



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 Directives](#)
 - [Other Financial Disclosures](#)
 - [Other Legal Requirements](#)
 - [Government Policy Requirements](#)

Independent Audit Opinion



Auditor General

INDEPENDENT AUDITOR'S REPORT

2024

Parliamentary Commissioner for Administrative Investigations

To the Parliament of Western Australia

Report on the audit of the financial statements

Opinion

I have audited the financial statements of the Parliamentary Commissioner for Administrative Investigations (Parliamentary Commissioner) which comprise:

- the statement of financial position as at 30 June 2024, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended
- notes comprising a summary of material accounting policies and other explanatory information.

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 2024 and the financial position as at the end of that period
- in accordance with Australian Accounting Standards (applicable to Tier 2 Entities), 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 responsibilities for the audit of the financial statements section of my report.

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

Responsibilities of the Parliamentary Commissioner for the financial statements

The Parliamentary Commissioner is responsible for:

- keeping proper accounts
- preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (applicable to Tier 2 Entities), the *Financial Management Act 2006* and the Treasurer's Instructions
- such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Page 1 of 5

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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
- 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 responsibilities 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. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

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

Report on the audit of 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 for Administrative Investigations are those policies and procedures established 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 the State's financial reporting framework (the overall control objectives).

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 controls within the system were suitably designed to achieve the overall control objectives identified as at 30 June 2024, and the controls were implemented as designed as at 30 June 2024.

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 involves performing procedures to obtain evidence about the suitability of the controls design to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgement, including an 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 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 audit of 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 2024 reported in accordance with *Financial Management Act 2006* and the Treasurer's Instructions (legislative requirements). 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 report of the Parliamentary Commissioner for Administrative Investigations for the year ended 30 June 2024 is in accordance with the legislative requirements, and the key performance indicators 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 2024.

The Parliamentary Commissioner's responsibilities 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 controls 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 responsibilities

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 management relating to the report on financial statements, 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 ASQM 1 Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements, the Office of the Auditor General maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Other information

The Ombudsman is responsible for the other information. The other information is the information in the entity's annual report for the year ended 30 June 2024, but not the financial statements, key performance indicators and my auditor's report.

My opinions on the financial statements, controls and key performance indicators does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, controls and key performance indicators my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and key performance indicators or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to those charged with governance and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

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 2024 included in the annual report 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, controls and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. 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.



Jordan Langford-Smith
Senior Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
9 August 2024

Financial Statements

[Certification of Financial Statements](#)

[Statement of Comprehensive Income](#)

[Statement of Financial Position](#)

[Statement of Changes in Equity](#)

[Statement of Cash Flows](#)

[Notes to the Financial Statements:](#)

[1. Basis of preparation](#)

[2. Use of our funding](#)

[3. Our funding sources](#)

[4. Key assets](#)

[5. Other assets and liabilities](#)

[6. Financing](#)

[7. Financial instruments and Contingencies](#)

[8. Other disclosures](#)

[9. Explanatory statements](#)

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Financial Statements

Certification of Financial Statements

For the financial year ended 30 June 2024

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 2024 and the financial position as at 30 June 2024.

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.



Leyla Nowbakht
Chief Finance Officer

09 August 2024



David Robinson
Deputy Ombudsman
Acting as the Ombudsman under section
6A of the *Parliamentary Commissioner
Act 1971*

09 August 2024

Parliamentary Commissioner for Administrative Investigations Statement of Comprehensive Income

For the year ended 30 June 2024

	Notes	2024 \$	2023 \$
COST OF SERVICES			
Expenses			
Employee benefits expense	2.1(a)	11,186,618	9,743,632
Supplies and services	2.2	1,160,877	1,243,895
Depreciation and amortisation expense	4.1, 4.2, 4.3	243,299	257,348
Accommodation expenses	2.2	1,319,548	1,223,173
Finance costs	6.2	3,741	1,100
Other expenses	2.2	291,254	141,372
Total cost of services		14,205,337	12,610,521
Income			
Other Income	3.2	2,711,108	2,684,988
Total Income		2,711,108	2,684,988
NET COST OF SERVICES		11,494,229	9,925,533
Income from State Government			
Service appropriation	3.1	12,481,000	10,944,000
Resources received	3.1	135,481	116,416
Total income from State Government		12,616,481	11,060,416
SURPLUS/(DEFICIT) FOR THE PERIOD		1,122,252	1,134,883
OTHER COMPREHENSIVE INCOME			
		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		1,122,252	1,134,883

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 2024

	Notes	2024 \$	2023 \$
ASSETS			
Current Assets			
Cash and cash equivalents	6.3	3,378,333	1,440,156
Restricted cash and cash equivalents	6.3	-	7,653
Receivables	5.1	29,594	6,330
Amounts receivable for services	5.2	208,000	208,000
Total Current Assets		3,615,927	1,662,139
Non-Current Assets			
Restricted cash and cash equivalents	6.3	-	272,507
Receivables	5.1	349,510	-
Amounts receivable for services	5.2	2,176,000	2,065,000
Plant and equipment	4.1	76,420	122,816
Intangible assets	4.2	150,965	284,471
Right-of-use assets	4.3	47,020	49,347
Total Non-Current Assets		2,799,915	2,794,141
TOTAL ASSETS		6,415,842	4,456,280
LIABILITIES			
Current Liabilities			
Payables	5.3	395,657	312,040
Employee related provisions	2.1(b)	2,459,199	2,033,334
Lease liabilities	6.1	3,973	6,391
Contract liabilities	5.4	58,422	77,066
Total Current Liabilities		2,917,251	2,428,831
Non-Current Liabilities			
Employee related provisions	2.1(b)	403,086	410,868
Lease liabilities	6.1	33,468	34,424
Contract liabilities	5.4	-	58,422
Total Non-Current Liabilities		436,554	503,714
TOTAL LIABILITIES		3,353,805	2,932,545
NET ASSETS		3,062,037	1,523,735
EQUITY			
Contributed equity		1,704,000	1,288,000
Accumulated surplus/(deficit)		1,358,037	235,735
TOTAL EQUITY		3,062,037	1,523,735

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 2024

	Contributed equity \$	Accumulated surplus/(deficit) \$	Total equity \$
Balance at 1 July 2022	1,267,000	(899,148)	367,852
Surplus/(Deficit)	-	1,134,883	1,134,883
Total comprehensive income for the period	-	1,134,883	1,134,883
Transactions with owners in their capacity as owners:			
Capital appropriations	21,000	-	21,000
Total	21,000	-	21,000
Balance at 30 June 2023	1,288,000	235,735	1,523,735
Balance at 1 July 2023	1,288,000	235,735	1,523,735
Changes in accounting policy or correction of prior period error ^(a)	-	50	50
Restated Balance at 1 July 2023	1,288,000	235,785	1,523,785
Surplus/(Deficit)	-	1,122,252	1,122,252
Total comprehensive income for the period		1,122,252	1,122,252
Transactions with owners in their capacity as owners:			
Capital appropriations	416,000	-	416,000
Total	416,000	-	416,000
Balance at 30 June 2024	1,704,000	1,358,037	3,062,037

(a) This relates to a minor adjustment to June 2023 Business Activity Statement in October 2023.

