

Disclosures and Legal Compliance

This section provides details of the Office's audited financial statements and key performance indicators, along with information on other mandatory disclosures and legal compliance.

- [Independent Audit Opinion](#)
- [Financial Statements](#)
- [Key Performance Indicators](#)
- [Other Disclosures and Legal Compliance](#)
 - [Ministerial Directions](#)
 - [Other Financial Disclosures](#)
 - [Employment of staff](#)
 - [Governance Disclosures](#)
 - [Other Legal Requirements](#)
 - [Government Policy Requirements](#)

Independent Audit Opinion



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

PARLIAMENTARY COMMISSIONER FOR ADMINISTRATIVE INVESTIGATIONS

Report on the financial statements

Opinion

I have audited the financial statements of the Parliamentary Commissioner for Administrative Investigations which comprise the Statement of Financial Position as at 30 June 2020, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and Summary of Consolidated Account Appropriations for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information, including administered transactions and balances.

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the operating results and cash flows of the Parliamentary Commissioner for Administrative Investigations for the year ended 30 June 2020 and the financial position at the end of that period. They are in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions.

Basis for opinion

I conducted my audit in accordance with the Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of my report. I am independent of the Parliamentary Commissioner in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial statements. I have also fulfilled my other ethical 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.

Responsibility of the Parliamentary Commissioner for the financial statements

The Parliamentary Commissioner is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions, and for such internal control as the Parliamentary Commissioner determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Parliamentary Commissioner is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of the Parliamentary Commissioner.

Auditor's responsibility for the audit of the financial statements

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements. The objectives of my audit are 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 Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A further description of my responsibilities for the audit of the financial statements is located on the Auditing and Assurance Standards Board website at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of my auditor's report.

Report on controls**Opinion**

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by the Parliamentary Commissioner for Administrative Investigations. The controls exercised by the Parliamentary Commissioner are those policies and procedures established by the Parliamentary Commissioner to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions (the overall control objectives).

My opinion has been formed on the basis of the matters outlined in this report.

In my opinion, in all material respects, the controls exercised by the Parliamentary Commissioner for Administrative Investigations are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2020.

The Parliamentary Commissioner's responsibilities

The Parliamentary Commissioner is responsible for designing, implementing and maintaining controls to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities are in accordance with the *Financial Management Act 2006*, the Treasurer's Instructions and other relevant written law.

Auditor General's responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the suitability of the design of the controls to achieve the overall control objectives and the implementation of the controls as designed. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3150 *Assurance Engagements on Controls* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements and plan and perform my procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the overall control objectives and were implemented as designed.

An assurance engagement to report on the design and implementation of controls involves performing procedures to obtain evidence about the suitability of the design of controls to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgement, including the assessment of the risks that controls are not suitably designed or implemented as designed. My procedures included testing the implementation of those controls that I consider necessary to achieve the overall control objectives.

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

Limitations of controls

Because of the inherent limitations of any internal control structure, it is possible that, even if the controls are suitably designed and implemented as designed, once the controls are in operation, the overall control objectives may not be achieved so that fraud, error, or non-compliance with laws and regulations may occur and not be detected. Any projection of the outcome of the evaluation of the suitability of the design of controls to future periods is subject to the risk that the controls may become unsuitable because of changes in conditions.

Report on the key performance indicators

Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of the Parliamentary Commissioner for Administrative Investigations for the year ended 30 June 2020. The key performance indicators are the Under Treasurer-approved key effectiveness indicators and key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators of the Parliamentary Commissioner for Administrative Investigations are relevant and appropriate to assist users to assess the Parliamentary Commissioner's performance and fairly represent indicated performance for the year ended 30 June 2020.

The Parliamentary Commissioner's responsibility for the key performance indicators

The Parliamentary Commissioner is responsible for the preparation and fair presentation of the key performance indicators in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions and for such internal control as the Parliamentary Commissioner determines necessary to enable the preparation of key performance indicators that are free from material misstatement, whether due to fraud or error.

In preparing the key performance indicators, the Parliamentary Commissioner is responsible for identifying key performance indicators that are relevant and appropriate, having regard to their purpose in accordance with Treasurer's Instruction 904 *Key Performance Indicators*.

Auditor General's responsibility

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the key performance indicators. The objectives of my engagement are to obtain reasonable assurance about whether the key performance indicators are relevant and appropriate to assist users to assess the entity's performance and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements relating to assurance engagements.

An assurance engagement involves performing procedures to obtain evidence about the amounts and disclosures in the key performance indicators. It also involves evaluating the relevance and appropriateness of the key performance indicators against the criteria and guidance in Treasurer's Instruction 904 for measuring the extent of outcome achievement and the efficiency of service delivery. The procedures selected depend on my judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments I obtain an understanding of internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances.

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

My independence and quality control relating to the reports on controls and key performance indicators

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements*, the Office of the Auditor General maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Matters relating to the electronic publication of the audited financial statements and key performance indicators

This auditor's report relates to the financial statements and key performance indicators of the Parliamentary Commissioner for Administrative Investigations for the year ended 30 June 2020 included on the Parliamentary Commissioner's website. The Parliamentary Commissioner's management is responsible for the integrity of the Parliamentary Commissioner's website. This audit does not provide assurance on the integrity of the Parliamentary Commissioner's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to contact the entity to confirm the information contained in the website version of the financial statements and key performance indicators.



SANDRA LABUSCHAGNE
DEPUTY AUDITOR GENERAL
Delegate of the Auditor General for Western Australia
Perth, Western Australia
2 September 2020

Financial Statements

Index of Financial Statements

[Certification of Financial Statements](#)

[Statement of Comprehensive Income](#)

[Statement of Financial Position](#)

[Statement of Changes in Equity](#)

[Statement of Cash Flows](#)

[Summary of consolidated account appropriations](#)

[Notes to the Financial Statements:](#)

[1. Basis of preparation](#)

[2. Agency outputs](#)

[3. Use of our funding](#)

[4. Our funding sources](#)

[5. Key assets](#)

[6. Other assets and liabilities](#)

[7. Financing](#)

[8. Financial instruments and Contingencies](#)

[9. Other disclosures](#)

30 June 2020

Financial Statements

Certification of Financial Statements

For the reporting period ended 30 June 2020

The accompanying financial statements of the Parliamentary Commissioner for Administrative Investigations have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ended 30 June 2020 and the financial position as at 30 June 2020.

At the date of signing we are not aware of any circumstances which would render the particulars included in the financial statements misleading or inaccurate.



Alan Shaw
Chief Finance Officer

27 August 2020



Chris Field
Accountable Authority

27 August 2020

Parliamentary Commissioner for Administrative Investigations Statement of Comprehensive Income

For the year ended 30 June 2020

	Notes	2020 \$	2019 \$
COST OF SERVICES			
Expenses			
Employee benefits expense	3.1(a)	8,679,248	7,785,780
Supplies and services	3.2	944,727	995,913
Depreciation and amortisation expense	5.1.1.5.3.1	204,658	183,358
Accommodation expenses	3.2	1,475,246	1,404,080
Finance costs	7.2	1,188	-
Other expenses	3.2	27,112	42,757
Total cost of services		11,332,179	10,411,888
Income			
<i>Revenue</i>			
Other revenue	4.2	2,492,550	2,438,393
Total revenue		2,492,550	2,438,393
Total income other than income from State Government		2,492,550	2,438,393
NET COST OF SERVICES		8,839,629	7,973,495
Income from State Government			
Service appropriation	4.1	8,684,000	7,410,000
Services received free of charge	4.1	445,024	448,339
Total income from State Government		9,129,024	7,858,339
SURPLUS/(DEFICIT) FOR THE PERIOD		289,395	(115,156)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		289,395	(115,156)

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Parliamentary Commissioner for Administrative Investigations Statement of Financial Position

As at 30 June 2020

	Notes	2020 \$	2019 \$
ASSETS			
Current Assets			
Cash and cash equivalents	7.3	952,631	639,538
Restricted cash and cash equivalents	7.3	35,808	7,487
Other current assets	6.3	30,127	-
Receivables	6.1	101,137	49,989
Amounts receivable for services	6.2	208,000	208,000
Total Current Assets		1,327,703	905,014
Non-Current Assets			
Restricted cash and cash equivalents	7.3	127,529	85,816
Amounts receivable for services	6.2	1,982,000	1,955,000
Plant and equipment	5.1	109,517	82,019
Intangible assets	5.3	208,190	128,363
Right-of-use assets	5.2	48,367	-
Total Non-Current Assets		2,475,603	2,251,198
TOTAL ASSETS		3,803,306	3,156,212
LIABILITIES			
Current Liabilities			
Payables	6.4	230,807	166,193
Employee related provisions	3.1(b)	1,741,537	1,489,014
Lease liabilities	7.1	20,968	-
Contract liabilities	6.5	34,756	11,913
Total Current Liabilities		2,028,068	1,667,120
Non-Current Liabilities			
Employee related provisions	3.1(b)	517,971	561,645
Lease liabilities	7.1	28,228	-
Contract liabilities	6.5	3,110	11,913
Total Non-Current Liabilities		549,309	573,558
TOTAL LIABILITIES		2,577,377	2,240,678
NET ASSETS		1,225,929	915,534
EQUITY			
Contributed equity	9.6	1,227,000	1,206,000
Accumulated surplus/(deficit)	9.6	(1,071)	(290,466)
TOTAL EQUITY		1,225,929	915,534

The Statement of Financial Position should be read in conjunction with the accompanying notes.

Parliamentary Commissioner for Administrative Investigations Statement of Changes in Equity

For the year ended 30 June 2020

	Notes	Contributed equity €	Accumulated surplus/(deficit) €	Total equity €
Balance at 1 July 2018	9.6	1,206,000	(175,310)	1,030,690
Deficit		-	(115,156)	(115,156)
Total comprehensive income for the period		-	(115,156)	(115,156)
Balance at 30 June 2019		1,206,000	(290,466)	915,534
Balance at 1 July 2019		1,206,000	(290,466)	915,534
Surplus		-	289,395	289,395
Total comprehensive income for the period			289,395	289,395
Transactions with owners in their capacity as owners:				
Capital appropriations		21,000		21,000
Total		21,000	-	21,000
Balance at 30 June 2020		1,227,000	(1,071)	1,225,929

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Parliamentary Commissioner for Administrative Investigations

Statement of Cash Flows

For the year ended 30 June 2020

	Notes	2020 \$	2019 \$
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation		8,449,000	7,195,000
Holding account drawdown		208,000	208,000
Capital appropriations		21,000	-
Net cash provided by State Government		8,678,000	7,403,000
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(8,424,667)	(7,748,888)
Supplies and services		(876,794)	(753,956)
Accommodation		(1,181,627)	(1,031,588)
GST payments on purchases		(227,721)	(193,657)
GST payments to taxation authority		(112,220)	(42,450)
Finance costs		(1,188)	-
Other payments		(26,136)	(25,700)
Receipts			
GST receipts on sales		248,442	261,962
GST receipts from taxation authority		79,383	3,791
Other receipts		2,492,550	2,447,919
Net cash used in operating activities		(8,029,978)	(7,082,565)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments			
Purchase of non-current assets		(245,737)	(121,253)
Net cash used in investing activities		(245,737)	(121,253)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments			
Principal elements of lease payments		(19,158)	-
Net cash used in financing activities		(19,158)	-
Net increase/(decrease) in cash and cash equivalents		383,127	199,182
Cash and cash equivalents at the beginning of the period		732,841	533,659
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	8.1	1,115,968	732,841

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

Parliamentary Commissioner for Administrative Investigations

Summary of consolidated account appropriations

For the year ended 30 June 2020

	2020 Budget Estimate \$	2020 Supplementary Funding \$	2020 Mid-year Review Adjustment \$	2020 Revised Budget \$	2020 Actual \$	2020 Variance \$
Delivery Services						
Item 4 Net amount appropriated to deliver services	7,431,000	-	-	7,431,000	7,379,000	(52,000)
Section 25 Transfer of service appropriation	627,000	-	-	627,000	627,000	-
Amount Authorised by Other Statutes						
- <i>Parliamentary Commissioner Act 1971</i>	659,000	-	19,000	678,000	678,000	-
Total appropriations provided to deliver services	8,717,000	-	19,000	8,736,000	8,684,000	(52,000)
Capital						
Item 92 Capital appropriations	783,000		-	783,000	21,000	(762,000)
GRAND TOTAL	9,500,000	-	19,000	9,519,000	8,705,000	(814,000)

Note 9.9 "Explanatory statement" provides details of any significant variations between revised budget and actual results for 2020

Parliamentary Commissioner for Administrative Investigations

Notes to the Financial Statements

For the year ended 30 June 2020

1. Basis of preparation

The Office is a WA Government entity and is controlled by the State of Western Australia, which is the ultimate parent. The Office is a not-for-profit entity (as profit is not its principal objective).

