



OMBUDSMAN

Western Australia

31st Annual Report of the
Parliamentary Commissioner for
Administrative Investigations

Annual Report 2002

Our mission

To assist the Parliament of Western Australia to be confident that the public sector of the State is accountable for, and is improving the standard of, administrative decision-making, practices and conduct.

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OMBUDSMAN

Mr President, Mr Speaker

Annual Report of the Parliamentary Commissioner for Administrative Investigations for the year ended 30 June 2002

In accordance with section 64(1) of the *Financial Administration and Audit Act 1985* (as modified by Part 1 of Schedule 1A) I submit this report for the year ended 30 June 2002, together with copies of the opinions of the Auditor General.

To the extent that the report contains subject matter not required by the *Financial Administration and Audit Act* or by the Treasurer's Instructions made under that Act, it is submitted pursuant to section 27 of the *Parliamentary Commissioner Act 1971*.

A handwritten signature in black ink, appearing to read 'D O'Donnell'.

Deirdre O'Donnell
**Parliamentary Commissioner
for Administrative Investigations**

14 November 2002

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The year's work

The reporting year that ended on 30 June 2002 proved to be another busy one for the office.

Over the course of the year a total of 2,938 complaints containing 3,923 allegations were received. The number of complaints received was the second highest ever in a year and the number of allegations received was also the second highest ever. A total of 3,119 complaints involving 4,503 allegations were finalised during the year.

We commenced the year with 1,603 allegations brought forward, and closed the year with 1,023 allegations on hand. This was a very pleasing result.

Details of complaints received, how we dealt with them and the outcomes we were able to achieve follow.

Complaints and allegations received

As has been pointed out in previous reports, when examining the statistics relating to the work of the office it is important to bear in mind the following:

- The amount of work involved in an investigation varies considerably from case to case. Records are kept on the basis of both complaints and allegations (i.e., a complaint can involve one or more allegations), in an attempt to reflect the differing amount of work involved. However, there is no quantitative or qualitative weighting of the relative importance or complexity of allegations. This means that allegations requiring major investigations are treated the same way, statistically, as brief, straightforward ones.
- Unlike some other Ombudsman legislation, the *Parliamentary Commissioner Act 1971* does not provide for the receipt of oral complaints. This, together with other variations in jurisdiction, and the differences in recording criteria, makes valid comparisons between the statistics of Ombudsmen's offices in Australia or elsewhere problematic. In particular, it should be noted that the office handles many thousands of telephone enquiries each year, frequently from members of the public seeking information rather than wishing to make a complaint. Many have a grievance but require assistance to establish how and to whom a complaint can be made. As far as possible, we provide advice and assistance on these occasions.
- The office has an important referral role. Even though we may be unable to be of direct assistance to people who approach the office about matters that are not within jurisdiction, it is often possible to refer them to another appropriate source of assistance. Therefore, an outcome of "no jurisdiction" does not necessarily mean that the office has not been of any assistance to the person who consulted us.

Table 1.1 shows the number of complaints and allegations received over the past five years.

TABLE 1.1	Complaints and allegations received 1998 to 2002				
	1998	1999	2000	2001	2002
Complaints received					
Police	1,411	1,530	1,176	1,297	1,267
Railway special constables	n/a	36	50	43	29
Other State government departments and agencies and local governments	1,150	1,465	1,441	1,571	1,642
Total	2,561	3,031	2,667	2,911	2,938
Allegations received					
Police	2,180	2,149	1,996	1,986	1,811
Railway special constables	n/a	67	86	88	53
Other State government departments and agencies and local governments	1,213	1,611	1,756	1,974	2,059
Total	3,393	3,827	3,838	4,048	3,923

Since 1990, the trend has been a steady increase in both complaints and allegations received, although this appears to have stabilised in 2002. The following figure illustrates the number of allegations received over the last thirteen years.