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 2024

	Notes	2024 \$	2023 \$
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation		12,162,000	10,707,000
Holding account drawdown		208,000	208,000
Capital appropriations		416,000	21,000
Net cash provided by State Government		12,786,000	10,936,000
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(11,067,040)	(9,647,710)
Supplies and services		(1,109,817)	(1,183,777)
Finance costs		(3,741)	(1,100)
Accommodation		(1,304,579)	(1,210,029)
GST payments on purchases		(275,592)	(248,857)
GST payments to taxation authority		(26,288)	(99,175)
Other payments		(166,814)	(70,173)
Receipts			
GST receipts on sales		279,573	272,630
GST receipts from taxation authority		-	56,934
Other receipts		3,036,875	2,684,988
Net cash provided by (used in) operating activities		(10,637,423)	(9,446,269)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments			
Purchase of non-current assets		(125,144)	(238,645)
Net cash provided by (used in) investing activities		(125,144)	(238,645)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments			
Principal elements of lease payments		(15,905)	(21,772)
Net cash provided by (used in) financing activities		(15,905)	(21,772)
Net increase/(decrease) in cash and cash equivalents		2,007,527	1,229,314
Cash and cash equivalents at the beginning of the period		1,720,316	491,002
Adjustment for the reclassification of accrued salaries account		(349,510)	
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	6.3	3,378,333	1,720,316

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

Parliamentary Commissioner for Administrative Investigations

Notes to the Financial Statements

for the year ended 30 June 2023

1. Basis of preparation

The Office is a WA Government not-for-profit entity controlled by the State of Western Australia, which is the ultimate parent.

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 09 August 2024.

Statement of compliance

The financial statements constitute general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, the Framework, Statement of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board as applied by Treasurer's instructions. Several of these are modified by Treasurer's instructions to vary application, disclosure, format and wording.

The Act and Treasurer's instructions are legislative provisions governing the preparation of financial statements and take precedence over Australian Accounting Standards, the Framework, Statement of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board. 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.

Accounting for Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of goods and services tax (GST), except that the:

- (a) amount of GST incurred by the Office as a purchaser that is not recoverable from the Australian Taxation Office (ATO) is recognised as part of an asset's cost of acquisition or as part of an item of expense; and
- (b) receivables and payables are stated with the amount of GST included.

Cash flows are included in the Statement of cash flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

Contributed equity

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 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.

Comparative information

Except when an Australian Accounting Standard permits or requires otherwise, comparative information is presented in respect of the previous period for all amounts reported in the financial statements. AASB 1060 provides relief from presenting comparatives for:

- Property, Plant and Equipment reconciliations;
- Intangible Asset reconciliations; and
- Right of Use Asset reconciliations.

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.

2. 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
Employee benefits expenses	2.1(a)
Employee related provisions	2.1(b)
Other expenditure	2.2

2.1(a) Employee benefits expense

	2024 \$	2023 \$
Employee benefits	9,954,176	8,602,091
Superannuation - defined contribution plans	1,097,893	918,491
Other related expenses	134,549	223,050
Employee benefits expenses	11,186,618	9,743,632
Add: AASB 16 Non-monetary benefits	19,059	14,380
Employee Contributions (per Note 3.2 Other Income).	(16,400)	(14,545)
Total employee benefits provided	11,189,277	9,743,467

Employee benefits: Include wages, salaries and social contributions, accrued and paid leave entitlements and paid sick leave; and non-monetary benefits recognised under accounting standards other than AASB 16 (such as medical care, housing, cars and free or subsidised goods or services) 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: is 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 GESB schemes, or other superannuation funds.

AASB 16 Non-monetary benefits: are non-monetary employee benefits, predominantly relating to the provision of vehicle benefits that are recognised under AASB 16 and are excluded from the employee benefits expense.

Employee Contributions: are contributions made to the Office by employees towards employee benefits that have been provided by the Office. This includes both AASB 16 and non-AASB 16 employee contributions.

Note 2.1(b) Employee related provisions

	2024	2023
	\$	\$
Current		
<i>Employee benefits provisions</i>		
Annual leave	967,104	750,953
Long service leave	1,476,495	1,254,693
Purchased leave scheme	4,886	18,591
	2,448,485	2,024,237
<i>Other provisions</i>		
Employment on-costs	10,714	9,097
	10,714	9,097
Total current employee related provisions	2,459,199	2,033,334
	2024	2023
	\$	\$
Non-current		
<i>Employee benefits provisions</i>		
Long service leave	401,251	409,030
	401,251	409,030
<i>Other provisions</i>		
Employment on-costs	1,835	1,838
	1,835	1,838
Total non-current employee related provisions	403,086	410,868
Total employee related provisions	2,862,285	2,444,202

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

Annual leave liabilities are classified as current as there is no right at the end of the reporting period 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 employee up to the reporting date.

Long service leave liabilities are unconditional long service leave provisions and are classified as current liabilities as the Office does not have the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period.

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

The provision for long service leave is 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.

Purchase leave liabilities are classified as current as they must be cleared or paid out within 12 months.

Employment on-costs involve settlements of annual and long service leave liabilities which 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 premiums, 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 2.2 (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'.

	2024 \$
<u>Employment on-cost provision</u>	
Carrying amount at start of period	10,935
Additional provisions recognised	1,614
Carrying amount at end of period	12,549

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.

2.2 Other expenditure

	2024 \$	2023 \$
Supplies and services		
Communications	57,765	61,748
Consumables	59,521	69,731
Services and contracts	561,212	510,197
Services received free of charge	122,152	103,271
Insurance	40,075	22,513
Travel	63,550	266,670
Other	256,602	209,766
Total supplies and services expenses	1,160,877	1,243,895
Accommodation expenses		
Office Rental and outgoings	1,276,301	1,190,001
Repairs and maintenance	29,919	20,028
Services received free of charge	13,328	13,145
Total accommodation expenses	1,319,548	1,223,173
Other		
Employment on-costs	1,613	248
Audit fee	118,077	70,199
Bad debts	7,352	544
Loss on disposal on non-current assets	(210)	-
Other	164,422	70,381
Total other	291,254	141,372
Total other expenditure	2,771,679	2,608,441

Supplies and services expenses 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.

Office rental is expensed as incurred as Memorandum of Understanding Agreements between the Office and the Department of Finance for the leasing of office accommodation contain significant substitution rights.

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

Other operating expenses generally represent the day-to-day running costs incurred in normal operations.

