	72
WAITING PERIOD	363	380	475
Benefit limitation period	1	5	1
General	29	28	49
Obstetric	51	31	35
Other	14	23	23
Pre-existing conditions	268	293	367

Complaints about hospitals, health practitioners, brokers and others

Most complaints (82 per cent in 2017–18) are about health insurers. However, complaints can also be about providers including hospitals, health practitioners, health insurance brokers and other practitioners (such as dentists).

Table 13 – Number of complaints about insurers, hospitals, health practitioners and brokers

	2015–16	2016–17	2017–18
Health Insurers	3,849	5,057	3,874
Hospitals	47	48	57
Overseas Visitors Insurers	321	470	441
Doctors & Practitioners	58	30	25
Health Insurance Brokers	75	75	83
Other ⁴³	66	70	73
Total	4,416	5,750	4,553

Overseas Visitors Health Cover

Each year we help consumers with complaints about Overseas Visitors Health Cover (OVHC) and Overseas Student Health Cover (OSHC) policies for visitors to Australia. These complaints are counted separately from complaints made against domestic health insurance policies.

The most common issues for overseas visitors were complaints about the pre-existing condition waiting period (92 complaints), complaints about policy cancellation and refunds (90 complaints) and complaints about delays in receiving benefit payments (28 complaints).

Table 14 – Overseas Visitors Health Cover complaints

Insurer	2015–16	2016–17	2017–18
Allianz (Lysaght Peoplecare)	69	96	101
Australian Unity	12	20	17
BUPA	119	176	184
CBHS	0	1	0
GMHBA	0	3	4
GU Health	0	3	0
HBF	1	2	4
HCF	1	2	2
HIF	3	2	3
Medibank Private (AHM)	73	107	72
NIB	43	58	54
Total	321	470	441

⁴³ In a small number of complaints, the person makes a general complaint about the private health insurance system, without specifying their health insurer or health provider.

Complaint-handling procedures and categories

In 2017–18, 80 per cent of complaints were resolved as ‘Problems’. In most instances we refer a complaint directly to a nominated representative of the insurer or service provider, on behalf of the complainant. This approach ensures a quicker turnaround and our client satisfaction survey confirms that complainants have a high satisfaction rate with this method of resolution.

Approximately six per cent of complaints were classified as ‘Grievances’. These cases are dealt with by investigating the issues of grievance and providing additional information or a clearer explanation directly to the complainant, without the need for a report from the health insurer or health care provider.

Approximately 14 per cent of complaints were classified as ‘Disputes’ (a slight increase from

12 per cent in 2016–17). In these cases, we request a detailed report from a health insurer or other object of a complaint.⁴⁴ The report is then reviewed and a decision is made on whether the initial response was satisfactory or further investigation is warranted.

Complaint outcomes

We regularly carry out a postal survey of randomly selected private health insurance complainants. Each fortnight, we send survey forms to a sample of complainants whose cases have been closed during the previous period. In 2017–18 we received 139 responses (25 per cent)—a reasonable participation rate for a postal survey of this kind.

Overall, 81 per cent of clients who responded were satisfied or very satisfied with the handling of their complaint, compared to 84 per cent the previous year.

Table 15 – Client survey for private health insurance complaints

	2015–16	2016–17	2017–18
Overall satisfaction	85%	84%	81%
Agreed that staff listened adequately	93%	90%	88%
Satisfied with staff manner	90%	85%	84%
Resolved complaint or provided adequate explanation	81%	85%	83%
Thought the Office acted independently	86%	86%	83%
Would recommend our Office to others	86%	85%	80%
Happy with time taken to resolve complaint	79%	80%	78%

⁴⁴ Hospital, medical or other practitioner or health insurance broker.

Reports

During the year, we published Quarterly Bulletins, reporting on complaint statistics and key issues and trends.⁴⁵ The Bulletins included topics such as pre-existing condition complaints, ambulance bills, Lifetime Health Cover (LHC), the mental health treatment waiting period and OSHC.

The State of the Health Funds Report, relating to the financial year 2016–17, was published in March 2018.⁴⁶ Section 20D(c) of the *Ombudsman Act 1976* (the Act) requires that we publish the report after the end of each financial year to provide comparative information on the performance and service delivery of all health insurers during that financial year. The purpose of this report is to provide consumers with additional information to assist them to make decisions about private health insurance.

We published a report on Bupa Health Insurance Hospital Policy Changes in June 2018.⁴⁷ Some of Bupa's changes affected consumers holding basic and mid-level hospital policies from 1 July 2018, while changes to its medical gap scheme affected all Bupa hospital policyholders from 1 August 2018. The report discusses the detrimental impacts of the changes on consumers, particularly those in regional Australia. The report also considers the appropriateness of communications that Bupa provided to policyholders about the changes. The report made two recommendations to improve how changes are communicated by Bupa to their policyholders, both of which were accepted by Bupa.

To supplement the information provided in this report, additional information on private health insurance complaint statistics and trends in 2017–18 will be published on our website.⁴⁸

Consumer website: privatehealth.gov.au

Our Office manages privatehealth.gov.au which is Australia's leading source of independent information about health insurance for consumers.

In 2017–18 we received 1,924 individual enquiries via the consumer website, which we responded to with written consumer information and advice.

Website usage has continued to grow annually since the website's launch in 2007, with 1,319,130 visits in 2017–18.

Private Health Insurance reforms

In 2017–18 the Government announced significant reforms to private health insurance. A key aim of the reforms is to make health insurance simpler for consumers to understand by introducing common health insurance terms and classifying policies into simpler categories. The consumer website privatehealth.gov.au will be updated and improved throughout 2018–19 as part of these reforms. We have commenced the project to upgrade the website which is expected to be available from April 2019.

⁴⁵ <http://www.ombudsman.gov.au/about/private-health-insurance/private-health-insurance-publications>

⁴⁶ <http://www.ombudsman.gov.au/publications/state-of-the-health-funds-report>

⁴⁷ http://www.ombudsman.gov.au/___data/assets/pdf_file/0029/84791/Bupa-Health-Insurance-Hospital-Policy-Changes-June-2018.pdf

⁴⁸ <http://www.ombudsman.gov.au/about/private-health-insurance/private-health-insurance-publications>

HIGHLIGHTS

- Corporate governance
- External scrutiny
- Management of human resources
- Purchasing
- Consultants
- Advertising campaigns
- Exempt contracts
- Compliance reporting
- Asset management



05

**MANAGEMENT AND
ACCOUNTABILITY**

Part 5

MANAGEMENT AND ACCOUNTABILITY

Corporate governance

As required by the Commonwealth's Enhanced Performance Framework, the Office developed and publicly released its 2017–18 Corporate Plan (the Plan) in August 2017. The Plan framed the Office's strategic vision, objectives, deliverables and key performance indicators for the next four years.

The Plan was audited by the Australian National Audit Office (ANAO) as part of the 'Corporate Planning in the Australian Public Sector 2017–18'⁴⁹ review. The Office was given the highest rating against the key metric—'Entities had positioned the corporate plan as the primary planning document', reinforcing that the Office's intent is being carried out in practice. The Ombudsman has responded to the report communicating that the Office has valued the opportunity to take part in the review and will make adjustments to the Plan as part of the Office's commitment to continuous improvement.

Senior Leadership Group

The Senior Leadership Group (SLG) is chaired by the Ombudsman and comprises the Deputy Ombudsman, Senior Assistant Ombudsmen and the Chief Operating Officer (COO). The SLG is the Office's overarching leadership and management committee and meets monthly to discuss and consider corporate governance, performance, resource allocation and operational issues.

Strategic Policy Board

The Strategic Policy Board (SPB) is chaired by the Ombudsman and comprises the Deputy Ombudsman, Senior Assistant Ombudsmen and the COO. The SPB was established in March 2018, and meets monthly to consider the strategic priorities of the Office including consideration of public interest issues and business intelligence to inform the selection, prioritisation, scoping, resourcing, timing and delivery of strategic projects. The projects include own motion investigations, issues papers, submissions, products and targeted engagement activities by the Office in fulfilment of its statutory mandate.

⁴⁹ <https://www.anao.gov.au/work/performance-audit/corporate-planning-australian-public-sector-2017-18>

Office Committees

Audit Committee

The Office has established an Audit Committee in compliance with s 45 of *the Public Governance, Performance and Accountability Act 2013* (PGPA Act) and PGPA Rule s 17 Audit Committees for Commonwealth Entities.

The role of the Audit Committee is to provide independent assurance to the Ombudsman on

the Office’s financial and performance reporting responsibilities, risk oversight and management and systems of internal control.

The Audit Committee met four times during the year. Table 16 sets out the Audit Committee’s membership during the reporting period.

Regular observers at committee meetings included representatives from the ANAO, Bellchambers Barrett (the Office’s internal auditors), the COO and the Chief Financial Officer (CFO).

Table 16 – Audit Committee membership during the reporting period

Members	Position	Period of membership during year	Meetings attended
Mr Will Laurie	Independent Member and Chair	19 February –30 June 2018	2 out of 2
Ms Jaala Hinchcliffe	Chair (one meeting) and Member (two meetings), Deputy Ombudsman	1 November 2017 –30 June 2018	3 out of 3
Ms Doris Gibb	Chair, acting Deputy Ombudsman	1 July –31 October 2017	1 out of 1
Ms Joanna Stone	Independent Member	1 July 2017 –30 June 2018	4 out of 4
Mr Alfred Bongsi	Independent Member	1 September 2017 –30 June 2018	4 out of 4
Mr Kurt Munro	Independent Member	1 July –31 October 2017	1 out of 1

People Committee

The People Committee was chaired by the COO and comprises:

- SAO Strategy Branch
- SAO Industry Branch
- the Director, Human Resources
- staff representatives from each branch.

The Committee has been established to guide and advise on matters relating to the Office’s Strategic Workforce Plan and priorities with the aim of ensuring the Office has a capable and

adaptive workforce to enable it to respond to current and future business needs.

The Committee meets on a quarterly basis, or more frequently when determined by the Chair, and matters can be considered out of session if needed. The key focus in 2017–18 was on the development of the Staff Recognition Scheme Policy, the new Learning and Development Strategy and responding to issues arising from the APS Employee Census.

Work Health and Safety Committee

The Office's Work Health and Safety Committee is made up of elected staff representatives from each of our offices and is chaired by the SAO of the Complaints Management and Education Branch. The committee meets on a quarterly basis. It has a strategic role in reviewing work health and safety matters and procedures to ensure we comply with the terms of the *Work Health and Safety Act 2011*.

Workplace Relations Committee

The COO chairs the Workplace Relations Committee. It comprises employee, management and union representatives and is the principle forum for regular exchange on change and workplace issues.

Information Governance and Management Committee

This Committee is chaired by the Deputy Ombudsman and provides strategic oversight and guidance:

- in the development and implementation of information management policy, processes and systems
- to examine issues impacting on the Office with regard to information management.

The role of the Committee is to make strategic decisions or recommendations (including resource prioritisation) on information management related issues and to provide recommendations and/or advice to the SLG.

Risk and Security Governance Committee

The Risk and Security Governance Committee provides guidance and advice on operational risk and security governance matters for the Office. It is chaired by the COO, has representatives from the branches and subject matter experts and meets on a quarterly basis.

The Committee's role is to:

- Provide practical guidance and support on risk management and security strategies for the Office to effectively deliver its critical functions and services.
- Facilitate the implementation of the Office's Business Continuity Management Framework and the delivery of related outcomes, including assisting with the development and review of Business Continuity Plan (BCP) initiatives.
- Facilitate the implementation of the Office's protective security measures, and information and communication technology security measures, in cooperation with the Agency Security Adviser (ASA) and the Information Technology Security Adviser (ITSA).
- Review and report on the Office's operational risks.
- Report to the SLG on progress against risk management and security initiatives, including identifying and raising significant issues for decision.

Inclusion Committee

The Inclusion Committee is chaired by the Deputy Ombudsman and comprises of a variety of staff from across the Office. The Committee was established with the aim of providing advice on inclusion matters, including the Reconciliation Action Plan (RAP) and the Multicultural Plan. It also supported a number of days of recognition across the Office including International Women's Day, Harmony Day and R U OK Day.

The Committee also hosted events to support the fundraising efforts of four executive staff members who represented the Office at the 2018 Vinnies CEO Sleepout in Canberra.

Risk Management

Our Risk Management Framework comprises a formal policy, a strategic risk plan and register and a Risk Appetite Statement. Strategic risk reporting is undertaken quarterly.

The SLG regularly reviews strategic and operational risks as part of the business planning process. The Office also participates in the annual Comcover Risk Management Benchmarking Survey, which independently assesses the Office's risk management maturity.

Additional oversight of our risk management is provided by the Audit Committee and the Risk and Security Governance Committee.

Business Continuity Planning

Our Business Continuity Plan is one of our key risk management documents. It sets out our strategies for ensuring that the most critical work of the Office can continue to be done, or quickly resumed, in the event of a disaster.

We further reviewed the plan in 2017–18 and are continuing to refine the plan and the Office's preparation.

Accessibility

In developing and maintaining the Office's websites, we use the World Wide Web Consortium (W3C) Web Content Accessibility Guidelines (WCAG) 2.0 as the benchmark.

Our online services are compliant with WCAG 2.0 (AA level). Management of the website includes authoring tools to check for accessibility issues and compliance reporting. The graphic design uses high contrast and a simple presentation of content to assist readability.

While this is a substantial improvement in accessibility, providing further improvements in information sharing using web enabled technology remains a high priority. The Office is currently reviewing the structure, content, and usability of the website with a view to ensuring the site is focused towards our stakeholders and the Australian public.

Ethical standards

Our Office promotes ethical standards and behaviours by providing extensive information to staff and promoting the Australian Public Service Commission's Ethics Advisory Service and our Ethics Contact Officer. Our intranet contains information on:

- APS Values and Code of Conduct
- workplace discrimination, bullying and harassment
- conflict of interest
- acceptance of gifts and hospitality
- procedures for determining breaches of the Code of Conduct
- procedures for facilitating and dealing with public interest disclosures relating to the Office.

Employee Performance Development Agreements contain the following mandatory key behaviour: *in undertaking my duties I will act in accordance with the APS Values, Employment Principles and APS Code of Conduct.*

The Induction Handbook for new starters provides appropriate information for new starters on ethical standards and behaviours and we have implemented APS Learn Hub, which contains eLearning modules on APS Values and Principles and Fraud Awareness.

Fraud Control

The Office has a fraud control policy which is reviewed biennially. All fraud allegations are reported to the Ombudsman and the Audit Committee and fraud investigations are outsourced as required.

One fraud investigation was carried out during 2017–18 resulting in no instances of fraud identified. Fraud training was provided to all staff by the Attorney-General's Department during the year.

Internal Audit

The Office's internal audit function is outsourced to BellchambersBarrett. BellchambersBarrett undertook four internal audits during 2017–18 in accordance with the Internal Audit Plan.

SLG and the Audit Committee approve internal audit plans annually and review each internal audit report. Implementation of internal audit recommendations are monitored by the Audit Committee at each quarterly meeting.

External scrutiny

Court and tribunal litigation

No decisions of courts or administrative tribunals made in 2017–18 had, or may have, a significant impact on the operations of the Office.

Office of the Australian Information Commissioner

During the reporting period, the Office of the Australian Information Commissioner (OAIC) advised our Office of six matters where the applicant sought review of our decisions under the *Freedom of Information Act 1982* (the FOI Act). Of these, one application was withdrawn, one was closed by the OAIC under s 54W(a) (i) of the FOI Act and, at the time of reporting, the remaining four were under consideration by the Information Commissioner.

At the time of reporting, there are two pending OAIC reviews that were commenced during 2016–17.

The Office received one decision from the OAIC in relation to a review that commenced in 2016–17. In this matter, the Information Commissioner affirmed the decision under review.

The Office is subject to the *Privacy Act 1988*. During the reporting period, the Privacy Commissioner did not receive any new complaints about our Office.

Australian Human Rights Commission

The Office is subject to the jurisdiction of the Australian Human Rights Commission. During the reporting period the Commission received new complaints about our Office from three people. At the time of reporting, the Commission had advised our Office that the President's delegate had closed and terminated the first two people's complaints and was considering the termination and closure of the other person's complaint.

ANAO Performance Audits

The Office was a subject of the ANAO performance audit—Corporate Planning in the Australian Public Sector 2017–18. (See page 104 under corporate governance for further information).

Management of human resources

The Office's Workforce Plan 2015–2019 is aligned to business planning processes, and:

- seeks to identify high-level trends and developments that will affect our ability to deliver organisational outcomes
- articulates strategies that will enable mitigation of the workforce risks identified.

The Workforce Plan is reviewed on an ongoing basis to identify emerging workforce issues and to initiate mitigation before the full potential impact of the risks are realised.

The Workforce Plan is complemented by the:

- Workplace Diversity Program 2015–2018
- Reconciliation Action Plan 2018
- APS Disability Employment Strategy 2016–2019
- Commonwealth Aboriginal and Torres Strait Islander Strategy
- Balancing the Future: Australian Public Service Gender Equality Strategy 2016–2019.

Learning and Development

In 2017–18 we continued to deliver targeted learning and development opportunities against identified core competencies and priority areas.

The new Learning and Development Strategy 2018–2020 (the Strategy) commenced in January 2018. The Strategy sets a framework that:

- delivers greater clarity and shared understanding of our learning and development investment priorities in a resource-constrained environment
- is linked to the Workforce Plan to ensure employees have the necessary capabilities to meet the Office's strategic objectives—now and into the future
- is flexible and responsive in addressing key learning and development needs in a dynamic, diverse and continuously changing environment.

The Strategy focuses on the following three priority areas:

- Core corporate capabilities
- Functional/role based capabilities
- Leadership development and succession planning.

We also support staff to undertake relevant study at tertiary institutions through study leave and/or financial assistance.

Work Health and Safety

The Office is committed to maintaining a safe and healthy workplace for all our employees, contractors and visitors. We acknowledge our employer responsibilities under the *Work Health and Safety Act 2011* (WHS Act), the *Rehabilitation and Compensation Act 1988* and anti-discrimination legislation.

During 2017–18 we undertook the following health and safety initiatives:

- Developed a new quarterly Case Management Report to assist the Ombudsman and Deputy Ombudsman to keep informed of issues, covering health-related case management, underperformance and code of conduct matters and to identify trends and manage emerging risks.
- Greater use of early intervention practices to support physical and mental wellbeing of staff.
- A refreshed Work Health and Safety (WHS) Committee leading to increased Health and Safety Representative (HSR) engagement and participation and better awareness among senior leadership.
- A pilot Wellbeing Check Program targeted towards staff who are at higher risk of vicarious trauma due to the nature of their work. This pilot assisted in evaluating the benefits of a whole-of-Office initiative of this type in the future.
- Internal sources of WHS and Employee Assistance Program (EAP) information were refreshed to coincide with the rebrand of our provider, Benestar (previously Davidson Trahaire Corpsych).
- Renewal of the EAP contract to ensure staff have ongoing access to confidential counselling, facilitation of teamwork issues, career advice and the management of personal or professional issues.
- Undertook workplace safety inspections across all offices. These inspections returned an excellent rate of compliance, particularly given the volume of office relocations in the same period.
- Staff representative training across all offices was reviewed and refreshed (Health and Safety Representatives, Harassment Contact Officers, First Aid Officers).
- Targeted individual health awareness by providing flu vaccinations to employees free of charge.

During the reporting period there were no notifiable incidents.

Following the Rehabilitation Management System (RMS) Audit in 2016–17—the second of its type for the Office—Comcare provided feedback indicating the level of compliance already achieved. Comcare’s newly revised guidance on determining frequency of audits for low-risk agencies meant that a further audit in 2017–18 was not required. The Office is committed to continuous improvement and actioning RMS Audit outcomes.

Workplace arrangements

The Office’s Enterprise Agreement 2017–2020 (the Agreement) came into effect on 31 August 2017.

As at 30 June 2018, a total of 203 employees were covered under the current Agreement. The Agreement does not make provision for performance pay. Salary advancement within each of the non-SES classifications is linked to performance. Sixteen employees had an Individual Flexibility Arrangement in place under the provisions contained in the Agreement.

Conditions are provided for SES staff under s 24(1) of *the Public Service Act 1999*. Determinations under s 24(1) provide SES annual salary advancement based on performance and does not make provision for performance pay.

The Office does not have any staff employed under Australian Workplace Agreements or common law contracts.

The Office offers non-salary benefits to our employees under the Agreement and other individual industrial instruments. These benefits incorporate various types of leave, including annual, personal and long service leave, as well as flexible working arrangements, access to salary packaging and eyewear reimbursement for screen based work.

Workforce profile

As at 30 June 2018 there were 211 staff (199.5 full time equivalent) employed across the Office. These figures include the Ombudsman and Deputy Ombudsman who are statutory office holders.

Females made up 66 per cent of the Office’s workforce and 22 per cent of employees worked part-time. The number of staff who identified as Indigenous was 1.4 per cent and 4.3 per cent of staff identified as having a disability.