A description of the nature of its operations and its principal activities have been included in the 'Overview' which does not form part of these financial statements.

These annual financial statements were authorised for issue by the Accountable Authority of the Office on 27 August 2020.

Statement of compliance

These general purpose financial statements are prepared in accordance with:

- (1) The *Financial Management Act 2006* (**FMA**);
- (2) The Treasurer's Instructions (**the Instructions or TI**);
- (3) Australian Accounting Standards (**AAS**) including applicable interpretations; and
- (4) Where appropriate, those AAS paragraphs applicable for not-for-profit entities have been applied.

The *Financial Management Act 2006* and the Treasurer's Instructions (**the Instructions**) take precedence over AAS. Several AAS are modified by the Instructions to vary application, disclosure format and wording. Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

Basis of preparation

These financial statements are presented in Australian dollars applying the accrual basis of accounting and using the historical cost convention. Certain balances will apply a different measurement basis (such as the fair value basis). Where this is the case the different measurement basis is disclosed in the associated note.

Judgements and estimates

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements and estimates made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements and/or estimates are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances.

Contributed equity

AASB Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, to be designated by the Government (the owner) as contributions by owners (at the time of, or prior to, transfer) before such transfers can be recognised as equity contributions. Capital appropriations have been designated as contributions by owners by TI 955 *Contributions by Owners made to Wholly Owned Public Sector Entities* and have been credited directly to Contributed Equity.

2. Agency outputs

How the Office operates

This section includes information regarding the nature of funding the Office receives and how this funding is utilised to achieve the Office's objectives. This note also provides the distinction between controlled funding and administered funding:

	Notes
Agency objectives	2.1

2.1 Agency objectives

Mission

The mission of the Ombudsman Western Australia is to serve Parliament and Western Australians by:

- Receiving, investigating and resolving complaints about State Government agencies, local governments and universities;
- Reviewing certain child deaths and family and domestic violence fatalities;
- Improving public administration for the benefit of all Western Australians through own motion investigations and education and liaison programs with public authorities; and
- Undertaking a range of additional functions, including statutory inspection and monitoring functions.

The Office is predominantly funded by Parliamentary appropriation. The Ombudsman Western Australia also performs the functions of the Energy and Water Ombudsman Western Australia (**EWOWA**) under a services agreement with the Board of Energy and Water Industry Ombudsman (Western Australia) Limited, the governing body of EWOWA. The Office recoups the costs for EWOWA from the Board. The financial statements encompass all funds through which the Office controls resources to carry on its functions.

Services

The Office provides the following service:

Service 1: Resolving complaints about decision making of public authorities and improving the standard of public administration

Investigating and resolving complaints from members of the public about Western Australian public authorities and improving the standard of public administration by identifying and investigating concerns that affect the broader community, making recommendations for improvement and identifying and promoting good decision making and practices.

The Office does not administer assets, liabilities, income and expenses on behalf of Government which are not controlled by, nor integral to, the function of the Office.

3. Use of our funding

Expenses incurred in the delivery of services

This section provides additional information about how the Office's funding is applied and the accounting policies that are relevant for an understanding of the items recognised in the financial statements. The primary expenses incurred by the Office in achieving its objectives and the relevant notes are:

	Notes	2020 \$	2019 \$
Employee benefits expenses	3.1(a)	8,679,248	7,785,780
Employee related provisions	3.1(b)	2,259,508	2,050,659
Other expenditure	3.2	2,447,085	2,442,750

3.1(a) Employee benefits expense

	2020 \$	2019 \$
Employee benefits	7,921,373	6,954,751
Termination benefits	30	-
Superannuation - defined contribution plans	768,509	696,249
Other related expenses	(10,664)	134,779
Total employee benefits expenses	8,679,248	7,785,780
Add: AASB 16 Non-monetary benefits	20,269	-
Less: Employee Contributions	11,682	-
Net benefits expenses	8,687,835	7,785,780

Employee benefits: Include wages, salaries, accrued and paid leave entitlements and paid sick leave; and non-monetary benefits (such as cars) for employees.

Termination benefits: Payable when employment is terminated before normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. Termination benefits are recognised when the Office is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Superannuation: The amount recognised in profit or loss of the Statement of Comprehensive Income comprises employer contributions paid to the GSS (concurrent contributions), the WSS, the GESBs, or other superannuation funds. The employer contribution paid to the Government Employees Superannuation Board (**GESB**) in respect of the GSS is paid back into the Consolidated Account by the GESB.

GSS (concurrent contributions) is a defined benefit scheme for the purposes of employees and whole-of-government reporting. It is however a defined contribution plan for Office purposes because the concurrent contributions (defined contributions) made by the Office to GESB extinguishes the Office's obligations to the related superannuation liability.

The Office does not recognise any defined benefit liabilities because it has no legal or constructive obligation to pay future benefits relating to its employees. The Liabilities for the unfunded Pension Scheme and the unfunded GSS transfer benefits attributable to members who transferred from the Pension Scheme, are assumed by the Treasurer. All other GSS obligations are funded by concurrent contributions made by the Office to the GESB.

The GESB and other fund providers administer public sector superannuation arrangements in Western Australia in accordance with legislative requirements. Eligibility criteria for membership in particular schemes for public sector employees vary according to commencement and implementation dates.

Note 3.1(b) Employee related provisions

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

	2020 \$	2019 \$
Current		
<i>Employee benefits provision</i>		
Annual leave ^(a)	580,040	520,562
Long service leave ^(b)	1,129,699	944,132
Purchased leave scheme ^(c)	23,941	17,581
	1,733,680	1,482,275
<i>Other provisions</i>		
Employment on-costs ^(d)	7,857	6,739
	7,857	6,739
Total current employee related provisions	1,741,537	1,489,014
	2020 \$	2019 \$
Non-current		
<i>Employee benefits provision</i>		
Long service leave ^(b)	515,644	559,113
	515,644	559,113
<i>Other provisions</i>		
Employment on-costs ^(d)	2,327	2,532
	2,327	2,532
Total non-current employee related provisions	517,971	561,645
Total employee related provisions	2,259,508	2,050,659

- (a) **Annual leave liabilities:** Classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

The provision for annual leave is calculated at the present value of expected payments to be made in relation to services provided by employees up to the reporting date.

- (b) **Long service leave liabilities:** Unconditional long service leave provisions are classified as current liabilities as the Office does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Pre-conditional and conditional long service leave provisions are classified as non-current liabilities because the Office has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

The provision for long service leave are calculated at present value as the Office does not expect to wholly settle the amounts within 12 months. The present value is measured taking into account the present value of expected future payments to be made in relation to services provided by employees up to the reporting date. These payments are estimated using the remuneration rate expected to apply at the time of settlement, and discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

- (c) **Purchased leave liabilities:** Purchased leave liabilities have been classified as current as they must be cleared or paid out within 12 months.
- (d) **Employment on-costs:** The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers' compensation insurance. The provision is the present value of expected future payments.

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Other expenditure', Note 3.2 (apart from the unwinding of the discount (finance cost)), and are not included as part of the Office's 'employee benefits expense'. The related liability is included in 'Employment on-costs provision'.

	2020 \$	2019 \$
<u>Employment on-cost provision</u>		
Carrying amount at start of period	9,271	8,954
Additional provisions recognised	913	317
Carrying amount at end of period	10,184	9,271

Key sources of estimation uncertainty – long service leave

Key estimates and assumptions concerning the future are based on historical experience and various other factors that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Several estimates and assumptions are used in calculating the Office's long service leave provision. These include:

- Expected future salary rates;
- Discount rates;
- Employee retention rates; and
- Expected future payments.

Changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision. Any gain or loss following revaluation of the present value of long service leave liabilities is recognised as employee benefits expense.

3.2 Other expenditure

	2020 \$	2019 \$
Supplies and services		
Communications	65,600	74,619
Consumables	104,673	65,697
Services and contracts	331,148	343,016
Services received free of charge ^(a)	151,405	168,283
Insurance	84,621	132,070
Travel	53,467	45,525
Other ^(b)	153,813	166,703
Total supplies and services expenses	944,727	995,913
Accommodation expenses		
Rentals	1,176,279	1,123,935
Repairs and maintenance	5,348	89
Services received free of charge ^(c)	293,619	280,056
Total accommodation expenses	1,475,246	1,404,080
Other		
Employment on-costs	913	317
Audit fee	26,086	26,086
Bad debts ^(d)	52	11,394
Loss on disposal on non-current assets	61	60
Other	-	4,900
Total other expenses	27,112	42,757
Total other expenditure	2,447,085	2,442,750

(a) Relates to the provision of human resources services by the Department of the Premier and Cabinet (Note 4.1).

(b) Includes expenses relating to motor vehicles, parking and utilities.

(c) Relates to the notional value of the depreciation of the fit-out of office accommodation provided through Building Management and Works (Department of Finance Note 4.1).

(d) Relates to the write-off of irrecoverable salary overpayments (Note 9.7(a)).

Supplies and services expense:

Supplies and services are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any materials held for distribution are expensed when the materials are distributed.

Rental expenses include:

- i) Short-term leases with a lease term of 12 months or less;
- ii) Low-value leases with an underlying value of \$5,000 or less; and
- iii) Variable lease payments, recognised in the period in which the event or condition that triggers those payments occurs.

Repairs, maintenance and cleaning costs are recognised as expenses as incurred.

4. Our funding sources

How we obtain our funding

This section provides additional information about how the Office obtains its funding and the relevant accounting policy notes that govern the recognition and measurement of this funding. The primary income received by the Office and the relevant notes are:

	Notes	2020 \$	2019 \$
Income from State Government	4.1	9,129,024	7,858,339
Other revenue	4.2	2,492,550	2,438,393

4.1 Income from State Government

	Notes	2020 \$	2019 \$
Appropriation received during the period			
Service appropriation ^(a)			
- Recurrent		8,006,000	6,751,000
Special Acts		678,000	659,000
		8,684,000	7,410,000
Services received free of charge from other State government agencies during the period:			
Department of the Premier and Cabinet	3.2	151,405	168,283
Department of Finance	3.2	293,619	280,056
Total services received		445,024	448,339
Total income from State Government		9,129,024	7,858,339

- (a) **Service Appropriations** are recognised as revenues at fair value of consideration received in the period in which the Office gains control of the appropriated funds. The Office gains control of appropriated funds at the time those funds are deposited in the bank account or credited to the 'Amounts receivable for services' (holding account) held at Treasury.

Service appropriations fund the net cost of services delivered (as set out in note 2). Appropriation revenue comprises the following:

- Cash component; and
- A receivable (asset).

The application of AASB 15 and AASB 1058 from 1 July 2019 has had no impact on the treatment of income from State Government.

4.2 Other revenue

	2020 \$	2019 \$
Other revenue - general	70,925	46,063
Other recoup ^(a)	2,421,625	2,392,330
	2,492,550	2,438,393

- (a) Includes recoup for the costs of the functions of the Energy and Water Ombudsman Western Australia (see Note 2.1) and services of the Office in relation to complaints involving the Indian Ocean Territories (see Note 9.8).

Revenue is recognised and measured at the fair value of consideration received or receivable.

