

PART 18

Office of the Ombudsman

Summary of departmental budgets

Page	Agency	2010-11 Budget \$'000	2010-11 Est. act. \$'000	2011-12 Estimate \$'000
3-241	Office of the Queensland Ombudsman - controlled	7,069	7,131	7,294

Note:

1. Explanations of variances are provided in the financial statements.

DEPARTMENTAL OVERVIEW

MINISTERIAL RESPONSIBILITY

The Office of the Ombudsman (the Office) is a department for the purposes of the *Financial Accountability Act 2009*. The Deputy Premier and Attorney-General, Minister for Local Government and Special Minister of State has ministerial responsibility for the Office.

STRATEGIC ISSUES

The purpose of the Office is to play a lead role in enhancing public sector governance by:

- independently reviewing the actions of state and local government agencies to ensure that people are treated fairly in their dealings with those agencies
- helping agencies improve their decision-making and administrative practice.

The objectives of the Office are to:

- promote administrative justice by providing an independent, fair and effective investigative service
- contribute to improving the quality of administrative practice in Queensland public sector agencies
- ensure all sections of the community are aware of and have reasonable access to the Office's services
- promote organisational excellence and a skilled, committed workforce.

The Office's success in meeting these objectives is measured by a variety of performance indicators that assess:

- the timeliness of complaint resolution
- the amount of assistance the Office provides to public sector agencies to improve their administrative practice
- community awareness and accessibility of the Office
- how efficiently the Office is meeting its corporate governance objectives.

Environmental factors influencing the strategic direction of the Office include:

- the challenges of cost-effectively discharging its broad function of helping public agencies improve administrative practice without jeopardising its function of independently investigating complaints about those agencies' decisions
- the need to liaise effectively with other complaint agencies with overlapping jurisdiction to avoid duplication of investigative resources
- Queensland's diverse and highly decentralised community
- the proliferation of public and private complaint agencies, including industry ombudsmen, leading to uncertainty in the community about the Office's role.

2011-12 HIGHLIGHTS

The *Ombudsman Act 2001* requires that a strategic review be carried out every five years to examine the functions of the Office and assess whether these functions are being discharged efficiently and effectively. The previous review was undertaken in 2005. The next five yearly strategic review of the office is set to occur in the first half of the 2011-12 financial year, oversighted by the Parliamentary Law, Justice and Safety Committee.

The Office will continue to deliver training and other administrative improvement services to state and local government agencies (including Good Decisions, Complaints Management and Ethical Decision-making training programs along with agency system audits) to help officers within agencies make fair and soundly-based decisions and improve the way they deal with complaints.

The Office will also continue to:

- assess and investigate complaints from members of the public in a timely manner
- conduct own initiative investigations, where appropriate
- report publicly on systemic maladministration, where it is in the public interest to do so
- publish newsletters and other resources containing advice for agencies on good administrative practice, including a searchable library of cases the Office has investigated over the past five years, to be added to the Office's website (www.ombudsman.qld.gov.au).

RECENT ACHIEVEMENTS

- Due to Brisbane's major flooding the Office was inaccessible from 11 January until 25 January. While this had a significant impact on the Office, temporary accommodation was sourced within the Parliamentary Annex to set up a temporary contact centre. Since the floods, the incoming complaints backlog, caused by the flooding, has now been cleared and timeframes largely returned to expected levels.
- Finalised 14,913 complaint related matters (as at 31 March 2011) comprising:
 - 6,128 complaints;
 - 8,225 complaints that the Office referred to other complaint agencies as they were not in the Office's jurisdiction;
 - 525 inquiries; and
 - 35 reviews requested by complainants dissatisfied with a decision of the Office.
- Finalised 86% of complaints within 30 days of receipt.
- Continued to provide access to the Office's services for all Queenslanders.
- Continued to increase awareness and access to the Office's services through regional awareness campaigns. These campaigns target regions that, based on population, are under-represented in the number of complaints received by the Office. Activities included:
 - the development and distribution of posters and brochures for regional Queensland community centres, libraries and Queensland Government Agent Program (QGAP) offices; and
 - advertising and publicity activities in regional newspapers and radio in Sunshine Coast, West Queensland, North Queensland, the Gold Coast and Brisbane regional visits by the Ombudsman.