Table 17 – Workforce Profile as at 30 June 2017 and 30 June 2018

Category	At 30 June 2017			At 30 June 2018		
	Ongoing	Non-ongoing	Total	Ongoing	Non-ongoing	Total
APS Classification						
APS2	-	2	2	-	-	-
APS3	8	7	15	13	2	15
APS4	16	11	27	12	4	16
APS5	38	3	41	34	5	39
APS6	48	3	51	40	4	44
Executive Level 1	49	10	59	54	7	61
Executive Level 2	23	2	24	27	1	28
SES Band 1	6	-	6	6	-	6
Statutory Officers	2	-	2	2	-	2
Total	190	38	228	188	23	211
Location						
ACT	120	27	147	112	21	133
NSW	16	2	18	13	1	14
QLD	16	1	17	18	1	19
SA	22	5	27	26	-	26
VIC	13	3	16	16	-	16
WA	3	-	3	3	-	3
Total	190	38	228	188	23	211
Gender/Diversity						
Female	128	25	153	126	14	140
Male	62	13	75	62	9	71
Indigenous	1	2	3	1	2	3
People with a disability	6	1	7	9	-	9
Employment status						
Full-time	149	25	174	148	17	165
Part-time	41	13	54	40	6	46

Table 18 – Remuneration by classification as at 30 June 2018

Classification	Salary range
APS1	\$44,582 – \$49,277
APS2	\$50,455 – \$55,951
APS3	\$57,470 – \$62,029
APS4	\$64,052 – \$69,544
APS5	\$71,440 – \$75,754
APS6	\$77,162 – \$88,635
Executive Level 1	\$98,917 – \$106,814
Executive Level 2	\$115,175 – \$130,546
SES Band 1	\$150,858 – \$190,801

Disability Reporting

Since 1994, non-corporate Commonwealth entities have reported on their performance as policy adviser, purchaser, employer, regulator and provider under the Commonwealth Disability Strategy. In 2007–08, reporting on the employer role was transferred to the Australian Public Service Commission's State of the Service reports and the *APS Statistical Bulletin*. These reports are available at apsc.gov.au. From 2010–11, entities have no longer been required to report on these functions.

The Commonwealth Disability Strategy has been overtaken by the National Disability Strategy 2010–2020, which sets out a 10-year national policy framework to improve the lives of people with disability, promote participation and create a more inclusive society. A high-level, two-yearly report will track progress against each of the six outcome areas of the strategy and present a picture of how people with disability are faring. The first of these progress reports was published in 2014, and can be found at dss.gov.au.

During 2017–18 the Office procured specialist disability consultants, WestWood Spice and

partners Australian Network on Disability and Agency, to conduct a Disability Accessibility Review of the Office.

As a result of the review they made a number of recommendations to improve the Office's accessibility for people with disability.

The Office will begin implementing these recommendations during 2018–19.

Purchasing

Our Office is committed to achieving the best value for money in procurement activity and manages this using procurement practices that are consistent with the Commonwealth Procurement Rules. This includes the use of the Commonwealth Contracting Suite to prepare approaches to market and formalise contracts. The procurement practices are supported by the Accountable Authority Instructions and internal policies and guidelines.

To improve efficiency in procurement, the Office accesses established procurement panels where possible. The Office supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance's website. Our Office's procurement methods aim not to discriminate against small and medium-sized enterprises.

Our policies and processes highlight the requirement to first access the Supply Nation website to check whether any Indigenous businesses can provide the goods and services required. We seek to enter into engagements with Indigenous businesses where possible, ensuring that the arrangement adheres to the value for money and best fit principles. All procurements entered into by the Office are done on the basis of value for money and best fit.

All procurements that are in excess of \$10,000 are published on AusTender as soon as practicable.

No contracts were entered into containing provisions that do not allow the Auditor-General to have access to the contractor’s premises, and no contracts were entered into that were exempt from being published on AusTender. Annual reports contain information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the AusTender website at tenders.gov.au.

The Office does not administer any grant programs.

Consultants

The Office engages consultancy services in circumstances when particular expertise is not available internally or when independent advice is required. During 2017–18, 16 new consultancy contracts were entered into, involving total actual expenditure of \$0.413 million (including GST). In addition, one ongoing consultancy contract was active during 2017–18, with a total expenditure of \$0.062 million. These contracts covered financial services, IT development, internal management reviews and mediation services.

Table 19 – Expenditure on consultancy contracts

Year	Number of consultancy contracts	Total actual expenditure \$'000
2017–18	17	475
2016–17	8	276
2015–16	10	291

Advertising campaigns

The Office did not undertake any advertising campaigns.

Exempt contracts

There were no contracts over \$10,000 exempt from reporting on AusTender.

Compliance reporting

There were no significant issues reported to the responsible minister under paragraph 19(1)(e) of the PGPA Act that relates to non-compliance with the finance law by the Office. We conducted a review of the Fraud Control Plan and the Fraud Risk Register and have rolled out mandatory fraud awareness training. An internal compliance process is undertaken throughout the year and the results considered by the SLG and the Audit Committee.

Asset management

The assets managed by our Office include ICT assets, plant and equipment, property and intangible assets such as software. The five year capital replacement and capital investment plans predict our requirements.

Our ICT assets are managed in-house. Our property plant and equipment assets are primarily ICT assets and are supported by maintenance agreements and warranties. Intangible assets comprise software and websites. These are either supported internally or through a support contract. The other major asset is property leasehold fit out. We currently have offices in Adelaide, Brisbane, Canberra, Melbourne, Perth and Sydney.





06

APPENDICES

Part 6 APPENDICES

Appendix 1 – Statistics

Approaches and Complaints

Jurisdiction/ Portfolio	Received					Finalised							Remedies							Total Remedies
	Cat 1	Cat 2	Cat 3	Cat 4	Cat 5	Total Finalised	Action expedited	Apology	Decision changed or reconsidered	Disciplinary action	Explanation	Financial remedy	Law, policy or practice changed	Other non-financial remedy	Remedy provided by agency	Without Ombudsman Intervention				
ACT	447	116	266	44	27	453	10	5	9	48	2	1	6	6	38	81				
Commonwealth	19,121	6,003	11,642	1,140	516	19,306	265	138	194	66	1,320	314	56	111	38	2,502				
Agriculture and Water Resources	37	6	24	1	9	40	1	2	1	8	1	2	1	1	1	16				
Attorney-General's	312	78	206	16	6	306			2	20		1	1	1		24				
Commonwealth Parliament	2	2				2														
Communications and the Arts ¹	327	64	233	51	8	356	1	45	3	17	48	31	2	5	1	153				
Defence	653	66	504	113	42	727	19	1	17	52	15	5	6	5		120				
Education and Training	155	29	106	9	17	161	3	1	4	16	3	7				34				

¹ Includes Australia Post complaints under Commonwealth Jurisdiction.

Jurisdiction/ Portfolio	Received					Finalised					Remedies								Total Remedies
	Cat 1	Cat 2	Cat 3	Cat 4	Cat 5	Total Finalised	Action expedited	Apology	Decision changed or reconsidered	Disciplinary action	Explanation	Financial remedy	Law, policy or practice changed	Other non-financial remedy	Remedy provided by agency	Without Ombudsman Intervention			
Environment and Energy	28	4	18	4	1	27	1					1				2			
Finance	74	8	62	4	5	79			5	6	1					12			
Foreign Affairs and Trade	126	27	92	5	5	129			2	14		1				17			
Health	232	73	117	29	11	230	16	6	2	36	17	3	2	1		83			
Home Affairs	2,007	426	1,283	216	127	2,053	33	1	32	3	270	7	6	12	10	374			
Human Services	12,596	4,732	7,300	472	187	12,693	136	51	80	40	621	218	18	37	16	1,217			
Infrastructure, Regional Development and Cities	60	11	40	1	2	54				2						2			
Jobs and Innovation	492	153	303	35	12	503	2		5	2	46	3	1	1	1	61			
Prime Minister and Cabinet	72	9	49	11	13	82	4		1	18	1			3		27			

Jurisdiction/ Portfolio	Received					Finalised					Remedies										Total Remedies
	Cat 1	Cat 2	Cat 3	Cat 4	Cat 5	Total Finalised	Action expedited	Apology	Decision changed or reconsidered	Disciplinary action	Explanation	Financial remedy	Law, policy or practice changed	Other non-financial remedy	Remedy provided by agency	Without Ombudsman Intervention					
Social Services	1,607	244	1,055	161	68	1,528	48	30	37	4	152	15	8	44	3	341					
Treasury	341	73	248	12	3	336	1	1	3		11	2	1			19					
Norfolk Island						1															
Ombudsman ²	1,750	697	1,046			1,743															
Out of Jurisdiction	6,718	4,724	1,939			6,663															
Overseas Students Ombudsman	999	27	648	192	106	973			1	1	2	1	1	1	1	6					
Private Health Insurance Ombudsman ³	7,509	3,595	3,422	782	30	7,829															
Postal Industry Ombudsman	3,553	673	2,585	485	3	3,746	1	423	9	175	393	305	12	5	1,323						
VET Student Loans Ombudsman	6,397	24	2,985	33	7	3,049	1		6	3	24	6	1	1	41						
Grand Total	46,494	15,859	24,533	2,676	690	43,763	277	566	219	241	1,765	647	69	129	40	3,953					

2. This includes general information requests to the office, Ombudsman FOI requests and PID complaints.

3. Includes Australia Post complaints under the PIO Jurisdiction.

Appendix 2 – Financial Statements



INDEPENDENT AUDITOR'S REPORT

To the Attorney-General

Opinion

In my opinion, the financial statements of the Office of the Commonwealth Ombudsman for the year ended 30 June 2018:

- (a) comply with Australian Accounting Standards – Reduced Disclosure Requirements and the Public Governance, Performance and Accountability (Financial Reporting) Rule 2015; and
- (b) present fairly the financial position of the Office of the Commonwealth Ombudsman as at 30 June 2018 and its financial performance and cash flows for the year then ended.

The financial statements of the Office of the Commonwealth Ombudsman, which I have audited, comprise the following statements as at 30 June 2018 and for the year then ended:

- Statement by the Accountable Authority and Chief Financial Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement; and
- Notes to and forming part of the financial statements, comprising a Summary of Significant Accounting Policies and other explanatory information.

Basis for Opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Office of the Commonwealth Ombudsman in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Accountable Authority's Responsibility for the Financial Statements

As the Accountable Authority of the Office of the Commonwealth Ombudsman the Ombudsman is responsible under the *Public Governance, Performance and Accountability Act 2013* for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Reduced Disclosure Requirements and the rules made under that Act. The Ombudsman is also responsible for such internal control as the Ombudsman determines is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Ombudsman is responsible for assessing the Office of the Commonwealth Ombudsman's ability to continue as a going concern, taking into account whether the entity's operations will cease as a result of an administrative restructure or for any other reason. The Ombudsman is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

GPO Box 707 CANBERRA ACT 2601
19 National Circuit BARTON ACT
Phone (02) 6203 7300 Fax (02) 6203 7777

Auditor's Responsibilities for the Audit of the Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are 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 National Audit Office 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 the financial statements.

As part of an audit in accordance with the Australian National Audit Office 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 statements, 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 entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority'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 entity'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 statements 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 entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance 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.

Australian National Audit Office



Ron Wah
Audit Principal

Delegate of the Auditor-General

Canberra
20 September 2018

OFFICE OF THE COMMONWEALTH OMBUDSMAN

STATEMENT BY THE ACCOUNTABLE AUTHORITY AND CHIEF FINANCIAL OFFICER

In our opinion, the attached financial statements for the year ended 30 June 2018 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013 (PGPA Act)* , and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Office of the Commonwealth Ombudsman will be able to pay its debts as and when they fall due.



Signed.....

Jaala Hinchliffe
Acting Commonwealth Ombudsman
Acting Accountable Authority

20 September 2018



Signed.....

Mathew Ford
Chief Financial Officer

20 September 2018

OFFICE OF THE COMMONWEALTH OMBUDSMAN
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2018

	Notes	2018 \$'000	2017 \$'000	Original budget \$'000
NET COST OF SERVICES				
Expenses				
Employee benefits	2A	23,308	20,370	29,076
Supplier	2B	11,443	8,649	10,018
Depreciation and amortisation	2C	1,011	919	1,077
Write-down and impairment of assets	2D	220	1	-
Total expenses		35,982	29,940	40,171
OWN-SOURCE INCOME				
Own-source revenue				
Sale of goods and rendering of services	3A	11,040	8,103	15,581
Other revenue	3B	54	54	53
Total own-source revenue		11,094	8,157	15,634
Total own-source income		11,094	8,157	15,634
Net cost of services		24,889	21,784	24,537
Revenue from Government	3C	23,730	20,957	23,460
Deficit		(1,158)	(826)	(1,077)
OTHER COMPREHENSIVE INCOME				
Items not subject to subsequent reclassification to net cost of services				
Changes in asset revaluation surplus		-	(74)	-
Total other comprehensive income		-	(74)	-
Total comprehensive (loss)		(1,158)	(900)	(1,077)

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

Budget Variances Commentary

Expenses

Employee benefits are \$5.7m (-20%) lower than the original budget of salaries required by the expansion of the Office's new functions: VET Student Loans Ombudsman, the ACT Reportable Conduct scheme, ACT FOI review and the full year effect of the expanded Defence Force Ombudsman.

Supplier expenses are higher than the original budget by \$1.4m (14%) mainly driven by travel costs and additional contractor costs. The additional cost of contractors contributed to the reduction in employee benefits as the Office worked to keep the workforce under the Office's ASL cap of 200. Contractors made up \$4.6m of the supplier costs and was \$3.6m (398%) higher than 2017. Many of the contractor costs were associated with VET Student Loans Ombudsman, ACT FOI, the expansion of the Defence Force Ombudsman and a greater use of contractors throughout the Office.

The increase of \$220k for the write-down and impairment of assets is attributed to the results of the annual stocktake and the write down of fitout for leases no longer required due to the move to expanded, more fit for purpose, premises.

Own-Source Income and Revenue from Government

Sale of goods and rendering of services position of \$4.5m (29%) lower than budget is represented by the Defence Force Ombudsman (DFO) function funded by Department of Defence, ACT Government services funded by the ACT Government and the International program funded by the Department of Foreign Affairs and Trade. The budget assumed a higher level of cost recovered spending against the DFO function.

The Appropriation revenue variance of \$270k (1%) is attributed to Appropriation Act 5 for the ongoing transfer of appropriation between the Office and the Australian Federal Police and the Australian Building and Construction Commission.

OFFICE OF THE COMMONWEALTH OMBUDSMAN
STATEMENT OF FINANCIAL POSITION
as at 30 June 2018

	Notes	2018 \$'000	2017 \$'000	Original budget \$'000
ASSETS				
Financial assets				
Cash and cash equivalents	4A	141	198	154
Trade and other receivables	4B	9,710	11,509	8,892
Other financial assets	4C	1,311	576	632
Total financial assets		11,162	12,283	9,678
Non-financial assets				
Land and buildings	5A	2,775	1,828	-
Property, plant and equipment	5A	1,223	1,241	2,229
Intangibles	5A	776	808	439
Other non-financial assets	5B	566	370	209
Total non-financial assets		5,340	4,247	2,877
Total assets		16,502	16,530	12,555
LIABILITIES				
Payables				
Suppliers	7A	332	731	394
Other payables	7B	3,533	3,148	2,614
Leases	7C	1,347	1,365	-
Total payables		5,212	5,244	3,008
Provisions				
Employee provisions	8A	5,655	4,821	4,187
Other provisions	8B	220	712	120
Total provisions		5,876	5,533	4,307
Total liabilities		11,087	10,777	7,315
Net assets		5,415	5,753	5,240
EQUITY				
Contributed equity		9,262	8,441	9,655
Reserves		1,069	1,069	1,243
Accumulated deficit		(4,916)	(3,758)	(5,658)
Total equity		5,415	5,753	5,240

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

Budget Variances Commentary

Assets

The Defence Force Ombudsman function was funded on a cost recovery basis, trade and other receivables is higher than budget by \$818k (9%) and is directly related to this cost recovery arrangement. Other financial assets exceeded budget by \$679k (107%) and relates to the recognition of a new lease incentive.

Land and buildings is \$2.8m higher than the original budget. The budget for property related items was identified against the Property Plant and equipment (PPE) line rather than being split across both categories. This has resulted in a lower than expected position compared to the budget for the PPE line of \$1.0m (45%).

The variance in the non-financial assets can be attributed to the expansion of the Office and the fitout of its Office premises, the replacement of ICT infrastructure, purchase of new software, and enhancements to core existing ICT systems.

Intangibles are higher than budget due to the purchase of new software \$330k (77%).

Liabilities

Other payables was \$919k (35%) higher than budget primarily due to lease incentives increasing by \$641k (41%) relating to the new lease for Brisbane and an increase of \$51k (28%) for redundancies.

Leases are \$1.3m higher than the original budget line of \$0 there should have been a budget against this line in the statement.

Employee provisions are higher than budget by \$1.4m (35%) and is attributed to an increase in ASL of 23, 178 (2016-17) to 201 (2017-18) and a change in the Government bond rate and salary growth rate as at 30 June 2018.

Other provisions exceeds budget by \$100k (84%) and relates to the movement in the provision for restoration and onerous contracts.

OFFICE OF THE COMMONWEALTH OMBUDSMAN
STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2018

Notes	2018 \$'000	2017 \$'000	Original Budget \$'000
CONTRIBUTED EQUITY			
Opening Balance			
Balance carried forward from previous period	8,441	7,613	8,834
Opening Balance	8,441	7,613	8,834
Comprehensive income			
Transactions with owners			
Contributions by owners			
Departmental capital budget	821	828	821
Total transactions with owners	821	828	821
Transfers between equity components	-	-	-
Closing Balance as at 30 June	9,262	8,441	9,655
RETAINED EARNINGS			
Opening Balance			
Balance carried forward from previous period	(3,758)	(2,932)	(4,590)
Opening Balance	(3,758)	(2,932)	(4,590)
Comprehensive income			
Surplus/(Deficit) for the period	(1,158)	(826)	(1,077)
Total comprehensive income	(1,158)	(826)	(1,077)
Transactions with owners			
Contributions by owners			
Other	-	-	9
Total transactions with owners	-	-	9
Closing Balance as at 30 June	(4,916)	(3,758)	(5,658)
ASSET REVALUATION RESERVE			
Opening Balance			
Balance carried forward from previous period	1,069	1,143	1,243
Opening Balance	1,069	1,143	1,243
Comprehensive income			
Other comprehensive income	-	(74)	-
Total comprehensive income	-	(74)	-
Closing Balance as at 30 June	1,069	1,069	1,243
TOTAL EQUITY			
Opening Balance			
Balance carried forward from previous period	5,752	5,824	5,487
Adjusted Opening Balance	5,752	5,824	5,487
Comprehensive income			
Surplus/(Deficit) for the period	(1,158)	(826)	(1,077)
Other comprehensive income	-	(74)	-
Total comprehensive income	(1,158)	(900)	(1,077)
Transactions with owners			
Contributions by owners			
Departmental capital budget	821	828	821
Other	-	-	9
Total transactions with owners	821	828	830
Closing Balance as at 30 June	5,415	5,752	5,240

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

Accounting Policy**Equity Injections**

Amounts appropriated which are designated as 'equity injections' for a year (less any formal reductions) and Departmental Capital Budgets (DCBs) are recognised directly in contributed equity in that year.

Restructuring of Administrative Arrangements

Net assets received from or relinquished to another Government entity under a restructuring of administrative arrangements are adjusted at their book value directly against contributed equity.

**OFFICE OF THE COMMONWEALTH OMBUDSMAN
CASH FLOW STATEMENT**

for the year ended 30 June 2018

	2018	2017	Original budget
Notes	\$'000	\$'000	\$'000
OPERATING ACTIVITIES			
Cash received			
Sales of goods and rendering of services	11,944	6,446	15,581
Appropriations	35,935	27,914	23,599
Net GST received	939	632	1
Other	1,167	901	-
Total cash received	49,986	35,893	39,181
Cash used			
Employees	22,833	18,516	29,011
Suppliers	14,157	10,283	9,949
Section 74 receipts transferred to the OPA	13,061	6,957	221
Total cash used	50,051	35,756	39,181
Net cash from/(used by) operating activities	(65)	137	-
INVESTING ACTIVITIES			
Cash used			
Purchase of property, plant and equipment	1,795	1,310	821
Purchase of intangibles	330	409	-
Total cash used	2,125	1,719	821
Net cash used by investing activities	(2,125)	(1,719)	(821)
FINANCING ACTIVITIES			
Cash received			
Departmental Capital Budget	2,134	1,626	821
Total cash received	2,134	1,626	821
Net cash from financing activities	2,134	1,626	821
Net increase/(decrease) in cash held	(57)	44	-
Cash and cash equivalents at the beginning of the reporting period	198	154	154
Cash and cash equivalents at the end of the reporting period 4A	141	198	154

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

Budget Variances Commentary

Operating Activities

Cash received

The underspend in the sales of goods and rendering of services can be attributed to the difference in the estimated costs of the expanded Defence Force Ombudsman function compared to the actual costs.

Appropriations includes the section 74 receipts transferred to the OPA.

Net GST received figure has a budget of \$1k causing a variance of \$938k.

Other cash received is showing a variance of \$1.2m against a nil budget this variance is represented by cash received by the Office for leave liabilities for new starters transferring from other agencies \$807k and refunds and one off payments totalling \$284k.

Cash used

There was an underspend against the employees category of \$6.2m (21%) primarily related to the Office's restriction on employing staff beyond the ASL cap. There is a corresponding increase in the costs of Suppliers \$4.2m (42%) primarily relating to an increase in the cost of contractors.

Section 74 receipts transferred to the OPA had a budget of \$221k despite expecting \$15.6m revenue this variance of \$12.8m is a result of not having this figure correctly entered in the budget.