5. Key assets

Assets the Office utilises for economic benefit or service potential

This section includes information regarding the key assets the Office utilises to gain economic benefits or provide service potential. The section sets out both the key accounting policies and financial information about the performance of these assets:

	Notes	2020 \$	2019 \$
Plant and equipment	5.1	109,517	82,019
Right-of-use assets	5.2	48,367	-
Intangibles	5.3	208,190	128,363
Total key assets		366,074	210,382

5.1 Plant and equipment

	Furniture and Fittings	Computer Hardware	Office Equipment	Communications	Total
Year ended 30 June 2019	\$	\$	\$	\$	\$
1 July 2018					
Gross carrying amount	6,814	264,548	48,863	213,050	533,275
Accumulated depreciation	(4,259)	(225,315)	(25,910)	(213,050)	(468,534)
Carrying amount at start of period	2,555	39,233	22,953	-	64,741
Additions	-	44,184	9,573	-	53,757
Other disposals	-	-	(60)	-	(60)
Depreciation	(681)	(27,473)	(8,265)	-	(36,419)
Carrying amount at 30 June 2019	1,874	55,944	24,201	-	82,019

	Furniture and Fittings	Computer Hardware	Office Equipment	Communications	Total
Year ended 30 June 2020	\$	\$	\$	\$	\$
1 July 2019					
Gross carrying amount	6,814	308,732	46,347	213,050	574,943
Accumulated depreciation	(4,940)	(252,788)	(22,146)	(213,050)	(492,924)
Carrying amount at start of period	1,874	55,944	24,201	-	82,019
Additions	-	55,774	10,150	-	65,923
Other disposals	-	-	(61)	-	(61)
Depreciation	(681)	(29,874)	(7,809)	-	(38,364)
Carrying amount at 30 June 2020	1,193	81,844	26,481	-	109,517

Initial recognition

Items of plant and equipment, costing \$5,000 or more are measured initially at cost. Where an asset is acquired for no or nominal cost, the cost is valued at its fair value at the date of acquisition. Items of plant and equipment costing less than \$5,000 are immediately expensed direct to the Statement of Comprehensive Income (other than where they form part of a group of similar items which are significant in total).

Subsequent measurement

Plant and equipment is stated at historical cost less accumulated depreciation and accumulated impairment losses.

5.1.1 Depreciation and impairment

Charge for the period

	2020 \$	2019 \$
<u>Depreciation</u>		
Furniture fixtures and fittings	681	681
Computer hardware	29,874	27,473
Office equipment	7,809	8,265
Total depreciation for the period	38,364	36,419

As at 30 June 2020 there were no indications of impairment to plant and equipment.

All surplus assets at 30 June 2020 have either been classified as assets held for sale or have been written-off.

Please refer to note 5.3 for guidance in relation to the impairment assessment that has been performed for intangible assets.

Finite useful lives

All plant and equipment having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits.

Depreciation is generally calculated on a straight line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different asset classes for current and prior years are included in the table below:

Asset	Useful life: years
Furniture and fittings	10 years
Plant and machinery	10 years
Computer hardware	3 years
Office equipment	5 years
Motor vehicles	3 - 5 years
Software ^(a)	3 years

(a) Software that is integral to the operation of related hardware.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments should be made where appropriate.

Impairment

Non-financial assets, including items of plant and equipment, are tested for impairment whenever there is an indication that the asset may be impaired. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised.

Where an asset measured at cost is written down to its recoverable amount, an impairment loss is recognised through profit or loss.

If there is an indication that there has been a reversal in impairment, the carrying amount shall be increased to its recoverable amount. However this reversal should not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life. Each relevant class of assets is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of the asset's future economic benefits and to evaluate any impairment risk from declining replacement costs.

5.2 Right-of-use assets

	2020	2019
	\$	\$
Right-of-use assets		
Vehicles	48,367	-
Net carrying amount at 30 June	48,367	-

Additions to right-of-use assets during the 2020 financial year were \$68,354.

Initial recognition

Right-of-use assets are measured at cost including the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received;
- Any initial direct costs; and
- Restoration costs, including dismantling and removing the underlying asset.

The Office has elected not to recognise right-of-use assets and lease liabilities for short-term leases (with a lease term of 12 months or less) and low value leases (with an underlying value of \$5,000 or less). Lease payments associated with these leases are expensed over a straight-line basis over the lease term.

Subsequent measurement

The cost model is applied for subsequent measurement of right-of-use assets, requiring the asset to be carried at cost less any accumulated depreciation and accumulated impairment losses and adjusted for any re-measurement of lease liability.

Depreciation and impairment of right-of-use-assets

Right-of-use assets are depreciated on a straight line basis over the shorter of the asset's useful life and the lease term. If the Office is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Right-of-use assets are tested for impairment when an indication of impairment is identified. The policy in connection with testing for impairment is outlined in note 5.1.1.

The following amounts relating to leases have been recognised in the statement of comprehensive income:

	2020 \$	2019 \$
Vehicles	19,987	-
Total right-of-use depreciation for the period	19,987	-
Lease interest expense	1,188	-

Total cash outflow for leases in 2020 was \$20,345.

The Office's leasing activities and how these are accounted for:

The Office has leases for vehicles.

The Office has also entered into a Memorandum of Understanding Agreements (MOU) with the Department of Finance for the leasing of office accommodation. These are not recognised under AASB 16 because of substitution rights held by the Department of Finance and are accounted for as an expense as incurred.

Up to 30 June 2019, the Office classified leases as either finance leases or operating leases. From 1 July 2019, at 1 July 2019, the Office recognises leases as right-of-use assets and associated lease liabilities in the Statement of Financial Position.

The corresponding lease liabilities in relation to these right-of-use assets have been disclosed in note 7.1.

5.3 Intangible assets

	Computer software	Total
	\$	\$
Year ended 30 June 2019		
1 July 2018		
Gross carrying amount	1,646,454	1,646,454
Accumulated amortisation	(1,410,538)	(1,410,538)
Carrying amount at start of period	235,916	235,916
Additions	39,386	39,386
Amortisation	(146,939)	(146,939)
Carrying amount at 30 June 2019	128,363	128,363

	Computer Software	Total
	\$	\$
Year ended 30 June 2020		
1 July 2019		
Gross carrying amount	1,685,840	1,685,840
Accumulated amortisation	(1,557,477)	(1,557,477)
Carrying amount at start of period	128,363	128,363
Additions	226,134	226,134
Amortisation	(146,307)	(146,307)
Carrying amount at 30 June 2020	208,190	208,190

Initial recognition

Intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

Acquisitions of intangible assets costing \$5,000 or more and internally generated intangible assets costing \$50,000 or more that comply with the recognition criteria as per AASB 138.57 (as noted below), are capitalised.

Costs incurred below these thresholds are immediately expensed directly to the Statement of Comprehensive Income.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following are demonstrated:

- (a) the technical feasibility of completing the intangible asset so that it will be available for use or sale;

- (b) an intention to complete the intangible asset, and use or sell it;
- (c) the ability to use or sell the intangible asset;
- (d) the intangible asset will generate probable future economic benefit;
- (e) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- (f) the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Costs incurred in the research phase of a project are immediately expensed.

Subsequent measurement

The cost model is applied for subsequent measurement of intangible assets, requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

5.3.1 Amortisation and impairment

Charge for the period

	2020 \$	2019 \$
Computer software	146,307	146,939
Total amortisation for the period	146,307	146,939

As at 30 June 2020 there were no indications of impairment to intangible assets.

The Office held no goodwill or intangible assets with an indefinite useful life during the reporting period. At the end of the reporting period there were no intangible assets not yet available for use.

Amortisation of finite life intangible assets is calculated on a straight line basis at rates that allocate the asset's value over its estimated useful life. All intangible assets controlled by the Office have a finite useful life and zero residual value. Estimated useful lives are reviewed annually.

The estimated useful lives for each class of intangible asset are:

Asset	Useful life: years
Computer software ^(a)	3 years

- (a) Software that is not integral to the operation of any related hardware.

Impairment of intangible assets

Intangible assets with finite useful lives are tested for impairment annually or when an indication of impairment is identified.

The policy in connection with testing for impairment is outlined in note 5.1.1.

6. Other assets and liabilities

This section sets out those assets and liabilities that arose from the Office's controlled operations and includes other assets utilised for economic benefits and liabilities incurred during normal operations:

	Notes	2020 \$	2019 \$
Receivables	6.1	101,137	49,989
Amounts receivable for services	6.2	2,190,000	2,163,000
Other current assets	6.3	30,127	-
Payables	6.4	230,807	166,193
Contract liabilities	6.5	37,866	23,826

6.1 Receivables

	2020 \$	2019 \$
<u>Current</u>		
Receivables	92,831	41,567
Purchased leave receivable	8,306	8,422
Total current	101,137	49,989

Receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net receivables is equivalent to fair value as it is due for settlement within 30 days.

6.2 Amounts receivable for services (Holding Account)

	2020 \$	2019 \$
Current	208,000	208,000
Non-current	1,982,000	1,955,000
Balance at end of period	2,190,000	2,163,000

Amounts receivable for services represent the non-cash component of service appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liability.

Amounts Receivable for services are considered not impaired (i.e. there is no expected credit loss of the holding accounts).

6.3 Other assets

	2020 \$	2019 \$
<u>Current</u>		
Prepayments	30,127	-
Total current	30,127	-
Balance at end of period	30,127	-

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

6.4 Payables

	2020 \$	2019 \$
Current		
Trade payables	44,560	47,247
Accrued expenses	71,264	61,610
Accrued salaries	87,608	27,017
Accrued superannuation	10,262	2,689
GST payable	17,102	27,619
Other payables	11	11
Total current	230,807	166,193
Balance at end of period	230,807	166,193

Payables are recognised at the amounts payable when the Office becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as settlement is generally within 30 days.

Accrued salaries represent the amount due to staff but unpaid at the end of the reporting period. Accrued salaries are settled within a fortnight after the reporting period. The Office considers the carrying amount of accrued salaries to be equivalent to its fair value.

The accrued salaries suspense account (See Note 7.3 'Cash and cash equivalents') consists of amounts paid annually, from Office appropriations for salaries expense, into a Treasury suspense account to meet the additional cash outflow for employee salary payments in reporting periods with 27 pay days instead of the normal 26. No interest is received on this account.

6.5 Contract liabilities

	2020 \$	2019 \$
Current		
Software contracts ^(a)	34,756	11,913
Total current	34,756	11,913
Non-current		
Software contracts ^(a)	3,110	11,913
Total non-current	3,110	11,913
Balance at end of period	37,866	23,826

(a) Software contracts for finance, records management and email system that are over a 2 year period.

7. Financing

This section sets out the material balances and disclosures associated with the financing and cashflows of the Office.

	Notes
Lease liabilities	7.1
Finance costs	7.2
Cash and cash equivalents	7.3
Commitments	7.4
Capital commitments	7.4.1

7.1 Lease liabilities

	Notes	2020 \$	2019 \$
<u>Lease liabilities</u>			
Current		20,968	-
Non-current		28,228	-
		49,196	-

The Office measures a lease liability, at the commencement date, at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Office uses the incremental borrowing rate provided by Western Australia Treasury Corporation.

Lease payments included by the Office as part of the present value calculation of lease liability include:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payments that depend on an index or rate initially measured using the index or rate at the commencement date;
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options (where these are reasonably certain to be exercised);
- Payments for penalties for terminating a lease, where the lease term reflects the agency exercising an option to terminate the lease.

The interest on the lease liability is recognised in profit or loss over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Lease liabilities do not include any future changes in variable lease payments (that depend on an index or rate) until they take effect, in which case the lease liability is reassessed and adjusted against the right-of-use asset.

Periods covered by extension or termination options are only included in the lease term by the Office if the lease is reasonably certain to be extended (or not terminated).

Variable lease payments, not included in the measurement of lease liability, that are dependent on sales are recognised by the Office in profit and loss in the period in which the condition that triggers those payments occurs.

This section should be read in conjunction with note 5.2

Subsequent measurement

Lease liabilities are measured by increasing the carrying amount to reflect interest on the lease liabilities; reducing the carrying amount to reflect the lease payments made; and remeasuring the carrying amount at amortised cost, subject to adjustments to reflect any reassessment or lease modifications.

7.2 Finance costs

	2020 \$	2019 \$
Finance costs		
Lease interest expense	1,188	-
Total finance costs	1,188	-

Finance cost' includes the interest component of lease liability repayments, and the increase in financial liabilities and non-employment provisions due to the unwinding of discounts to reflect the passage of time.