- Delivered 71 training sessions to agencies on good decision-making, effective complaints management and ethical decision-making (as at 31 March 2011) with at least 50 additional sessions to be delivered by 30 June 2011. Of the 71 sessions:
 - 24 were held in regional Queensland;
 - 56 were delivered to state agencies and attended by 1120 officers;
 - 3 were delivered to local councils and attended by 60 officers; and
 - 12 were delivered to combined groups and attended by 220 officers.
- Produced and publicly released the report *Complaints Matter - A review of the complaints management systems of local councils in Queensland (September 2010)*.
- Continued to carry out the corrections program which entailed:
 - visiting each of the 14 correctional centres in Queensland to investigate complaints and inspect records and systems;
 - receiving 722 complaints about corrections related issues (as at 31 March 2011); and
 - servicing the Prisoner Phonenumber, a free and confidential telephone service that prisoners at each centre can use to call the Office (54% of complaints about corrections issues were received via the Phonenumber).
- Continued joint awareness activities with other independent complaint agencies targeting multicultural communities, Aboriginal people and Torres Strait Islanders, to communicate the message 'It's OK to complain'. These activities included:
 - continued sponsorship of a joint web portal at www.complaints.qld.gov.au, which provides information on the roles, responsibilities and the types of complaints managed by 14 government and private complaint agencies operating in Queensland;
 - on-going production and distribution of combined 'It's OK to complain' brochures in 15 languages;
 - producing and distributing a joint poster outlining the Office of the Ombudsman's services, which was also translated into 15 languages; and
 - sharing a stand at the National Aboriginal Islander Day Observance Committee (NAIDOC) Week celebrations and the Roma Street Multicultural Festival under the shared 'It's OK to complain' banner with the Commonwealth Ombudsman and the Health Quality and Complaints Commission.
- Conducted activities to increase awareness of the Office among multicultural groups in the community, including:
 - distributing Office's brochures in 17 languages to access points including multicultural liaison officers, local councils, government agencies and community / health / legal centres;
 - distributing materials specifically designed for Aboriginal people and Torres Strait Islanders to access points including indigenous councils, land councils and community/health/legal centres;
 - regular presentations to multicultural organisations about the Office of the Ombudsman's role and services;
 - distributing Community Service Announcements to multicultural radio stations; and
 - editorial submissions to indigenous and multicultural media outlets.
- Continued to publish the Office of the Ombudsman's series of *Perspective* newsletters, providing case studies, tips and advice for officers in state and local government agencies. The newsletters were:
 - *State Perspective* for decision-makers in the state public sector;
 - *Local Perspective* for decision-makers in local councils;
 - *Legal Perspective* for public sector lawyers and private sector lawyers with public sector clients; and
 - *Corrections Perspective*, a publication tailored specially for officers in Queensland Corrective Services.

- Continued to promote the Office's website achieving the following results:
 - complaints received by email and by the Office's online complaint form now comprise more than 29% of all complaints received by the Office; and
 - access to the website by members of the public and officers from government agencies increased by 30% from 38,441 site visits in 2009-2010 to 50,009 site visits during the same period in 2010-11. The materials downloaded most frequently were the online complaints form, *Perspective* newsletters, Good Decision-Making Guide and Complaints Management resources.
- Created an online case study library on the Office's website. This online library contains examples of complaints that the Office has investigated over the last five years. The case study library can also be used by public sector officers to improve administrative decision-making. Case studies can be searched in various ways, including by keyword, agency or date.
- In conjunction with the Commonwealth Ombudsman:
 - Commenced the Roma House Homeless Trial Project, an access program for people residing at Roma House – a 24-hour, intensive support base for homeless men, women and families. Representatives from the Office conducted an initial briefing session for case workers at Roma House and senior investigators from each Office attended Roma House every month to provide advice on complaints.
 - Since October 2010 the Office has also attended the Brisbane Homeless Service Centre at West End in conjunction with the Commonwealth Ombudsman. Initially visits were fortnightly but have now moved to monthly.
 - In November 2010 and May 2011, representatives from the Office attended the Homeless Connect event at the RNA Showgrounds, sharing an information stand with the Commonwealth Ombudsman.
- Continued an awareness campaign targeting youth audiences by attending Orientation Week activities at Universities, including the distribution of 2,000 information kits to university students across Brisbane, the Sunshine Coast and North Queensland.
- Continued to promote the Office within the legal community by contributing to the Queensland Law Handbook. This valuable community resource is produced by the Caxton Legal Centre and distributed to schools, law firms and community legal centres.