Investing Activities

Cash used

The additional Office functions: VET Student Loans Ombudsman, DFO and ACT Government reportable conduct and FOI required enhancement of systems and additional accommodation. The Office has drawn down on Departmental Capital Budget from prior years to fund the fitout of new offices and the enhancement of systems. The entirety of the capital budget was applied against the Purchase of property plant and equipment rather than split between that and the purchase of intangibles.

Financing Activities

Cash received

The Office drew down \$1.3m in unspent prior year capital to fund the purchase of property plant and equipment and intangibles.

**OFFICE OF THE COMMONWEALTH OMBUDSMAN
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018**

Note

- 1: Overview
- 2: Expenses
- 3: Income
- 4: Financial Assets
- 5: Non-Financial Assets
- 6: Fair Value Measurement
- 7: Payables
- 8: Provisions
- 9: Key Management Personnel Remuneration
- 10: Related Party Disclosures
- 11: Financial Instruments
- 12: Appropriations

**OFFICE OF THE COMMONWEALTH OMBUDSMAN
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018**

Note 1: Overview

1.1 Office of the Commonwealth Ombudsman Objectives

The Office of the Commonwealth Ombudsman (the Office) is an Australian Government controlled entity. It is a not for profit entity. The objective of the Office is to assist the Commonwealth Ombudsman to carry out his duties and responsibilities under the *Ombudsman Act 1976* and other relevant legislation.

The Office is structured to meet one outcome:

Fair and accountable administrative action by Australian Government entities and prescribed private sector organisations, by investigating complaints, reviewing administrative action and statutory compliance inspections and reporting.

The continued existence of the Office in its present form and with its present program is dependent on Government policy and on continuing appropriations by Parliament for the Office's administration and programs.

The Office's activities contributing toward this outcome are classified as departmental. Departmental activities involve the use of assets, liabilities, income and expenses controlled or incurred by the Office in its own right.

1.2 Basis of Preparation of the Financial Statements

The Financial Statements are general purpose financial statements and are required by section 42 of the *Public Governance, Performance and Accountability Act 2013*.

The Financial Statements have been prepared in accordance with the:

- a) *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR) for reporting periods ending on or after 1 July 2015; and
- b) Australian Accounting Standards and Interpretations - Reduced Disclosure Requirements issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The Financial Statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

The Financial Statements are presented in Australian dollars.

1.3 Significant Accounting Judgements and Estimates

No accounting assumptions or estimates or other judgements have been identified that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next accounting period.

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard Requirements

No accounting standard has been adopted earlier than the application date as stated in the standard. There have been no further new standards, revised standards, amended standards or interpretations that were issued by the AASB prior to the sign off date, which are applicable to the current reporting period and have a material financial impact on the Office.

There have been no further new standards, revised standards, amended standards or interpretations that were issued by the AASB prior to the sign off date, which are applicable to the current reporting period and have a material financial impact on the Office.

Future Australian Accounting Standard Requirements

1.5 Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

The Office had no contingent assets or liabilities in 2018 (2017: nil).

The Office has identified in its contracts and leases a number of indemnity provisions. None of these are quantifiable and all are considered remote. There are no existing or likely claims of which the Office is aware (2017: nil).

1.6 Taxation

The Office is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST). Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

1.7 Events After the Reporting Period

No significant events occurred after balance date.

OFFICE OF THE COMMONWEALTH OMBUDSMAN
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018

Note 2: Expenses

	2018	2017
	\$'000	\$'000
Note 2A: Employee Benefits		
Wages and salaries	17,233	15,028
Superannuation:		
Defined contribution plans	1,701	1,467
Defined benefit plans	1,475	1,507
Leave and other entitlements	2,628	1,984
Separation and redundancies	271	384
Total employee benefits	23,308	20,370
Note 2B: Suppliers		
Goods and services		
Travel	1,354	1,204
Information technology and communications	860	928
Employee related	776	839
Property operating expenses	1,155	939
Media related	235	281
Consultants and contractors	4,554	914
Printing, stationery and postage	95	249
Legal	54	86
Memberships fees and subscriptions	80	53
Translate, Interpret and Transcript	65	68
Insurance premiums	43	36
Other	356	204
Total goods and services	9,627	5,801
Goods and services are received in connection with:		
Provision of goods	933	973
Rendering of services	8,694	4,828
Total goods and services	9,627	5,801
Other supplier expenses		
Operating lease rentals	1,554	2,592
Workers compensation expenses	262	256
Total other supplier expenses	1,817	2,848
Total supplier expenses	11,443	8,649
Leasing commitments		
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:		
Within 1 year	2,939	2,545
Between 1 to 5 years	13,949	12,456
More than 5 years	879	2,999
Total operating lease commitments	17,768	18,000

Accounting Policy

Operating lease payments are expensed on a straight-line basis which is representative of the pattern of benefits derived from the leased assets.

OFFICE OF THE COMMONWEALTH OMBUDSMAN
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2018

Note 2: Expenses

	2018 \$'000	2017 \$'000
Note 2C: Depreciation and Amortisation		
Depreciation:		
Leasehold improvements	323	246
Property, plant and equipment	326	316
Amortisation:		
Intangibles - Computer Software	362	357
Total depreciation and amortisation	<u>1,011</u>	<u>919</u>
Note 2D: Write-Down and Impairment of Assets		
Asset write-downs and impairments from:		
Writedown of financial instruments	11	-
Writedown of property, plant and equipment	209	1
Total write-down and impairment of assets	<u>220</u>	<u>1</u>

OFFICE OF THE COMMONWEALTH OMBUDSMAN
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2018

Note 3: Income

	2018	2017
	\$'000	\$'000
OWN-SOURCE REVENUE		

Note 3A: Sale of Goods and Rendering of Services

Rendering of services	11,040	8,103
Total sale of goods and rendering of services	<u>11,040</u>	<u>8,103</u>

Accounting Policy

Rendering of Services

Revenue from rendering of services is recognised by reference to the stage of completion of contracts at the reporting date. The revenue is recognised when:

- the amount of revenue, stage of completion and transaction costs incurred can be reliably measured; and
- the probable economic benefits associated with the transaction will flow to the entity.

The stage of completion of contracts at the reporting date is determined by reference to the proportion that costs incurred to date bear to the estimated total costs of the transaction.

The majority of revenue received by the Office relates to the ACT Ombudsman service provided to the ACT Government, international programs funded by the Department of Foreign Affairs and Trade and the expansion of the Defence Force Ombudsman function funded by the Department of Defence.

Note 3B: Other Revenue

Resources received free of charge		
Remuneration of auditors	54	54
Total other revenue	<u>54</u>	<u>54</u>

Accounting Policy

Resources Received Free of Charge

Resources received free of charge are recognised as revenue when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense. Resources received free of charge are recorded as either revenue or gains depending on their nature.

Contributions of assets at no cost of acquisition or for nominal consideration are recognised as gains at their fair value when the asset qualifies for recognition unless received from another Government Office or authority as a consequence of a restructuring of administrative arrangements.

Sale of Assets

Gains from disposal of assets are recognised when control of the asset has passed to the buyer.

REVENUE FROM GOVERNMENT

Note 3C: Revenue from Government

Appropriations:		
Departmental appropriation	23,730	20,957
Total revenue from Government	<u>23,730</u>	<u>20,957</u>

Accounting Policy

Revenue from Government

Amounts appropriated for departmental outcomes for the year (adjusted for any formal additions and reductions) are recognised as Revenue from Government when the Office gains control of the appropriation, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned. Appropriations receivable are recognised at their nominal amounts.

OFFICE OF THE COMMONWEALTH OMBUDSMAN
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2018

Note 4: Financial Assets

	2018	2017
	\$'000	\$'000
Note 4A: Cash and Cash Equivalents		
Cash on hand or on deposit	141	198
Total cash and cash equivalents	141	198
Note 4B: Trade and Other Receivables		
Good and Services:		
Goods and services	1,288	2,695
Total receivables for goods and services	1,288	2,695
Appropriations receivable:		
For existing programs	8,288	8,745
Total appropriations receivable	8,288	8,745
Other receivables:		
GST receivable from the Australian Taxation Office	135	89
Total trade and other receivables	9,710	11,529
Less impairment allowance account:		
Other	-	(20)
Total impairment allowance account	-	(20)
Total trade and other receivables (net)	9,710	11,509

Receivables are expected to be recovered within 12 months.

Note 4C: Other Financial Assets

Lease incentives	1,311	576
Total other financial assets	1,311	576

Total other financial assets are expected to be recovered within the term of the lease.

Accounting Policy

Financial Assets

Refer note 11

Effective Interest Method

Refer note 11

Income

Refer note 3

Receivables

Goods and services, with 30 day terms, are recognised at the nominal amounts due, less any impairment allowance account. Collectability of debts is reviewed at the end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

OFFICE OF THE COMMONWEALTH OMBUDSMAN
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018

Note 5: Non-Financial Assets

	2018 \$'000	2017 \$'000
Note 5A: Land and Buildings		
Leasehold improvements:		
Fair value	3,070	1,828
Work in progress	1	-
Accumulated depreciation	(297)	-
Total leasehold improvements	2,775	1,828
Total Land and Buildings	2,775	1,828

Note 5A: Property, Plant and Equipment

Other property, plant and equipment:		
Fair value	1,539	1,241
Accumulated depreciation	(315)	-
Total other property, plant and equipment	1,223	1,241
Total property, plant and equipment	1,223	1,241

Note 5A: Computer Software

Computer software		
Fair value	3,298	3,804
Work in progress	131	20
Accumulated depreciation	(2,653)	(3,016)
Total computer software	776	808

Revaluations

No indicators of impairment were found for property, plant and equipment.

No property, plant and equipment is expected to be sold or disposed of within the next 12 months.

Note 5A: Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment (2017-18)

	Leasehold improvements \$'000	Other property, plant & equipment \$'000	Computer software purchased \$'000	Total \$'000
As at 1 July 2017				
Gross book value	1,828	1,241	3,824	6,893
Accumulated depreciation and impairment	-	-	(3,016)	(3,016)
Net book value 1 July 2017	1,828	1,241	808	3,877
Additions:				
By purchase	1,454	341	330	2,125
Depreciation and amortisation	(323)	(326)	(362)	(1,011)
Other movements				
Restoration of Makegood	(9)	-	-	(9)
Disposals:				
Other	(176)	(33)	-	(209)
Net book value 30 June 2018	2,775	1,223	776	4,774
Net book value as of 30 June 2018 represented by:				
Gross book value ^(b)	3,072	1,539	3,428	8,039
Accumulated depreciation	(297)	(315)	(2,653)	(3,265)
Net book value 30 June 2018	2,775	1,223	776	4,774

(a) Restoration of makegood is a non cash adjustment accounting for the surplus in the makegood provision following the handback of a lease in Sydney.

(b) The gross book value of computer software has reduced due to the write off of redundant software that was held at nil value in the asset register. This has led to a reduction in the gross book value without a corresponding disposal figure.

No indicators of impairment were found for property, plant and equipment.

No property, plant and equipment and intangibles are expected to be sold or disposed of within the next 12 months.

OFFICE OF THE COMMONWEALTH OMBUDSMAN
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018

Note 5: Non-Financial Assets

	2018 \$'000	2017 \$'000
Note 5B: Other Non-Financial Assets		
Prepayments	<u>566</u>	<u>370</u>
Total other non-financial assets	<u>566</u>	<u>370</u>

No indicators of impairment were found for other non-financial assets.
Total other non-financial assets are expected to be recovered within 12 months.

**OFFICE OF THE COMMONWEALTH OMBUDSMAN
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018**

Note 5: Non-Financial Assets

Property, Plant and Equipment

Acquisition of Assets

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor's accounts immediately prior to the restructuring.

Asset Recognition Threshold

Purchases of property, plant and equipment are recognised initially at cost in the Statement of Financial Position, except for purchases costing less than \$2,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to 'makegood' provisions in property leases taken up by the Office where there exists an obligation to restore the property to its original condition. These costs are included in the value of the Office's leasehold improvements with a corresponding provision for the 'makegood' recognised.

Revaluations

Fair values for each class of asset are determined as shown below:

Asset Class	Fair value measured at:
Leasehold improvements	Depreciated replacement cost
Plant and equipment	Depreciated replacement cost & market selling price

Following initial recognition at cost, property plant and equipment are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially from the assets' fair values as at the reporting date. The regularity of independent valuations depends upon the volatility of movements in market values for the relevant assets.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reverses a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the surplus/deficit except to the extent that they reverse a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset restated to the revalued amount.

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the Office using, in all cases, the straight-line method of depreciation.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2018	2017
Leasehold improvements	Lease term	Lease term
Plant and equipment	3 to 10 years	3 to 10 years

OFFICE OF THE COMMONWEALTH OMBUDSMAN
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018

Note 5: Non-Financial Assets

Property, Plant and Equipment

Impairment

All assets were assessed for impairment at 30 June 2018. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Office were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Intangibles

The Office's intangibles comprise internally developed software for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Software is amortised on a straight-line basis over its anticipated useful life. The useful lives of the Office's software are 1 to 8 years (2017: 1 to 8 years).

All software assets were assessed for indications of impairment as at 30 June 2018.

OFFICE OF THE COMMONWEALTH OMBUDSMAN
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2018

Note 6: Fair Value Measurement

The following table provides an analysis of assets and liabilities that are measured at fair value.

Note 6A: Fair Value Measurements

	Fair value measurements at the end of the reporting period	
	2018 \$'000	2017 \$'000
Non-financial assets:		
Leasehold improvements	2,775	1,828
Property, plant and equipment	1,223	1,241
Total non-financial assets	3,998	3,069

(a) All non-financial assets were measured at fair value in the statement of financial position.

OFFICE OF THE COMMONWEALTH OMBUDSMAN
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2018

Note 7: Payables

	2018	2017
	\$'000	\$'000
Note 7A: Suppliers		
Trade creditors and accruals	332	731
Total supplier payables	<u>332</u>	<u>731</u>

Settlement is usually made within 30 days.

Note 7B: Other Payables

Salaries and wages	223	223
Superannuation	70	161
Separations and redundancies	233	182
Lease incentives	2,215	1,574
Unearned income	717	940
Other	76	68
Total other payables	<u>3,533</u>	<u>3,148</u>

Note 7C: Leases

Operating lease rentals	1,347	1,365
Total leases	<u>1,347</u>	<u>1,365</u>

Minimum lease payments expected to be settled

Within 1 year	2,939	2,545
Between 1 to 5 years	13,949	12,456
More than 5 years	879	2,999
Total leases	<u>17,768</u>	<u>18,000</u>

**OFFICE OF THE COMMONWEALTH OMBUDSMAN
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018**

Note 8: Provisions

	2018 \$'000	2017 \$'000
Note 8A: Employee Provisions		
Leave	5,655	4,821
Total employee provisions	5,655	4,821

Accounting policy

Employee Benefits

Liabilities for 'short-term employee benefits' (as defined in AASB 119 *Employee Benefits*) and termination benefits due within twelve months of end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability. Other long-term employee benefits are measured as net total of the present value of the defined benefit obligation at the end of the reporting period minus the fair value at the end of the reporting period of plan assets (if any) out of which the obligations are to be settled directly.

Leave

The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of the Office is estimated to be less than the annual entitlement for sick leave. The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including the Office's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination. The liability for long service leave has been determined by reference to the estimated future cash flows to be made in respect to all employees as at 30 June 2018. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

Separation and Redundancy

Provision is made for separation and redundancy benefit payments. The Office recognises a provision for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations.

Superannuation

Employees of the Office are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), the PSS accumulation plan (PSSap) or other contributory funds as nominated by the employee. The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap and the other funds are defined contribution schemes. The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported by the Department of Finance as an administered item. The Office makes employer contributions to the employee superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the Government. The Office accounts for the contributions as if they were contributions to defined contribution plans. The liability for superannuation recognised as at 30 June 2018 represents outstanding contributions for the final working day of the year.

OFFICE OF THE COMMONWEALTH OMBUDSMAN
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2018

Note 8: Provisions

	2018	2017
	\$'000	\$'000
Note 8B: Other Provisions		
Provision for restoration obligations	220	248
Provision for onerous contracts	-	464
Total other provisions	220	712

**OFFICE OF THE COMMONWEALTH OMBUDSMAN
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018**

Note 9: Key Management Personnel Remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity. The entity has determined the key management personnel to be the Ombudsman, Deputy Ombudsman, 5 Senior Assistant Ombudsman, 1 Chief Operating Officer and 1 Chief Financial Officer. Key management personnel remuneration is reported in the table below:

	2018	2017
	\$'000	\$'000
Short-term employee benefits:		
Salary	1,881	1,831
Motor vehicle and other allowances	151	108
Total short-term employee benefits	<u>2,033</u>	<u>1,940</u>
Post-employment benefits:		
Superannuation	328	286
Total post-employment benefits	<u>328</u>	<u>286</u>
Other long-term benefits:		
Annual leave accrued	145	141
Long-service leave	47	46
Total other long-term benefits	<u>192</u>	<u>187</u>
Termination benefits	-	87
Total	<u>2,551</u>	<u>2,499</u>

The decision to include the Chief Financial Officer in the key management personnel has required a recalculation of the 2017 year to enable a like for like comparison to be made for the two years.

The total number of key management personnel that occupied these positions included in the above table is 13 individuals (2017: 13 individuals). There are three personnel who acted in positions continuously for six weeks or longer and have been included in this table for their acting period.

The above key management personnel remuneration excludes the remuneration and other benefits of the Portfolio Minister. The Portfolio Minister's remuneration and other benefits are set by the Remuneration Tribunal and are not paid by the entity.

**OFFICE OF THE COMMONWEALTH OMBUDSMAN
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018**

Note 10: Related Party Disclosures

Related party relationships:

The entity is an Australian Government controlled entity. Related parties to this entity are Key Management Personnel including the Portfolio Minister and Executive, and other Australian Government entities.

Transactions with related parties:

Given the breadth of Government activities, related parties may transact with the government sector in the same capacity as ordinary citizens. Such transactions include the payment or refund of taxes, receipt of a Medicare rebate or higher education loans. These transactions have not been separately disclosed in this note.

Giving consideration to relationships with related entities, and transactions entered into during the reporting period by the entity, it has been determined that there are no related party transactions to be separately disclosed.

OFFICE OF THE COMMONWEALTH OMBUDSMAN
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2018

Note 11: Financial Instruments

	Note	2018 \$'000	2017 \$'000
Note 11A: Categories of Financial Instruments			
Financial Assets			
Loans and receivables:			
Cash and cash equivalents	4A	141	198
Trade and other receivables	4B	1,288	2,675
Carrying amount of financial assets		1,428	2,873
Financial Liabilities			
At amortised cost:			
Supplier payables	7A	332	731
Carrying amount of financial liabilities		332	731

Accounting Policy

Financial Assets

The Office classifies its financial assets as loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. Financial assets are recognised and derecognised upon trade date.

Effective Interest Method

Income is recognised on an effective interest rate basis except for financial assets that are recognised at fair value through profit or loss.

Impairment of Financial Assets

Financial assets are assessed for impairment at the end of each reporting period.

Financial Assets Held at Amortised Cost

If there is objective evidence that an impairment loss has been incurred for loans and receivables or held to maturity investments held at amortised cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount is reduced by way of an allowance account. The loss is recognised in the statement of comprehensive income.

Financial Liabilities

Financial liabilities are recognised and derecognised upon 'trade date'. Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis. Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

OFFICE OF THE COMMONWEALTH OMBUDSMAN
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018

Note 12: Appropriations

Table A: Annual Appropriations ('Recoverable GST exclusive')

Annual Appropriations for 2018

	<i>Appropriation Act</i>		<i>PGPA Act</i>		Total Appropriation \$'000	Appropriation applied (current and prior years) \$'000	Variance ^(a) \$'000
	Annual Appropriation \$'000	AFM \$'000	Section 74 \$'000	Section 75 \$'000			
DEPARTMENTAL							
Ordinary annual services	23,730	-	13,061	-	36,791	36,001	790
Capital Budget	821	-	-	-	821	2,125	(1,304)
Total departmental	24,551	-	13,061	-	37,612	38,126	(514)

Notes:

(a) The variance of \$0.5m in ordinary annual services was primarily due to the fitout of office premises.

Annual Appropriations for 2017

	<i>Appropriation Act</i>		<i>PGPA Act</i>		Total Appropriation \$'000	Appropriation applied (current and prior years) \$'000	Variance \$'000
	Annual Appropriation \$'000	AFM \$'000	Section 74 \$'000	Section 75 \$'000			
DEPARTMENTAL							
Ordinary annual services	20,957	-	7,079	-	28,036	27,870	166
Capital Budget	828	-	-	-	828	1,626	(798)
Total departmental	21,785	-	7,079	-	28,864	29,496	(632)

Table B: Unspent Annual Appropriations ('Recoverable GST exclusive')

	2018 \$'000	2017 \$'000
Authority		
DEPARTMENTAL		
2015-16 Appropriation Act 1- Departmental Capital Budget		601
2016-17 Appropriation Act 1	-	6,474
2016-17 Appropriation Act 1- Departmental Capital Budget	-	828
2016-17 Appropriation Act 3	-	852
2017-18 Appropriation Act 1 ^(a)	8,171	-
2017-18 Appropriation Act 1- Departmental Capital Budget	117	-
Total	8,288	8,755
Cash on hand or on deposit	141	198

Notes:

(a) \$10,000 was permanently quarantined due to WoAG Public Sector Superannuation Accumulation Plan administration fees. This figure is adjusted within this line item.