3. 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
Income from State Government	3.1
Other income	3.2

3.1 Income from State Government

	Notes	2024 \$	2023 \$
Appropriation received during the period:			
- Service appropriation		11,744,000	10,258,000
- Special Acts		737,000	686,000
Total service appropriation		12,481,000	10,944,000
Resources received from other public sector entities during the period:			
State Solicitor's Office	2.2	17,409	2,095
Department of the Premier and Cabinet	2.2	104,744	101,176
Department of Finance	2.2	13,328	13,145
Total resources received		135,481	116,416
Total income from State Government		12,616,481	11,060,416

Service Appropriations are recognised as income at the 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 holding account held at Treasury.

Resources received from other public sector entities is recognised as income equivalent to the fair value of assets received, or the fair value of services received that can be reliably determined and which would have been purchased if not donated.

Summary of consolidated account appropriations

For the year ended 30 June 2024

	2024 Budget \$	2024 Additional Funding* \$	2024 Revised Budget \$	2024 Actual \$	2024 Variance \$
<u>Delivery Services</u>					
Item 4 Net amount appropriated to deliver services	11,744,000			11,744,000	-
- Parliamentary Commissioner Act 1971	691,000	46,000		737,000	-
Total appropriations provided to deliver services	12,435,000	46,000	-	12,481,000	-
<u>Capital</u>					
Item 94 Capital appropriations	420,000		(4,000)	416,000	-
Total Consolidated account appropriations	12,855,000	46,000	(4,000)	12,897,000	-

*Additional funding includes supplementary funding and new funding authorised under section 27 of the Act and amendments to standing appropriations.

3.2 Other income

	2024 \$	2023 \$
Employee contributions ^(a)	16,400	14,545
Other revenue - general	68,553	46,202
Other recoup ^(b)	2,626,155	2,624,241
Total other income	2,711,108	2,684,988

(a) Contributions made to the Office by employees towards employee benefits that have been provided by the Office under the Senior Officer Vehicle Scheme.

(b) Includes recoup for the costs of the functions of the Energy and Water Ombudsman Western Australia and services of the Office in relation to complaints involving the Indian Ocean Territories (see Note 8.7).

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

4. Key assets

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
Plant and equipment	4.1
Intangibles	4.2
Right-of-use assets	4.3

4.1 Plant and equipment

	Furniture and Fittings	Computer Hardware	Office Equipment	Communications	Total
Year ended 30 June 2024	\$	\$	\$	\$	\$
1 July 2023					
Gross carrying amount	6,814	449,390	40,007	-	496,211
Accumulated depreciation	(6,814)	(345,240)	(21,342)	-	(373,396)
Carrying amount at start of period	-	104,150	18,665	-	122,816
Additions	-	-	23,805	-	23,805
Depreciation	-	(61,192)	(9,009)	-	(70,201)
Carrying amount at end of period	-	42,958	33,461	-	76,420
Gross carrying amount	6,814	449,390	63,812	-	520,016
Accumulated depreciation	(6,814)	(406,432)	(30,350)	-	(443,596)

Initial recognition

Items of plant and equipment, costing \$5,000 or more are measured initially at cost. Where an asset is acquired for no cost or significantly less than fair value, 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.

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.

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 and is written down to its recoverable amount, an impairment loss is recognised through profit or loss.

Where a previously revalued asset is written down to its recoverable amount, the loss is recognised as a revaluation decrement through other comprehensive income to the extent that the impairment loss does not exceed the amount in the revaluation surplus for the class of asset.

As the Office is a not-for-profit agency, the recoverable amount of regularly revalued specialised assets is anticipated to be materially the same as fair value.

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.

4.2 Intangible assets

	Computer Software	Total
	\$	\$
Year ended 30 June 2024		
1 July 2023		
Gross carrying amount	2,483,405	2,483,405
Accumulated amortisation	(2,198,934)	(2,198,934)
Carrying amount at start of period	284,471	284,471
Additions	24,273	24,273
Amortisation	(157,780)	(157,780)
Carrying amount at 30 June 2024	150,965	150,965

Initial recognition

Intangible assets are initially recognised at cost. For assets acquired at significantly less than fair value, the cost is their fair value at the date of acquisition.

Acquired and internally generated intangible assets costing \$5,000 or more that comply with the recognition criteria of AASB 138 *Intangible Assets* (as noted above), 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.

4.2.1 Amortisation and impairment

Charge for the period

	2024	2023
	\$	\$
Computer software	157,780	163,532
Total amortisation for the period	157,780	163,532

As at 30 June 2024 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.

Useful lives

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 indefinite useful lives are tested for impairment annually or when an indication of impairment is identified. As at 30 June 2024 there were no indications of impairment to intangible assets.

The policy in connection with testing for impairment is outlined in note 4.1.

4.3 Right of use assets

Charge for the period

	Vehicles \$	Total \$
Year ended 30 June 2024		
Carry amount at beginning of period	49,347	49,347
Additions	12,991	12,991
Depreciation	(15,318)	(15,318)
Net carrying amount as at end of period	47,020	47,020

The Office has leases for vehicles. The lease contracts are typically made for fixed periods of 5 years.

The Office has also entered into a Memorandum of Understanding Agreements 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.

Initial recognition

At the commencement date of the lease, the Office recognises right-of-use assets and a corresponding lease liability for most leases. The right-of-use assets are measured at cost comprising of:

- 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 corresponding lease liabilities in relation to these right-of-use assets have been disclosed in note 6.1 Lease liabilities.

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 lease term and the estimated useful lives of the underlying assets.

If ownership of the leased asset transfers to the Office at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

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 4.1.

5. Other assets and liabilities

This section sets out those assets and liabilities that arose from the Office's controlled operations

	Notes
Receivables	5.1
Amounts receivable for services	5.2
Payables	5.3
Contract liabilities	5.4

5.1 Receivables

	2024 \$	2023 \$
Current		
Receivables	584	700
GST receivable	22,414	-
Purchased leave receivable	6,596	5,630
Total current	29,594	6,330
Non-current		
Accrued salaries account ^(a)	349,510	-
Total non - current	349,510	-
Total receivable at end of the period	379,104	6,330

(a) Funds transferred to Treasury for the purpose of meeting the 27th pay in a reporting period that generally occurs every 11 year. This account is classified as non-current except for the year before the 27th pay year.

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.

Accrued salaries account contains amounts paid annually into the Treasurer's special purpose account. It is restricted for meeting 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.

The account has been reclassified from 'Cash and cash equivalents' to 'Receivables' as it is considered that funds in the accounts are not cash but a right to receive the cash in future. Comparative amounts have also been reclassified.

5.2 Amounts receivable for services (Holding Account)

	2024	2023
	\$	\$
Current	208,000	208,000
Non-current	2,176,000	2,065,000
Total Amounts receivable for services at end of period	2,384,000	2,273,000

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.

The amounts receivable for services are a financial assets at amortised costs, and are considered not impaired (i.e. there is no expected credit loss of the holding accounts).