7.3 Cash and cash equivalents

	Notes	2020 \$	2019 \$
<u>Current</u>			
Cash and cash equivalents	8.1	952,631	639,538
Restricted cash and cash equivalents			
– Indian Ocean Territories	9.8	35,808	7,487
<u>Non-current</u>			
Restricted cash and cash equivalents			
– Accrued salaries suspense account ^(a)		127,529	85,816
Balance at end of period		1,115,968	732,841

- (a) Funds held in the suspense account for the purpose of meeting the 27th pay in a reporting period that occurs every 11th year. This account is classified as non-current for 10 out of 11 years.

For the purpose of the statement of cash flows, cash and cash equivalent (and restricted cash and cash equivalent) assets comprise cash on hand.

7.4. Commitments

All commitments are presented inclusive of GST.

7.4.1 Capital commitments

	2020 \$	2019 \$
Capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements, are payable as follows:		
Within 1 year ^(a)	89,764	124,519
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-
	89,764	124,519

- (a) Due to the timing of the replacement of Office assets, some intangible assets were committed in 2018-19 but not paid until 2019-20.

8. Financial instruments and Contingencies

	Note
Financial instruments	8.1
Contingent assets and liabilities	8.2

8.1 Financial instruments

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are:

	2020 \$	2019 \$
Financial Assets		
Cash and cash equivalents	1,115,968	732,841
Financial assets at amortised cost ^(a)	2,291,137	2,212,989
Financial Liabilities		
Financial liabilities at amortised cost ^(b)	251,571	162,400

(a) The amount of Financial assets at amortised costs excludes GST recoverable to the ATO (statutory receivable).

(b) The amount of Financial liabilities at amortised costs excludes GST payable to the ATO (statutory payable).

8.2 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the statement of financial position but are disclosed and, if quantifiable, are measured at the best estimate.

The Office is not aware of any contingent liabilities or contingent assets at the end of the reporting period.

9. Other disclosures

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

	Note
Events occurring after the end of the reporting period	9.1
Initial application of Australian Accounting Standards	9.2
Key management personnel	9.3
Related party transactions	9.4
Remuneration of auditors	9.5
Equity	9.6
Supplementary financial information	9.7
Indian Ocean Territories	9.8
Explanatory statement	9.9

9.1 Events occurring after the end of the reporting period

The Office is not aware of any event after the end of the reporting period that may have an impact on the financial statements.

9.2 Initial application of Australian Accounting Standards

(a) AASB 15 Revenue from Contract with Customers and AASB 1058 Income of Not-for-Profit Entities

AASB 15 *Revenue from Contracts with Customers* replaces AASB 118 *Revenue* and AASB 111 *Construction Contracts* for annual reporting periods on or after 1 January 2019. Under the new model, an entity shall recognise revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service and is based upon the transfer of control rather than transfer of risks and rewards.

AASB 15 focuses on providing sufficient information to the users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from the contracts with customers. Revenue is recognised by applying the following five steps:

- Identifying contracts with customers
- Identifying separate performance obligations
- Determining the transaction price
- Allocating the transaction price to each of the performance obligations
- Recognising revenue when or as each performance obligation is satisfied.

Revenue is recognised either over time or at a point in time. Any distinct goods or services are separately identified and any discounts or rebates in the contract price are allocated to the separate elements.

In addition, income other than from contracts with customers are subject to AASB 1058 *Income of Not-for-Profit Entities*. Income recognition under AASB 1058 depends on whether such a transaction gives rise to liabilities or a contribution by owners, related to an asset (such as cash or another asset) recognised by an agency.

The Office adopts the modified retrospective approach on transition to AASB 15 and AASB 1058. No comparative information will be restated under this approach, and the Office recognises the cumulative effect of initially applying the Standards as an adjustment to the opening balance of accumulated surplus/(deficit) at the date of initial application (1 July 2019).

Under this transition method, an agency elects to not to apply the standards retrospectively to non-completed contracts at the date of initial application.

Refer to Note 4.1 and 4.2 for the revenue and income accounting policies adopted from 1 July 2019.

The application of AASB 15 and AASB 1058 from 1 July 2019 has had no impact on the treatment of income from State Government and Other Revenue.

(b) AASB 16 Leases

AASB 16 *Leases* supersedes AASB 117 *Leases* and related interpretations. AASB 16 primarily affects lessee accounting and provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessees and lessors.

The Office applies AASB 16 *Leases* from 1 July 2019 using the modified retrospective approach on initial adoption. As permitted under the specific transition provisions, comparatives are not restated. The cumulative effect of initially applying this Standard as an adjustment to the opening balance of accumulated surplus/(deficit).

The main changes introduced by this Standard include identification of lease within a contract and a new lease accounting model for lessees that require lessees to recognise all leases (operating and finance leases) on the Statement of Financial Position as right-of-use assets and lease liabilities, except for short term leases (lease terms of 12 months or less at commencement date) and low-value assets (where the underlying asset is valued less than \$5,000). The operating lease and finance lease distinction for lessees no longer exists.

Under AASB 16, the Office takes into consideration all operating leases that were off balance sheet under AASB 117 and recognises:

- (a) right of use assets and lease liabilities in the Statement of Financial Position, initially measured at the present value of future lease payments, discounted using the incremental borrowing rate 2.5% on 1 July 2019;
- (b) depreciation of right-of-use assets and interest on lease liabilities in the Statement of Comprehensive Income; and
- (c) the total amount of cash paid as principal amount, which is presented in the cash flows from financing activities, and interest paid, which is presented in the cash from operating activities, in the Statement of Cash Flows.

In relation to leased vehicles that were previously classified as finance leases, their carrying amount before transition is used as the carrying amount of the right-of-use assets and the lease liabilities as of 1 July 2019.

The Office measure concessionary leases that are of low value terms and conditions at cost of inception. There is no financial impact as the Office is not in possession of any concessionary leases at the date of transition.

The right-of-use assets are assessed for impairment at the date of transition and the Office has not identified any impairments to its right-of-use assets.

On transition, the Office has elected to apply the following practical expedients in the assessment of their leases that were previously classified as operating leases under AASB 117:

- (a) A single discount rate has been applied to the portfolio of leases with reasonably similar characteristics;
- (b) The Office has relied on its assessment of whether existing leases were onerous in applying AASB 137 Provisions, *Contingent Liabilities and Contingent Assets* immediately before the date of initial application as an alternative to performing an impairment review. The Office has adjusted the ROU asset at 1 July 2019 by the amount of any provisions included for onerous leases recognised in the statement of financial positions at 30 June 2019;
- (c) Where the lease term at initial application ended within 12 months, the Agency has accounted for these as short-term leases;
- (d) Initial direct costs have been excluded from the measurement of the right-of-use asset;
- (e) Hindsight has been used to determine if the contracts contained options to extend or terminate the lease.

The Office has not reassessed whether existing contracts are, or contained a lease at the 1 July 2019. The requirements of paragraphs 9-11 of AASB 16 are applied to contracts that came into existence post 1 July 2019.

a. Measurement of lease liabilities	
Operating Lease Commitments disclosed as at 30 June 2019	66,366
Discounted using incremental borrowing rate at date of initial application ¹	63,882
Add: Finance lease liabilities recognised as at 30 June 2019	-
(Less): Short term leases not recognised as liability	-
(Less): Low value leases not recognised as liability	-
Lease liability recognised at 1 July 2019	63,882

Current lease liabilities	18,142
Non-current lease liabilities	45,740

¹The WATC incremental borrowing rate was used for the purposes of calculating the lease transition opening balance.

9.3 Key management personnel

The Office has determined key management personnel to include cabinet ministers and senior officers of the Office. The Office does not incur expenditures to compensate Ministers and those disclosures may be found in the *Annual Report on State Finances*.

The total fees, salaries, superannuation, non-monetary benefits and other benefits for senior officers of the Office for the reporting period are presented within the following bands:

Compensation band (\$)	2020	2019
1 - 10,000		1 ^(a)
110,001 - 120,000	1	-
120,001 - 130,000	-	1
160,001 - 170,000	-	-
170,001 - 180,000	1	1
180,001 - 190,000	1	1
190,001 - 200,000	1	1
200,001 - 210,000	3	1
210,001 - 220,000	-	2
230,001 - 240,000	1	-
280,001 - 290,000	-	1
410,001 - 420,000	-	1
420,001 - 430,000	1	-
	2020	2019
	\$	\$
Total compensation of senior officers	1,954,303	2,027,343

(a) The senior officer within the 1 - 10,000 band for 2019 ceased employment in July 2018.

Total compensation includes the superannuation expense incurred by the Office in respect of senior officers.

9.4 Related party transactions

The Office is a wholly owned public sector entity that is controlled by the State of Western Australia.

Related parties of the Office include:

- All cabinet ministers and their close family members, and their controlled or jointly controlled entities;
- All senior officers and their close family members, and their controlled or jointly controlled entities;
- Other agencies and statutory authorities, including related bodies, that are included in the whole of government consolidated financial statements (i.e. wholly-owned public sector entities);
- Associates and joint ventures of a wholly-owned public sector entity; and
- The Government Employees Superannuation Board (GESB).

Material transactions with other related parties

Other than superannuation payments to GESB (Note 3.1 (a)) there were no other related party transactions that involved key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities.

9.5 Remuneration of auditors

Remuneration paid or payable to the Auditor General in respect of the audit for the current financial year is as follows:

	2020 \$	2019 \$
Auditing the accounts, financial statements, controls, and key performance indicators	26,086	26,086
	26,086	26,086

9.6 Equity

	2020 \$	2019 \$
<u>Contributed equity</u>		
Balance at start of period	1,206,000	1,206,000
<i>Contributions by owners</i>		
Capital appropriation	21,000	-
Total contributions by owners	21,000	-
Balance at end of period	1,227,000	1,206,000

	2020 \$	2019 \$
<u>Accumulated surplus</u>		
Balance at start of period	(290,466)	(175,310)
Result for the period	289,395	(115,156)
Balance at end of period	(1,071)	(290,466)
Total equity at end of period	1,225,929	915,534

9.7 Supplementary financial information

(a) Write-offs

During the financial year, \$52 (2019: \$11,394) was written off under the authority of:

	2020 \$	2019 \$
The Accountable Authority	52	11,394
	52	11,394

(b) Losses through theft, defaults and other causes

There were no losses of public money and public and other property during the period.

(c) Gifts of public property

There were no gifts of public property provided by the Office during the period.

9.8 Indian Ocean Territories

The Indian Ocean Territories Reimbursement Fund (**the Fund**) was established in March 1996 and became operational in July 1996. The purpose of the Fund is to meet the cost of the services of the Office in relation to complaints involving the Indian Ocean Territories. Any balance of the Fund at the end of the financial year is included in the Office's Operating Account. Any under or over expenditure at the end of the reporting period, for example, due to fluctuations in complaint numbers, is refunded or recouped from the Commonwealth Department of Infrastructure, Regional Development and Cities (**DIRD**) in the subsequent reporting period. Where, by agreement with DIRD, any funds are retained for expenditure in the next year, this is treated as restricted cash. The figures presented below for the Fund have been prepared on a cash basis.

	2020 \$	2019 \$
Opening Balance	7,487	1,783
Receipts	59,497	31,564
Payments	(31,176)	(25,860)
Closing Balance	35,808	7,487

9.9 Explanatory statement

All variances between estimates (original budget) and actual results for 2020, and between the actual results for 2020 and 2019 are shown below. Narratives are provided for key major variances, which are generally greater than:

- 10% and \$1,000,000 for the Statements of Comprehensive Income and Cash Flows; and
- 10% and \$1,000,000 for the Statement of Financial Position.

