

PART 9

Office of the Ombudsman

Summary of departmental budget

Page	Agency	2009-10 Budget \$'000	2009-10 Est. act. \$'000	2010-11 Estimate \$'000
1-236	Office of the Queensland Ombudsman – controlled	6,755	7,019	7,069

Notes:

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

DEPARTMENTAL OVERVIEW

MINISTERIAL RESPONSIBILITY

The Office of the Ombudsman is a department for the purposes of the *Financial Accountability Act 2009*. The Attorney-General and Minister for Industrial Relations has ministerial responsibility for the Office.

STRATEGIC ISSUES

The mission 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 expectations of Parliament and the community that services be delivered efficiently, effectively and in a timely manner
- the proliferation of public and private complaint agencies, including industry ombudsmen, leading to uncertainty in the community about the Office's role.

2010-11 HIGHLIGHTS

Having reported to Parliament on its assessment of the complaint systems of State agencies in 2009-10, the Office will focus this year on assisting local councils to improve their complaint systems.

The Office will continue to deliver training to State and local government agencies, such as its Good Decisions training program, to help officers 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

- Finalised 14,617 complaint related matters (as at 31 March 2010) comprising:
 - 6,468 complaints;
 - 7,650 complaints that the Office referred to other complaint agencies as they were not in the Office's jurisdiction;
 - 473 inquiries; and
 - 26 reviews requested by complainants dissatisfied with a decision of the Office.
- Finalised 85% of complaints within 30 days of receipt and 99% within 12 months of receipt.
- Used informal processes to deal with 99% of complaints.
- Continued to provide access to the Office's services for all Queenslanders. As at 31 March 2010, officers had visited regional centres 34 times to carry out investigations and/or deliver training sessions.
- 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 for regional Queensland; and
 - advertising and publicity activities in regional newspapers and radio in Fitzroy; North-West; Mackay; Northern; Darling Downs; South-West; Wide Bay and Burnett.
- Delivered 86 training sessions to agencies on good decision-making and effective complaints management (as at 31 March 2010) with at least 16 additional sessions to be delivered by 30 June 2010. Of the 86 sessions:
 - 44 were held in regional Queensland;
 - 48 were delivered to state agencies and attended by 880 officers;
 - 20 were delivered to local councils and attended by 332 officers;
 - 8 were delivered to universities and attended by 88 officers; and
 - 10 were delivered to combined groups and attended by 83 officers.
- Provided reception services at new premises at 53 Albert Street to three other independent complaint agencies and managed the shared training and meeting room facilities for those agencies and a fourth complaint agency. The agencies sharing the facilities are the Commission for Children and Young People and Child Guardian, the Anti-Discrimination Commission Queensland, the Health Quality and Complaints Commission and the Queensland Office of the Commonwealth Ombudsman.

- Produced and publicly released the following reports:
 - *The Classification and Movement of Prisoners Report – An investigation of Queensland Corrective Services’ process for the classification, placement and transfer of prisoners (July 2009);*
 - *Justice on the Inside Report - A review of Queensland Corrective Services’ management of breaches of discipline by prisoners (October 2009);*
 - *Tips and Traps for Regulators – Second edition (October 2009); and*
 - *Complaints Matter - A review of the complaints management systems of Queensland Government agencies (February 2010).*
- Continued to carry out our corrections program which entailed:
 - visiting each of the 14 correctional centres in Queensland to investigate complaints and inspect records and systems;
 - receiving 861 complaints about corrections related issues (as at 31 March);
 - servicing the Prisoner Phonenumber, a free and confidential telephone service that prisoners at each centre can use to call the Office (53% of complaints about corrections issues were received via the Phonenumber); and
 - conducting two own initiative investigations, the first into the classification and movement of prisoners and the second into the prisoners’ disciplinary system.
- 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:
 - leading the establishment 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;
 - producing and distributing more than 10,000 combined ‘It’s OK to complain’ brochures in 15 languages;
 - producing and distributing a joint poster outlining our 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:
 - translating the Office’s brochures into 17 languages; and
 - activities from the Office’s Multicultural Action Plan.
- Continued to publish our 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;
 - *Frontline Perspective* for customer service and other frontline officers; and
 - *Legal Perspective* for public sector lawyers and private sector lawyers with public sector clients.
- Launched *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 24% of all complaints received by the Office; and
 - access to the website by members of the public and officers from government agencies increased by 20% from 133,077 to 159,286. The materials downloaded most frequently were the online complaints form, *Perspective* newsletters, Good Decision-Making Guide and Complaints Management resources.
- Commenced an awareness campaign targeting youth audiences by attending Orientation Week activities at the University of Queensland and Griffith University, which resulted in the distribution of 3,500 information kits to university students.
- In conjunction with the Crime and Misconduct Commission and the Public Service Commission, developed and published three sets of guidelines on making and properly managing public interest disclosures: one set for potential whistleblowers, one for public sector managers, and one for public sector agencies. The guidelines were informed by the findings of the national *Whistling While They Work Project*, a Griffith University project to enhance the management and protection of internal witnesses, including whistleblowers, in the Australian public sector. This project was sponsored by Ombudsman Offices and anti-corruption agencies throughout Australia.
- Participated in the finalisation of the *Unreasonable Complainant Conduct Project*, a project to identify effective methods for handling such conduct, sponsored by Ombudsman Offices throughout Australia.