5.3 Payables

	2024	2023
	\$	\$
<u>Current</u>		
Trade payables	35,403	-
Accrued expenses	102,423	78,106
Accrued salaries	232,049	209,045
Accrued superannuation	25,782	22,522
GST payable	-	2,367
Total payables at end of period	395,657	312,040

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 15 - 20 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.

5.4 Contract liabilities

	2024	2023
	\$	\$
<u>Current</u>		
Software contracts ^(a)	58,422	77,066
Total current	58,422	77,066
<u>Non-current</u>		
Software contracts ^(a)	-	58,422
Total non-current	-	58,422
Balance at end of period	58,422	135,487

(a) Software contracts for finance, records management, case management and email system that are over a period of 2 or more years.

6. Financing

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

	Notes
Lease liabilities	6.1
Finance costs	6.2
Cash and cash equivalents	6.3
Capital commitments	6.4

6.1 Lease liabilities

	Notes	2024 \$	2023 \$
Lease liabilities			
Not later than one year		3,973	6,391
Later than one year and not later than five years		33,468	34,424
Later than 5 years		-	-
		37,441	40,815
Current		3,973	6,391
Non-current		33,468	34,424
		37,441	40,815

At the commencement date of the lease, the Office recognises lease liabilities measured at the present value of lease payments to be made over the lease term. 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; and
- 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).

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.

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

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.

This section should be read in conjunction with note 4.3.

	2024 \$	2023 \$
Lease expenses recognised in the Statement of comprehensive income		
Lease interest expense	3,741	1,100

6.2 Finance costs

	2024	2023
	\$	\$
Finance costs		
Interest expense on Lease Liabilities	3,741	1,100
Total finance costs	3,741	1,100

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.

6.3 Cash and cash equivalents

	Notes	2024	2023
		\$	\$
Current			
Cash and cash equivalents		3,378,333	1,440,156
Restricted cash and cash equivalents			
– Indian Ocean Territories	8.7	(2,620)	7,653
– Contribution from appropriation ^(b)		2,620	
Non-current			
– Accrued salaries suspense account ^(a)		-	272,507
Balance at end of period		3,378,333	1,720,316

(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.

(b) The actual number of complaints received were higher than budget. The contribution from the Office's appropriation will be adjusted by Commonwealth funding in 2024-25.

For the purpose of the Statement of cash flows, cash and cash equivalent (and restricted cash and cash equivalent) assets comprise cash on hand and are subject to insignificant risk of changes in value.

6.4 Commitments

All commitments are presented inclusive of GST.

6.4 Capital commitments

	2024	2023
	\$	\$
Capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements, are payable as follows:		
Within 1 year ^(a)	-	14,928
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-
	-	14,928

(a) Due to the timing of the replacement of Office assets, some assets were committed, but not paid in 2022-23.

7. Financial instruments and Contingencies

This note sets out the key risk management policies and measurement techniques of the Office.

	Note
Financial instruments	7.1
Contingent assets and liabilities	7.2

7.1 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:

	2024	2023
	\$	\$
Financial Assets		
Cash and cash equivalents	3,378,333	1,720,316
Financial assets at amortised cost ^(a)	2,740,690	2,279,330
Total financial assets	6,119,023	3,999,646
Financial Liabilities		
Financial liabilities at amortised cost ^(b)	433,098	215,000
Total financial Liabilities	433,098	215,000

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

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

7.2 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 entered into an agreement with the Organisation for Economic Co-operation and Development (OECD) in September 2023.

The agreement is currently on hold due to the Corruption and Crime Commission into the circumstances in which the Ombudsman entered into the agreement.

Whilst this is acknowledged as a contingent liability of the Office, it has yet to be determined whether the Office will ultimately proceed with the agreement.

The maximum potential contingent liability for the OECD agreement at 30 June 2024 was \$208,455 (EUR 129,960.00).

8. 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	8.1
Changes in accounting policy	8.2
Key management personnel	8.3
Related party transactions	8.4
Remuneration of auditors	8.5
Supplementary financial information	8.6
Indian Ocean Territories	8.7

8.1 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.

8.2 Changes in accounting policy

The Office has adopted the following new Australian Accounting Standards in accordance with transitional provisions applicable to each standard:

AASB 2021-2 - Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates

AASB 2021-5 - Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

AASB 2021-6 - Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards

AASB 2021-7b - Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections

AASB 2022-1 - Amendments to Australian Accounting Standards – Initial Application of AASB 17 and AASB 9 – Comparative Information

AASB 2022-7 - Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards

AASB 2022-8 - Amendments to Australian Accounting Standards – Insurance Contracts: Consequential Amendments

AASB 2023-2 – Amendments to Australian Accounting Standards – International Tax Reform – Pillar Two Model Rules

AASB 2023-4 - Amendments to Australian Accounting Standards – International Tax Reform – Pillar Two Model Rules: Tier 2 Disclosures

The Office considers these standards do not have a material impact on the Office.

8.3 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 (\$)	2024	2023
450,001 - 500,000	1	1
400,001 - 450,000	-	-
350,001 - 400,000	-	-
300,001 - 350,000	-	-
250,001 - 300,000	-	-
200,001 - 250,000	4	6
150,001 - 200,000	2	3
100,001 - 150,000	3	2
50,001 - 100,000	1	1
0 - 50,000	1	-
	2024	2023
	\$	\$
Total compensation of senior officers	2,181,696	2,670,247

8.4 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 2.1 (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.

8.5 Remuneration of auditors

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

	2024 \$	2023 \$
Auditing the accounts, financial statements, controls, and key performance indicators	61,600	56,000
	61,600	56,000

8.6 Supplementary financial information

(a) Write-offs

During the financial year, \$7,352 (2023: \$544) was written off under the authority of:

	2024 \$	2023 \$
The Accountable Authority	7,352	544
	7,352	544

(b) Losses through theft, defaults and other causes

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

(c) Forgiveness of debts

There were no debts waived during the period.

(d) Gifts of public property

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

8.7 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, Transport, Regional Development, Communications and the Arts (**DITRDCA**) in the subsequent reporting period. Where, by agreement with DITRDCA, 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.

	2024	2023
	\$	\$
Opening Balance	7,653	4,630
Receipts	23,817	29,976
Payments	(34,090)	(26,953)
Closing Balance ^(a)	(2,620)	7,653

(a) The actual number of complaints received were higher than budget. The contribution from the Office's appropriation will be adjusted by Commonwealth funding in 2024-25.

9. Explanatory statements

This section explains variations in the financial performance of the Office.

	Note
Explanatory statement for controlled operations	<u>9.1</u>

9.1 Explanatory statement for controlled operations

This explanatory section explains variations in the financial performance of the Office undertaking transactions under its own control, as represented by the primary financial statements.