9.9.1 Statement of Comprehensive Income Variances

	Variance Note	Estimate 2020 \$	Actual 2020 \$	Actual 2019 \$	Variance between estimate and actual \$	Variance between actual results for 2020 and 2019 \$
Statement of Comprehensive Income						
Employee benefits expense	1	7,674,000	8,679,248	7,785,780	1,005,248	893,468
Supplies and services	2	2,039,000	944,727	995,913	(1,094,273)	(51,186)
Depreciation and amortisation expense		1,052,000	204,658	183,358	(847,342)	21,300
Accommodation expenses	3	45,000	1,475,246	1,404,080	1,430,246	71,166
Finance costs		104,000	1,188	-	(102,812)	1,188
Other expenses		444,000	27,112	42,757	(416,888)	(15,645)
Total cost of services		11,358,000	11,332,179	10,411,888	(25,821)	920,291
Income						
<i>Revenue</i>						
Other revenue		2,201,000	2,492,550	2,438,393	291,550	54,157
Total revenue		2,201,000	2,492,550	2,438,393	291,550	54,157
Total income other than income from State Government		2,201,000	2,492,550	2,438,393	291,550	54,157
NET COST OF SERVICES		9,157,000	8,839,629	7,973,495	(317,371)	866,134
Income from State Government						
Service appropriation	A	8,717,000	8,684,000	7,410,000	(33,000)	1,274,000
Services received free of charge		440,000	445,024	448,339	5,024	(3,315)
Total income from State Government		9,157,000	9,129,024	7,858,339	(27,976)	1,270,685
SURPLUS/(DEFICIT) FOR THE PERIOD		-	289,395	(115,156)	289,395	404,551
OTHER COMPREHENSIVE INCOME		-	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		-	289,395	(115,156)	289,395	404,551

Major Estimate and Actual (2020) Variance Narratives

- 1) The variance in employee benefits expense is primarily due to additional staffing costs to enable the Office to meet the workload associated with the role of the Energy and Water Ombudsman, and some expenses, included in supplies and services or other expenses for the estimate, being included in employee benefits for the actual. The increase in Energy and Water Ombudsman staffing was fully offset by an increase in revenue.
- 2) The variance in supplies and services expenses is primarily due to some expenses, included in supplies and services for the estimate, being included in employee benefits for the actual.
- 3) The variance in accommodation expenses is primarily due to the determination during 2019-20 that inter-agency lease agreements do not fall into the scope of AASB 16 - Leases. As a result costs of leases which were treated as capital in the estimate have been included in accommodation expenses for the actual.

Major Actual (2020) and Comparative (2019) Variance Narratives

- A) The variance in service appropriation is primarily due to appropriation to plan and develop a reportable conduct scheme in 2019-20 and for an expanded Child Death Review function that commenced in 2019-20.

9.9.2 Statement of Financial Position Variances

Variance Note	Estimate 2020 \$	Actual 2020 \$	Actual 2019 \$	Variance between estimate and actual \$	Variance between actual results for 2020 and 2019 \$
Statement of Financial Position					
ASSETS					
Current Assets					
Cash and cash equivalents	420,000	952,631	639,538	532,631	313,093
Restricted cash and cash equivalents	2,000	35,808	7,487	33,808	28,321
Other current assets	96,000	30,127	-	(65,873)	30,127
Receivables	309,000	101,137	49,989	(207,863)	51,148
Amounts receivable for services	208,000	208,000	208,000	-	-
Total Current Assets	1,035,000	1,327,703	905,014	292,703	422,689
Non-Current Assets					
Restricted cash and cash equivalents	104,000	127,529	85,816	23,529	41,713
Amounts receivable for services	2,774,000	1,982,000	1,955,000	(792,000)	27,000
Plant and equipment 4	2,596,000	109,517	82,019	(2,486,483)	27,498
Intangible assets	249,000	208,190	128,363	(40,810)	79,827
Right-of-use assets	-	48,367	-	48,367	48,367
Total Non-Current Assets	5,723,000	2,475,603	2,251,198	(3,247,397)	224,405
TOTAL ASSETS	6,758,000	3,803,306	3,156,212	(2,954,694)	647,094
LIABILITIES					
Current Liabilities					
Payables	263,000	230,807	166,193	(32,193)	64,614
Employee related provisions	1,605,000	1,741,537	1,489,014	136,537	252,523
Lease liabilities	-	20,968	-	20,968	20,968
Contract liabilities	100,000	34,756	11,913	(65,244)	22,843
Total Current Liabilities	1,968,000	2,028,068	1,667,120	60,068	360,948
Non-Current Liabilities					
Employee related provisions	410,000	517,971	561,645	107,971	(43,674)
Lease liabilities 4	2,565,000	28,228	-	(2,536,772)	28,228
Contract liabilities	2,000	3,110	11,913	1,110	(8,803)
Total Non-Current Liabilities	2,977,000	549,309	573,558	(2,427,691)	(24,249)
TOTAL LIABILITIES	4,945,000	2,577,377	2,240,678	(2,367,623)	336,699
NET ASSETS	1,813,000	1,225,929	915,534	(587,071)	310,395
EQUITY					
Contributed equity	1,989,000	1,227,000	1,206,000	(762,000)	21,000
Accumulated surplus/(deficit)	(176,000)	(1,071)	(290,466)		
TOTAL EQUITY	1,813,000	1,225,929	915,534	(587,071)	310,395

Major Estimate and Actual (2020) Variance Narratives

- 4) The variance in plant and equipment and lease liabilities is primarily due to the determination during 2019-20 that inter-agency lease agreements do not fall into the scope of AASB 16 - Leases. As a result costs of leases which were treated as capital in the estimate have been included in accommodation expenses for the actual.

9.9.3 Statement of Cash Flows Variances

	Variance Note	Estimate 2020 \$	Actual 2020 \$	Actual 2019 \$	Variance between estimate and actual \$	Variance between actual results for 2020 and 2019 \$
Statement of Cash Flows						
CASH FLOWS FROM STATE GOVERNMENT						
Service appropriation	B	7,665,000	8,449,000	7,195,000	784,000	1,254,000
Capital appropriations		783,000	21,000	-	(762,000)	21,000
Holding account drawdown		208,000	208,000	208,000	-	-
Net cash provided by State Government		8,656,000	8,678,000	7,403,000	22,000	1,275,000
CASH FLOWS FROM OPERATING ACTIVITIES						
Payments						
Employee benefits		(7,654,000)	(8,424,667)	(7,748,888)	(770,667)	(675,779)
Supplies and services		(1,304,000)	(876,794)	(753,956)	427,206	(122,838)
Accommodation	5	(45,000)	(1,181,627)	(1,031,588)	(1,136,627)	(150,039)
GST payments on purchases		(271,000)	(227,721)	(193,657)	43,279	(34,064)
GST payments to taxation authority		-	(112,220)	(42,450)	(112,220)	(69,770)
Finance costs		(104,000)	(1,188)	-	102,812	(1,188)
Other payments		(739,000)	(26,136)	(25,700)	712,864	(436)
Receipts						
GST receipts on sales		271,000	248,442	261,962	(22,558)	(13,520)
GST receipts from taxation authority		-	79,383	3,791	79,383	75,592
Other receipts		2,201,000	2,492,550	2,447,919	291,550	44,631
Net cash used in operating activities		(7,645,000)	(8,029,978)	(7,082,565)	(384,978)	(947,413)
CASH FLOWS FROM INVESTING ACTIVITIES						
Payments						
Purchase of non-current assets		(242,000)	(245,737)	(121,253)	(3,737)	(124,484)
Net cash used in investing activities		(242,000)	(245,737)	(121,253)	(3,737)	(124,484)
CASH FLOWS FROM FINANCING ACTIVITIES						
Payments						
Principal elements of lease payments		(783,000)	(19,158)	-	763,842	(19,158)
Net cash used in financing activities		(783,000)	(19,158)	-	763,842	(19,158)
Net increase/(decrease) in cash and cash equivalents		(14,000)	383,127	199,182	397,127	183,945
Cash and cash equivalents at the beginning of the period		540,000	732,841	533,659	192,841	199,182
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		526,000	1,115,968	732,841	589,968	383,127

Major Estimate and Actual (2020) Variance Narratives

- 5) The variance in accommodation is primarily due to the determination during 2019-20 that inter-agency lease agreements do not fall into the scope of AASB 16 - Leases. As a result costs of leases which were treated as capital in the estimate have been included in accommodation costs for the actual.

Major Actual (2020) and Comparative (2019) Variance Narratives

- B) The variance in service appropriation is primarily due to appropriation to plan and develop a reportable conduct scheme and for an expanded Child Death Review function.



Key Performance Indicators

Certification of Key Performance Indicators

For year ended 30 June 2020

We hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Parliamentary Commissioner for Administrative Investigations' performance, and fairly represent the performance of the Parliamentary Commissioner for Administrative Investigations for the financial year ended 30 June 2020.

Alan Shaw
Chief Finance Officer

27 August 2020

Chris Field
Accountable Authority

27 August 2020

Key Performance Indicators

Key Effectiveness Indicators

The desired outcome for the Parliamentary Commissioner for Administrative Investigations (**the Ombudsman**) is:

The public sector of Western Australia is accountable for, and is improving the standard of, administrative decision making, practices and conduct.

Key Effectiveness Indicators	2015-16	2016-17	2017-18	2018-19	2019-20 Target	2019-20 Actual
Where the Ombudsman made recommendations to improve practices or procedures, the percentage of recommendations accepted by agencies (a)	100%	100%	100%	100%	100%	100%
Number of improvements to practices or procedures as a result of Ombudsman action (b)	156	109	173	83	100	72

(a) For public authority responses each year, the percentage of recommendations and suggestions relating to improved practices and procedures that were accepted by the public authority.

(b) For public authority responses each year, the number of recommendations and suggestions relating to improved practices and procedures that were accepted by the public authority.

Comparison of Actual Results and Budget Targets

Public authorities have accepted every recommendation made by the Ombudsman, matching the actual results of the past four years and meeting the 2019-20 target.

In 2007-08, the office of the Ombudsman (**the Office**) commenced a program to ensure that its work increasingly contributed to improvements to public administration.

The 2019-20 actual number of improvements to practices and procedures of public authorities as a result of Ombudsman action (72) is lower than the 2019-20 target (100) as there are fluctuations in improvements from year to year, related to the number, nature and outcomes of investigations finalised by the Office in any given year.

Key Efficiency Indicators

The Ombudsman's Key Efficiency Indicators relate to the following service:

Resolving complaints about decision making of public authorities and improving the standard of public administration.

Key Efficiency Indicators	2015-16	2016-17	2017-18	2018-19	2019-20 Target	2019-20 Actual
Percentage of allegations finalised within three months	95%	94%	94%	95%	95%	95%
Percentage of allegations finalised within 12 months	100%	100%	100%	100%	100%	100%
Percentage of allegations on hand at 30 June less than three months old	93%	94%	92%	91%	90%	92%
Percentage of allegations on hand at 30 June less than 12 months old	100%	100%	100%	98%	100%	99%
Average cost per finalised allegation (a)	\$1,886	\$1,889	\$1,879	\$1,895	\$1,890	\$1,858
Average cost per finalised notification of death (b)	\$18,597	\$16,731	\$17,438	\$17,816	\$17,500	\$17,926
Cost of monitoring and inspection functions (c)	\$413,821	\$412,129	\$414,311	\$415,648	\$415,000	\$408,008

(a) This is the cost of complaint resolution services divided by the number of allegations finalised.

(b) This is the cost of undertaking the death review function divided by the number of notifications finalised.

(c) This is the cost of monitoring and inspection functions under relevant legislation.

Comparison of Actual Results and Budget Targets

The 2019-20 actual results for the Key Efficiency Indicators met, or were comparable to, the 2019-20 target. Overall, 2019-20 actual results represent sustained efficiency of complaint resolution over the last five years.

The average cost per finalised allegation in 2019-20 (\$1,858) is comparable with the 2019-20 target (\$1,890) and the 2018-19 actual (\$1,895). Since 2007-08, the efficiency of complaint resolution has improved significantly with the average cost per finalised allegation reduced by a total of 37% from \$2,941 in 2007-08 to \$1,858 in 2019-20.

The average cost per finalised notification of death (\$17,926) is comparable with the 2019-20 target (\$17,500) and the 2018-19 actual (\$17,816).

The cost of monitoring and inspection functions (\$408,008) is comparable with the 2019-20 target (\$415,000) and the 2018-19 actual (\$415,648).

Other Disclosures and Legal Compliance

Ministerial Directives

The Ombudsman reports directly to the Western Australian Parliament rather than to the government of the day, or a particular Minister, and Ministers cannot issue directives to the Ombudsman.