DEPARTMENTAL SERVICES

The Ombudsman's Office provides a lead role in enhancing public sector governance by:

- independently reviewing the actions of state and local government agencies to ensure that people are treated fairly in their dealings with those agencies
- helping agencies improve their decision-making and administrative practice.

This is achieved by managing accessible and comprehensive complaints management and investigation programs, by undertaking major own-initiative investigations and by offering a significant and on-going program of training, system reviews and audits of agency internal review processes.

STAFFING¹

Service areas	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
		57	55.1	58

Note:

1. Full-time equivalents (FTEs) as at 30 June.

DEPARTMENTAL STATEMENTS

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Independent Review of Complaints about Government Administration - Service standards				
Proportion of complaints investigated where a positive outcome was achieved for the complainant		40%	52%	40%
Proportion of complaints resolved informally		95%	99%	95%
Proportion of complaints where early intervention occurred		90%	98%	90%
Proportion of recommendations for improvements to administrative practice or to rectify unfairness to individual complainants accepted by agencies		90%	100%	90%
Other Measures				
Complaints finalised		8,000	8,200	8,000
Inquiries finalised		600	650	600
Referrals finalised		9,500	10,500	9,500
Review requests finalised		50	50	50
Total matters finalised		18,150	19,400	18,150
Proportion of complaints finalised within 12 months of lodgement		95%	99%	95%
Proportion of open complaints at the end of each reporting period that are more than 12 months old		5%	7%	5%
Number of regional centres outside of Brisbane visited to investigate complaints and/or deliver administrative improvement training sessions		50	55	50
Proportion of complaints received from outside of Brisbane		65%	63%	65%
Number of administrative improvement training sessions delivered		100	125	100
State Contribution (\$'000)		6,869	6,931	7,094
Other Revenue (\$'000)		200	200	200
Total Cost (\$'000)		7,069	7,131	7,294

INCOME STATEMENT

Office of the Ombudsman	Notes	2010-11 Budget \$'000	2010-11 Est. act. \$'000	2011-12 Estimate \$'000
Income				
Service revenue	1,3,6	6,869	6,931	7,094
User charges		200	200	200
Grants and other contributions		..	..	..
Other revenue		..	..	..
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		7,069	7,131	7,294
Expenses				
Employee expenses	2,4,7	5,544	5,606	5,718
Supplies and services	5,8	1,209	1,209	1,249
Grants and subsidies		..	..	..
Depreciation and amortisation	9	268	268	277
Finance/borrowing costs		..	..	..
Other expenses		48	48	50
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		7,069	7,131	7,294
OPERATING SURPLUS/(DEFICIT)		..	..	..

STATEMENT OF CHANGES IN EQUITY

Office of the Ombudsman	Notes	2010-11 Budget \$'000	2010-11 Est. act. \$'000	2011-12 Estimate \$'000
Net effect of the changes in accounting policies and prior year adjustments	
Increase/(decrease) in asset revaluation reserve	
Net amount of all revenue and expense adjustments direct to equity not disclosed above	
Net income recognised directly in equity	
Surplus/(deficit) for the period	
Total recognised income and expense for the period	
Equity injection/(withdrawal)	
Equity adjustments (MoG transfers)	
Total movement in equity for period	