Appendix 3 – Annual Performance Statement

2017–18 Annual Performance Statement

Statement of Preparation

I, as the accountable authority of the Office of the Commonwealth Ombudsman (the Office), present the 2017–18 Annual Performance Statement of the Office, as required under paragraph 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). In my opinion, this annual performance statement is based on properly maintained records, accurately reflect the performance of the entity, and comply with subsection 39(2) of the PGPA Act.



Jaala Hinchcliffe
Acting Commonwealth Ombudsman
19 September 2018

2017–18 Annual Performance Statement

Purpose Statement

The Office is a non-corporate Commonwealth entity established by the *Ombudsman Act 1976* (the Ombudsman Act) and is subject to the *Public Governance, Performance and Accountability Act 2013* (the PGPA Act).

Our purpose is to:

- provide assurance that the organisations we oversight act with integrity and treat people fairly
- influence systemic improvement in public administration in Australia and the region.

Outcome and Program Structure

The Office's outcome as described in its Portfolio Budget Statement 2017–18 is:

“Fair and accountable administrative action by Australian Government entities and prescribed private sector organisations, by investigating complaints, reviewing administrative action and statutory compliance inspections and reporting.”

The Office has established eleven KPIs that will enable measurement of performance in achieving this outcome. The results and subsequent analysis of performance are presented within this document.

The Office only has one program, which is ‘the Office of the Commonwealth Ombudsman’.

2017–18 Annual Performance Statement

Office Results

The Office's 2017–18 annual performance results against each KPI as established in the Office's 2017–18 Portfolio Budget Statement and 2017–18 Corporate Plan are as follows:

Key Performance Indicator		Target	Result
KPI 1	Percentage of recommendations/suggestions made during an inspection for which progress has been followed up within 12 months of being made	100%	100%
KPI 2	Percentage of recommendations made in public reports accepted by entities	75%	100%
KPI 3	Percentage of reports on long term detention cases sent to the Minister within 12 months of the review being received from the Department	80%	99.7%
KPI 4	Percentage of State of the Network reports issued within three months of the reporting cycle	90%	0%
KPI 5	Percentage of stakeholders which participated in engagement activities who provided an average of 'satisfied' or 'very satisfied' rating in feedback forms/surveys	90%	98%
KPI 6a	Percentage of outputs delivered under the Australian Aid arrangements	80%	100%
KPI 6b	Percentage of reporting requirements met under the Australian Aid arrangements	100%	100%
KPI 7	Percentage of approaches finalised within the Office's service standards	85%	74.9%
KPI 8	Percentage of office statutory requirements in relation to law enforcement met	100%	100%
KPI 9	Percentage of office statutory requirements in relation to Commonwealth public interest disclosures met	100%	100%
KPI 10	Percentage of public users who completed the survey for Privatehealth.gov.au who provided a 'satisfied' or 'very satisfied' response regarding the quality of information provided by the website	80%	78.9%

2017–18 Annual Performance Statement

KPI 1 — Percentage of recommendations/suggestions made during an inspection for which progress has been followed up within 12 months of it being made

The Office is responsible for overseeing approximately 20 law enforcement agencies and their use of certain covert and intrusive powers. The Office’s role is to assess agencies’ compliance with legislation. Currently, the Office conducts inspections regarding:

- telecommunications interceptions under Chapter 2 of the *Telecommunications (Interception) Act 1979* (Cth) (‘TIA Act’)
- stored communications under Chapter 3 of the TIA Act
- telecommunications data (metadata) under Chapter 4 of the TIA Act
- surveillance devices under the *Surveillance Devices Act 2004* (Cth)
- controlled operations under Part IAB of the *Crimes Act 1914* (Cth).

In addition to our inspections, the Office also reviews:

- the exercise of coercive powers by the Director of the Australian Building and Construction Commission
- the AFP’s administration of Part V of the *Australian Federal Police Act 1979* (Cth).

Part of our National Assurance and Audit inspection methodology with respect to law enforcement agencies is to follow up all issues at every subsequent inspection. As a measure of its success, the Office reports on the number of issues that have been followed up.

The data sources for this result are the 2016–17 and 2017–18 inspection records.

The Office’s result for KPI 1 is 100 per cent.

Methodology	KPI Target Achieved
Total number of recommendations/suggestions made during 2016–17 which were followed up within 12 months during 2017–18	Result—100%
Total number of recommendations/suggestions made during 2016–17	Target—100%

National Assurance and Audit Team

The Office follows up all issues from previous inspection reports at every subsequent inspection. Evidence to support these follow-ups is available in minutes from opening interviews at inspections, work practice manuals and inspection protocols. While the Office follows up on recommendations at each subsequent inspection, inspections of a particular agency are not always carried out multiple times within a financial year, therefore we do not expect to follow up on all recommendations within a 12 month period.

Since the previous Annual Performance Statement, the Office has updated its approach to inspection reports and inspection scheduling. As a result of these changes, future KPI’s may be adjusted to adequately reflect the recommendations/suggestions made and followed up, within a financial year.

All recommendations/suggestions made during 2016–17 were followed up in inspections carried out during the subsequent 12 month period as part of the team’s standard procedures. For agencies that had not used the relevant powers during the subsequent 12 month period, the team were not able to follow up on recommendations/suggestions, as no inspection was conducted. This result indicates that the team is effectively performing required activities.

2017–18 Annual Performance Statement

KPI 2 — Percentage of recommendations made in public reports accepted by entities

In providing effective oversight of entities’ and prescribed private sector organisations’ compliance with legislation and policy in the use of selected intrusive or coercive powers, the Office identifies and reports on compliance and provides recommendations to these entities.

To measure its success in persuading entities to improve the administration of their programmes and complaint-handling systems, the Office measures the acceptance rate of its recommendations.

Systemic improvement to public administration in one area has the potential to improve public administration generally. Every improvement the Office influences provides greater assurance that the organisations it oversees will act with integrity and treat people fairly.

The Office’s result for KPI 2 is 100 per cent.

Methodology	KPI Target Achieved
Total number of issues identified within a public report for which at least one suggestion or recommendation has been accepted, partially accepted or noted during 2017–18 <hr style="border: 0; border-top: 1px solid white;"/> Total number of issues identified within a public report during 2017–18	Result—100% Target—75%

National Assurance and Audit Team

The National Assurance and Audit Team produced seven publicly released reports with a total of four recommendations during 2017–18. All four of the recommendations were accepted.

Report (release date)	Number of recommendations accepted	Number of recommendations
Report to the Attorney-General on agencies’ compliance with the <i>Surveillance Devices Act 2004</i> for the period 1 January to 30 June 2017 (September 2017)	N/A	0
A report on the Commonwealth Ombudsman’s inspection of the Australian Federal Police under the <i>Telecommunications (Interception and Access) Act 1979</i> - Access to journalist’s telecommunications data without a journalist information warrant (October 2017)	1	1
Annual report by the Commonwealth Ombudsman under s 13(1) of the <i>Building and Construction Industry (Consequential and Transitional Provisions) Act 2016</i> for the period 1 July 2015 to 30 June 2016 (November 2017)	1	1
A report on the Commonwealth Ombudsman’s activities under Part V of the <i>Australian Federal Police Act 1979</i> for the period 1 July 2016 to 30 June 2017 (June 2018)	1	1
Report to the Attorney-General on agencies’ compliance with the <i>Surveillance Devices Act 2004</i> for the period 1 July to 31 December 2017 (March 2018)	N/A	0

2017–18 Annual Performance Statement

Report (release date)	Number of recommendations accepted	Number of recommendations
A quarterly report by the Commonwealth Ombudsman under s 65(6) of the <i>Building and Construction Industry (Improving Productivity) Act 2016</i> for the period 1 July 2016 to 31 March 2017 (March 2018)	1	1
Quarterly report by the Commonwealth Ombudsman under s 65(6) of the <i>Building and Construction Industry (Improving Productivity) Act 2016</i> for the period 1 April 2017 to 30 June 2017 (March 2018)	N/A	0
Total	4	4

All recommendations were accepted by agencies. This demonstrates the team's ability to identify issues and provide reasonable and defensible recommendations, to assist agencies achieve or maintain legislative compliance. The team also considers this to be a positive reflection on agencies willingness to maintain or improve their adherence to legislative and best practice principles.

Disability Team

The Disability Team produced one publicly released report with a total of 20 recommendations during 2017–18. All 20 of the recommendations were accepted.

Report (release date)	Number of recommendations accepted	Number of recommendations
Administration of reviews under the <i>National Disability Insurance Scheme Act 2013</i> (May 2018)	20	20

The Disability Team aims to make practical recommendations while maintaining independence when determining reasonable recommendations to make. The team will strive to maintain this result during 2018–19, while maintaining their commitment to producing robust and solution-focused public reports, in areas of complex public administration where there are often no simple or easily implemented fixes.

Immigration Strategy Team

The Immigration Strategy Team produced two publicly released reports with a total of 14 recommendations during 2017–18. All 14 of the recommendations were accepted or partially accepted.

Report (release date)	Number of recommendations accepted	Number of recommendations
Investigation into the circumstances of the detention of Mr G (April 2018)	4	4
Investigation into delays in processing inbound Containerised Sea Cargo (May 2018)	10	10
Total	14	14

2017–18 Annual Performance Statement

The Immigration Strategy Team monitors the Department of Home Affairs’ (the department) progress in implementing its responses to the Ombudsman’s recommendations contained in public and non-public reports. Through their liaison activities, the team seeks progress updates from, and provides feedback to the department on its efforts to address the issues identified in their reports. The team also gathers feedback from a range of sources including complaints to the Office, statutory reports, compliance activities and engagement with key stakeholders. The team will continue engaging with the department to monitor implementation of recommendations during 2018–19 to provide assurance and to influence ongoing improvements to public administration by the department.

Postal Industry Team

The Postal Industry Team produced one publicly released report with a total of six recommendations during 2017–18. All six of the recommendations were accepted or partially accepted.

Report (release date)	Number of recommendations accepted	Number of recommendations
Own Motion report into Review of Australia Post complaints about carding, Safe Drop and compensation (April 2018)	6	6

The Postal Industry Team has focused on providing consistent and timely feedback to Australia Post at both the operational and strategic level. Australia Post had responded positively and accepted the feedback from the report as valuable and important. The team will continue to follow-up the implementation of these recommendations in 2018–19.

Immigration Strategy Team and Operations Branch

The Immigration Strategy Team and Operations Branch collaborated to produce one publicly released report with a total of four recommendations during 2017–18. All four of the recommendations were accepted by the Department of Home Affairs.

Report (release date)	Number of recommendations accepted	Number of recommendations
Own motion investigation into Delays in processing of applications for Australian Citizenship by conferral (December 2017)	4	4

2017–18 Annual Performance Statement

KPI 3 — Percentage of reports on long term detention cases sent to the Minister within 12 months of the review being received from the Department

As part of the Immigration detention oversight function, the Office reports to the Home Affairs Minister on the detention arrangements for people in immigration detention for two years or more (and on a six-monthly basis thereafter).

The Office's result for KPI 3 is 99.7 per cent.

Methodology	KPI Target Achieved
$\frac{\text{Total number of reports on long term detention cases sent to the Minister during 2017–18 within 12 months of s486N reports being received from the Department}}{\text{Total number of reports on long term detention cases sent to the Minister during 2017–18}}$	Result—99.7%
	Target—80%

Statutory Reporting Team

The Office gives priority to preparing s 486O assessments for people in detention, particularly those held in immigration detention facilities, over people who have been granted a visa and released from detention, who have been removed from Australia, or are held in concurrent detention in correctional facilities. Of 1,517 reviews from the department that were referenced in reports sent to the Minister, 1,513 were sent within 12 months of the review being received from the department.

The team achieved their KPI score by recruiting a number of contractors with proficient writing skills, created a number of training resources, and wrote group assessments for individuals who had been released from immigration detention to increase efficiency. To continue meeting its target, the team have implemented further streamlining measures, particularly in relation to the style and format of s 486O assessments to further increase their efficiency and capacity to clear their backlog of assessments.

2017–18 Annual Performance Statement

KPI 4 — Percentage of State of the Network reports issued within three months of the reporting cycle

The Office aims to submit State of the Network reports to the Department of Home Affairs within three months of the completion of the reporting cycle (January 2017 to June 2017 and July 2017 to December 2017). The State of the Network report concerns inspections of immigration detention facilities.

The Office’s result for KPI 4 is 0 per cent.

<p>Methodology</p> <p>Total number of State of the Network reports issued to the Department within three months of the inspection being completed during 2017–18</p> <hr style="border: 0.5px solid white;"/> <p>Total number of inspection reports issued to the Department during 2017–18</p>	<p>KPI Target Not Achieved</p> <p>Result—0%</p> <p>Target—80%</p>
--	--

Detention Inspections and External Territories Team

The Office issued two State of the Network reports in 2017–18. Fourteen out of fifteen post-visit reports were issued within three months of the inspection being completed, however the State of the Network reports, which effectively consolidate the individual post-visit reports, were issued three and a half and six months after the reporting cycle was completed. Resources have been redirected towards this activity and the target is envisaged to be met in 2018-19.

2017–18 Annual Performance Statement

KPI 5 — Percentage of stakeholders who participated in engagement activities who provided an average of ‘satisfied’ or ‘very satisfied’ rating in feedback forms/surveys

Another method that the Office uses to achieve its first strategic objective is through regular stakeholder engagement. Engagement activities are an enabler for improved Australian public administration through collaboration with agency, private sector and community stakeholders.

The Office measured the feedback from participants at stakeholder engagement activities (including stakeholder forums and communities of practice). This included post-event online surveys and evaluation forms completed by hand.

The Office’s combined result for KPI 5 is 98 per cent.

Methodology Number of survey responses that average ‘satisfied’ or ‘very satisfied’ overall <hr style="width: 50%; margin: 0 auto;"/> Total number of respondents who participate in the survey	KPI Target Achieved Result—98% Target—90%
--	--

Event	Date	Positive feedback	Number of attendee forms completed	% providing positive feedback
Commonwealth Complaint-Handling Forum	4 Jun 18	83	85	97.7
ABF Compliance and Removal Superintendents Workshop	6 Mar 2018	8	8	100
ABF s251 Warrant Holder Workshop	22 May 2018	12	13	92.3
Reportable Conduct Scheme Information Session	12 Jul 2017	21	21	100
Reportable Conduct Scheme Information Session	29 May 2018	4	4	100
Reportable Conduct Scheme Information Session	18 Jun 2018	5	5	100
Conducting Investigative Interviews Workshop	27 Apr 2018	14	14	100
Child Safe Organisations Training Workshop	26,27,28 Jun 2018	43	43	100
HELP and VSL Provider Workshop	7, 8 Jun 2018	30	35	85.7
Australia War Memorial	7 Jul 2017	13	13	100
House of Representatives	1 Aug 2017	17	17	100
COP Brisbane	22 Aug 2017	18	19	94.7
Fair Work Commission Brisbane	22 Aug 2017	15	15	100

2017–18 Annual Performance Statement

Event	Date	Positive feedback	Number of attendee forms completed	% providing positive feedback
OAIC Sydney	29 Aug 2017	2	2	100
Independent Parliamentary Expenses Authority	6 Sep 2017	28	29	96.6
Fair Work Commission Canberra	14 Sep 2017	21	21	100
Training at OCO	19 Sep 2017	12	12	100
Fair Work Commission Melbourne	19 Sep 2017	27	27	100
DSS	20 Sep 2017	14	14	100
Air Service Australia	21 Sep 2017	9	9	100
ANSTO	21 Sep 2017	3	3	100
DEE and Parks Australia	N/A	5	5	100
Fair Work Commission Sydney	28, 29 Sep 2017	21	21	100
Authorised Officer Forum	31-Oct-17	4	4	100
COP	9 Nov 2017	40	41	97.6
Agency Awareness Session Melbourne	14 Feb 2018	3	3	100
Authorised Officer Forum Canberra	19 Mar 2018	9	9	100
Authorised Officer Forum Canberra	31 May 2018	44	44	100
Western Sydney round table	28 Nov 2017	15	15	100

2017–18 Annual Performance Statement

KPI 6a — Percentage of outputs delivered under the Australian Aid arrangements

The Office provides assistance to a range of regional partners consistent with Australian Aid priorities through Department of Foreign Affairs (DFAT). Regional Ombudsmen partners include: Indonesia, Solomon Islands, Papua New Guinea, and other Pacific nations under the Pacific Ombudsman Alliance.

Every improvement the Office assists to bring about through its alliance with its partners provides greater assurance that the organisations being oversighted will act with integrity and treat people fairly.

Data sources used to calculate the results were reviews of grant assessments and related correspondence.

The Office's result for KPI 6a is 100 per cent.

Methodology	KPI Target Achieved
$\frac{\text{Number of outputs delivered}}{\text{Total number of outputs scheduled to be delivered under grant agreement}}$	Result—100% Target—80%

International Team

The International Team is required to carry out scheduled activities each year in order to comply with obligations under Australian Aid arrangements with the Department of Foreign Affairs and Trade (DFAT).

The following activities were scheduled to be carried out by the Office during 2017–18, and obligations were met as indicated:

Activity	Obligation Met
Indonesia	
Regional training	Met
Internship program	Met
Study tour (Australian Public Sector Anti-Corruption Conference)	Met
Senior Leadership Engagement	Met
Monitoring and evaluation	Met
Internal Bureaucratic Reform	Met
Media training workshop	Met
Papua New Guinea	
Conflict of interest training	Met
Senior Leadership Visit to PNG	Met
Chief Ombudsman visit (Australian Public Sector Anti-Corruption Conference)	Met
Ombudsman visit (Australasia and Pacific Ombudsman Region Conference)	Met
Government bodies liaison program workshop (Phase 1)	Met
Leadership Division Standard Operating Procedure (Phase 1)	Met
Leadership Division Regional Workshop	Met

2017–18 Annual Performance Statement

Activity	Obligation Met
Twining placement internship	Met
Train the trainer workshop	Met
Human resources training (Phase 1)	Met
Monitoring and evaluation	Met
Pacific	
Regional training	Met
Pacific Integrity Network Working Group	Met
Pacific Integrity Leaders Meeting	Met
Vanuatu Police-Ombudsman Joint Training Phase 3	Met
Web Platform and Toolkit	Met
Flexible Funding	Met
Partner Identified Training	Met
% Met	100%

KPI 6b — Percentage of reporting requirements met under the Australian Aid arrangements

The continuing success of the Office in administering its Australian Aid arrangements is contingent on strictly meeting DFAT reporting requirements for grant agreements.

The Office’s result for KPI 6b is 100 per cent.

Methodology	KPI Target Achieved
Number of reporting requirements met	Result—100%
Total number of reporting requirements to be met under grant agreement	Target—100%

International Team

All reporting requirements for DFAT were met for 2017–18:

Report to DFAT	Report Provided
Indonesia (yearly/6 monthly — calendar year)	6 monthly report (met)
PNG (6 monthly/yearly)	6 monthly report (met)
Pacific Governance and Anti-Corruption program	Annual report delivered (met)
% Met	100%

The International Team met targets for both KPIs 6a and 6b which were set to measure whether the Office’s obligations under Australian Aid arrangements with DFAT were met. This was achieved through forward planning, regular consultation with regional partners and DFAT, and regular monitoring of activity planning and delivery in response to changing circumstances. In 2018–19, new KPIs will measure stakeholder satisfaction with Australian Aid activities, along with the percentage of outputs delivered. It is anticipated the team will continue to fulfil its Australian Aid obligations under its agreement with DFAT, through regular consultation and liaison with its regional partners in Indonesia, Papua New Guinea, Solomon Islands and Samoa, and through regular measurement of stakeholder satisfaction with activities.

2017–18 Annual Performance Statement

KPI 7 — Percentage of approaches finalised within the Office’s service standards

Receiving and investigating complaints/approaches is an important function of the Office as it enables the public to challenge (and seek independent review of) the actions of the entities the Office oversees. Qualitative information suggests that complaints are becoming more complex and harder to resolve and the breadth and volume of the Office’s complainant management work has grown sharply in recent years.

It is incumbent on the Office to provide an efficient and effective complaint-handling service. In line with the Office’s current work practices, complaints are to be appropriately dealt with in a timely manner (as per internal service standards) or escalated accordingly.

The Office measures timeliness of complaint-handling services based on the category of approaches received. Approaches can be assigned to one of five categories based on the complexity of the issue, with Category 1 being the least complex and Category 5 being the most complex. The service standard timeframe for each category is consistent throughout the Office as follows:

Approach Category	To be finalised within
Category 1	3 working days
Category 2	2 weeks
Category 3	3 months
Category 4	6 months
Category 5	12 months

The Office’s combined result for KPI 7 is 74.9 per cent.