Other Financial Disclosures

Pricing policies of services provided

The Office currently receives revenue for the following functions:

- Costs for the Energy and Water Ombudsman functions are recouped from the Energy and Water Ombudsman (Western Australia) Limited on a full cost recovery basis. These costs are determined by the actual staffing costs involved in delivering the service plus an allowance for overheads and costs of particular operational expenses; and
- Under an arrangement with the Australian Government, the Office handles enquiries and complaints from the Indian Ocean Territories about local governments and Western Australian public authorities delivering services to the Indian Ocean Territories. Each year the Office recoups costs from the Australian Government for any complaints received from the Indian Ocean Territories. Cost recovery is based on the average cost per complaint in the last two years as published in the Office's annual reports. Administrative costs and the costs of any travel to the Indian Ocean Territories by the Ombudsman or staff and any promotional materials are also recouped in full.

Capital works

There were no major capital projects undertaken during 2019-20.

Employment of staff

As at 30 June 2020 there were 76 people (67.8 full-time equivalent positions (**FTEs**) directly employed by the Office, including 57 full-time employees and 19 part-time employees. This includes people on unpaid leave, contract staff providing short term expertise and backfilling staff during extended leave periods and people seconded out of the Office.

All employees are public sector employees operating in executive, policy, enquiry, investigation and administrative roles. The following table provides a breakdown of the categories of employment for staff directly employed by the Office as at 30 June in 2018-19 and 2019-20.

Staff numbers as at 30 June 2020

Employee Category	2018-19	2019-20
Full-time permanent	46	51
Full-time contract	6	6
Part-time permanent	18 (11.4 FTEs)	15 (8.5 FTEs)
Part-time contract	1 (0.6 FTEs)	4 (2.3 FTEs)
TOTAL	71 (64.0 FTEs)	76 (67.8 FTEs)

After adjusting for people seconded into and out of the Office, staff on unpaid leave, and people employed through a recruitment agency to cover short term vacancies, there were 72 staff (65.6 FTEs) undertaking the work of the Office at 30 June 2020. Over the full 2019-20 year, the average staffing was 67.8 FTEs undertaking the work of the office.

Human resources strategies and staff development

The Office continued with the implementation of its *Human Resources Strategic Plan 2019-21* and its human resources strategies during the year. These strategies aim to support the attraction and retention of staff and staff development through continuous professional development and performance management, through:

- *Recruitment, retention and engagement of high quality and diverse staff*

Recruitment practices continue to prove successful in attracting staff to apply for positions with the Office, with high numbers of quality applications received for positions advertised during the year. The Office provides benefits for staff such as flexible work options and part-time arrangements and this is promoted in all job advertisements. Staff have access to flexible work options, including part-time or purchased leave arrangements and work from home arrangements. In 2019-20, the Office continued implementation of the Office's *Aboriginal Action Plan* which includes a range of strategies to enhance the Office's services for, and engagement with, Aboriginal Western Australians. Employment was recognised as a key area of focus, and actions in the *Aboriginal Action Plan* related to employment include recruitment, retention and professional development for Aboriginal staff.

- *Accounting for individual performance*

The Office's performance management system includes identifying expectations as well as performance-based recognition. Managers and staff annually formalise a performance agreement that provides a framework to:

- Identify and acknowledge the contribution employees make in the achievement of the Office's operational and strategic goals; and
- Develop and retain skilled employees and assist employees to achieve their professional and personal career goals.

- *Continual learning*

The Office is committed to providing a high quality Induction Program for new employees to the Office. The Online Induction mini-site and the Induction Reference Book are provided to all new employees to the Office. They contain useful information on the Office's strategic direction, structure and roles, policies and procedures and facilities.

New staff have provided feedback that the induction process is welcoming and useful in assisting new employees to understand the Office's direction, expectations and processes. The product has also proved valuable for existing staff members to keep them informed and updated about policy and governance issues within the Office.

The Office also provides continual learning for staff through a range of training sessions and the Continuous Professional Development Program. During 2019-20, staff participated in a range of training and development sessions including on trauma informed practice, Aboriginal cultural awareness, and disability awareness. Where appropriate, the sessions use the expertise of senior staff of the Office to deliver the material. To supplement this in-house development, staff are encouraged to attend external training, conferences and seminars to improve their skills and knowledge in areas relevant to their work. These opportunities are facilitated through development plans as part of staff annual performance reviews and the continual learning assists with positioning the Office as an employer of choice.

- *A safe and healthy workplace with good human resource practices*

The Office utilises good human resource management practices and ensures a safe and healthy working environment. More information is in the [Occupational safety, health and injury management section](#).

As well as the key human resource strategies outlined above, the Office's people management framework establishes the conduct and ethical behaviour expected of staff and the appropriate response to unethical behaviour.

Workforce and Diversity Plan

In 2014-15, the Office developed its *Workforce and Diversity Plan 2015-2020* in accordance with the *Public Sector Commissioner's Circular 2011-02: Workforce Planning and Diversity in the Public Sector*, Part IX of the *Equal Opportunity Act 1984*, and *Strategic Directions for the Public Sector Workforce 2009-14*. The Office's key focus areas for 2015-2020 are to continue to:

- Implement effective practices to recruit high quality staff, in particular for new functions;
- Attract and retain high quality staff, including by providing innovative flexible working arrangements and through graduate, intern and seasonal clerk programs;
- Provide staff development through quality induction, performance management, our Continuous Professional Development Program, training and study assistance;
- Implement strategies to improve diversity in the workforce for people from diverse cultural backgrounds;
- Implement the strategies in the Office's *Disability Access and Inclusion Plan 2015-2020*; and

- Provide Corporate Executive with workforce reporting to support evaluation and ongoing review of the strategies in the *Workforce and Diversity Plan*.

Human resource policies

The Office has a *Human Resources Management Manual* which contains a broad range of human resource policies that are regularly updated in line with the Office's strategies, guidance provided by external agencies and staff feedback processes. They include policies in the key areas of:

- Employee conduct;
- Establishment and classification;
- Filling vacancies and employee movements;
- Conditions of employment;
- Leave;
- Performance management, training and development;
- Employee relations, grievance resolution and discipline; and
- Occupational safety and health.

Unauthorised use of credit cards

Staff of the Office hold corporate credit cards where their functions warrant the use of this facility.

The Office has robust policies and procedures regulating credit card use, and the use of a credit card for personal purposes is prohibited. During 2019-20, there were no instances of credit cards used for personal purposes and, accordingly, no referrals for disciplinary action.

Personal Use of Credit Cards	2019-20
Aggregate amount of personal use expenditure.	Nil
Aggregate amount of personal use expenditure settled by the due date (within 5 working days).	Not applicable
Aggregate amount of personal use expenditure settled after the due date (after 5 working days).	Not applicable
Aggregate amount of personal use expenditure outstanding at 30 June 2020.	Not applicable

Governance Disclosures

Shares in statutory authorities

This is not relevant as the Office is not a statutory authority and does not have shares.

Shares in subsidiary bodies

This is not relevant as the Office does not have any subsidiary bodies.

Interests in contracts by senior officers

The Office's *Code of Conduct* and *Conflict of Interest Policy* define conflict of interest and appropriate action to take where a conflict arises between the employee's public duty and their private interests, including during tender and purchasing processes.

Employees are aware through the *Code of Conduct* and *Accountable and Ethical Decision Making* training that they have an obligation to disclose interests that could reasonably create a perception of bias, or an actual conflict of interest, and members of the Executive Management Group and Corporate Executive are asked to declare any interests at each meeting of these Groups.

The Office's policy on identifying and addressing conflicts of interest includes any interest of a senior officer, or an organisation of which a senior officer is a member, or an entity in which the senior officer has a substantial financial interest, in any existing or proposed contract made with the Office.

There have been no declarations of an interest in any existing or proposed contracts by senior officers and, at the date of reporting, other than normal contracts of employment, no senior officers or firms of which a senior officer is a member, or entities in which a senior officer has any substantial interests, had any interests in existing or proposed contracts or related party transactions with the Office.

Benefits to senior officers through contracts

This is not applicable as no senior officers have received any benefits.

Insurance paid to indemnify directors

This is not applicable as the Office does not have any directors as defined in Part 3 of the [*Statutory Corporations \(Liability of Directors\) Act 1996*](#).

Other Legal Requirements

Expenditure on advertising, market research, polling and direct mail

During 2019-20, the Office incurred the following expenditure in relation to advertising, market research, polling, direct mail and media advertising that requires disclosure under section 175ZE of the [Electoral Act 1907](#).

Total expenditure for 2019-20 was \$14,588 for state-wide advertising for advertising vacant positions and promoting regional visits, and was incurred in the following areas.

Category of expenditure	Total	Company
Advertising agencies	Nil	Nil
Media advertising organisations	\$14,588	Initiative Media Australia Pty Ltd
Market research organisations	Nil	Nil
Polling organisations	Nil	Nil
Direct mail organisations	Nil	Nil

Disability Access and Inclusion Plan outcomes

The Office is committed to providing optimum access and service to people with disability, their families and carers. In 2019-20, the Office continued to implement the strategies under its *Disability Access and Inclusion Plan 2015-2020 (DAIP)*. Current initiatives to address desired DAIP outcomes are shown below.

Outcome 1: People with disability have the same opportunities as other people to access the services of, and any events organised by, the Office.

People can access the complaint handling services provided by the Office by lodging a complaint in various ways including by post, email, online and in person. The online option is available through the Office's website, which meets the website accessibility requirements set out in the *Accessibility and Inclusivity Standard* under the *Western Australia Whole of Government Digital Services Policy*.

The Office is accessible for people with disability who attend in person, and enquiries can be made by telephone using the National Relay Service for people with voice or hearing impairments. Venues for events and meetings are assessed for suitable access for people with disability. Organisations that provide information and support to people with disability are specifically informed about the Office's activities as part of its Regional Awareness and Accessibility Program. A notice regarding disclosure of 'special access or dietary requirements' is added to all invitations for events coordinated by the Office.

Outcome 2: People with disability have the same opportunities as other people to access the buildings and other facilities of the Office.

The Office's accommodation, building and facilities provide access for people with disability, including lifts that accommodate wheelchairs and feature braille on the access buttons. Accessible and ambulant toilets are located on all floors used by the Office (the Ground Floor, Level 2 and Level 3), and a low reception desk on Level 2 accommodates wheelchair access. The building also includes electronic doors at the entrance and through to the lifts, a ramp at the front of the building, and a disabled parking bay beneath the building.

Outcome 3: People with disability receive information from the Office in a format that will enable them to access the information as readily as other people are able to access it.

All Office documents are in plain English and publications are available in alternative formats on request. The Office's website meets the website accessibility requirements set out in the *Accessibility and Inclusivity Standard* under the *Western Australia Whole of Government Digital Services Policy*. Information published on the website can be viewed in alternative sizes. Online documents are published in PDF format, and correspondence can be sent by email and is scanned with Optical Character Recognition to PDF format, compatible with screen reader technology.

Phone access is available through the National Relay Service for people with voice or hearing impairments calling the Office, and signs are provided in the reception area to assist visitors who have a hearing impairment.

Outcome 4: People with disability receive the same level and quality of service from the staff of the Office as other people receive from the staff of the Office.

The services provided by the Office have been adapted to reduce access barriers for people with disability and information is available in various formats on request. The Office has an internal guideline for staff on *Assisting complainants with vision, hearing or speech impairments*. The document is part of the internal Complaint Handling Toolkit and provides useful information, contacts and procedures for all staff when dealing with a complainant with disability.

Information about the Office's DAIP and a video on providing services to people with disability, *You Can Make A Difference* produced by the (then) Disability Services Commission, is included in induction training for all new staff. In 2019-20, all staff were asked to complete the *Disability Awareness* online training module produced by the Australian Government, and the online training was added to the Office's training and development program.

Outcome 5: People with disability have the same opportunities as other people to make complaints to the Office.

A key role of the Office is to handle complaints about public authorities and anyone with disability has an equal opportunity to make a complaint. Where necessary, the complaint process is modified to meet the needs of a person with disability. This includes meeting people outside the Office and modifying communication strategies, for example, by using a translator (such as the National Relay Service or Auslan interpreter) where required.