All variances between annual estimates (original budget) and actual results for 2024 and between the actual results for 2024 and 2023 are shown below. Narratives are provided for key major variances which vary more than 10% from their comparative and which are more than 1% of the:

1. Estimate and actual results for the current year:

- Total Cost of Services of the annual estimates for the Statement of comprehensive income and Statement of cash flows (i.e. 1% of \$15,620,000), and
- Total Assets of the annual estimates for the Statement of financial position (i.e. 1% of \$4,123,000).

2. Actual results between the current year and the previous year:

- Total Cost of Services of the previous year for the Statements of comprehensive income and Statement of cash flows (i.e. 1% of \$12,610,521); and
- Total Assets of the previous year for the Statement of financial position (i.e. 1% of \$4,456,280).

9.1.1 Statement of Comprehensive Income Variances

	Variance Note	Estimate 2024 \$	Actual 2024 \$	Actual 2023 \$	Variance between estimate and actual \$	Variance between actual results for 2024 and 2023 \$
Statement of Comprehensive Income						
Employee benefits expense	A	11,272,000	11,186,618	9,743,632	(85,382)	1,442,986
Supplies and services	1	2,710,000	1,160,877	1,243,895	(1,549,123)	(83,018)
Depreciation and amortisation expense		319,000	243,299	257,348	(75,701)	(14,049)
Accommodation expenses	2	913,000	1,319,548	1,223,173	406,548	96,375
Finance costs		5,000	3,741	1,100	(1,259)	2,641
Other expenses	B	401,000	291,254	141,372	(109,746)	149,882
Total cost of services		15,620,000	14,205,337	12,610,521	(1,414,663)	1,594,816
Income						
Other Income		2,745,000	2,711,108	2,684,988	(33,892)	26,120
Total Income		2,745,000	2,711,108	2,684,988	(33,892)	26,120
NET COST OF SERVICES		12,875,000	11,494,229	9,925,533	(1,380,771)	1,568,696
Income from State Government						
Service appropriation	C	12,435,000	12,481,000	10,944,000	46,000	1,537,000
Resources received	3	440,000	135,481	116,416	(304,519)	19,065
Total income from State Government		12,875,000	12,616,481	11,060,416	(258,519)	1,556,065
SURPLUS/(DEFICIT) FOR THE PERIOD		-	1,122,252	1,134,883	1,122,252	(12,631)
OTHER COMPREHENSIVE INCOME						
		-	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		-	1,122,252	1,134,883	1,122,252	(12,631)

Major estimate and actual (2024) variance narratives

- 1) The variance in supplies and services expense is primarily due to expenses included in accommodation expenses in actual to reflect the nature of expenses more accurately.
- 2) The variance in accommodation expenses is primarily due to a portion of expenses included in supplies and services in estimate and lower cost of resources received free of charge than estimate.
- 3) The variance in resources received free of charge is primarily due to lower cost of resources received free of charge than estimate

Major actual (2024) and comparative (2023) variance narratives

- A) The variance in employee benefit expenses is primarily due to an increase in salary cost in line with approved additional funding for the various functions delivered by the Office.
- B) The variance in other expenses is primarily due to purchase of computer equipment due to the increase in the number of full time equivalent and increase in the audit costs.
- C) The variance in service appropriation is primarily due to fund being received for Reportable Conduct Scheme for Western Australia, Oversight by the Parliamentary Commissioner under Part 5AA (Protected Entertainment Precincts) of the Liquor Control Act 1988 and Investigations by the Parliamentary Commissioner under the Charitable Trust Act 2022.

9.1.2 Statement of Financial Position Variances

	Variance Note	Estimate 2024 \$	Actual 2024 \$	Actual 2023 \$	Variance between estimate and actual \$	Variance between actual results for 2024 and 2023 \$
Statement of Financial Position						
ASSETS						
Current Assets						
Cash and cash equivalents		247,000	3,378,333	1,440,156	3,131,333	1,938,177
Restricted cash and cash equivalents		5,000	-	7,653	(5,000)	(7,653)
Other current assets		16,000	-	-	(16,000)	-
Receivables		460,000	29,594	6,330	(430,406)	23,264
Amounts receivable for services		208,000	208,000	208,000	-	-
Total Current Assets		936,000	3,615,927	1,662,139	2,679,927	1,953,788
Non-Current Assets						
Restricted cash and cash equivalents		232,000	-	272,507	(232,000)	(272,507)
Receivables		-	349,510	-	349,510	349,510
Amounts receivable for services		2,176,000	2,176,000	2,065,000	-	111,000
Plant and equipment	4	232,000	76,420	122,816	(155,580)	(46,396)
Intangible assets	4	473,000	150,965	284,471	(322,035)	(133,506)
Right-of-use assets		74,000	47,020	49,347	(26,980)	(2,327)
Total Non-Current Assets		3,187,000	2,799,915	2,794,141	(387,085)	5,774
TOTAL ASSETS		4,123,000	6,415,842	4,456,280	2,292,842	1,959,562
LIABILITIES						
Current Liabilities						
Payables		449,000	395,657	312,040	(53,343)	83,617
Employee related provisions	5,D	2,104,000	2,459,199	2,033,334	355,199	425,865
Lease liabilities		24,000	3,973	6,391	(20,027)	(2,418)
Contract liabilities	6	144,000	58,422	77,066	(85,578)	(18,644)
Total Current Liabilities		2,721,000	2,917,251	2,428,831	196,251	488,420
Non-Current Liabilities						
Employee related provisions	5	541,000	403,086	410,868	(137,914)	(7,782)
Lease liabilities		53,000	33,468	34,424	(19,532)	(956)
Contract liabilities	E	-	-	58,422	-	(58,422)
Total Non-Current Liabilities		594,000	436,554	503,714	(157,446)	(67,160)
TOTAL LIABILITIES		3,315,000	3,353,805	2,932,545	38,805	421,260
NET ASSETS		808,000	3,062,037	1,523,735	2,254,037	1,538,302
EQUITY						
Contributed equity		1,706,000	1,704,000	1,288,000	(2,000)	416,000
Accumulated surplus/(deficit)		(898,000)	1,358,037	235,735	2,256,037	1,122,302
TOTAL EQUITY		808,000	3,062,037	1,523,735	2,254,037	1,538,302

Major estimate and actual (2024) variance narratives

- 4) The variance in plant and equipment and intangible assets is primarily due to the timing of asset replacement which fluctuates year by year.
- 5) The variance in employee related provisions is primarily due to the transfer of leave provision of additional employees arising from the new functions for the Office and some staff long service leave liability becoming due during the financial year.
- 6) The variance in contract liabilities is primarily due to the timing of asset replacement of intangible assets.

Major actual (2024) and comparative (2023) variance narratives

- D) The variance in employee related provisions is primarily due to the transfer of leave provision of additional employees arising from the new functions for the Office.
- E) The variance in contract liabilities is primarily due to the Office not having a software contract which is longer than two years.