Methodology	KPI Target Not Achieved
Total number of approaches closed by benchmark service standard	Result—74.9%
Total number of approaches closed	Target—85%

2017–18 Annual Performance Statement

Whole of Office

Performance against each Category during 2017–18 is presented below:

Approach Category	Approaches closed within timeframe	Approaches Closed	Percentage finalised within timeframe
Whole of Office			
Category 1	10,319	10,973	94.0%
Category 2	15,631	23,757	65.8%
Category 3	2,180	2,684	81.2%
Category 4	413	682	60.6%
Category 5	0	5	0.0%
Total	28,543	38,101	74.9%
VET Student Loans Ombudsman			
Category 1	19	24	79.2%
Category 2	492	2,985	16.5%
Category 3	13	33	39.4%
Category 4	4	7	57.1%
Category 5	0	0	-
Total	528	3,049	17.3%
Whole of Office (without VET Student Loans statistics)			
Category 1	10,300	10,949	94.1%
Category 2	15,139	20,772	72.9%
Category 3	2,167	2,651	81.7%
Category 4	409	675	60.6%
Category 5	0	5	0.0%
Total	28,015	35,052	79.9%

Analysis

A total of 38,101 approaches were closed by the Office during 2017–18 of which 9,558 approaches did not meet the service standard timeframe. This was largely attributed to the need to manage increasing volumes of complaints and, on occasions, overdue agency responses. Statistics relating to VET Student Loans approaches have significantly impacted whole of Office results, for this reason the Office's performance without VET Student Loans statistics is presented above. Further detail regarding VET Student Loans is provided below.

In 2018–19, the Office will focus on implementing early resolution strategies, improving the identification of emerging issues and working with agencies to fix problems at the earliest possible opportunity. The Office will also review its processes and procedures to improve workflow, reduce timeframes and increase efficiency and capacity.

VET Student Loans Ombudsman

The VET Student Loans Ombudsman commenced on 1 July 2017 and work volumes have been high. A total of 49 per cent of our approaches or 3,049 approaches were closed by the team during 2017–18. The majority, 99 per cent, of complaints received by the team related to the former VET FEE-HELP scheme and are therefore historic complaints that are often complex in nature.

2017–18 Annual Performance Statement

Over 1,600 of the team’s open complaints in 2017–18 relate to providers that are no longer operating. It is therefore difficult for the team to progress these complaints as there is limited evidence and information available to support or discredit complainants’ claims. The team is working with other government agencies to identify remedies for open complaints.

The team is also seeking alternative data and information sources and this work is continuing to build up enough evidence to progress these complaints in 2018–19.

KPI 8 — Percentage of office statutory requirements in relation to law enforcement met

The Office is responsible for overseeing approximately 20 law enforcement agencies and their use of certain covert and intrusive powers. The Office’s role is to assess agencies’ compliance with legislation. Currently, the Office conducts inspections regarding:

- telecommunications interceptions under Chapter 2 of the *Telecommunications (Interception) Act 1979* (Cth) (‘TIA Act’)
- stored communications under Chapter 3 of the TIA Act
- telecommunications data (metadata) under Chapter 4 of the TIA Act
- surveillance devices under the *Surveillance Devices Act 2004* (Cth)
- controlled operations under Part IAB of the *Crimes Act 1914* (Cth).

In addition to our inspections, the Office also reviews:

- the exercise of coercive powers by the Director of the Australian Building and Construction Commission
- the AFP’s administration of Part V of the *Australian Federal Police Act 1979* (Cth).

The Office’s result for KPI 8 is 100 per cent.

Methodology	KPI Target Achieved
$\frac{\text{Number of statutory requirements met}}{\text{Total number of statutory requirements to be met}}$	Result—100% Target—100%

2017–18 Annual Performance Statement

National Assurance and Audit Team

During 2017–18, the following reports were provided to Parliament and published:

- A report on the Commonwealth Ombudsman’s inspection of the Australian Federal Police under the *Telecommunications (Interception and Access) Act 1979: Access to journalist’s telecommunications data without a journalist information warrant* (Report dated October 2017) — tabled in Parliament on 28 November 2017.
- Surveillance Devices half-yearly report (covering the period 1 January to 30 June 2017) — tabled in Parliament on 6 December 2017.
- Fair Work Building and Construction (now the Australian Building and Construction Commission) Annual Report (under Transitional Provisions) (covering the period 1 July 2015 to 30 June 2016) — tabled in Parliament on 29 November 2017.
- Australian Federal Police, Part V Report (covering the period 1 July 2016 to 30 June 2017) — tabled in Parliament on 19 June 2018.
- Surveillance Devices half-yearly report (covering the period 1 July to 31 December 2017) — tabled in Parliament on 21 June 2018.
- Australian Building and Construction Commission Quarterly Report (covering the period 1 July 2016 to 31 March 2017) — tabled in Parliament on 8 May 2018.
- Australian Building and Construction Commission Quarterly Report (covering the period 1 April 2017 to 30 June 2017) — tabled in Parliament on 8 May 2018.

National Assurance and Audit has met 100 per cent of its statutory requirements. While this is the case, delays in publishing reports have been experienced by the team. A restructure of the team and a more targeted approach to our inspection activity is underway and will be implemented during early 2018–19. This will increase the efficiency of the team and substantially reduce any delays to publishing reports in the future. All relevant agencies, under all inspection regimes, have been inspected for 2017–18. We have met reporting requirements during 2017–18 (for inspections conducted during 2016–17) and are on track to meet 2018–19 statutory reporting obligations.

2017–18 Annual Performance Statement

KPI 9 — Percentage of office statutory requirements in relation to Commonwealth public interest disclosures met

In providing effective oversight and promotion of the administration of the Public Interest Disclosure Scheme for the Commonwealth public sector, the Office has a range of statutory requirements. These include legislation, records and internal standards.

The Office's result for KPI 9 is 100 per cent.

Methodology	KPI Target Achieved
$\frac{\text{Number of statutory requirements met}}{\text{Total number of statutory requirements to be met}}$	Result—100% Target—100%

Public Interest Disclosure Team

The extent to which the Office met its statutory requirements in relation to the Public Interest Disclosure Scheme was measured by analysis of the timeliness of allocation decisions made by authorised officers within the Public Interest Disclosure Team. Under the *Public Interest Disclosure Act 2013*, an authorised officer must use best endeavours to make an allocation decision within 14 days of receipt of a disclosure. Over the course of the year, authorised officers assessed 53 public interest disclosures. Fourteen of the allocation decisions were delayed by more than 14 days due to the complexity of the issue and/or resourcing issues. However in those cases the Office did use its best endeavours and all allocation decisions were made within a reasonable time.

All of the allocation decisions by authorised officers within the team met the statutory timeframes under the *Public Interest Disclosure Act 2013*, although 14 allocation decisions took longer than 14 days to allocate. The reasons for the delays varied in each case, however, in summary they were a result of delays in receiving information from disclosers, voluminous information received from disclosers and awaiting consent from disclosers to allocate. The team will continue to use best endeavours to allocate disclosures within 14 days, seeking to minimise the additional time required in more complex or sensitive cases and envisage that the target will continue to be met in 2018–19.

2017–18 Annual Performance Statement

KPI 10 — Percentage of public users who completed the survey for privatehealth.gov.au who provided a ‘satisfied’ or ‘very satisfied’ response regarding the quality of information provided by the website

The Office gauged consumer satisfaction with the private health insurance consumer website via online surveys submitted by users throughout 2017–18.

The Office’s result for KPI 10 is 78.9 per cent.

<p>Methodology</p> <p style="text-align: center;"> $\frac{\text{Number of respondents satisfied or very satisfied}}{\text{Total number of respondents who participated in the survey}}$ </p>	<p>KPI Target Not Achieved</p> <p style="text-align: center;"> Result—78.9% Target—80% </p>
--	---

Private Health Insurance Team

519 of 657 respondents found the quality of information provided on the website to be excellent, good or average. The following table provides a breakdown of the responses received to the question ‘Please rate the privatehealth.gov.au website on quality of information’. All excellent, good and average responses were classified as satisfied or better for the purpose of measuring performance against this KPI.

Survey question	Approach Category	To be finalised within
Please rate the Privatehealth.gov.au website on quality of information	Excellent	136
	Good	225
	Average	158
	Subtotal	519
	Poor	77
	Very poor	61
	Subtotal	138
Total	657	

The website is currently under redevelopment for a major relaunch, in conjunction with proposed private health insurance reforms from 1 April 2019. We expect this result will improve after the new site is available as the current site is functional but dated.

2017–18 Annual Performance Statement

Analysis

The Office met eight of eleven KPI targets for 2017–18 with one target being missed only fractionally. These results demonstrate the Office's ability to carry out its purpose during the period.

The Office continues to operate in an environment of constrained resources and increasing approaches received. A total of 38,101 approaches were closed by the Office during 2017–18 of which 9,558 approaches did not meet the service standard timeframe.

Of particular note this year were the large volumes of complaints about the historic VET FEE-HELP program received by the new VET Student Loans Ombudsman team, the 256 per cent increase in complaints about the NDIS and an increasing workload for our Defence Force Ombudsman team, particularly since the Government's announcement of the reparation payment for historic Defence abuse victims.

Complaints in all of these areas require careful handling and analysis. Often, they are not amenable to rapid resolution. On occasions, too, our capacity to meet our timeliness targets is impacted by the speed with which agencies respond to our requests for information.

The result for KPI 3 improved significantly from 82.6 per cent last year to 99.7 per cent this year. The result is due to process improvement and hard work by the Statutory Reporting team.

While our result for KPI 4 did not meet our expectations, all post-visit reports were issued in a timely manner. Resources have been redirected towards this activity and the target is envisaged to be met in 2018–19.

We have recently adjusted our structure to improve functional alignment and improve efficiency. We are pleased to have received additional resources in the 2018–19 Budget that will enable us to bolster those parts of our office that are currently under strain.

We will focus our energy in 2018–19 on enhancing the capability of agencies to handle complaints themselves with a view to reducing, over time, the need for some complainants to seek resolution of their issues with the Office. We are also developing means to assess whether agencies are providing reasonable outcomes for complainants following our involvement in or referral of complaints to agencies.

Appendix 4 – Information Publication Scheme

The Information Publication Scheme (IPS) applies to Australian Government agencies that are subject to *the Freedom of Information Act 1982*. This scheme requires an agency to publish a broad range of information on their website.

The Commonwealth Ombudsman's website makes available the Office's Information Publication Scheme plan, describing how the Office complies with these requirements and giving access to information published under the scheme. More information can be found at: ombudsman.gov.au/about/information-publication-scheme

Appendix 5 – Entity Resources Statement

Entity Resource Statement 2017-18

	Actual available appropriation for 2017-18 \$'000	Payments made 2017-18 \$'000	Balance 2017-18 \$'000
	(a)	(b)	(a) - (b)
Ordinary Annual Services¹			
Departmental appropriation ²	49,085	38,126	10,959
Adjustment – actual s74 ³	(2,520)	-	(2,520)
Adjustment – s51 determination ⁴	(10)	-	(10)
Total resourcing and payments	46,555	38,126	8,429

- 1 Appropriation Act (No. 1) 2017-18 and Appropriation Act (No. 5) 2017-18. This also includes prior year departmental appropriation and s74 relevant agency receipts.
- 2 Includes an *available* amount of \$0.821m in 2017-18 for the Departmental Capital Budget. For accounting purposes this amount has been designated as 'contribution by owners'.
- 3 Actual s74 receipts in 2017-18 were \$13.061m compared to the Budget estimate of \$15.581m.
- 4 \$0.010m was quarantined for Superannuation fees but not yet removed from the appropriation.

Resource Summary Table – Expenses for Outcome 1

Outcome 1: Fair and accountable administrative action by Australian Government entities and prescribed private sector organisations, by investigating complaints, reviewing administrative action and statutory compliance inspections and reporting.

	Budget 2017-18 \$'000	Actual Expenses 2017-18 \$'000	Variance 2017-18 \$'000
Program 1.1: Office of the Commonwealth Ombudsman			
Departmental expenses			
Departmental appropriation ¹	39,041	34,919	4,122
Expenses not requiring appropriation in the Budget year	1,130	1,065	65
Total for Program 1.1	40,171	35,984	4,187
Total for Outcome 1	40,171	35,984	4,187
Average Staffing Level (number)	200	201	(1)

- 1 Departmental Appropriation combines 'Ordinary annual services' (Appropriation Act No. 1 and Appropriation Act No. 5) and 'Revenue from independent sources (S74)'.

Appendix 6 – Ecologically Sustainable Development and Environmental Performance

Section 516A of the *Environment Protection and Biodiversity Act 1999* sets out the principles and framework for the Office to report on environmental matters. We also have an environmental management policy to help us manage activities in an environmentally sustainable manner. Our environmental impact is mainly through office-based energy consumption, paper resources and waste management.

Energy consumption

In 2017–18 the Office continued to manage its energy consumption and drive efficiencies. New tenancies in Sydney, Melbourne and Brisbane have included smart lighting and the introduction of LED globes to further reduce energy consumed. Total energy across all of the Office tenancies has increased by 15 per cent while the growth in staffing (including contractors) has been 10 per cent. The increase in energy costs this year are in excess of the increase in staff, due to the increase in accommodation leased by the Office. The additional leased office space is sufficient to accommodate a 15 per cent increase in staff numbers which will cater for the 10 per cent increase already forecast for the 2018–19 financial year.

Paper resources

The Office ensures we engage in predominantly digital record-keeping and e-business practices to reduce paper files. Our paper supplies are either manufactured from at least 50 per cent recycled products or carbon neutral. Other office materials such as files, folders and unused stationary are recycled within the Office to reduce procurement activity and costs for stationery.

Waste management

We actively manage the waste we produce through several mechanisms:

- recycling bins are provided in all offices to encourage recycling of waste such as paper and cardboard packaging
- toner cartridges are recycled
- implementation of ‘follow me printing’
- kitchen waste such as plastic bottles and cans are recycled via special bins provided in breakout areas.

Appendix 7 – Correction of material errors in previous annual report

The timing of the assessment on Manus Island was Feb/March 2017 not 2016 as reported on page 68 of the 2016–17 Annual Report.

Appendix 8 – Public Interest Disclosures

Table 20 – Number of disclosures received and alleged disclosable conduct

Agency	Number of disclosures received by Authorised Officers	Alleged kinds of disclosable conduct to which the disclosures relate
1. Australian Postal Corporation	246	<ul style="list-style-type: none"> • Conduct that may result in disciplinary action • Conduct engaged in for the purposes of corruption • Maladministration • Contravention of a law of the Commonwealth, state or territory • Wastage of Commonwealth resources (including money and property) • Abuse of public trust • Conduct that results in, or that increases, the risk of danger to the health or safety of one or more persons
2. Department of Defence	156	<ul style="list-style-type: none"> • Contravention of a law of the Commonwealth, state or territory • Maladministration • Conduct that may result in disciplinary action • Wastage of Commonwealth resources (including money and property) • Abuse of public office • Conduct that results in, or that increases, the risk of danger to the health or safety of one or more persons • Conduct engaged in for the purposes of corruption • Abuse of public trust

Agency	Number of disclosures received by Authorised Officers	Alleged kinds of disclosable conduct to which the disclosures relate
3. Office of the Commonwealth Ombudsman	59 ⁵⁰	<ul style="list-style-type: none"> • Maladministration • Contravention of a law of the Commonwealth, state or territory • Conduct that results in, or that increases, the risk of danger to the health or safety of one or more persons • Conduct that may result in disciplinary action • Wastage of Commonwealth resources (including money and property) • Abuse of public trust • Abuse of public office • Perversion of the course of justice • Conduct engaged in for the purposes of corruption
4. Australian Taxation Office	44	<ul style="list-style-type: none"> • Conduct that may result in disciplinary action • Contravention of a law of the Commonwealth, state or territory • Abuse of public office • Maladministration
5. Department of Home Affairs	29	<ul style="list-style-type: none"> • Maladministration • Conduct that results in, or that increases, the risk of danger to the health or safety of one or more persons • Contravention of a law of the Commonwealth, State or Territory • Conduct that may result in disciplinary action • Wastage of Commonwealth resources (including money and property) • Abuse of public office • Abuse of public trust

⁵⁰ The Office of the Commonwealth Ombudsman received 59 PIDs relating to other agencies and one PID relating to our Office, see item 57.

Agency	Number of disclosures received by Authorised Officers	Alleged kinds of disclosable conduct to which the disclosures relate
6. Airservices Australia	21	<ul style="list-style-type: none"> • Conduct that may result in disciplinary action • Conduct that results in, or that increases, the risk of danger to the health or safety of one or more persons • Contravention of a law of the Commonwealth, state or territory • Maladministration
7. Department of Veterans' Affairs	18	<ul style="list-style-type: none"> • Conduct that may result in disciplinary action • Maladministration • Wastage of Commonwealth resources (including money and property) • Contravention of a law of the Commonwealth, state or territory
8. NBN Co. Limited	11	<ul style="list-style-type: none"> • Conduct that may result in disciplinary action • Maladministration • Conduct engaged in for the purposes of corruption • Abuse of public trust • Abuse of public office • Contravention of a law of the Commonwealth, state or territory
9. Australian Public Service Commission	8	<ul style="list-style-type: none"> • Contravention of a law of the Commonwealth, state or territory • Conduct that may result in disciplinary action • Maladministration • Abuse of public office

Agency	Number of disclosures received by Authorised Officers	Alleged kinds of disclosable conduct to which the disclosures relate
10. Department of Human Services	8	<ul style="list-style-type: none"> • Maladministration • Conduct that may result in disciplinary action • Conduct that results in, or that increases, the risk of danger to the health or safety of one or more persons • Contravention of a law of the Commonwealth, state or territory • Abuse of public office • Abuse of public trust • Wastage of Commonwealth resources (including money and property) • Conduct that endangers, or risks endangering the environment • Perversion of the course of justice
11. Department of Agriculture and Water Resources	7	<ul style="list-style-type: none"> • Conduct that may result in disciplinary action • Maladministration • Abuse of public office
12. Department of the Prime Minister and Cabinet	7	<ul style="list-style-type: none"> • Maladministration • Contravention of a law of the Commonwealth, state or territory • Conduct that may result in disciplinary action • Abuse of public trust • Wastage of Commonwealth resources (including money and property)
13. Consolidated Australian Intelligence Community Response	7	<ul style="list-style-type: none"> • Maladministration • Conduct that may result in disciplinary action • Contravention of a law of the Commonwealth, state or territory • Wastage of Commonwealth resources (including money and property)

Agency	Number of disclosures received by Authorised Officers	Alleged kinds of disclosable conduct to which the disclosures relate
14. Inspector-General of Intelligence and Security (IGIS)	7 Note: all 7 PIDs related to Australian intelligence agencies which IGIS has jurisdiction over	<ul style="list-style-type: none"> • Maladministration • Conduct that may result in disciplinary action • Contravention of a law of the Commonwealth, state or territory
15. Attorney-General's Department	6	<ul style="list-style-type: none"> • Contravention of a law of the Commonwealth, state or territory • Conduct that results in, or that increases, the risk of danger to the health or safety of one or more persons • Maladministration • Wastage of Commonwealth resources (including money and property)
16. ASC Pty Ltd	5	<ul style="list-style-type: none"> • Maladministration • Conduct engaged in for the purposes of corruption • Conduct that may result in disciplinary action • Wastage of Commonwealth resources (including money and property)
17. Australian Federal Police	5	<ul style="list-style-type: none"> • Contravention of a law of the Commonwealth, state or territory • Conduct that may result in disciplinary action • Perversion of the course of justice • Maladministration • Abuse of public trust • Wastage of Commonwealth resources (including money and property) • Conduct that results in, or that increases, the risk of danger to the health or safety of one or more persons

Agency	Number of disclosures received by Authorised Officers	Alleged kinds of disclosable conduct to which the disclosures relate
18. Defence Housing Australia	5	<ul style="list-style-type: none"> • Conduct that may result in disciplinary action • Abuse of public office
19. National Archives of Australia	5	<ul style="list-style-type: none"> • Conduct that may result in disciplinary action • Conduct that results in, or that increases, the risk of danger to the health or safety of one or more persons • Contravention of a law of the Commonwealth, state or territory • Wastage of Commonwealth resources (including money and property) • Abuse of public office
20. Australian Rail Track Corporation Ltd 21. Comcare 22. Indigenous Business Australia 23. Australian Bureau of Statistics 24. Australian Criminal Intelligence Commission 25. Bureau of Meteorology 26. Department of Jobs and Small Business 27. National Disability Insurance Agency 28. National Health and Medical Research Council 29. Administrative Appeals Tribunal 30. Australian Building and Construction Commission 31. Australian Film, Television and Radio School 32. Australian National Audit Office	83 (aggregated total of all PIDs received by these agencies). This section aggregates data for agencies reporting four or fewer PIDs received during the reporting period.	<ul style="list-style-type: none"> • Maladministration • Conduct that may result in disciplinary action • Contravention of a law of the Commonwealth, state or territory • Wastage of Commonwealth resources (including money and property) • Abuse of public trust • Conduct that results in, or that increases, the risk of danger to the health or safety of one or more persons • Abuse of public office • Perversion of the course of justice • Conduct engaged in for the purpose of corruption • Conduct in a foreign country that contravenes a law