DEPARTMENTAL SERVICES

The Government's Performance Management Framework is being progressively implemented. The Framework no longer uses the concepts of 'outputs' and 'performance measures' that were previously used in Service Delivery Statements. They are replaced with 'services' and 'service standards'. These terms are defined in the Budget Readers' Guide. Together, they begin to provide information about how efficiently and effectively agencies deliver services within their approved Budget.

All agencies reviewed their service structures and service standards as part of this transition year. Approved changes are included in this year's Service Delivery Statement. Results against measures that have been discontinued are included in Appendix A (Book 5 of the Service Delivery Statements) for this year only. A key aspect of improving performance information is reviewing performance data. As such, each year agencies will continue to review and improve their service standards to provide better information on the effectiveness and efficiency of their services.

The Independent Review of Complaints about Government Administration service provides Queensland's primary facility for independently reviewing, investigating and, if necessary, redressing illegality or unfairness in public administration. The service also focuses on improving the quality of decision making and administrative practice in public agencies. By providing for public scrutiny of the activities of the executive arm of government, the service supports a strong corporate governance and accountability framework in the Queensland public sector.

STAFFING¹

Service	Notes	2009-10 Budget	2009-10 Est. actual	2010-11 Estimate
Independent Review of Complaints about Government Administration		58	56.3	57
Total		58	56.3	57

Notes:

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

DEPARTMENTAL STATEMENTS

PERFORMANCE STATEMENT

Service Standards	Notes	2009-10 Target/est.	2009-10 Est. actual	2010-11 Target/est.
Service: Independent Review of Complaints about Government Administration				
Complaints finalised	1	7,000	8,600	8,000
Inquiries finalised		600	630	600
Referrals finalised	2	9,000	10,200	9,500
Review requests finalised	3	50	35	50
Total matters finalised	4	16,650	19,465	18,150
Proportion of complaints investigated where a positive outcome was achieved for the complainant		40%	48%	40%
Proportion of complaints resolved informally compared to complaints resolved by formal investigation		95%	99%	95%
Proportion of complaints where early intervention occurred		90%	95%	90%
Proportion of recommendations for improvements to administrative practice or to rectify unfairness to individual complainants accepted by agencies		90%	95%	90%
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%	5%	5%
Number of regional centres outside of Brisbane visited to investigate complaints and/or deliver administrative improvement training sessions		50	50	50
Proportion of complaints received from outside of Brisbane		65%	62%	65%
Number of administrative improvement training sessions delivered		100	105	100
State Contribution (\$'000)		6,591	6,819	6,869
Other Revenue (\$'000)		164	200	200
Total Cost (\$'000)		6,755	7,019	7,069

Notes:

1. The 2009-10 Estimated actual reflects a significant increase in the number of complaints received and finalised by the Office.
2. The 2009-10 Estimated actual reflects a significant increase in the number of complaints that are outside the Office's jurisdiction and that it therefore refers to other complaint bodies.
3. The 2009-10 Estimated actual reflects a decrease in the number of reviews being sought by complainants of the Office's original decision.
4. The 2009-10 Estimated actual reflects a significant increase in the total number of matters received and finalised by the Office.