Information on reviews of decisions in relation to complaints to the Ombudsman and making a complaint about the Ombudsman's other services is accessible from the website and is available in alternative formats.

Outcome 6: People with disability have the same opportunities as other people to participate in any public consultation by the Office.

Staff and members of the public with disability have an equal opportunity to participate in any consultation process of the Office. Any public consultation conducted by the Office and promoted on the website meets disability access requirements. Documents released for public consultation can also be made available in alternative formats to meet the needs of people with disability.

In 2019-20, the Office completed a review of its DAIP and developed a new *Disability Access and Inclusion Plan 2020-2025*. The review and development of the new DAIP was publicly advertised inviting public comment, and consultation was undertaken with staff and the Department of Communities.

Outcome 7: People with disability have the same opportunities as other people to obtain and maintain employment with the Office.

The Office's accommodation, building and facilities provide access for people with disability, including lifts and walkways that accommodate wheelchairs and feature braille on the access buttons. Accessible and ambulant toilets are located on all floors used by the Office. The Office also provides suitable equipment to enable employees with vision impairments to access electronic information.

People with disability are encouraged to apply for positions in the Office and recruitment processes are modified as required to enable people with disability to have the same opportunity as other people to compete on merit for advertised positions. The Office monitors the proportion of applicants with disability to ensure its recruitment processes are accessible. A report on the proportion of applicants and proportion of staff reporting disability is provided to the Office's Corporate Executive.

Appropriate modifications are made to the duties undertaken, hours of work and/or equipment required to enable employees with disability, or who acquire disability, to maintain productive employment with the Office.

Compliance with Public Sector Standards and Ethical Codes

In the administration of the Office, the Ombudsman has complied with the *Public Sector Standards in Human Resource Management*, the *Code of Ethics* and the Office's *Code of Conduct*.

Procedures designed to ensure such compliance have been put in place and appropriate internal assessments are conducted to satisfy the Ombudsman that the above statement is correct.

The following table identifies action taken to monitor and ensure compliance with public sector standards and ethical codes.

Significant action to monitor and ensure compliance with Western Australian Public Sector Standards

Managers and staff are aware of, and are required to comply with, the *Public Sector Standards in Human Resource Management* (**the Standards**). This is supported by policies and procedures relating to the Standards, regular professional development for managers and staff about the Standards and related policies, and the inclusion of the policies in the induction process. Monitoring provisions include:

- For recruitment, selection and appointment, an individual review of each process is undertaken prior to the final decision to ensure compliance with the *Employment Standard*;
- A review process to ensure that, for acting opportunities and secondments, a merit-based process is used and there are no inadvertent extensions that result in long-term opportunities without expressions of interest or a full merit selection process;
- A monitoring process to ensure there are current performance management processes in place for all employees; and
- The continuous development of policies and procedures in accordance with the Standards to ensure compliance and relevancy.

Compliance issues: Internal reviews have shown compliance with the Standards is achieved before any final decision is made. There have been no breaches found of the Standards.

Significant action to monitor and ensure compliance with the *Code of Ethics* and the Office's *Code of Conduct*

The *Code of Ethics* and the Office's *Code of Conduct* (**Ethical Codes**) are available on the Office's intranet and are part of the Online Induction for new staff. *Guidelines for Ethical and Accountable Decision Making* have been developed as a ready reference for staff when dealing with a difficult situation related to the Ethical Codes. The Guidelines are based on the *Accountable and Ethical Decision Making in the WA Public Sector* training materials provided by the Public Sector Commissioner. Eighty-three per cent of existing staff have attended Accountable and Ethical Decision Making (**AEDM**) training in the last five years and all new staff in 2019-20 were provided with access to AEDM training as part of their induction process.

The Office's *Code of Conduct* supports the *Code of Ethics* and links the Office's corporate values with expected standards of personal conduct. All staff, contractors and consultants who carry out work for, or on behalf of, the Office are required to comply with the spirit of the *Code of Conduct*. On appointment, all staff sign the *Code of Conduct* to confirm their understanding of its application in the workplace and swear an oath or make an affirmation about maintaining appropriate confidentiality.

Ethics and conduct related policies have been developed, including policies and procedures for declaring and managing conflicts of interest and gifts. The Ethical Codes and related policies are included in the induction process and there is regular professional development for managers and staff about the Ethical Codes and related policies.

The Office has procedures in place for reporting unethical behaviour and misconduct. The Office also has a policy and internal procedures relating to *Public Interest Disclosures* and strongly supports disclosures being made by staff.

Monitoring provisions for Ethical Codes include:

- High level review, and Ombudsman or Deputy Ombudsman sign off, for management of conflicts of interest and gifts, benefits and hospitality, as well as reviews each year by the Deputy Ombudsman of the registers of conflicts of interest and gifts, benefits and hospitality to determine if there are any patterns or trends that need action by the Office;
- High level consideration and sign off of requests for review of the Office's handling of a complaint and any complaints about the conduct of staff; and
- Seeking opportunities to improve current practices through internal audits and reviewing policies and procedures to ensure compliance and relevancy. Internal audits conducted each year are referred to the Office's Internal Audit and Risk Management Committee.

Compliance issues: There has been no evidence of non-compliance with the Ethical Codes.

Corporate governance framework

The Office's corporate governance framework is based on the Public Sector Commissioner's *Good Governance Guide for Public Sector Agencies*.

Principle 1: Government and public sector relationship

(The organisation's relationship with the government is clear)

The Ombudsman is an independent officer appointed by the Governor of Western Australia. The Ombudsman is responsible directly to the Parliament rather than to the government of the day or a particular Minister. The [*Parliamentary Commissioner Act 1971*](#) regulates the operations of the Office.

Delegations for communication and interaction between Ministers and other Parliamentary representatives are identified in the Office's instruments of delegation, in particular those relating to external communications, and staff are aware of these delegations.

Principle 2: Management and oversight

(The organisation's management and oversight are accountable and have clearly defined responsibilities)

The Office's *Strategic Plan 2019-21* (**Strategic Plan**) provides a framework for the strategic direction of the Office with identifiable key measures of success. The Office's operational planning identifies how the key strategies in the Strategic Plan will be achieved through a detailed list of key projects, measures and targets.

Chief Executive Officer delegations are set out in the Office's *Instrument of Delegation – Chief Executive Officer Functions*. Statutory delegations under the *Parliamentary Commissioner Act 1971* and administrative arrangements for statutory roles are set out in the *Ombudsman Western Australia, Statutory Delegations and Administrative Arrangements* document.

The Office has a strong organisational policy framework covering governance, conduct, communications, information technology, human resources, finance and procurement. Policies and guidelines are available to staff through the Office's intranet and as part of the Online Induction.

The Office has an Internal Audit Charter and Committee and a Risk Management Committee. A review of the Office's internal audit function was undertaken in 2019-20 to ensure the Office was compliant with changes to Treasurer's Instruction 1201 *Internal Audit*.

Principle 3: Organisational structure

(The organisation's structure services its operations)

Decision making responsibilities for the Office lie with the Corporate Executive, comprising the Ombudsman, Deputy Ombudsman, and all Assistant Ombudsmen.

The Office's organisational structure has been created in line with its operations and reflects its key strategic direction. The Office undertakes continuous improvement to the structure to ensure it remains relevant and effective with changes linked to the Strategic Plan and redirection of resources within the structure to respond to workload priorities. A detailed organisational chart provides a reference for staff on the intranet.

Principle 4: Operations

(The organisation plans its operations to achieve its goals)

The organisational structure, operational planning, business processes and key performance indicators are linked to the strategic goals and outcomes in the Strategic Plan. Progress toward key performance indicators and major strategic projects is monitored through reports to the Corporate Executive and is reported in the Annual Report each year.

Effective achievement of goals is supported by an online Complaint Handling Toolkit, available to all enquiry and investigating staff for the purpose of achieving consistent, efficient and effective complaint handling. In addition, a Panel provides independent advice to the Ombudsman on matters relevant to child deaths and family and domestic violence fatalities. For the role of Energy and Water Ombudsman, the Office prepares a Business Plan and Budget for approval by the Board of the governing body each year.

Principle 5: Ethics and integrity

(Ethics and integrity are embedded in the organisation's values and operations)

The Office's values are to be fair, independent and impartial, and accountable (including being rigorous, responsible and efficient). In line with these values, the Ombudsman observes an independent and impartial approach to the conduct of investigations as well as observing procedural fairness at all times. Ethics and integrity are contained within the *Code of Conduct* and *Guidelines for Accountable and Ethical Decision Making*. Staff are required to sign a Conduct Agreement to confirm their understanding of the application of the Code.

Staff are made aware of the *Public Interest Disclosure Act 2003*, the Office's Public Interest Disclosure Officers and the protections that apply, during induction and through the Office's intranet and noticeboards. Staff are also made aware of the Office's *Conflict of Interest Policy* and *Gifts, Benefits and Hospitality Policy* and registers and how they should be declared and managed. When declarations are made, a senior manager assesses the appropriate action to be taken.

Principle 6: People

(The organisation's leadership in people management contributes to individual and organisational achievements)

It is a strategic direction of the Office to attract, develop and retain a skilled and valued workforce with a culture that supports high quality, responsive and efficient service; and to treat people professionally, courteously and with appropriate sensitivity.

The Office continues to implement human resource strategies which focus on the recruitment, retention and engagement of high quality staff; accounting for individual performance and development; and continual learning. The *Workforce and Diversity Plan 2015-2020* provides a strong workforce planning framework to support the achievement of these strategies.

The Office has a strong human resources policy framework and has developed a *Human Resource Management Manual* covering employee conduct; establishment and classification of positions; filling vacancies and employee movements; performance management, training and development; employee relations, grievance resolution and discipline; conditions of employment and leave; as well as policies on occupational safety and health. The processes in the *Human Resource Management Manual* are consistent with the *Public Sector Management Act 1994* and the Public Sector Standards in Human Resource Management.

Principle 7: Finance

(The organisation safeguards financial integrity and accountability)

The Office produces an annual budget which is approved by the Ombudsman. The monitoring of actual versus budget along with financial integrity and accountability is secured through reporting to the Corporate Executive. The Office also has a *Financial Management Manual*, designed to assist employees to perform their tasks efficiently and effectively. The processes in the Manual are consistent with relevant Treasurer's Instructions and State Supply Commission policies.

In 2019-20, the Office reviewed the *Financial Management Manual* to confirm it was compliant with changes made to Treasurer's Instruction 304 *Authorisation of Payments*.

An Internal Audit Committee reviews an audit of financial management each year, and procurement every two years (as required by the State Supply Commission delegation), against the policies and procedures in the Manual. The financial and procurement audit for 2019-20 included a forensic audit of procurement practices and found, overall, effective controls are in place. There is a well-documented and easy to follow *Financial Management Manual* in place to guide Ombudsman staff and a high level of compliance with internal and external requirements.

Principle 8: Communication

(The organisation communicates with all parties in a way that is accessible, open and responsive)

To ensure services are accessible, open and responsive, the Office communicates with its key stakeholders using a range of communication channels, adapted to suit the audience. Further information is included in the [Collaboration and Access to Services section](#) of the report. The Office also provides guidance and training for dealing with Aboriginal people, children and young people, people with disability and people from culturally and linguistically diverse backgrounds.

Policies covering recordkeeping, records management and communications ensure the Office safeguards the confidentiality and integrity of information, preventing unauthorised or false disclosure. Staff meetings and separate team meetings provide a forum for sharing information internally and the Staff Consultative Committee has input into Office policies and procedures that affect staff. The Committee is made up of management and staff representatives from all teams in the Office, the Occupational Safety and Health representatives, the union representative and the Principal Aboriginal Liaison Officer.

Principle 9: Risk management

(The organisation identifies and manages its risks)

The Office identifies and manages its risk through a *Risk Management Plan* that is considered by the Office's Risk Management Committee as part of the Committee's regular meetings and submitted to the Internal Audit Committee. The *Risk Management Plan* continues to be relevant and consistent with the Office's Strategic Plan. The Office also has a *Business Continuity Plan* to ensure it can respond to, and recover from, any business disruption.