Agency	Number of disclosures received by Authorised Officers	Alleged kinds of disclosable conduct to which the disclosures relate
33. Australian Nuclear Science and Technology Organisation	83 (aggregated total of all PIDs received by these agencies).	<ul style="list-style-type: none"> • Maladministration • Conduct that may result in disciplinary action
34. Commonwealth Director of Public Prosecutions	This section	<ul style="list-style-type: none"> • Contravention of a law of the Commonwealth, state or territory
35. Commonwealth Scientific and Industrial Research Organisation	aggregates data for agencies reporting four or fewer PIDs received during the reporting period.	<ul style="list-style-type: none"> • Wastage of Commonwealth resources (including money and property)
36. Department of Communications and the Arts		<ul style="list-style-type: none"> • Abuse of public trust
37. Department of Health		<ul style="list-style-type: none"> • Conduct that results in, or that increases, the risk of danger to the health or safety of one or more persons
38. Department of Industry Innovation and Science		<ul style="list-style-type: none"> • Abuse of public office
39. Department of Social Services		<ul style="list-style-type: none"> • Perversion of the course of justice
40. Department of the Environment and Energy		<ul style="list-style-type: none"> • Conduct engaged in for the purpose of corruption
41. Department of Treasury		<ul style="list-style-type: none"> • Conduct in a foreign country that contravenes a law
42. Special Broadcasting Service		
43. Australian Broadcasting Corporation		
44. Australian Commission for Law Enforcement Integrity		
45. Australian Competition and Consumer Commission and Australian Energy Regulator		
46. Australian Electoral Commission		
47. Australian Financial Security Authority		
48. Australian Institute of Marine Science		
49. Australian Maritime Safety Authority		
50. Australian National Maritime Museum		

Agency	Number of disclosures received by Authorised Officers	Alleged kinds of disclosable conduct to which the disclosures relate
51. Australian National University	83 (aggregated total of all PIDs received by these agencies). This section aggregates data for agencies reporting four or fewer PIDs received during the reporting period.	<ul style="list-style-type: none"> • Maladministration • Conduct that may result in disciplinary action • Contravention of a law of the Commonwealth, state or territory • Wastage of Commonwealth resources (including money and property) • Abuse of public trust • Conduct that results in, or that increases, the risk of danger to the health or safety of one or more persons • Abuse of public office • Perversion of the course of justice • Conduct engaged in for the purpose of corruption • Conduct in a foreign country that contravenes a law
52. Australian Securities & Investments Commission		
53. Australian Trade and Investment Commission		
54. Australian Transaction Reports and Analysis Centre (AUSTRAC)		
55. Australian War Memorial		
56. Civil Aviation Safety Authority		
57. Commonwealth Ombudsman ⁵¹		
58. Department of Education and Training		
59. Department of Foreign Affairs and Trade		
60. Department of Parliamentary Services		
61. Fair Work Ombudsman and Registered Organisations Commission Entity		
62. Federal Court of Australia		
63. Food Standards Australia New Zealand		
64. Office of the Australian Information Commissioner		
65. Screen Australia		
66. Tertiary Education Quality and Standards Agency		
67. Torres Strait Regional Authority		

51 One PID relating to our Office.

Table 21 – Agencies that have reported not receiving PIDs in 2017–18

1.	AAF Company
2.	Aboriginal Hostels Limited
3.	Anindilyakwa Land Council
4.	Army & Air Force Canteen Service
5.	Asbestos Safety & Eradication Agency
6.	Australia Council for the Arts
7.	Australian Accounting Standards Board and Auditing and Assurance Standards Board
8.	Australian Aged Care Quality Agency
9.	Australian Centre for International Agricultural Research
10.	Australian Commission on Safety and Quality in Health Care
11.	Australian Communications and Media Authority
12.	Australian Curriculum Assessment and Reporting Authority
13.	Australian Digital Health Agency
14.	Australian Fisheries Management Authority
15.	Australian Hearing Services
16.	Australian Human Rights Commission
17.	Australian Institute for Teaching and School Leadership
18.	Australian Institute of Aboriginal and Torres Strait Islander Studies
19.	Australian Institute of Criminology
20.	Australian Institute of Family Studies
21.	Australian Institute of Health and Welfare (AIHW)
22.	Australian Law Reform Commission
23.	Australian Military Forces Relief Trust Fund
24.	Australian Naval Infrastructure Pty Ltd
25.	Australian Office of Financial Management
26.	Australian Pesticides and Veterinary Medicines Authority
27.	Australian Prudential Regulation Authority
28.	Australian Radiation Protection and Nuclear Safety Agency
29.	Australian Reinsurance Pool Corporation (ARPC)
30.	Australian Research Council
31.	Australian Skills Quality Authority
32.	Australian Sports Anti-Doping Authority
33.	Australian Sports Commission
34.	Australian Sports Foundation Ltd
35.	Australian Transport Safety Bureau
36.	Bundanon Trust
37.	Cancer Australia
38.	Central Land Council
39.	Clean Energy Finance Corporation
40.	Clean Energy Regulator
41.	Climate Change Authority
42.	Coal Mining Industry (Long Service Leave Funding) Corporation
43.	Commonwealth Grants Commission
44.	Commonwealth Superannuation Corporation
45.	Cotton Research & Development Corporation
46.	Creative Partnerships Australia
47.	Department of Finance
48.	Department of Infrastructure, Regional Development and Cities
49.	Department of the House of Representatives

50. Department of the Senate
51. Digital Transformation Agency
52. Export Finance & Insurance Corporation
53. Fair Work Commission
54. Fisheries Research and Development Corporation
55. Future Fund Management Agency
56. Grains Research and Development
57. Great Barrier Reef Marine Park Authority
58. High Court of Australia
59. Independent Hospital Pricing Authority
60. Independent Parliamentary Expenses Authority
61. Indigenous Land Corporation
62. Infrastructure Australia
63. Inspector-General of Taxation
64. Moorebank Intermodal Company Limited
65. Murray-Darling Basin Authority
66. Museum of Australian Democracy at Old Parliament House
67. National Australia Day Council
68. National Blood Authority
69. National Capital Authority
70. National Competition Council
71. National Film and Sound Archive of Australia
72. National Gallery of Australia
73. National Health Funding Body
74. National Library of Australia
75. National Mental Health Commission
76. National Museum of Australia
77. National Offshore Petroleum Safety and Environmental Management Authority
78. National Portrait Gallery of Australia
79. National Transport Commission
80. Northern Australia Infrastructure Facility
81. Northern Land Council
82. Office of Parliamentary Counsel
83. Office of the Official Secretary to the Governor-General
84. Organ and Tissue Donation and Transplantation Authority
85. Outback Stores Pty Ltd
86. Parliamentary Budget Office
87. Productivity Commission
88. Professional Services Review
89. RAAF Welfare Recreational Company
90. Reserve Bank of Australia
91. Royal Australian Air Force Welfare Trust Fund
92. Royal Australian Mint
93. Royal Australian Navy Central Canteens Board (RANCCB)
94. Royal Australian Navy Relief Trust Fund (RANRTF)
95. Rural Industries Research Development Corp (Trading as AGRIFUTURES Australia)
96. Safe Work Australia
97. Sydney Harbour Federation Trust
98. The Australian Strategic Policy Institute
99. Tiwi Land Council
100. Tourism Australia
101. Wine Australia
102. Workplace Gender Equality Agency
103. Wreck Bay Aboriginal Community Council

Table 22 – PID investigations completed and action/s taken in response to recommendations

Agency	Number of disclosure investigations completed during the financial year	Actions taken during the financial year in response to recommendations relating to disclosure investigations
1. Department of Defence	140	<ul style="list-style-type: none"> • Investigation ceased – matter unfounded • Administrative action • Investigation recommended under another law • Investigation ceased insufficient evidence • Charges not recommended • Public Service Act action • NFA – Case transferred to another Policing and Security Organisation • Charges preferred – <i>Defence Force Discipline Act 1982</i>
2. Australian Postal Corporation	31	<ul style="list-style-type: none"> • Undertake a review of rostering arrangements to ensure proper allocation occurs. • Issuing of Performance Improvement Notice. • Disciplinary action including formal warning
3. Australian Taxation Office	30	<ul style="list-style-type: none"> • Recommendation/s for investigation under APS Code of Conduct and Workplace Health and Safety. • Referral to ATO People for conduct action. • Processes implemented by area management to address identified control issues.

Agency	Number of disclosure investigations completed during the financial year	Actions taken during the financial year in response to recommendations relating to disclosure investigations
4. Airservices Australia	14	<ul style="list-style-type: none"> • Undertake an all staff communication reminder reinforcing security controls. • Management to ensure staff compliance with Visitor access requirements. • Ensure ongoing monitoring and review of staff fatigue levels, consistent with WHS legislative obligations. • Review culture and/ or implement training for staff around expected behaviours. • Revise procedures relating to Crisis management response and run a communications and awareness campaign including roles and responsibilities of staff responding to traumatic events.
5. Department of Veterans' Affairs	14	<ul style="list-style-type: none"> • Recommendation/s for investigation under s 15(3) of the <i>Public Service Act 1999</i> as suspected breach of the APS Code of Conduct.
6. Department of Home Affairs	13	<ul style="list-style-type: none"> • Referred to Integrity & Professional Standards for investigation under code of conduct • Referral to Australian Commission for Law Enforcement Integrity • Referral to Contract Management for investigation of contractual breaches • Referral to WHS Section for investigation under WHS Act 2011
7. NBN Co Limited	6	<ul style="list-style-type: none"> • No recommendations as all matters investigated identified no disclosable conduct.

Agency	Number of disclosure investigations completed during the financial year	Actions taken during the financial year in response to recommendations relating to disclosure investigations
8. Administrative Appeals Tribunal	65 investigations were completed by the agencies in this section. This section aggregates data for agencies reporting four or fewer investigations being conducted during the period.	Note: Although all agencies within this group identified they had completed one or more investigations, not all investigations resulted in recommendation/s being made.
9. Attorney-General's Department		The following are examples of some of the recommendations made by agencies within this aggregated group.
10. Australian Bureau of Statistics		<ul style="list-style-type: none"> • Recommendation/s for investigation under s 15(3) of the <i>Public Service Act 1999</i> as suspected breach of the APS Code of Conduct.
11. Australian Communications and Media Authority		<ul style="list-style-type: none"> • Referral to Australian Public Service Commissioner.
12. Australian Competition and Consumer Commission and Australian Energy Regulator		<ul style="list-style-type: none"> • Refresher briefing to Executive level staff on supervisor obligations.
13. Australian Criminal Intelligence Commission		<ul style="list-style-type: none"> • Review of current recruitment policy.
14. Australian Electoral Commission		<ul style="list-style-type: none"> • Review and improve guidance material for employees to make clear that there are safeguards and protections in place for PID disclosers as appropriate.
15. Australian Federal Police		<ul style="list-style-type: none"> • Undertake internal training on Contract Management.
16. Australian Institute of Marine Science		<ul style="list-style-type: none"> • Undertake awareness program in relation to contracts and complex procurement.
17. Australian Intelligence Agencies – Combined Response		
18. Australian National University		
19. Australian Public Service Commission		
20. Australian Rail Track Corporation Ltd		
21. Australian Securities & Investments Commission		
22. Australian Trade and Investment Commission		
23. Australian Transaction Reports and Analysis Centre (AUSTRAC)		
24. Bureau of Meteorology		

Agency	Number of disclosure investigations completed during the financial year	Actions taken during the financial year in response to recommendations relating to disclosure investigations
25. Comcare 26. Commonwealth Director of Public Prosecutions 27. Commonwealth Ombudsman 28. Commonwealth Scientific and Industrial Research Organisation 29. Department of Communications and the Arts 30. Department of Foreign Affairs and Trade 31. Department of Health 32. Department of Human Services 33. Department of Industry Innovation and Science 34. Department of Jobs and Small Business 35. Department of Parliamentary Services 36. Department of the Environment and Energy 37. Department of the Prime Minister and Cabinet 38. Department of Treasury 39. Fair Work Ombudsman and Registered Organisations Commission Entity 40. Federal Court of Australia (on behalf of itself, Family Court of Australia, Federal Circuit Court of Australia, National Native Title Tribunal and Native Title Registrar)	65 investigations were completed by the agencies in this section. This section aggregates data for agencies reporting four or fewer investigations being conducted during the period.	<p>Note: Although all agencies within this group identified they had completed one or more investigations, not all investigations resulted in recommendation/s being made.</p> <p>The following are examples of some of the recommendations made by agencies within this aggregated group.</p> <ul style="list-style-type: none"> • Recommendation/s for investigation under s 15(3) of the <i>Public Service Act 1999</i> as suspected breach of the APS Code of Conduct. • Referral to Australian Public Service Commissioner. • Refresher briefing to Executive level staff on supervisor obligations. • Review of current recruitment policy. • Review and improve guidance material for employees to make clear that there are safeguards and protections in place for PID disclosers as appropriate. • Undertake internal training on Contract Management. • Undertake awareness program in relation to contracts and complex procurement.

Agency	Number of disclosure investigations completed during the financial year	Actions taken during the financial year in response to recommendations relating to disclosure investigations
41. Food Standards Australia New Zealand 42. Indigenous Business Australia 43. National Archives of Australia 44. National Health and Medical Research Council 45. Torres Strait Regional Authority	65 investigations were completed by the agencies in this section. This section aggregates data for agencies reporting four or fewer investigations being conducted during the period.	<p>Note: Although all agencies within this group identified they had completed one or more investigations, not all investigations resulted in recommendation/s being made.</p> <p>The following are examples of some of the recommendations made by agencies within this aggregated group.</p> <ul style="list-style-type: none"> • Recommendation/s for investigation under s 15(3) of the <i>Public Service Act 1999</i> as suspected breach of the APS Code of Conduct. • Referral to Australian Public Service Commissioner. • Refresher briefing to Executive level staff on supervisor obligations. • Review of current recruitment policy. • Review and improve guidance material for employees to make clear that there are safeguards and protections in place for PID disclosers as appropriate. • Undertake internal training on Contract Management. • Undertake awareness program in relation to contracts and complex procurement.





07

REFERENCES

Part 7

REFERENCES

Glossary

Term	Definition
Approach	Contact with our Office about a matter. An approach may be about a matter outside our jurisdiction.
Assessment (of reports of abuse)	Reports of serious abuse within the Australian Defence Force (Defence) are assessed by our Office, to determine whether it falls within the Defence Force Ombudsman's jurisdiction as outlined in the <i>Ombudsman Regulations 2017</i> .
Authorised officer	An officer appointed by the Principal Officer of an agency to receive and allocate public interest disclosures.
Category	Approaches to our Office are divided into five categories: see below.
Category 1 Initial approach (approach)	An approach that can be resolved simply, including by referral to a more appropriate agency. Also where we used our discretion not to investigate.
Category 2—Further assessment (approach)	An approach which calls for further assessment. This might include enquiries/research, but in which we are either not authorised to, or applied our discretion not to, investigate.
Category 3—Investigation (complaint)	An approach investigated and resolved after a single contact with the agency.
Category 4— Further investigation (complaint)	An approach that was resolved after two or more substantive contacts with the agency.
Category 5—Formal reports (complaint)	An approach where formal powers have been exercised and/or a s 15 report issued.
Closed approach	An approach that has been finalised.

Term	Definition
Community detention	A form of immigration detention that enables people in detention to reside and move about freely in the community without having to be accompanied or restrained by an officer under the <i>Migration Act 1958</i> .
Compensation for Detriment caused by Defective Administration (CDDA)	A scheme that allows Australian Government agencies under the <i>Public Governance, Performance and Accountability Act 2013</i> to provide discretionary compensation to people who have been adversely affected through an agency's defective actions or inaction.
Controlled operation	A covert operation carried out by law enforcement officers under the <i>Crimes Act 1914</i> (Cth) for the purpose of obtaining evidence that may lead to a prosecution of a person for a serious offence. The operation may involve law enforcement officers engaging in conduct that would otherwise constitute an offence.
Decision to investigate	The Ombudsman may investigate the administrative actions of most Australian Government departments and agencies, and private contractors delivering government services and industries that we oversee. The Ombudsman can decide to not investigate complaints that are 'stale' or frivolous, where the complainant has not first sought redress from the agency, where some other form of review or appeal is more appropriate or where he/she considers that an investigation would not be warranted in all the circumstances.
Finalised complaint	A complaint that has been resolved, or in which investigation has ceased, or where there is no resolution or investigation because in all the circumstances no meaningful remedy is likely.
Garnishee	Some government agencies such as the Department of Human Services – Child Support have the power to seize money from a third party (such as a bank) to pay a debt. To seize this money is to 'garnishee' it.
General treatment policy	Private health insurance that covers non-hospital medical services that are not covered by Medicare, such as dental, physiotherapy, and ambulance services. Also known as 'extras' or 'ancillary' cover.
Hospital policy	Private health insurance that covers costs incurred by a private patient in hospital.
Hospital exclusions and restrictions	An exclusion is a treatment or service which is not covered by a hospital insurance policy. A restriction is a treatment or service which is covered to a limited extent, such as covering the cost of admission as a private patient in a shared room in a public hospital, rather than the cost of a private room.
Informed Financial Consent (IFC)	The provision of information to patients, including notification of likely out-of-pocket expenses (gap fees) by all relevant service providers, preferably in writing, prior to admission to hospital.

Term	Definition
Income management	A scheme that enables the Department of Human Services – Centrelink to retain and manage at least 50 per cent of a person’s income support payments. The funds so managed may only be allocated to priority goods and services, such as housing, clothing, food, utilities, education and health care. Managed funds cannot be used to purchase alcohol, gambling products, tobacco or pornography.
Independent Merits Review	These are conducted by reviewers appointed by the Minister for Immigration. They are experienced decision-makers, most whom have a background in merits review decision making in federal and state administrative tribunals, such as the Administrative Appeals Tribunal.
Jurisdiction	<p>Under the <i>Ombudsman Act 1976</i>, the Commonwealth Ombudsman may investigate the administrative actions of most Australian Government agencies and offices, Australia Post and registered private postal operators, private registered education providers in relation to overseas students, former and current VET Student loan scheme providers and private health funds or health care providers in relation to private health insurance.</p> <p>The Commonwealth Ombudsman also undertakes the role of the ACT Ombudsman in accordance with s 28 of the ACT Self-Government (Consequential Provisions) Act 1988 (Cth).</p>
Lifetime Health Cover (LHC)	A government initiative that determines how much consumers pay for private hospital insurance, based primarily on their age. The Lifetime Health Cover rules are contained in the <i>Private Health Insurance Act 2007</i> (Cth).
Medical gap	The amount a private patient pays personally for medical treatment in hospital, over and above what is received from Medicare or a private health insurer. Health insurers may have gap cover arrangements with service providers to insure against some or all of these additional payments.
Medicare Benefits Schedule (MBS)	A listing of the Medicare services subsidised by the Australian government. It includes a schedule of fees.
Medicare Levy Surcharge	An income tax levy that applies to Australian taxpayers who earn above a certain income threshold and who do not hold appropriate private hospital insurance.
Metadata	Information about a communication which does not include its content. In the example of a phone call, metadata may include the phone numbers of the two parties to the conversation, the duration, date and time of that phone call but not what was said.

Term	Definition
Natural justice	In administrative decision-making, natural justice means procedural fairness. This includes the right to a fair hearing, that decisions are made without undue bias, providing a person to present a case addressing any adverse matters and providing reasons for decisions.
Non-refoulement	The principle that people seeking asylum may not be returned to a place where they fear harm, including persecution.
Out of jurisdiction (OOJ)	A matter about which the Office has no legal power under the <i>Ombudsman Act 1976</i> to investigate.
Overseas Student Health Cover (OSHC)	A type of health cover designed for overseas student visa holders which can be purchased from some Australian private health insurers.
Overseas Visitors Health Cover (OVHC)	A type of health cover designed for people without Medicare benefits or with only reciprocal (partial) Medicare benefits which can be purchased from some Australian private health insurers and some international insurers.
Own motion investigation	An investigation conducted on the Ombudsman's own initiative.
Principal officer	The head of an agency.
Private Health Insurance Rebate	The Australian Government provides an income tested rebate to help people meet the cost of private health insurance. The Rebate is income-tested and varies depending on age group and family composition.
Public interest disclosure	Unless otherwise stated, this relates to an internal disclosure of wrongdoing, which has been reported by a public official to an authorised internal recipient.
Reasonable likelihood	Reasonable likelihood is the standard which applies to our assessments of reports of abuse. It is below the civil standard of proof ('on the balance of probabilities'). It involves the concept that reasonable inquiries have been made to form the belief.
Redress of Grievance (ROG)	Members of the Australian Defence Force are encouraged to seek resolution of any complaint at the lowest possible level in the chain of command. Members who are not satisfied with the outcome of the normal administrative processes may seek review through a formal Redress of Grievance submission to their commanding officer.
Report of Abuse	Contact with our Office disclosing an experience of serious abuse within Defence.

Term	Definition
Review rights	People who disagree with a decision made about them or who believe they have been treated unfairly by a government agency may appeal against the decision or ask for it to be reviewed by the agency. If the person is not satisfied with this process he or she may complain to the Ombudsman (provided the complaint is within our jurisdiction), noting the Ombudsman does not have the power to change or remake a decision.
Serious abuse	'Serious abuse' (within Defence) is defined as sexual abuse, serious physical abuse and serious bullying and harassment. All reports of abuse are assessed to determine whether the reported abuse meets this definition.
Stored communications	This typically refers to emails and text (SMS) messages, but may also include images or videos, that have been electronically stored by a telecommunications carrier or internet service provider. For instance, an SMS message is stored by a carrier and sent when the intended recipient is able to receive it. Stored communications access occurs under warrant for the purposes of obtaining information relevant to the investigation of an offence.
Surveillance devices	These are typically listening devices, cameras and tracking devices. The use of these devices will, in most circumstances, require the issue of a warrant.
Telecommunications interceptions	The recording of telephone conversations or other transmissions passing over a telecommunications network. Interceptions occur under warrant for the purposes of obtaining information relevant to a criminal investigation.
The Office	The Office of the Commonwealth Ombudsman.
The Ombudsman	The person occupying the statutory position of Commonwealth Ombudsman.
Unlawful non-citizen	A national of another country who does not have the right to be in Australia. The majority of unlawful non-citizens in Australia at any given time have either overstayed their visa or had their visa cancelled. Some unlawful non-citizens will have entered Australia without a visa.
Waiting period	How long a person needs to be covered under a private health insurance policy before he or she is eligible for benefits. The maximum waiting periods for hospital policies are set down in the <i>Private Health Insurance Act 2007</i> (Cth).