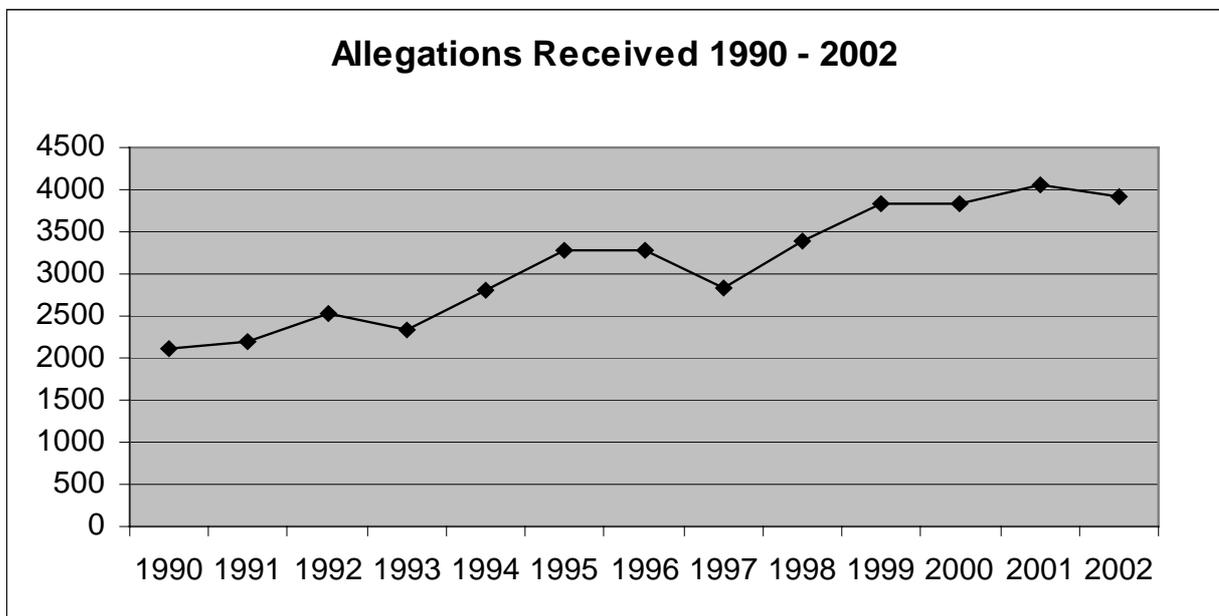


Figure 1.1

Table 1.2 shows the geographical origin of the allegations received, based on the electoral districts of Western Australia.

TABLE 1.2	Geographical origin of allegations received 1998 to 2002				
	1998	1999	2000	2001	2002
Number of allegations received					
Metropolitan electorates	2,593	2,835	2,804	3,015	2,857
Country electorates	738	893	935	986	968
Outside WA	62	99	99	47	98
Total	3,393	3,827	3,838	4,048	3,923
Number of allegations per 10,000 electors					
Metropolitan electorates	31	33	32	30	31
Country electorates	25	30	30	32	32

Complaints and allegations finalised

During the year 3,119 complaints containing 4,503 allegations were finalised in the manner shown in Table 1.3.

TABLE 1.3	Manner in which allegations finalised	
	Number of allegations	% (approx.)
Finalised at initial stage		
No jurisdiction	211	5
Discretion exercised not to investigate	478	11
Withdrawn or not proceeded with	112	2
Finalised to satisfaction of complainant	122	3
Referred back to agency	281	6
Finalised by completed investigation or review of internal investigation		
Withdrawn or not proceeded with	188	4
Could not be determined	246	5
Sustained partly	309	7
Sustained wholly or substantially	548	12
Not sustained	2,008	45
Total allegations finalised	4,503	100

Our aim is to finalise as many older cases as possible and to reduce the time taken to complete them. Our performance this year is reflected in the performance indicators in Chapter 2. To achieve our aim we focus on:

- the average time taken to finalise each allegation
- the proportion of allegations finalised within three months
- the proportion of allegations on hand that are less than three months old.

Assistance to complainants

Complainants are especially interested in whether we can provide some form of assistance or action to remedy the problem they have complained about. Table 1.4 shows the extent to which it was possible to obtain some form of benefit for complainants or a change to the law, or the practice or procedure of a government agency.

TABLE 1.4 Assistance provided – allegations finalised	
	Number of actions
Direct benefit for complainant	
Apology given	241
Act of grace payment made	41
Action/decision expedited	108
Explanation or reasons provided by agency	62
Monetary charge reduced, withdrawn or refunded	27
Reversal or significant variation of original decision	47
Criminal, disciplinary or infringement charge reduced or withdrawn	17
Other assistance	68
Changes to law, practice or procedure	284

Table 1.5 (at pages 8–11) gives details of allegations finalised in respect of individual departments, authorities and local governments.