9.1.3 Statement of Cash Flows Variances

	Variance Note	Estimate 2024 \$	Actual 2024 \$	Actual 2023 \$	Variance between estimate and actual \$	Variance between actual results for 2024 and 2023 \$
Statement of Cash Flows						
CASH FLOWS FROM STATE GOVERNMENT						
Service appropriation	F	12,116,000	12,162,000	10,707,000	46,000	1,455,000
Holding account drawdown		208,000	208,000	208,000	-	-
Capital appropriations	G	420,000	416,000	21,000	(4,000)	395,000
Net cash provided by State Government		12,744,000	12,786,000	10,936,000	42,000	1,850,000
CASH FLOWS FROM OPERATING ACTIVITIES						
Payments						
Employee benefits	H	(11,252,000)	(11,067,040)	(9,647,710)	184,960	(1,419,330)
Supplies and services	7	(1,956,000)	(1,109,817)	(1,183,777)	846,183	73,960
Finance costs		(5,000)	(3,741)	(1,100)	1,259	(2,641)
Accommodation	8	(913,000)	(1,304,579)	(1,210,029)	(391,579)	(94,550)
GST payments on purchases		(271,000)	(275,592)	(248,857)	(4,592)	(26,735)
GST payments to taxation authority		-	(26,288)	(99,175)	(26,288)	72,887
Other payments	9,I	(715,000)	(166,814)	(70,173)	548,186	(96,641)
Receipts						
GST receipts on sales		271,000	279,573	272,630	8,573	6,943
GST receipts from taxation authority		-	-	56,934	-	(56,934)
Other receipts	10,J	2,745,000	3,036,875	2,684,988	291,875	351,887
Net cash provided by (used in) operating activities		(12,096,000)	(10,637,423)	(9,446,269)	1,458,577	(1,191,154)
CASH FLOWS FROM INVESTING ACTIVITIES						
Payments						
Purchase of non-current assets	11	(608,000)	(125,144)	(238,645)	482,856	113,501
Net cash provided by (used in) investing activities		(608,000)	(125,144)	(238,645)	482,856	113,501
CASH FLOWS FROM FINANCING ACTIVITIES						
Payments						
Principal elements of lease payments		(20,000)	(15,905)	(21,772)	4,095	5,867
Net cash provided by (used in) financing activities		(20,000)	(15,905)	(21,772)	4,095	5,867
Net increase/(decrease) in cash and cash equivalents		20,000	2,007,527	1,229,314	1,987,527	778,213
Cash and cash equivalents at the beginning of the period		464,000	1,720,316	491,002	1,256,316	1,229,314
Adjustment for the reclassification of accrued salaries account		-	(349,510)	-	(349,510)	(349,510)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		484,000	3,378,333	1,720,316	2,894,333	1,658,017

Major estimate and actual (2024) variance narratives

- 7) The variance in supplies and services expense is primarily due to expenses included in accommodation expenses in actual to reflect the nature of expenses more accurately.
- 8) The variance in accommodation expenses is primarily due to a portion of expenses included in supplies and services in estimate.
- 9) The variance in other payments is primarily due to a portion of expenses included in other payments for the estimate, being included in accommodation for the actual.
- 10) The variance in other receipts is primarily due to the recoup of cost from prior year and employee leave transfer.
- 11) The variance in purchase of non-current assets relates in deferring the implementation of case management system.

Major actual (2024) and comparative (2023) variance narratives

- F) The variance in service appropriation is primarily due to fund being received for Reportable Conduct Scheme for Western Australia, Oversight by the Parliamentary Commissioner under Part 5AA (Protected Entertainment Precincts) of the Liquor Control Act 1988 and Investigations by the Parliamentary Commissioner under the Charitable Trust Act 2022.
- G) The variance in capital appropriation is primarily due to fund received for case management system.
- H) The variance in employee benefit expenses is primarily due to an increase in salary cost in line with approved additional funding for the various functions delivered by the Office.
- I) The variance in other payments is primarily due to purchase of computer equipment due to the increase in the number of full time equivalent.
- J) The variance in other receipts is primarily due to the recoup of cost from prior year and employee leave transfer

30 June 2024

Key Performance Indicators

Certification of Key Performance Indicators

For year ended 30 June 2024

I 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 2024.



David Robinson

DEPUTY OMBUDSMAN

Acting as the Ombudsman under section 6A of the *Parliamentary Commissioner Act 1971*

09 August 2024

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 and practices, and relevant entities are accountable for, and are, preventing, notifying and dealing with reportable conduct.

Key Effectiveness Indicators	2019-20	2020-21	2021-22	2022-23	2023-24 Target	2023-24 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)	72	109	57	75	100	40
Where the Ombudsman made recommendations regarding reportable conduct, the percentage of recommendations accepted by relevant entities (c)	Not applicable - the new Reportable Conduct function commenced on 1 January 2023			Not applicable	100%	Not applicable
Number of actions taken by relevant entities to prevent reportable conduct (d)	Not applicable - the new Reportable Conduct function commenced on 1 January 2023			26	51	97

- 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.
- 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.
- For relevant entity responses each year, the percentage of recommendations regarding reportable conduct that were accepted by the relevant entity.
- For relevant entity responses each year, the number of actions to prevent reportable conduct taken by relevant entities as a result of the Ombudsman's involvement.

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 2023-24 target.

The 2023-24 actual number of improvements to practices and procedures of public authorities as a result of Ombudsman action (40) is less than the 2023-24 target (100) and the 2022-23 actual (75) 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.

The Reportable Conduct Scheme (the Scheme) for Western Australia commenced on 1 January 2023. There were no recommendations made regarding reportable conduct

in 2023-24, the first full year of the operation of the Reportable Conduct Scheme. The Office's role has been primarily educative, with focus on engaging with agencies to inform them of their reporting and investigation obligations under the Scheme and guide them on drafting and implementing appropriate administrative policies and procedures, prior to undertaking a compliance phase of making recommendations for administrative improvements to already existing systems.

The 2023-24 actual number of actions taken by relevant entities to prevent reportable conduct (97) is more than the 2023-24 target (51) and the 2022-23 actual (26) as this 2023-24 was first full year of the operation of the Reportable Conduct Scheme.

Key Efficiency Indicators

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

Resolving complaints about the decision making of public authorities, improving the standard of public administration, and to oversee and monitor that relevant entities are accountable for, and are, preventing, notifying and dealing with Reportable Conduct.