INCOME STATEMENT

Office of the Ombudsman	Notes	2009-10 Budget \$'000	2009-10 Est. act. \$'000	2010-11 Estimate \$'000
Income				
Service revenue	1,8,14	6,591	6,819	6,869
User charges	2,9	164	200	200
Grants and other contributions		..	..	..
Other revenue		..	..	..
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		6,755	7,019	7,069
Expenses				
Employee expenses	3,10	5,187	5,549	5,544
Supplies and services	4,11,15	1,330	1,170	1,209
Grants and subsidies		..	..	..
Depreciation and amortisation	5,12,16	208	252	268
Finance/borrowing costs		..	..	..
Other expenses	6,13	30	48	48
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		6,755	7,019	7,069
OPERATING SURPLUS/(DEFICIT)		..	..	..

STATEMENT OF CHANGES IN EQUITY

Office of the Ombudsman	Notes	2009-10 Budget \$'000	2009-10 Est. act. \$'000	2010-11 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)	7,17	..	(228)	..
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		..	(228)	..

BALANCE SHEET

Office of the Ombudsman	Notes	2009-10 Budget \$'000	2009-10 Est. act. \$'000	2010-11 Estimate \$'000
CURRENT ASSETS				
Cash assets	18,27,36	615	195	273
Receivables	19,28	82	188	195
Other financial assets		..	..	..
Inventories		..	..	..
Other	20,29	20	48	50
Non-financial assets held for sale		..	..	..
Total current assets		717	431	518
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	21,30,37	887	1,567	1,387
Intangibles	22,31,38	24	44	36
Other		..	..	..
Total non-current assets		911	1,611	1,423
TOTAL ASSETS		1,628	2,042	1,941
CURRENT LIABILITIES				
Payables	23,32	391	120	125
Accrued employee benefits		112	115	119
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	24,33	..	110	110
Total current liabilities		503	345	354
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	25,34,39	..	880	770
Total non-current liabilities		..	880	770
TOTAL LIABILITIES		503	1,225	1,124
NET ASSETS/(LIABILITIES)		1,125	817	817
EQUITY				
Capital/contributed equity	26,35	1,189	881	881
Retained surplus/(accumulated deficit)		(64)	(64)	(64)
Reserves:				
- Asset revaluation reserve		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		1,125	817	817

CASH FLOW STATEMENT

Office of the Ombudsman	Notes	2009-10 Budget \$'000	2009-10 Est. act. \$'000	2010-11 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts	40,46,50	6,591	6,819	6,869
User charges	41,47	168	204	204
Grants and other contributions		..	..	..
Other		120	152	113
Outflows:				
Employee costs	42,48,51	(5,187)	(5,407)	(5,546)
Supplies and services		(1,447)	(1,441)	(1,324)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other	43,49	(34)	(158)	(158)
Net cash provided by/(used in) operating activities		211	169	158
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	44,52	(80)	(98)	(80)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		(80)	(98)	(80)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals	45,53	..	(228)	..
Net cash provided by/(used in) financing activities		..	(228)	..
Net increase/(decrease) in cash held		131	(157)	78
Cash at the beginning of financial year		484	352	195
Cash transfers from restructure		..	..	..
Cash at the end of financial year		615	195	273

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2009-10 Budget and 2009-10 Estimated actual include:

1. Increase due to equity to revenue swap of approximately \$0.23 million.
2. Increase due to higher than anticipated demand for training offered by the Office.
3. Increase due to additional temporary staff required to manage the increase in complaint volume.
4. Decrease due to lower accommodation costs arising from relocation to new building.
5. Increased depreciation expense as a result of larger than anticipated office fitout investment.
6. Increase due to managing co-location reception and venue facilities in new building.
7. The equity withdrawal approved to fund additional temporary staffing costs.

Major variations between 2009-10 Budget and 2010-11 Estimate include:

8. Service revenue in the 2010-11 Estimate includes enterprise bargaining increases.
9. Increase due to higher than anticipated demand for training offered by the Office.
10. Increase due to enterprise bargaining increases, and additional temporary staffing costs.
11. Decrease due to lower accommodation costs arising from relocation to new building.
12. Increased depreciation expense as a result of larger than anticipated office fitout investment.
13. Increase due to managing co-location reception and venue facilities in new building.