Following our investigation, we find that a high proportion of allegations cannot be sustained. At times this may be because there is a conflict of evidence that cannot be resolved. However, in many cases we conclude that the agency has in fact acted reasonably and within its powers. Although it may often appear to the complainant that a public officer has gone out of their way to act unreasonably, in our experience the cause is far more likely to be an inadvertent or human error. However, we remain vigilant for evidence of poor systems or processes, and always aim to ensure that the circumstances which gave rise to a particular complaint do not recur.

30th anniversary

This year saw the 30th anniversary of the creation of the Ombudsman's office in Western Australia.

It is well documented that the *Parliamentary Commissioner Act 1971* was the first Ombudsman legislation in Australia. It was assented to on 22 December 1971 and was proclaimed to come into effect on 12 May 1972.

To celebrate the anniversary we organised a morning tea to which we invited a group of prominent persons who have had an involvement with the office during the past 30 years. Among the guests we welcomed were the first three Ombudsmen, Mr Oliver Dixon, Mr Ivor Evans, and Mr Eric Freeman. Unfortunately, Mr Robert Eadie and Mr Murray Allen were unable to attend, but all five occupants of my office will be involved in an oral history project to record their experiences.

Other distinguished guests included the Hon. Sir Charles Court, and Mrs Joan Tonkin, widow of the Hon. John Tonkin. Mr Tonkin proposed the appointment of an Ombudsman in Western Australia as early as 1963 and the office was established when he became Premier. His Excellency the Governor of Western Australia spoke about the significance of the office and announced the oral history project. It is expected that this project will be completed by the end of this 30th anniversary year.

A year of transition

My predecessor, Murray Allen, resigned as Ombudsman with effect from 12 October 2001. From that time until 25 February 2002, when I took up duty, the responsibility for the operation of the office rested with the Deputy Ombudsman, Alex Errington. I had been Deputy Telecommunications Industry Ombudsman since 1999 and before that had more than 12 years experience in the telecommunications industry.

The circumstances that led to my predecessor's resignation are dealt with in Chapter 5. In this overview of our work for the year, I would like to quote the Premier's comments to the Parliament about Mr Allen's term as Ombudsman:

"Mr Allen has been the State's Ombudsman for nearly five years and has been a dedicated servant of the people. In dealing with the consequences of administrative shortcomings in his office he has displayed the qualities of integrity and dignity that so well qualify him for the position he has held. On behalf of the Parliament and the citizens of Western Australia I would like to sincerely thank Mr Allen for his dedicated service, and commend him for the respect he has shown for the important office of Ombudsman. I wish him well for the future."

Complaint handling in the public sector

The *Report on the Second Survey of Complaint Handling in the Western Australian Public Sector* was tabled in Parliament in December 2001. The first survey was undertaken in 1999 and the then Ombudsman said that he would repeat the survey in 2001 in the hope that organisations would improve their complaint handling performance in the intervening two years.

Surveys were mailed to 87 government agencies and all local governments, although detailed analysis was confined to the 49 local governments reviewed in the last survey.

Again, the 93% response rate to the 2001 survey was excellent and yielded 127 survey forms for evaluation. Several new issues were included, such as various measures of responsiveness and reviews of complaint systems. We also sought more evidence to support the claims made in the responses, especially in the area of using complaint data to improve services.

The 2001 survey showed that there had been a pleasing growth in attention to complaint handling. Improvements were seen in documentation (12%), appropriate publicity (24%), complaint data collection systems (22%), analysis of data (12% for agencies) and preparation of complaint data reports (6%).

However, requesting more supporting documentation for the second survey revealed that considerably fewer respondents than previously thought appeared to meet the *Australian Standard – Complaints Handling AS 4269 (1995)*. One local government was found to meet AS 4269, but no agencies. Minor omissions in complaint documentation meant that some

agencies could not be classified as meeting AS 4269, but we considered that most did not meet it because they could not demonstrate that they were learning from complaints or reviewing their systems. We now consider that the 1999 survey showed how well public sector managers understood the purpose of quality complaint handling systems, but not how well they had implemented them.