Key Efficiency Indicators	2019-20	2020-21	2021-22	2022-23	2023-24 Target	2023-24 Actual
Percentage of allegations finalised within three months	95%	96%	97%	96%	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	92%	87%	96%	93%	90%	88%
Percentage of allegations on hand at 30 June less than 12 months old	99%	100%	100%	100%	100%	100%
Average cost per finalised allegation (a)	\$1,858	\$1,885	\$1,749	\$1,547	\$1,890	\$1,314
Average cost per finalised notification of death (b)	\$17,926	\$17,565	\$17,097	\$8,415	\$14,655	\$11,571
Average cost per notification of reportable conduct (c)	Not applicable - the new Reportable Conduct function commenced on 1 January 2023			\$6,027	\$6,000	\$3,687
Cost of monitoring and inspection functions (d)	\$408,008	\$407,486	\$516,576	\$735,183	\$1,168,000	\$1,000,679

- 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 reportable conduct services divided by the number of notifications received.
- d) This is the cost of monitoring and inspection functions under relevant legislation.

Comparison of Actual Results and Budget Targets

The 2023-24 actual results for timeliness Key Efficiency Indicators met or were close to the 2023-24 target.

The 2023-24 actual average cost per finalised allegation (\$1,314) is lower than the 2023-24 target (\$1,890) and 2022-23 actual (\$1,547) due to increased efficiencies driven by staff vacancies.

The 2023-24 actual average cost per finalised notification of death (\$11,571) is lower than the 2023-24 target (\$14,655) but higher than the 2022-23 actual (\$8,415) as a result of the Ombudsman concluding a program to finalise a number of notifications received since the commencement of a new jurisdiction to review all child deaths that occur in Western Australia. This resulted in an increase in the number of notifications finalised in 2022-23, and a subsequent reduction in the average cost per notification, which, as predicted by the 2023-24 target, increased to a level expected for the volume of notifications going forward.

The 2023-24 actual cost per notification of reportable conduct (\$3,687) is less than the 2023-24 target (\$6,000) and the 2022-23 actual (\$6,027) as a result of higher number of notifications received in 2023-24, the full year of the Scheme's operation.

The 2023-24 actual cost of monitoring and inspection functions (\$1,000,679) is less than the 2023-24 target (\$1,168,000) and higher than 2022-23 actual (\$735,183) as a result of the commencement of, and funding for, a new function for the Ombudsman under amendments to the *Liquor Control Act 1988* which commenced part-way through 2022-23.

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 2023-24.

Employment of staff

As at 30 June 2024, there were 92 people (81.9 full-time equivalent positions (**FTEs**)) directly employed by the Office, including 64 full-time employees and 28 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 2022-23 and 2023-24.

Employee Category	2022-23	2023-24
Full-time permanent	51	57
Full-time contract	7	7
Part-time permanent	24 (14.7 FTEs)	26 (16.9 FTEs)
Part-time contract	2 (1.5 FTEs)	2 (1.0 FTE)
TOTAL	84 (74.2 FTEs)	92 (81.9 FTEs)

Human resources strategies and staff development

In 2023-24, 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* relating to employment include recruitment, retention and professional development for Aboriginal staff. The Office also continued to implement the workforce strategies in its *Disability Access and Inclusion Plan 2020-2025* and committed to further diversity strategies through its *Workforce and Diversity Plan 2021-2026* and *Multicultural Plan 2021-2025*.

In accordance with Commissioner's Instruction 40: Ethical Foundations, the Office implemented an Integrity Framework, which included a review of all integrity related policies and procedures and all staff were required to familiarise themselves with the updated Code of Conduct policy.

- *Accounting for individual performance*

The Office's performance management system was reviewed and updated and 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 aspirations.

- *Continual learning*

The Office implemented a new online learning and development platform, which is available to all staff.

The Learning and Development platform provides staff with high-quality professional and personal development and training opportunities that are relevant

and accessible at any time. The online learning platform includes a comprehensive induction training module as well as mandatory training modules for staff. The Staff Support Program continued to be delivered to all staff during 2023-24. Sessions included EEO Law and Workplace Culture, Health and Wellbeing, Countering Foreign Intelligence and Disability Awareness. In addition to 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*

The Work Health and Safety management system, plan, policy and procedures were reviewed and updated to align with the *Work Health and Safety Act 2020*. More information is in the [Work health, safety and injury management section](#).

During the year, the Proactive Wellbeing Strategy was rolled out to all divisions in the Office. The Strategy is a proactive and preventative approach to supporting individual wellbeing by considering the unique challenges faced in the working environment and job roles, and how personal life intersects with this. All staff were offered an initial 90-minute Preventative Wellbeing Coaching session.

The Office continued delivering on key focus areas of the *Workforce and Diversity Plan 2021-2026 (the Workforce Plan)*. with:

- Reviewing the Recruitment Policy and Procedures to recruit high-quality staff, in particular for new functions;
- Attracting and retaining high-quality staff, including enabling flexible working arrangements and through offering internships and seasonal clerkship programs;
- Providing staff development through quality induction, performance management, our Staff Support Program, internal and external training, and study assistance;
- Promoting diversity in the workforce for people from diverse cultural backgrounds, people from Aboriginal and Torres Strait Islander backgrounds, and for people with disability;
- Implementing the strategies in the Office's *Disability Access and Inclusion Plan 2020-2025*, *Aboriginal Action Plan* and *Multicultural Plan 2021-2025*;
- Reviewing and updating the suite of human resource policies in line with the Office's strategies and with guidance provided by the relevant external agencies and staff feedback processes; and
- Providing Corporate Executive with workforce reporting to support evaluation and ongoing review of the strategies in the *Workforce and Diversity Plan*.

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.

Despite each cardholder being reminded of their obligations annually under the Office's credit card policy, in 2023-24 three employees inadvertently use the corporate credit card for personal expenses. The matter was not referred to disciplinary action as the Chief Finance Officer noted prompt advice and settlement of the personal use amount and that the nature of the expenditures was immaterial and characteristic of an honest mistake.

Personal Use of Credit Cards	2023-24
Number of instances the Western Australian Government Purchasing Cards have been used for personal purposes	3
Aggregate amount of personal use expenditure.	\$383
Aggregate amount of personal use expenditure settled by the due date (within 5 working days).	\$383
Aggregate amount of personal use expenditure settled after the due date (after 5 working days).	Nil
Aggregate amount of personal use expenditure outstanding at 30 June 2023.	Nil
Number of referrals for disciplinary action instigated by the notifiable authority during the reporting period.	Nil

Other Legal Requirements

Expenditure on advertising, market research, polling and direct mail

In accordance with the *Electoral Act 1907* section 175ZE, the Office is required to report on expenditure incurred in relation to advertising agencies, market research, polling (surveys), direct mail and media advertising organisations. The expenditure incurred in relation to those matters in 2023-24 was \$17,729 (Excluding GST) for recruitment advertising and promoting regional visits.

Category of expenditure	Company	Total
Advertising	Initiative Media Australia Pty Ltd	\$ 17,330
	Meta	\$ 399
Media advertising		Nil
Market research		Nil
Polling		Nil
Direct mail		Nil
Total		\$ 17,729

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 2023-24, the Office continued to implement the strategies under its *Disability Access and Inclusion Plan 2020-2025 (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*.

Staff ask and record where a person making a complaint to the Office is experiencing disability and, if so, record whether the person with disability requires any assistance to access the Office's services.