Under the *Risk Management Plan*, controls have been identified for significant risks and any action required is assigned to a relevant member of Corporate Executive. The internal *Strategic Audit Plan* is based on the areas of risk identified in the *Risk Management Plan* and the Internal Audit Committee oversees the audit plan and audits for each year.

A financial and procurement audit and an audit of occupational safety and health was conducted for 2019-20 and showed internal controls are being maintained to ensure compliance with relevant legislation and policies.

Recordkeeping Plans

The Office is committed to maintaining a strong records management framework and aims for best practice recordkeeping practices. The Office is continuously improving recordkeeping practices to ensure they are consistent with the requirements of the [State Records Act 2000](#) and meet the needs of the Office for high quality recordkeeping. The Office's framework includes:

- A *Recordkeeping Plan*, a *Retention and Disposal Schedule*, a *Records Management Policy*, a *Records File Classification Plan* and *Security Framework* and a *Records Disaster Recovery Plan*;

- An electronic document records management system (**EDRMS**) called HP Records Manager was implemented in 2005 and subsequently upgraded in 2011-12. A further major upgrade to the EDRMS occurred in 2015-16;
- The Office's case management databases; and
- A series of guidelines and a user manual, together with an online training module, are made available to staff.

During 2019-20, the Office reviewed its *Recordkeeping Plan*. The report of the review will be submitted to the State Records Commission in July 2020, following which a revised plan will be developed in accordance with the *State Records Act 2000*.

Electronic Document Records Management System

All incoming, outgoing and significant internal documents are saved electronically into the electronic document records management system (**EDRMS**). Staff are required to save their final electronic documents and correspondence, including electronic mail and facsimiles directly into the EDRMS.

The Office utilises an electronic case management system (**RESOLVE**) for the management of complaints in the Ombudsman and Energy and Water Ombudsman jurisdictions, and in the review of child deaths and family and domestic violence fatalities. RESOLVE is directly integrated with the EDRMS, allowing records and related cases to be accessed and updated through RESOLVE.

Evaluation and review of efficiency and effectiveness of systems and training

The Office's recordkeeping processes, policies and guidelines are reviewed regularly to ensure compliance with the *Records Management Framework* and promote best practice recordkeeping. In 2019-20, the Office's *Records Management Policy* was reviewed and updated.

The efficiency and effectiveness of the recordkeeping training program is reviewed regularly through monitoring staff use of the EDRMS to ensure that staff are following the recordkeeping requirements of the Office. As part of a program of regular reviews of the effectiveness of the Office's recordkeeping systems, a survey was distributed to all staff in January 2019. The results of the survey were reviewed to develop targeted training and other programs to address common themes across the Office. A survey is distributed to staff on an annual basis as part of the program of regular reviews of the effectiveness of the Office's recordkeeping systems.

Induction and training

All records-related plans, policies, guidelines and manuals are available on the Office's intranet to assist staff to comply with their recordkeeping requirements and include user friendly guides for training staff.

The Office's Online Induction mini-site, developed in 2010-11, includes a section on recordkeeping. This is part of the induction process for new staff and is also available as a resource for existing staff members. The induction process also includes individual training sessions with new staff members conducted by the Customer Service and Records Manager soon after appointment. Follow up training and help desk assistance are provided as required. Recordkeeping roles and responsibilities are also included in *Accountable and Ethical Decision Making* training and the Office's *Code of Conduct*, which is signed by all staff on appointment.

The Office has an online training module to further strengthen and maintain staff recordkeeping practices.

Government Policy Requirements

Substantive equality

The Office does not currently have obligations under the *Framework for Substantive Equality*. However, the Office is committed to the intent and substance of the policy, including the elimination of systemic racial discrimination in the delivery of public services, and the promotion of sensitivity to the different needs of key stakeholders.

Needs assessment

The Office is committed to understanding the needs of Aboriginal people and people from culturally and linguistically diverse backgrounds and setting objectives to overcome barriers in service delivery for these groups. The Office regularly assesses the impact of our service delivery practices on Aboriginal people and people from culturally and linguistically diverse backgrounds.

In 2019-20, the Office's Aboriginal staff continued work to raise awareness and improve accessibility to the Office for Aboriginal people as well as providing expert advice and support relating to the needs of Aboriginal people for staff undertaking the Office's functions.

In 2019-20, the Office continued implementation of the *Aboriginal Action Plan*, a comprehensive whole-of-office plan to address the significant disadvantage faced by Aboriginal people in Western Australia. The plan contributes to an overall goal of developing an organisation that is welcoming and culturally safe for Aboriginal people and meets the unique needs of the Aboriginal community it serves.

In addition to the *Aboriginal Action Plan*, the Office continued with its Regional Awareness and Accessibility Program in 2019-20. The Program recognises the historical under-representation of Aboriginal people accessing the Office's services and focuses on access for Aboriginal and regional Western Australians. This Program is an important way for the Office to:

- Ensure awareness of, and accessibility to, its services for Aboriginal Western Australians in regional and remote locations; and
- Provide a valuable opportunity for the Office to strengthen its understanding of the issues affecting Aboriginal people.

The Office has also identified a range of other strategies to overcome barriers to service delivery, including:

- Involvement in outreach activities in metropolitan areas to raise community awareness of, and access to, the Office's services;
- Attending adult prisons and Banksia Hill Detention Centre to meet with prisoners and juvenile detainees, and prisoner representative groups, to understand their specific needs and be available to take complaints. An Aboriginal consultant and/or Aboriginal staff attends these meetings to assist staff to understand the issues involved and to facilitate cross cultural communication;
- Involving Aboriginal staff and Aboriginal consultants in relevant own motion investigations and as part of the Ombudsman's Advisory Panel to provide

independent advice on issues and trends and contemporary professional practice within the scope of the child death and family and domestic violence fatality review functions;

- Consultation activities specifically targeted to Aboriginal and culturally and linguistically diverse communities;
- Involving Aboriginal staff in complaint clinics and complaints involving Aboriginal people;
- Providing information on our services in 15 languages on our website, through translated information sheets for the general community and translated simplified information sheets tailored for children and young people. All publications are available in alternative formats and can be translated into other languages on request;
- Promoting details for Translating and Interpreting Services on the website and in publications for people with English as a second language. Interpreters and translators are regularly used when resolving complaints; and
- Complaints can be written in the person's first language and the Office arranges translators for the incoming complaint and outgoing response and staff use interpreters, either face-to-face or by telephone, when discussing complaints.

Monitoring

The Office monitors whether services respond to the different needs of Aboriginal people and people from culturally and linguistically diverse backgrounds, including:

- Seeking demographic information from people who make complaints to enable the Office to monitor whether its services are used by all of the Western Australian community, particularly those who may find it difficult to access services;
- Collecting demographic data relating to reviews of child deaths and family and domestic violence fatalities to identify patterns and trends in relation to these deaths; and
- Seeking advice of specialist consultants in relation to the relevance and appropriateness of reports relating to own motion investigations.

Organisational performance appraisal

The Office undertakes ongoing performance appraisal of access to services and appropriate service delivery for Aboriginal people and people from culturally and linguistically diverse backgrounds.

In 2019-20, the Office's complaint resolution services were accessed by people from a diverse range of backgrounds, comparable to the Western Australian population. In particular, for people whose complaints were received in 2019-20:

- 11.1% of people identified as Aboriginal, compared to 3.3% of the population;
- 34.8% of people were born overseas compared to 34.8% of the population; and
- 16.5% of people were born in a country where English is not the main language, compared to 18% of the population.

Learning and development

The Office promotes learning and development to ensure that its employees are equipped with the skills and knowledge necessary to understand and meet the needs of Aboriginal people and people from culturally and linguistically diverse backgrounds, including:

- Aboriginal cross-cultural awareness training, including cultural awareness training for all staff of the Office and information about culturally important dates and events in the community by the Office's Principal Aboriginal Liaison Officer, and utilising the Public Sector Commission's *Sharing Culture*, an online Aboriginal cultural awareness training module;
- Training staff in identifying language related barriers to communication, including utilising the Office of Multicultural Interests' *Diverse WA* cultural competency training module; and
- Appropriately engaging with interpreters and telephone translators to ensure equitable access to our services.

Occupational safety, health and injury management

Commitment to occupational safety, health and injury management

The Office is committed to ensuring a safe and healthy workplace. The goal is for a workplace that is free from work-related injuries and diseases by developing and implementing safe systems of work and by continuing to identify hazards and control risks as far as practicable.

The Office maintains an Occupational Safety and Health (**OSH**) framework that includes:

- Safe work practices;
- Managing and reporting workplace hazards, incidents and injuries;
- Injury management, including a Return to Work Program that extends to non-work related injuries;
- Emergency procedures;
- Trained first aid officers and regular checks of first aid supplies; and
- General employee health and wellbeing, including an Employee Assistance Program.

All employees and contractors are made aware of their OSH responsibilities through an Online Induction that includes a component on OSH as well as safe work practices in an office environment. This is also used as an information source for existing staff. The Office's policies and guidelines are also accessible to employees through the Office's intranet.

There is a strong executive commitment to the health and safety of staff. Hazards and other issues relating to health and safety can be raised with elected OSH representatives or directly with the Deputy Ombudsman, and key issues are brought to the attention of the Ombudsman, who is committed to their prompt and effective resolution.

Consultation

The Office promotes a consultative environment in which management, staff and other stakeholders work together to continually improve OSH practices. Formal mechanisms for consultation with employees and others on OSH matters include:

- The Office has OSH responsibilities within its tenancy and also works closely with the building management at Albert Facey House to ensure a safe working environment is maintained;
- The Office has an elected OSH Representative who acts as an important link between management and staff, so that they can work together and arrive at solutions to make the workplace safe;
- The Staff Consultative Committee has OSH responsibilities and the Office's OSH Representative is a standing member of the Committee. OSH matters are a standing item on the agenda to allow Committee members to refer matters raised by staff to the Committee for resolution and inform their team of issues and safe working practices raised at Committee meetings;
- There is dissemination of OSH information and discussion at team meetings; and
- There is regular training on OSH matters for both management and staff. In 2019-20, an OSH session was held for managers in which they were briefed on relevant Office policies, the OSH roles and responsibilities of all staff and managers, and common themes related to Office health and safety.

Statement of compliance

The Office complies with the injury management requirements of the [Workers' Compensation and Injury Management Act 1981](#) and is committed to providing injury management support to all workers who sustain a work related injury or illness with a focus on a safe and early return to their pre-injury/illness position. Rehabilitation support is also provided to employees with non-work related injuries or when recovering from a protracted illness.

As part of this approach, the Office encourages early intervention in injury management, and ensures there is early and accurate medical assessment and management of each injury, work related or not.

Assessment of OSH systems

The Office has an *OSH Management Plan* and guidelines detailing OSH roles and responsibilities within the Office and outlining the approach to identify, assess and control hazards and the associated risks. The Office's OSH systems are included in the Internal Audit Program. The *OSH Management Plan* was reviewed and updated and an internal audit of the OSH systems against the elements of the *WorkSafe Plan* was last undertaken in July 2019. All recommendations were accepted and the actions, arising from the audit, have been completed.

Internal evaluation of the accommodation at Albert Facey House is ongoing and workplace inspections are undertaken regularly by the Office's elected OSH Representatives. Any OSH changes identified are promptly addressed.

There is ongoing review of the Office's emergency procedures, including for dealing with unreasonable conduct by visitors to the Office, and there are regular trial evacuations of Albert Facey House, where fire alarms are activated and all staff within the building are evacuated for drill purposes.

Annual performance

During 2019-20, no workers' compensation claims were recorded. The Office's OSH and injury management statistics for 2019-20 are shown below.

Measure	Actual Results			Results Against Target	
	2017-18 Actual	2018-19 Actual	2019-20 Actual	2019-20 Target	Comment on Result
Number of fatalities	0	0	0	0	Target achieved
Lost time injury/disease (LTI/D) incidence rate	0	0	0	0	Target achieved
Lost time injury/disease severity rate	0	0	0	0	Target achieved
Percentage of injured workers returned to work within (i) 13 weeks; and (ii) 26 weeks.	NA	NA	NA	Greater than or equal to 80% return to work within 26 weeks	NA
Percentage of managers and supervisors trained in occupational safety, health and injury management responsibilities.	94%	93%	100%	>80%	Target exceeded

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