Term	Definition
Warm transfer	An arrangement between the Office of the Commonwealth Ombudsman (the Office) and some government agencies, such as the Department of Human Services – Centrelink whereby the Office will forward the details of a complaint to Centrelink to enable it to investigate it in the first instance. This arrangement is used most commonly in situations that are urgent or which seem simple, or where we think there are good reasons why the complainant should not be required to make a direct complaint to the agency.
Within jurisdiction	An approach about a matter that the Office may investigate under the <i>Ombudsman Act 1976</i> .

List of tables and figures

List of tables

Table 1 – Office's key performance indicators, targets and results	18
Table 2 – DHS Complaints	24
Table 3 – Remedies achieved for complainants	41
Table 4 – Immigration detention facility inspections	45
Table 5 – Oversight activities in 2017–18	53
Table 6 – Average number of authorised officers	68
Table 7 – Claims of reprisal	70
Table 8 – Complaints received and finalised 2017–18	77
Table 9 – Complaints received and investigations commenced and finalised	80
Table 10 – Complaints transferred to other complaint bodies	81
Table 11 – Complaints or disputes about registered private health insurers	90
Table 12 – Complaint issues	96
Table 13 – Number of complaints about insurers, hospitals, health practitioners and brokers	99
Table 14 – Overseas Visitors Health Cover complaints	99
Table 15 – Client survey for private health insurance complaints	100
Table 16 – Audit Committee membership during the reporting period	105
Table 17 – Workforce Profile as at 30 June 2017 and 30 June 2018	111
Table 18 – Remuneration by classification as at 30 June 2018	112
Table 19 – Expenditure on consultancy contracts	113
Table 20 – Number of disclosures received and alleged disclosable conduct	169
Table 21 – Agencies that have reported not receiving PIDs in 2017–18	177
Table 22 – PID investigations completed and action/s taken in response to recommendations	179

List of figures

Figure 1 – Executive and Senior Management structure at 30 June 2018	10
Figure 2 – How approaches were received by the Office	16
Figure 3 – Complaint issues	25
Figure 4 – NDIA complaints received	30
Figure 5 – NDIA complaint issues 2017–18	31
Figure 6 – Breakdown of immigration complaints closed in 2017–18	39
Figure 7 – The independent oversight process	52
Figure 8 – 2017–18 Disclosures at a glance	64
Figure 9 – 2017–18 Allegations of disclosable conduct	64
Figure 10 – 2017–18 Findings of disclosable conduct	65
Figure 11 – 2017–18 Referrals to other investigative mechanisms	66
Figure 12 – Who disclosures were made by	67
Figure 13 – Comparison of training opportunities	68
Figure 14 – Investigation timeframes	69
Figure 15 – The three core themes delivered at the Authorised Officers forums	72
Figure 16 – Postal Industry complaint numbers	77
Figure 17 – PIO complaint issues in 2017–18	78
Figure 18 – Complaints received by year	80
Figure 19 – How complaint issues were finalised in 2017–18	81
Figure 20 – VET Student Loans and VET FEE-HELP closed complaints and top issues for 2017–18	85
Figure 21 – Total complaints and enquiries by year	89

List of requirements

PGPA Rule Reference	Part of Report	Description	Requirement	Page of this report
17AD(g)		Letter of transmittal		
17AI		A copy of the letter of transmittal signed and dated by accountable authority on date final text approved, with statement that the report has been prepared in accordance with section 46 of the Act and any enabling legislation that specifies additional requirements in relation to the annual report.	Mandatory	v
17AD(h)		Aids to access		
17AJ(a)		Table of contents.	Mandatory	viii-ix
17AJ(b)	Section 7	Alphabetical index.	Mandatory	203–213
17AJ(c)	Section 7	Glossary of abbreviations and acronyms.	Mandatory	186–91
17AJ(d)	Section 7	List of requirements.	Mandatory	194–202
17AJ(e)		Details of contact officer.	Mandatory	vii
17AJ(f)		Entity's website address.	Mandatory	vii
17AJ(g)		Electronic address of report.	Mandatory	vii
17AD(a)		Review by accountable authority		
17AD(a)	Section 1	A review by the accountable authority of the entity.	Mandatory	2–4
17AD(b)		Overview of the entity		
17AE(1)(a)(i)	Section 2	A description of the role and functions of the entity.	Mandatory	8
17AE(1)(a)(ii)	Section 2	A description of the organisational structure of the entity.	Mandatory	10
17AE(1)(a)(iii)	Section 2	A description of the outcomes and programmes administered by the entity.	Mandatory	8–9

PGPA Rule Reference	Part of Report	Description	Requirement	Page of this report
17AE(1)(a)(iv)	Section 2	A description of the purposes of the entity as included in corporate plan.	Mandatory	8
17AE(1)(b)		An outline of the structure of the portfolio of the entity.	Portfolio departments Mandatory	N/A
17AE(2)		Where the outcomes and programs administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, include details of variation and reasons for change.	If applicable, Mandatory	Nil to report
17AD(c)	Report on the Performance of the entity			
	Annual performance Statements			
17AD(c)(i); 16F	Section 6	Annual performance statement in accordance with paragraph 39(1)(b) of the Act and section 16F of the Rule.	Mandatory	145-64
17AD(c)(ii)	Report on Financial Performance			
17AF(1)(a)	Section 3	A discussion and analysis of the entity's financial performance.	Mandatory	20-21
17AF(1)(b)	Section 6	A table summarising the total resources and total payments of the entity.	Mandatory	166
17AF(2)		If there may be significant changes in the financial results during or after the previous or current reporting period, information on those changes, including: the cause of any operating loss of the entity; how the entity has responded to the loss and the actions that have been taken in relation to the loss; and any matter or circumstances that it can reasonably be anticipated will have a significant impact on the entity's future operation or financial results.	If applicable, Mandatory.	Nil to report

PGPA Rule Reference	Part of Report	Description	Requirement	Page of this report
17AD(d)	Management and Accountability			
	Corporate Governance			
17AG(2)(a)	Section 5	Information on compliance with section 10 (fraud systems)	Mandatory	113
17AG(2)(b)(i)		A certification by accountable authority that fraud risk assessments and fraud control plans have been prepared.	Mandatory	v
17AG(2)(b)(ii)		A certification by accountable authority that appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud that meet the specific needs of the entity are in place.	Mandatory	v
17AG(2)(b)(iii)		A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud relating to the entity.	Mandatory	v
17AG(2)(c)	Section 5	An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance.	Mandatory	104–8
17AG(2)(d) – (e)		A statement of significant issues reported to Minister under paragraph 19(1)(e) of the Act that relates to noncompliance with Finance law and action taken to remedy noncompliance.	If applicable, Mandatory	Nil to report
	External Scrutiny			
17AG(3)	Section 5	Information on the most significant developments in external scrutiny and the entity's response to the scrutiny.	Mandatory	108
17AG(3)(a)	Section 5	Information on judicial decisions and decisions of administrative tribunals and by the Australian Information Commissioner that may have a significant effect on the operations of the entity.	If applicable, Mandatory	108

PGPA Rule Reference	Part of Report	Description	Requirement	Page of this report
17AG(3)(b)		Information on any reports on operations of the entity by the AuditorGeneral (other than report under section 43 of the Act), a Parliamentary Committee, or the Commonwealth Ombudsman.	If applicable, Mandatory	N/A
17AG(3)(c)		Information on any capability reviews on the entity that were released during the period.	If applicable, Mandatory	Nil to report
Management of Human Resources				
17AG(4)(a)	Section 5	An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives.	Mandatory	108-12
17AG(4)(b)	Section 5	<p>Statistics on the entity's APS employees on an ongoing and nonongoing basis; including the following:</p> <ul style="list-style-type: none"> • Statistics on staffing classification level; • Statistics on fulltime employees; • Statistics on parttime employees; • Statistics on gender; • Statistics on staff location; • Statistics on employees who identify as Indigenous. 	Mandatory	111
17AG(4)(c)	Section 5	Information on any enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the <i>Public Service Act 1999</i> .	Mandatory	110
17AG(4)(c)(i)	Section 5	Information on the number of SES and nonSES employees covered by agreements etc identified in paragraph 17AG(4)(c).	Mandatory	110

PGPA Rule Reference	Part of Report	Description	Requirement	Page of this report
17AG(4)(c)(ii)	Section 5	The salary ranges available for APS employees by classification level.	Mandatory	112
17AG(4)(c)(iii)	Section 5	A description of nonsalary benefits provided to employees.	Mandatory	110
17AG(4)(d)(i)		Information on the number of employees at each classification level who received performance pay.	If applicable, Mandatory	Nil to report
17AG(4)(d)(ii)		Information on aggregate amounts of performance pay at each classification level.	If applicable, Mandatory	Nil to report
17AG(4)(d)(iii)		Information on the average amount of performance payment, and range of such payments, at each classification level.	If applicable, Mandatory	Nil to report
17AG(4)(d)(iv)		Information on aggregate amount of performance payments.	If applicable, Mandatory	Nil to report
Assets Management				
17AG(5)	Section 5	An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities	If applicable, Mandatory	113
Purchasing				
17AG(6)	Section 5	An assessment of entity performance against the <i>Commonwealth Procurement Rules</i> .	Mandatory	112–13

PGPA Rule Reference	Part of Report	Description	Requirement	Page of this report
Consultants				
17AG(7)(a)	Section 5	A summary statement detailing the number of new contracts engaging consultants entered into during the period; the total actual expenditure on all new consultancy contracts entered into during the period (inclusive of GST); the number of ongoing consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting year on the ongoing consultancy contracts (inclusive of GST).	Mandatory	113
17AG(7)(b)	Section 5	A statement that <i>“During 2017–18, 16 new consultancy contracts were entered into involving total actual expenditure of \$0.413 million. In addition, one ongoing consultancy contracts were active during the period, involving total actual expenditure of \$0.062 million”</i> .	Mandatory	113
17AG(7)(c)	Section 5	A summary of the policies and procedures for selecting and engaging consultants and the main categories of purposes for which consultants were selected and engaged.	Mandatory	113
17AG(7)(d)	Section 5	A statement that <i>“Annual reports contain information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the AusTender website.”</i>	Mandatory	113

PGPA Rule Reference	Part of Report	Description	Requirement	Page of this report
Australian National Audit Office Access Clauses				
17AG(8)		If an entity entered into a contract with a value of more than \$100 000 (inclusive of GST) and the contract did not provide the AuditorGeneral with access to the contractor's premises, the report must include the name of the contractor, purpose and value of the contract, and the reason why a clause allowing access was not included in the contract.	If applicable, Mandatory	N/A
Exempt contracts				
17AG(9)		If an entity entered into a contract or there is a standing offer with a value greater than \$10 000 (inclusive of GST) which has been exempted from being published in AusTender because it would disclose exempt matters under the FOI Act, the annual report must include a statement that the contract or standing offer has been exempted, and the value of the contract or standing offer, to the extent that doing so does not disclose the exempt matters.	If applicable, Mandatory	N/A
Small business				
17AG(10)(a)	Section 5	A statement that <i>"the Office supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance's website."</i>	Mandatory	112
17AG(10)(b)	Section 5	An outline of the ways in which the procurement practices of the entity support small and medium enterprises.	Mandatory	112

PGPA Rule Reference	Part of Report	Description	Requirement	Page of this report
17AG(10)(c)		If the entity is considered by the Department administered by the Finance Minister as material in nature—a statement that “[Name of entity] recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury’s website.”	If applicable, Mandatory	N/A
Financial Statements				
17AD(e)	Section 6	Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act.	Mandatory	119–44
Other Mandatory Information				
17AH(1)(a)(i)		If the entity conducted advertising campaigns, a statement that “During [reporting period], the [name of entity] conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available at [address of entity’s website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance’s website.”	If applicable, Mandatory	N/A
17AH(1)(a)(ii)	Section 5	If the entity did not conduct advertising campaigns, a statement to that effect.	If applicable, Mandatory	113
17AH(1)(b)		A statement that “Information on grants awarded by [name of entity] during [reporting period] is available at [address of entity’s website].”	If applicable, Mandatory	N/A
17AH(1)(c)	Section 5	Outline of mechanisms of disability reporting, including reference to website for further information.	Mandatory	112

PGPA Rule Reference	Part of Report	Description	Requirement	Page of this report
17AH(1)(d)	Section 6	Website reference to where the entity's Information Publication Scheme statement pursuant to Part II of FOI Act can be found.	Mandatory	165
17AH(1)(e)	Section 6	Correction of material errors in previous annual report	If applicable, Mandatory	168
17AH(2)	Sections 4, 5, 6	Information required by other legislation	Mandatory	63-73, 81, 79, 169-183

Index

A

- accessibility (to website) 107
- Accountable Authority instructions 112
- ACT Freedom of Information schemes 20
- ACT Government, service agreement
 - between Commonwealth Ombudsman and ACT Ombudsman 9
- ACT Ombudsman 9, 13, 20
- ACT Reportable Conduct Scheme 20
- Administrative Appeals Tribunal, and FWO
 - examination notice 56
- advertising campaigns 113
- Aged Care Act 1997* 29
- Aged Care Assessment process, complaints about 29
- Aged and Community Care, complaints about 29
- Agency Security Adviser (ASA) 106
- annual performance statement 145–64
- approaches and complaints, 2017–2018 statistics 116–18
- approaches received 16–17
- APS Code of Conduct 107
 - and PID investigations 63
- APS Disability Employment Strategy 2016–19 108
- APS Employee Census 105
- APS Learn Hub 107
- APS Values 107
- Asia–Pacific regional engagement 74–6
- asset management 113
- assets 20
- assistive technology, accessing 31
- Attorney-General, reports on metadata inspections 54
- Audit Committee 105, 107, 108
 - and compliance process 113
 - membership 105
- Auditor-General 113
- AusTender 112
- Australasian and Pacific Ombudsman Region (APOR) Conference 75
- Australia Post 4
 - complaints about 9, 16, 77–9
 - PIDs received 65
 - recommendations on carding, Safe Drop, compensation and complaint-handling 3, 79
 - return of painting to interstate art gallery (case study) 78
- Australian Aid arrangements 18
- Australian and New Zealand Ombudsman Association (ANZOA) – Indigenous Engagement Interest Group 37
- Australian and New Zealand Student Services Association 82
- Australian Border Force (ABF) 39, 41
 - complaints about 39–41
 - compliance monitoring of activities 39
 - field compliance observations 44
 - internal complaint management 48
 - International Sea Cargo, delays in clearance 41
 - and placement of detainees within the network 47
 - restrictive practices in detention 47–8
 - see also* Department of Immigration and Border Protection (DIBP)
- Australian Building and Construction Commission 20
 - review of its use of coercive examination powers 53
- Australian Citizenship Instructions 42
- Australian citizenship conferral, delays in application processing 3, 42
- Australian Competition and Consumer Commission (ACCC) 88
- Australian Council for Private Education and Training 88
- Australian Criminal Intelligence Commission 56
- Australian Defence Force (ADF)
 - complaints about 9, 58
 - Defence abuse reporting 2–3, 8, 19, 20, 59–60
 - Restorative Engagement Program 59, 60–1, 62
- Australian Federal Police (AFP) 20, 54, 56
 - breach of access to a journalist’s metadata (case study) 57
 - complaints about 9, 51
 - inspection of records 3
 - and Law Enforcement Ombudsman 51
 - and PIDs 71
 - Professional Standards 51
 - Safe Place Team 51

- Australian Federal Police Act 1979* 9
 administration of Part V 51, 54
- Australian Federation of International Students/Study
 Canberra, information day 82
- Australian Human Rights Commission 41, 108
- Australian Intelligence Community 71
- Australian National Audit Office 105
 independent auditor's report 119–120
 performance audit 104, 108
- Australian Network on Disability and Agency 112
- Australian Public Sector Anti-Corruption Conference,
 in Sydney 56, 75
- Australian Public Service Commission
 Ethics Advisory Service 107
 and PIDs 71
 State of the Service reports 112
- Australian Red Cross 41
- Australian Skills Quality Authority (ASQA) 81, 82,
 83, 88
- Australian Taxation Office 88
 deferment of VET loan payments 86
- Australian Workplace Agreements 110
- automated debt system 25, 26, 35
- B**
- Balancing the Future: Australian Public Service
 Gender Equality Strategy 2016–19 108
- BellchambersBarrett 105, 108
- Bongi, Alfred 105
- Broderick, Elizabeth 51
- Building and Construction Industry (Improving Productivity)
 Act 2016*, and Ombudsman's oversight activities
 52, 53, 54
- Bupa Health Insurance Hospital Policy Changes,
 report on 3, 101
- Business Continuity Management Framework 106
- Business Continuity Plan 106, 107
- C**
- cargo and container examination facilities, delays 41
- Caruana, Steven, awarded Churchill Fellowship 50
- Case Management Report 109
- Cash Flow Statement 126
- Centrelink 24
 automatic debt raising and recovery system
 (Centrelink) 25, 26
 complaint issues 25
 complaints about 2, 16, 24, 25, 38
 debt-matching complaints 25
- Chief Financial Officer 105
- Chief Operating Officer 10, 13, 104, 105, 106
- Child Support program 25
 change of assessment decision (case study) 26
 complaints about 2, 16, 24, 25, 26
- Churchill Fellowship 50
- Comcover Risk Management Benchmarking Survey 107
- common law contracts 110
- Commonwealth Aboriginal and Torres Strait Islander
 Strategy 108
- Commonwealth Contracting Suite 112
- Commonwealth NPM for Commonwealth Primary
 Places of Detention 50
- Commonwealth Ombudsman 10, 11, 104
 international engagement 74–6
 and investigation of public interest disclosures 63
 and Law Enforcement Ombudsman 51
 review by 2–4
see also Manthorpe, Michael; Office of the
 Commonwealth Ombudsman
- Commonwealth Procurement Rules 112
- Commonwealth Public Interest Disclosure scheme
see Public Interest Disclosure (PID) scheme
- Commonwealth State and Territory International
 Education and Training Forum 82
- Commonwealth Superannuation Corporation (CSC)
 payments, effect on DVA benefits 58
- Community Development Program (CPD) 27–8
 complaints about 28, 38
 vulnerability indicators (case study) 27
- complaint handling 2, 17
- complaint investigations 8, 17
- complaints
 about Australia Post 2, 9, 16, 77–9
 about Australian Border Force 39–41
 about Australian Defence Force 9, 58
 about Australian Federal Police 9, 51
 about Centrelink 2, 16, 24, 25, 38

- about Child Support 2, 16, 24, 25, 26
 - about Community Development Programme 28, 38
 - about Defence agencies 19, 58
 - about Department of Health 29
 - about Department of Home Affairs 2, 9, 16, 39–41
 - about Department of Human Services 2, 16, 24
 - about Department of Jobs and Small Business 35
 - about education providers and overseas students 9, 80–1
 - about hospitals, doctors, brokers and others 99
 - about National Disability Insurance Agency 2, 3, 16, 19, 30–2
 - about Overseas Visitors Health Cover 99
 - about private health insurers 9, 90–1
 - about Private Postal Operators 9, 77
 - about public interest disclosure 70
 - about VET Student Loans program and VET FEE-HELP 3, 9, 16, 19, 84–5
 - by Indigenous Australians 38
 - by overseas students 80–1
 - complaints and approaches received 2, 16–17
 - finalised 17
 - in-jurisdiction 2, 16, 17
 - investigations declined by the Office 17
 - overview 16–17
 - reviews 17
 - statistics, 2017–2018 116–18
 - compliance audits 8
 - compliance reporting 113
 - consultants 113
 - Consumer Action Law Centre 88
 - contacting the Ombudsman vii
 - continuum of force, used against detainees 48
 - contracted service providers, and PIDs 63
 - controlled operations inspection 53
 - corporate governance 4, 104–8
 - Corporate Plan 2017–2018 104
 - and key performance indicators 18
 - Corporate Planning in the Australian Public Sector 2017–18, review 104
 - correction of material errors in 2016–17
 - Annual Report 168
 - Council for International Students Australia (CISA) 82
 - court and tribunal litigation 108
 - Crimes Act 1914*, and Ombudsman’s oversight responsibilities 52, 53, 54
- D**
- debt recovery system (Centrelink) 26
 - debt-matching complaints (Centrelink) 25
 - Defence abuse reporting 2–3, 19–20, 59–63
 - Defence Abuse Response Taskforce (DART) 60
 - Defence agencies
 - complaints about 58
 - engagement with 59
 - Defence Community Organisation (DCO) 59
 - Defence force legislation, and PID matters 66
 - Defence Force Ombudsman 9, 20, 58–62
 - complaints 19, 58
 - counselling 61
 - Defence abuse reporting 2–3, 8, 19, 20, 59–60
 - based around trauma-informed principles 59
 - responses to accepted reports 60–2
 - functions 9
 - reparation payment for survivors of Defence abuse 2, 62–3
 - Restorative Engagement Program 59, 60–1, 62
 - stakeholder engagement 59
 - submissions 59
 - working with advocacy and community organisations 59
 - Defence Housing Australia 58
 - Defence Reparation Scheme 2
 - Department of Agriculture and Water Resources 41
 - Department of Defence 20, 58
 - see also* Australian Defence Force (ADF)
 - Department of Education and Training 88
 - review of English Language Intensive Courses for Overseas Students (ELICOS) National Standards 81
 - Department of Finance 88
 - Department of Foreign Affairs and Trade (DFAT), and the Office’s International Program 20, 74
 - Department of Health 29
 - complaints about 29
 - home care package (case study) 29