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 and dietary requirements are appropriately catered. 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.

In 2023-24, approximately 23.9% of people accessing the Office's complaint handling service were people with disability, compared to 16.4% in the population.

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*. 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. In 2023-24, the Office commenced the development of an Easy Read booklet and issued a new brochure and poster for the Energy and Water Ombudsman which were checked to ensure they met a lower reading level.

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.

The Office's Energy and Water Ombudsman website also features Browsealoud, a text-to-speech tool that assists people with low literacy or vision impairments to access the information on the website.

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.

In 2023-24, staff received training in *Communication Disability*, which included a presentation by a person with lived experience with disability who uses an alternative and augmentative communication (AAC) device. All new staff are asked to complete the *Disability Awareness* online training module produced by the Australian Government as part of their induction, along with 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.

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 an interpreter (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 2023-24, the Office commenced a project that included a survey of disability organisations in Western Australia regarding their systems for handling reportable conduct. The outcome of this project will increase awareness of the Reportable Conduct Scheme and promote the safety of children and young people with disability.

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

<p>Managers and staff are aware of, and are required to comply with, the <i>Public Sector Standards in Human Resource Management</i> (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:</p>

- | |
|---|
| <ul style="list-style-type: none"> • For recruitment, selection and appointment, an individual review of each process is undertaken prior to the final decision to ensure compliance with the <i>Employment Standard</i>; • 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. |
|---|

<p>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.</p>

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* were reviewed and are a ready reference for staff when dealing with situations related to the Ethical Codes. An Accountable and Ethical Decision Making (**AEDM**) online training module was created and all existing staff were enrolled to refresh their training. All new staff are required to complete the AEDM as part of their Induction program.

The Office's *Code of Conduct* supports the Commissioner's Instruction No. 40: Ethical Foundations 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. Seventy-nine per cent of staff have acknowledged the updated Code of Conduct issued in September 2023.

Ethics and conduct related policies and procedures are in place for declaring and managing conflicts of interest and gifts, benefits and hospitality. 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 the Performance Management and Development process references conduct matters as an expectation of all Ombudsman staff.

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, Deputy Ombudsman or Principal Assistant 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 Committee and Risk Management Committee.

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

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*;
- Content Manager, the Office's electronic document records management system (EDRMS)
- RESOLVE the Office's electronic case management system for managing complaints in the Ombudsman and Energy and Water Ombudsman jurisdictions; and
- A series of guidelines and a user manual, together with an online training module, are made available to staff.

Work commenced on an upgrade to Version 10.1 of Content Manager to further integrate Recordkeeping functionality into workflows present within the Office.

Evaluation and review of efficiency and effectiveness of systems and training

The Office's Retention and Disposal Schedule for Functional Records was approved by the State Records Commission on 13 May 2022, and subsequently implemented in the EDRMS.

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, the results of staff recordkeeping surveys are used to develop targeted training and other programs to address common themes across the Office.

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 within the Learning Management platform includes a recordkeeping training module. 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 Records and Customer Service Manager. 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.

Government Policy Requirements

WA Multicultural Policy Framework

In 2020-21, the Office developed its *Multicultural Plan 2021-2025* (**Multicultural Plan**). The strategies in the Multicultural Plan are aligned with the Government's Western Australian Multicultural Policy Framework for the Western Australian public sector. The Multicultural Plan is a four-year plan and will act as a key strategic document to guide the Office's service responsiveness, employment opportunities and community outputs for people of CaLD backgrounds.

Below is a summary of the Office's key achievements under its Multicultural Plan in 2023-24.

Policy priority 1: Harmonious and inclusive communities

To increase the cultural competency skills of staff, the *Diverse WA* online module produced by the Office of Multicultural Interests and the Public Sector Commission's Aboriginal and Torres Strait Islander cultural awareness online training are part of the induction of all new staff. As at 30 June 2024, 75% of all staff have completed both online training modules.

The Office supports an inclusive workplace. In 2023-24, the Office's Equity, Diversity and Inclusion (**EDI**) Council developed a calendar of events that are important to CaLD communities. Key events were promoted to staff.

In October 2023, the Office's EDI Council held an interactive staff development session which promoted diversity and inclusion.

Policy priority 2: Culturally responsive policies, programs and services

The Office captures cultural and linguistic data about its staff and about people who access the Office's services to monitor representation of diversity groups, including people from CaLD backgrounds. In 2023-24, the Office continued to collect country of birth information from staff and report the results to the Corporate Executive. Staff ask for, and record, information about country of birth and language so that the Office can continually assess accessibility to its services for people from CaLD backgrounds.

The Office is developing and enhancing its recruitment strategies to improve representation of employees from CaLD backgrounds. In 2023-24, job advertisements and recruitment documents were amended to emphasise the Office's commitment to diversity and to encourage job applications from people of CaLD backgrounds.

The Office is increasing its engagement with, and access for, CaLD communities. In 2023-24, the Office sent information about its regional visits to organisations that work with CaLD communities.

Policy priority 3: Economic, social, cultural, civic and political participation

The Office is developing initiatives that support people from CaLD backgrounds to enter leadership positions. In 2023-24, the Office monitored representation of people from CaLD backgrounds across employment levels.

Work health, safety and injury management

Commitment to work health and safety 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 a Work Health and Safety (**WHS**) 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 are made aware of their WHS responsibilities through mandatory online training. The Office's WHS policies and guidelines are also accessible to employees through the Office's intranet.

There is a strong executive commitment to the health, safety and wellbeing of staff. Hazards and other issues relating to health, safety and wellbeing can be raised with elected WHS representatives or directly with a member of the Corporate Executive, 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 WHS practices. Formal mechanisms for consultation with employees and others on WHS matters include:

- The Office has WHS 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 WHS 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 WHS responsibilities and the Office's WHS Representative is a standing member of the Committee. WHS 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;

- The Management Consultative Committee has WHS as a standing item on its agenda and managers receive training in their WHS responsibilities;
- There is dissemination of WHS information and discussion at team meetings; and
- There is training on WHS matters for both management and staff.

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 WHS systems

The Office has implemented a *WHS Management Plan* in accordance with the *Work Health and Safety Act 2020*, which includes guidelines detailing WHS roles and responsibilities within the Office and outlining the approach to identify, assess and control hazards and the associated risks. The Office's WHS systems are included in the Internal Audit Program.

Internal evaluation of the accommodation at Albert Facey House is ongoing and workplace inspections are undertaken regularly by the Office's elected WHS Representatives. Any WHS 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 2023-24, no workers' compensation claims were recorded. The Office's WHS and injury management statistics for 2023-24 are shown below.

Measure	Actual Results			Results Against Target	
	2021-22 Actual	2022-23 Actual	2023-24 Actual	2023-24 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 work health and safety and injury management responsibilities.	100%	100%	73%	>80%	Target not achieved