Major variations between 2009-10 Estimated actual and the 2010-11 Estimate include:

14. Service revenue in the 2010-11 Estimate includes enterprise bargaining increases, offset by the equity to revenue swap of approximately \$0.23 million in March 2010.
15. Increase due to higher accommodation expenses due to rent escalation clause.
16. Increase due to depreciation on assets acquired in 2010-11.
17. Decrease due to equity to revenue swap of approximately \$0.23 million in 2009-10 not repeated in 2010-11.

Balance sheet

Major variations between 2009-10 Budget and 2009-10 Estimated actual include:

18. Decrease due to equity to revenue swap and decrease in payables.
19. Increase due to higher annual leave central scheme reimbursement from the Consolidated Fund.
20. Increase due to salaries expected to be prepaid at year end.
21. Increase due to the building owners' incentive being capitalised in the new accommodation fitout asset.
22. Increase due to ongoing developmental expenditure on the Office's case and file management computer software.
23. Decrease in payables due to leave pay provisions being incorrectly included in the 2009-10 Budget.
24. The current portion of the liability for the building owners' incentive is reflected in the 2009-10 Estimated actual.
25. The non-current portion of the liability for the building owners' incentive is reflected in the 2009-10 Estimated actual.
26. The decrease in contributed equity reflects the equity to revenue swap of approximately \$0.23 million in March 2010.

Major variations between 2009-10 Budget and 2010-11 Estimate include:

27. Decrease due to the equity to revenue swap and decrease in payables.
28. Increase due to higher annual leave central scheme reimbursement from the Consolidated Fund.
29. Increase due to salaries expected to be prepaid at year end.
30. Increase due to the building owners' incentive being capitalised in the new accommodation fitout asset.
31. Increase due to ongoing developmental expenditure on the Office's case and file management computer software.
32. Decrease in payables due to leave pay provisions being incorrectly included in the 2009-10 Budget.
33. The current portion of the liability for the building owners' incentive is reflected in the 2010-11 Estimate.
34. The non-current portion of the liability for the building owners' incentive is reflected in the 2010-11 Estimate.
35. The decrease in contributed equity reflects the equity to revenue swap of approximately \$0.23 million in March 2010.

Major variations between 2009-10 Estimated actual and the 2010-11 Estimate include:

36. Increase due to depreciation charged, non-cash, being greater than anticipated expenditure on non-current assets.
37. Decrease due to higher depreciation charges than expenditure on new assets.
38. Decrease due to higher amortisation charges than expenditure on new intangible assets.
39. 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 2009-10 Budget and 2009-10 Estimated actual include:

40. Increase due to equity to revenue swap of approximately \$0.23 million.
41. Increase due to higher than anticipated demand for training offered by the Office.
42. Increase due to additional temporary staff required to manage the increase in complaint volume.
43. Increase due to the difference in accommodation rent paid in cash and the rent, reduced by the proportional write off of the building owners' incentive, reflected in the income statement for the year.
44. Final payments for the Office fitout were made in 2009-10, which increased capital expenditure above the budgeted amount.
45. The equity withdrawal in the 2009-10 Estimated actual reflects the equity to revenue swap of approximately \$0.23 million in March 2010.

Major variations between 2009-10 Budget and 2010-11 Estimate include:

46. Service revenue in the 2010-11 Estimate includes enterprise bargaining increases.
47. Increase due to higher than anticipated demand for training offered by the Office.
48. Increase due to enterprise bargaining increases, and additional temporary staffing costs.
49. Increase due to the difference in accommodation rent paid in cash and the rent, reduced by the proportional write off of the building owners' incentive, reflected in the income statement for the year.

Major variations between 2009-10 Estimated actual and the 2010-11 Estimate include:

50. Service revenue in the 2010-11 Estimate includes enterprise bargaining increases, offset by the equity to revenue swap of approximately \$0.23 million in March 2010.
51. Increase due to enterprise bargaining increases, offset by the equity to revenue swap of approximately \$0.23 million expended on employee costs in the estimated actual year.
52. Decrease due to payments for the Office fitout being made in 2009-10, which increased capital expenditure above the budgeted amount.
53. Decrease due to equity to revenue swap of approximately \$0.23 million in 2009-10 not repeated in 2010-11.