- Department of Home Affairs 39
 - complaints about 2, 9, 16, 39–41
 - see also Australian Border Force; immigration detention
 - Department of Human Services (DHS) 24–6
 - complaints about 2, 16, 24
 - monitoring of systemic issues 25–6
 - own motion investigations and issues monitoring 26
 - submissions 25
 - see also Centrelink; Child Support program
 - Department of Immigration and Border Protection (DIBP)
 - delays in processing applications for Australian citizenship by conferral 42
 - introduction of electronic records management system 49
 - restrictive practices in detention 47–8
 - use of force and continuum of force towards detainees 48
 - see also Australian Border Force (ABF); Department of Home Affairs; immigration detention
 - Department of Jobs and Small Business 35
 - complaints about 35
 - National Customer Service Line 35
 - stakeholder engagement 35
 - Department of the Prime Minister and Cabinet
 - Community Development Programme 27–8
 - Indigenous language interpreters 27
 - Department of Social Services (DSS)
 - engagement and monitoring of systemic issues 27
 - legislated garnishee safeguards 27
 - Department of Veterans' Affairs 58
 - complaints 58
 - engagement with 59
 - Deputy Ombudsman 4, 10, 12, 104, 106
 - see also Hinchcliffe, Jaala
 - detainees
 - engagement in programs and activities 49
 - and immigration detention reviews: statutory reporting (two-year review reports) 44–5
 - management of their property 49
 - placement within the network 47
 - protection from torture and mistreatment 50
 - and security based model of administrative detention 46
 - uncertainty for people who have returned to Australia from Regional Processing Centres for medical treatment 44
 - use of force and continuum of force towards 48
 - see also people detained and later released as 'not-unlawful'
 - detention see immigration detention
 - detention facility inspections 39–40
 - disability, employees with 111
 - Disability Accessibility Review 112
 - disability reporting 112
 - Disability Support Pension
 - accessibility for remote Indigenous Australians 25
 - complaints about 25
 - disclosable conduct
 - allegations of 64, 66, 169–76
 - definition 63
 - findings of 65
 - disclosers 63, 69, 70
- E**
- ecologically sustainable development and environmental performance 167
 - education providers and overseas students
 - case study 83
 - complaints 9, 80–1
 - Education Services for Overseas Students Act 2000* 83
 - Education Services for Overseas Students (ESOS)
 - legislative framework 81
 - Employee Assistance Program (EAP) 109
 - Employee Performance Development Agreements 107
 - energy consumption 167
 - Enhanced Performance Framework 104
 - Enterprise Agreement 2017–2020 110
 - Entity Resource Statement 2017–18 166
 - Environment Protection and Biodiversity Act 1999* 167
 - ethical standards 107
 - Ethics Contact Officer 107
 - exempt contracts 113
 - expenditure on consultancy contracts 113
 - expenses 20
 - external scrutiny 108

F

Fair Work Act 2009 56

Fair Work Building and Construction, review of use of its coercive examination powers 53

Fair Work (Building Industry) Act 2012, and Ombudsman's oversight responsibilities 52, 53

Fair Work Ombudsman, new oversight function 56

Federated States of Micronesia, engagement with 76

Federation of Ethnic Community Councils Australia 82

financial performance 20–1

financial statements 119–44

First Aid Officers 109

first aid training 109

five-category complaint system 17

flu vaccinations 109

force *see* continuum of force

Foundation House 41

fraud awareness training 107

fraud control 107

Fraud Control Plan 113

Fraud Risk Register 113

Freedom of Information Act 1982 108, 165

G

garnishee orders (DSS) 27

Gibb, Doris 105

Gilimba Pty Ltd, review of the Office's Indigenous Accessibility Review 36

glossary 186–91

Griffith University, and *Whistling While They Work 2* Project 73

guide to the report vi–vii

H

Harassment Contact Officers 109

Harmony Day 106

Health and Safety Representatives 109

Hinchcliffe, Jaala 4, 10, 11, 12, 36, 105

Home Care Packages Program, complaints about 29

hospitals, doctors, brokers and others, complaints about 99

Huggins, Jackie 38

human resources management 108–12

employee wellbeing program 109

learning and development 105, 119

work health and safety 109–10

workforce profile 110–11

workplace arrangements 110

I

ICT assets 113

immigration detainees *see* detainees

immigration detention

Commonwealth NPM for Commonwealth Primary Places of Detention 50

complaints about 39

facility inspections 39–40, 45–6

internal complaint handling 48

introduction of service provider operational electronic records management system 49

investigation into the circumstances of the detention of Mr G 3, 42

investigation into the implementation of the Thom review recommendations 43

management of detainee property 49

and OPCAT ratification 50

people detained and later released as 'not-unlawful' 44

placement of detainees within the network 47

programs and activities for detainees 49

recommendations 44

restrictive practices in detention 47–8

reviews

issues raised in s 4860 assessments 44–5

statutory reporting (two-year review reports) 44

security based model of administrative detention 46

use of force and continuum of force 48

Immigration Ombudsman 9, 39–49

complaints 39–41

compliance monitoring 43–4

functions 9

immigration detention issues *see* immigration detention

offshore permanent partner visa (case study) 40

own motion investigations 41–3

and ratification of OPCAT 50

- recommendations 42, 43
 - remedies achieved for complainants 41
 - stakeholder engagement 41
 - see also Australian Border Force (ABF)
 - in-jurisdiction complaints 2, 16, 17
 - Inclusion Committee 106
 - income 20
 - independent auditor's report 119-120
 - Indigenous Accessibility Review, implementing recommendations from 36
 - Indigenous Australians
 - accessibility of the Office's services to 36
 - and Centrelink debts 38
 - and Community Development Program 38
 - complaints by 38
 - engagement with Indigenous communities and organisations 37
 - engaging with peer organisations involved in complaint-handling 37, 38
 - events 38
 - issues monitoring 38
 - Reconciliation Action Plan 36, 106
 - stakeholder engagement 37-8
 - Indigenous businesses, participation of in Commonwealth Government procurement market 112
 - Indigenous Complaint-Handling, interest group 38
 - Indigenous employees 111
 - Indigenous language interpreters 27
 - Indigenous Right to Complain Working Group 38
 - Individual Flexibility Agreements 110
 - Indonesia, Ombudsman 74, 76
 - Induction Handbook 107
 - Information Governance and Management Committee 106
 - Information Publication Scheme (IPS) 165
 - Information Technology Security Adviser (ITSA) 106
 - inspections of covert, intrusive or coercive powers 4, 52-8
 - and Fair Work Ombudsman oversight 56
 - independent oversight process 52
 - Law Enforcement Agencies subject to inspection by the Office 53
 - metadata oversight 53, 54, 57
 - non-law enforcement agencies subject to inspection by the Office 53
 - other activities 55
 - our approach 55-6
 - oversight activities 52, 53
 - reports 54-5
 - stakeholder engagement 56
 - Inspector General of Intelligence and Security Act 1986* 71
 - Inspector-General of the Australian Defence Force (IGADF) 58
 - Inspector-General of Intelligence and Security (IGIS) 63, 69
 - PID investigations 71
 - Interdepartmental Committee for Indigenous Interpreters 27
 - internal audit 108
 - Internal Audit Plan 108
 - internal complaint management, ABF and service providers 48
 - International Conference of Ombuds Institutions for the Armed Forces 59
 - International Education Association of Australia 82
 - international program 74-6
 - Indonesia 74, 76
 - Pacific 74, 76
 - Papua New Guinea 74, 75
 - International Sea Cargo, delays in clearance 3, 41
 - International Women's Day 106
 - investigation reports see own motion investigations
 - ISANA International Education Association 82
- J**
- jobactive program, complaints about 35
 - Joint Standing Committee on Migration 82
 - Joint Standing Committee on the NDIS' inquiry into the *Provision of services under the NDIA Early Childhood Early Intervention (ECEI) Approach*, submission to 34
 - Journalist Information Warrant provisions, and breach of TIA Act 57
- K**
- key performance indicators (KPI), targets and results 18
 - analysis 19

L

Laurie, Will 105

Law Enforcement Ombudsman 9, 51

- complaints 51
- functions 9, 51

learning and development 119

Learning and Development Strategy 2018–2020 105, 109

Legal Aid 88

letter of transmittal v

liabilities 21

list of requirements 194–202

M

Macleod, Louise 10, 11, 12

Making a difference – 40 years of the Commonwealth Ombudsman (book)

management and accountability 104–13

management committees 105–6

Manthorpe, Michael, PSM v, 2–4, 10, 11, 36

metadata records inspections 53, 54, 57

Migration Act 1958 39, 46

- s 486N reports from the department 44
- s 486O assessments 44–5
- s 501 administration 43, 46

Minister for Defence 2

Minister for Immigration and Border Protection, and immigration detention 47

Multicultural Plan 106

Munro, Kurt 105

My Aged Care program, complaints about 29

N

National Customer Service Line (Department of Jobs and Small Business) 35

National Disability Insurance Agency (NDIA) 20, 30–5

- accessing assistive technology 31
- complaint issues 30–2
- complaints 2, 3, 16, 19, 30
- handling of reviews 31
- planning process and outcomes 32
- presentations 33

- report on NDIA's handling of reviews 34
- request for home modifications (case study) 32
- stakeholder engagement 33
- submissions 34
- Western Sydney community round table 33

National Disability Insurance Scheme (NDIS) 27, 30

- administration of reviews 3
- changes to quality and safeguarding arrangements 34–5

National Disability Insurance Scheme (NDIS) Quality and Safeguarding Commission 34–5

- complaints about 35

National Disability Strategy 2010–2020 112

National Overseas Student Complaint Handlers Forum 82

National Preventive Mechanism Coordinator 50

National Reconciliation Week activities 38

National Redress Scheme for Institutional Child Sexual Abuse 27

National Rental Affordability Scheme 27

New South Wales Ombudsman

- and legislated garnishee safeguards 27
- and Whistling Wiki 73

Newstart allowance, complaints about 25

O

Office of the Australian Information Commissioner 108

Office of the Commonwealth Ombudsman

- annual performance statement 145–64
- contacts xii
- financial performance 20–1
- key performance indicators 18–19
- leadership of the Office 4
- objectives 128
- organisational structure 10
- outcome and program structure 8–9, 166
- overview 8–13
- purpose statement 8
- reports 3
- review by the Ombudsman 2–4
- role and functions 8
- specific functions and powers 9

Office of the Training Advocate, SA 81

O'Keefe, Autumn 10, 11, 13

Ombudsman *see* ACT Ombudsman; Commonwealth Ombudsman

Ombudsman Act 1976 8, 10, 81, 101

Ombudsman Commission of Papua New Guinea, Partnership Program 74, 75

Ombudsman Regulations 2017 59

Ombudsman Republik Indonesia (ORI)
Partnership Program 74, 76
training sessions in Canberra and Melbourne 76

Optional Protocol to the Convention against Torture and other Cruel, Inhuman and Degrading Treatment or Punishment (OPCAT), ratification of 50

organisational structure 10

outcome and program structure 8–9
expenses for Outcome 1 166

overseas students, complaints by 80–1

Overseas Students Ombudsman 3, 80–3
complaint issues 81
complaints 9, 80–1
complaints transferred to other complaint-handling bodies 81
conferences and forums 82
finalisation of complaints 81
investigations 80
liaison activities 82
private education provider fee charging (case study) 83
reports to regulators 81
reports on trends and systemic issues 81–2
stakeholder engagement 82

Overseas Visitors Health Cover, complaints about 99

oversight activities 52–3

overview of the office 8–13

own motion investigations 8
Australian citizenship conferral, delays in application processing 42
automated debt program 26
Centrelink's automatic debt recovery system 26
circumstances of the detention of Mr G, maintaining a reasonable suspicion that a person is an unlawful non-citizen 42
delays in clearance of International Sea Cargo 3, 41
investigation into the implementation of the Thom review recommendations 43

P

Pacific Integrity Network 74, 76

paper resources 167

Papua New Guinea
conflict of interest training in Port Moresby 75
engagement with 76
Ombudsman Commission 74, 75

Parliamentary Joint Committee on the Australian Commission for Law Enforcement Integrity 55

Parliamentary Joint Committee on Intelligence and Security 55

Payne, Senator the Hon Marise 2

People Committee 105

people detained and later released as 'not-unlawful' 44

people with a disability 111, 112

performance overview 18–19

performance pay 110

Pfzner, Paul 10, 11, 12–13

PID *see* Public Interest Disclosure

Police Technology Forum 56

Portfolio Budget Statement 2017–18 8, 20
and key performance indicators 18
and Office's results 18

Postal Industry Ombudsman (PIO) 9, 77–9
complaint issues 78
complaint numbers 77
functions 9
outcomes from investigations 79
reports concerning delivery issues 79
see also Australia Post

Postal Industry Ombudsman Scheme 9

Privacy Act 1988 108

Privacy Commissioner 108

private education providers *see* education providers and overseas students

private health insurance complaint issues 91–8
benefits 91–2
complications of appendectomy not covered by provider (case study) 92
delays in processing refunds (case study) 94
information 95
lack of records/information about unusual debits (case study) 95
membership 93

- need for specific instructions on policy cancellation requests (case study) 93
 - service 94
 - summary of issues 96–9
 - Private Health Insurance Ombudsman 3, 89–101
 - client survey for private health insurance complaints 100
 - complaint handling procedures and categories 100
 - complaint issues *see* private health insurance complaint issues
 - complaint outcomes 9, 100
 - complaints about hospitals, health practitioners, brokers and others 99
 - complaints about Overseas Visitor Health Cover 99
 - complaints about private health insurers 9, 90–1
 - complaints overview 89
 - consumer website: privatehealth.gov.au 101
 - reports 101
 - role 2, 8, 89
 - private health insurance reforms 101
 - Private Postal Operator Register 77
 - Private Postal Operators, complaints about 9, 77
 - privatehealth.gov.au (website) 18, 101
 - procurement 12–13
 - Productivity Commission, Inquiry on Compensation and Rehabilitation for Veterans, submission to 59
 - Program 1.1 – Office of the Commonwealth Ombudsman 8, 166
 - property, plant and equipment 113
 - Protocol on Indigenous Language Interpreting for Commonwealth Government Agencies 27
 - Public Governance, Performance and Accountability Act 2013* v, 66, 105, 113
 - public interest disclosure (PID)
 - agency failed to investigate one aspect of their disclosure (case study) 71
 - allegations of disclosable conduct 64, 66, 169–76
 - alleged discrepancies in tax information without knowing the identity of the discloser (case study) 66
 - complaints 70
 - information and guidance materials 73
 - reporting 69
 - reprisals 70
 - timeliness 69
 - Public Interest Disclosure Act 2013* (PID Act) 63, 69
 - and IGIS investigations 71
 - Ombudsman investigations 71
 - timeframe on investigations 69
 - Public Interest Disclosure (PID) scheme 63–73
 - accessing the scheme 67
 - agencies that have reported not receiving PIDs 177–8
 - authorised officer forums 72
 - authorised officers 68–9
 - and the broader whistleblower community 73
 - 'disclosable conduct' definition 63
 - disclosure outcomes 65–6
 - disclosures at a glance 64–5
 - education and awareness 72–3
 - findings of disclosable conduct 65
 - IGIS role and investigations 63, 71
 - investigations completed and actions taken in response to recommendations 66, 179–83
 - key elements 63
 - matters not investigated 71
 - number of disclosures received by agencies and alleged disclosable conduct 66, 169–76
 - Office's functions under the scheme 8, 63
 - Ombudsman investigations 71
 - as part of the Commonwealth 'whistleblower' framework 63
 - 'public official', definition 63
 - referrals to other investigative mechanisms 66
 - training 67–8
 - who is using the scheme? 67
 - Public Service Act 1999* v, 10, 110
 - Code of Conduct and PID investigations 66
 - purchasing 112–13
 - purpose statement 8
- Q**
- Quality and Safeguards Commission 27
 - Queensland Crime and Corruption Commission 56
 - Queensland Ombudsman 73
 - and Whistling Wiki 73
 - Queensland Training Ombudsman 88

R

R U OK? Day 106

Reconciliation Action Plan 2018 36, 106, 108

recycling 167

Regional Processing Centres 44, 45

Rehabilitation and Compensation Act 1988 109

Rehabilitation Management Systems Audit 110

remuneration

- by classification 112
- Senior Executive Service staff 110, 112, 141
- staff 110, 112

report on performance 16–21

Republic of the Marshall Islands, engagement 76

Resources Summary Table – Expenses for Outcome 1 166

Restorative Engagement Program 59, 60–1, 62

review by the Ombudsman 2–4

reviews of complaints 17

Risk Appetite Statement 107

risk management 106

Risk Management Framework 107

Risk and Security Governance Committee 106, 107

S

Samoa, engagement with 76

Sawyers, Fiona 10, 11, 12, 36

security based model of administrative detention 46

Senate Finance and Public Administration References Committee Inquiry into the Digital Delivery of Government Services 25

Senate Standing Committee of Privileges 55

Senior Assistant Ombudsman, Assurance Branch 10, 13

Senior Assistant Ombudsman, Complaints Management and Education Branch 10, 12, 106

Senior Assistant Ombudsman, Corporate Branch 10

Senior Assistant Ombudsman, Industry Branch 10, 13, 105

Senior Assistant Ombudsman, Program Delivery Branch 10, 12

Senior Assistant Ombudsman, Strategy Branch 10, 12–13, 105

Senior Assistant Ombudsmen 10, 104

Senior Executive Service (SES) staff 10

- remuneration 110, 112, 141

- workplace arrangements 110

Senior Leadership Group (SLG) 104, 106, 107, 108

- and compliance process 113
- membership 10

Serco Immigration Services 49

small business participation in Commonwealth Government procurement market 112

Social Security (Administration) Act 1999 27

Social Services Legislation Amendment (Welfare Reform) Bill 2017 25

Solomon Islands, engagement with 76

South Australian Training Advocate 88

staff

- learning and development 105, 119
- non-salary benefits 110
- profile 110–11
- remuneration 110, 112
- wellbeing program 109
- work health and safety 109–10
- workplace arrangements 1

Staff Recognition Scheme Policy 105

stakeholder engagement

- Defence Force Ombudsman 59
- Department of Jobs and Small Business 35
- Immigration Ombudsman 41
- Indigenous Australians 37–8
- inspection of covert, intrusive or coercive powers 56
- National Disability Insurance Agency 33
- OPCAT implementation 50
- Overseas Students Ombudsman 82
- VET Student Loans Ombudsman 88

StarTrack, complaints about 77

State of the Health Funds Report 101

Statement of Changes in Equity 124–5

Statement of Comprehensive Income 122

Statement of Financial Position 123

statistics, approaches and complaints 2018–2018 116–18

Stone, Joanna 105

stored communications inspections – preservation and access records 53

Strategic Policy Board 4, 104

Strategic Workforce Plan 105

submissions to Parliamentary and public enquiries
25, 34, 59, 81–2

Supply Nation website 112

surveillance device inspections 53

Surveillance Devices Act 2004, and Ombudsman's
oversight responsibilities 52, 53, 54

T

Taylor, Russell 36

Telecommunications (Interception and Access) Act 1979
and metadata oversight 53, 54, 57
and Ombudsman's oversight responsibilities
3, 52, 53

Tertiary Education Quality and Standards Agency
81, 82

Tonga, engagement with 76

training *see* learning and development

Tuition Protection Service 81

Turner, Charles 36

U

United Nations High Commissioner for Refugees 41

unlawful non-citizens, circumstances of detention 42

V

Vanuatu, engagement with 76

VET FEE-HELP scheme, complaints 3, 9, 19, 84, 85

VET Student Loans, complaints 84, 85

VET Student Loans Ombudsman 3, 20, 84–8

ATO deferments 86

commencement 3

complaint issues 84–5

complaints 9, 16, 19, 84, 85

investigations 85–6

looking forward 88

reports 86

stakeholder engagement 88

unsolicited enrolment in course by a broker
for VET providers (case study) 86–7

Veterans and Veterans Families Counselling Service
(VVCS) 61, 62

Victorian Registration and Qualifications Authority 82

Vinnies CEO Sleepout in Canberra 106

VOIS Magazine 82

W

Walsh, Dermot 10, 11, 13

Walsh, Rodney Lee 10, 11, 13

waste management 167

website vii

accessibility 107

and Information Publication Scheme 165

see also privatehealth.gov.au; Supply Nation website

Wellbeing Check Program 109

WestWood Spice 112

whistleblower community 73

'whistleblower' scheme *see* Public Interest Disclosure
(PID) scheme

Whistling While They Work 2 project 73

Whistling Wiki 73

work health and safety 109–10

Work Health and Safety Act 2011 66, 106, 109

Work Health and Safety Committee 106, 109

Workforce Plan 2015–19 108, 109

workforce profile 110–11

workplace accidents or injuries 110

workplace arrangements 110

Workplace Diversity Program 2015–2018 108

Workplace Relations Committee 106

workplace safety inspections 109

World Wide Web Consortium (W3C) Web Content
Accessibility Guidelines 2.0 107