BALANCE SHEET

Office of the Ombudsman	Notes	2010-11 Budget \$'000	2010-11 Est. act. \$'000	2011-12 Estimate \$'000
CURRENT ASSETS				
Cash assets	10,15,22	273	473	563
Receivables		195	188	193
Other financial assets		..	..	..
Inventories		..	..	..
Other	11,16	50	40	42
Non-financial assets held for sale		..	..	..
Total current assets		518	701	798
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	12,17,23	1,387	1,438	1,258
Intangibles	18,24	36	35	18
Other		..	..	..
Total non-current assets		1,423	1,473	1,276
TOTAL ASSETS		1,941	2,174	2,074
CURRENT LIABILITIES				
Payables	13,19	125	337	342
Accrued employee benefits		119	125	130
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		110	110	110
Total current liabilities		354	572	582
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	20,25	770	770	660
Total non-current liabilities		770	770	660
TOTAL LIABILITIES		1,124	1,342	1,242
NET ASSETS/(LIABILITIES)		817	832	832
EQUITY				
Capital/contributed equity		881	881	881
Accumulated surplus/(accumulated deficit)	14,21	(64)	(49)	(49)
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		817	832	832

CASH FLOW STATEMENT

Office of the Ombudsman	Notes	2010-11 Budget \$'000	2010-11 Est. act. \$'000	2011-12 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts	26,28,30	6,869	6,931	7,094
User charges		204	204	204
Grants and other contributions		..	..	..
Other		113	113	115
Outflows:				
Employee costs	27,29,31	(5,546)	(5,608)	(5,720)
Supplies and services		(1,324)	(1,320)	(1,359)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(158)	(162)	(164)
Net cash provided by/(used in) operating activities		158	158	170
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		(80)	(80)	(80)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		(80)	(80)	(80)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		..	..	..
Net increase/(decrease) in cash held		78	78	90
Cash at the beginning of financial year		195	395	473
Cash transfers from restructure		..	..	..
Cash at the end of financial year	10,15,22	273	473	563

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

1. Increase due to a carry forward of service revenue from 2009-10 to 2010-11 of \$0.06 million.
2. Increase due to additional temporary staff required to manage the increase in complaint volume.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

3. Service revenue in the 2011-12 Estimate includes enterprise bargaining increases.
4. Increase due to enterprise bargaining increases.
5. Increase due to higher accommodation expenses due to the rent escalation clause.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

6. Increase in service revenue in the 2011-12 Estimate is due to enterprise bargaining increases, offset by the carry forward of service revenue from 2009-10 to 2010-11 of \$0.06 million.
7. Increase due to enterprise bargaining increases, partially offset by cuts in temporary staffing costs.
8. Increase due to higher accommodation expenses due to rent escalation clause.
9. Increase due to depreciation on assets acquired in 2011-12.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

10. Increase due to a high value of unpaid expenses anticipated at year end.
11. Decrease due to an expected lower salaries prepayment at year end.
12. Increase due to higher capital expenditure in 2009-10 than anticipated at time of 2010-11 budget preparation.
13. Increase in payables due to expected higher purchases in 2010-11 which will only be settled after year end.
14. The decrease in accumulated deficit reflects the profit of \$0.015 million achieved in 2009-10.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

15. Increase due to increase in anticipated payables at year end and the higher depreciation and amortisation charge over capital expenditure in 2011-12.
16. Decrease due to an expected lower salaries prepayment at year end.
17. Decrease due to higher depreciation than capital expenditure in 2011-12.
18. Decrease due to higher amortisation than capital expenditure in 2011-12.
19. Increase in payables due to expected higher purchases in 2010-11 which will only be settled after year end.
20. The non-current portion of the liability for the building owners' incentive reflected in the 2011-12 Estimate has been reduced by the amount utilised during the year.
21. The decrease in accumulated deficit reflects the profit of \$0.015 million achieved in 2009-10.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

22. Increase due to depreciation charged, non-cash, being greater than anticipated expenditure on non-current assets.
23. Decrease due to higher depreciation charges than expenditure on new assets.
24. Decrease due to higher amortisation charges than expenditure on new intangible assets.
25. The non-current portion of the liability for the building owners' incentive is reduced by the amount taken to the income statement during the year.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

26. Increase due to a carry forward of service revenue from 2009-10 to 2010-11 of \$0.06 million.
27. Increase due to additional temporary staff required to manage the increase in complaint volume.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

28. Service revenue in the 2011-12 Estimate includes enterprise bargaining increases.
29. Increase in employee costs is due to enterprise bargaining increases.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

30. Service revenue in the 2011-12 Estimate includes enterprise bargaining increases.
31. Increase in employee costs is due to enterprise bargaining increases.