The 2001 survey revealed some excellent complaint handling systems and we were pleased with the effort some organisations had made to implement their systems. The survey also gave an impetus to other agencies to review their system, and we continued to provide information and advice on complaint handling systems to a wide range of agencies. However, we are keen to see an improvement in the work of many organisations in developing their complaint systems. Promoting effective complaint handling systems in the organisations within our jurisdiction therefore remains a key strategic issue for the office. Complaint handling will regularly be one of the elements considered in our investigations as a means to promote improvements in this area. We will continue to encourage CEOs and senior management to take action to ensure that their organisation has a properly functioning complaint handling system in place.

Telecommunications interception

The *Telecommunications (Interception) Western Australia Act 1996* (the Act) was proclaimed on 17 December 1996. The Act came into operation on 24 December 1996 when the proclamation by the Governor was published in the *Government Gazette*. The *Telecommunications (Interception) Western Australia Regulations 1996* (the Regulations) made pursuant to the Act were also published in the *Government Gazette* on 24 December 1996 and came into operation on the same day as the Act.

The Act designated the Western Australia Police Service as an "*eligible authority*", which in turn allowed it to be declared an "*agency*" for the purposes of the *Telecommunications (Interception) Act 1979* of the Commonwealth (the Commonwealth Act). Final approvals for that declaration were completed on 15 July 1997, which was the day of its gazettal by the Commonwealth Attorney General.

The Regulations prescribe the Parliamentary Commissioner for Administrative Investigations (the Ombudsman) as the Principal Inspector for the purposes of the Act, and officers of the Ombudsman as Inspectors.

The *Telecommunications (Interception) Western Australia Amendment Act 2000* was proclaimed on 9 May 2000 and came into operation the following day. It designated the Anti-Corruption Commission (the ACC) as an eligible authority, which in turn allows it to be declared an agency for the purposes of the Commonwealth Act. The ACC began to apply for warrants to carry out telephone interceptions during 2001/2002.

Subsection 10(2) of the Act provides that:

"The principal inspector is to inspect the eligible authority's records at least twice during each financial year in order to ascertain the extent to which the authority's officers have complied with Part 2 since the last inspection under this Part of the authority's records."

Subsection 11(2) of the Act provides that:

“The principal inspector, as soon as practicable, and in any event within 3 months, after the end of each financial year, is to report to the Minister in writing, in relation to the eligible authority, about the results of the inspections under section 10(2), during that financial year, of the authority's records.”

In accordance with subsection 11(2), a report on the inspections carried out in relation to the Western Australia Police Service under subsection 10(2) during the financial year ended 30 June 2002 was presented to the Minister for Police, and a report on the inspections carried out in relation to the ACC under subsection 10(2) during the financial year ended 30 June 2002 was presented to the Attorney General.

We carried out 23 inspections of the operations of the Western Australia Police Service in connection with telecommunications interceptions, including visits to the premises of the Telecommunications Interception Unit and other units during the reporting period. In respect of the ACC, we carried out four inspections.

TABLE 1.5 Outcome of allegations received and/or finalised – by agencies

Departments and Authorities	Allegations received	Finalised at initial stage					Finalised by completed investigation or review					Allegations finalised
		No jurisdiction	Discretion exercised	Withdrawn or not proceeded with	Finalised to satisfaction of complainant	Referred back to agency	Withdrawn or not proceeded with	Could not be determined	Sustained partly	Sustained wholly or substantially	Not sustained	
Agriculture – Department of	13	1					3				1	5
Anti-Corruption Commission ¹	4		1							3		4
Australian Integration Management Services Corp.	192	3	12	6	26	57	1	11	2	5	38	161
Builders' Registration Board	9						2					2
Building Disputes Committee	4	4	1							1		6
Central TAFE	9		1			1			3	3	3	11
Challenger TAFE	1		1									1
Commerce and Trade – Department of	-										1	1
Community Development – Department for	50	5	9	4	1	10	2		3	4	12	50
Conservation and Land Management – Department of	4		2			1			6			9
Conservation Commission	2							1			1	2
Consumer and Employment Protection – Department of	14		3			2	1		1	1	1	9
Contract and Management Services – Department of ²	4		1						1			2
Criminal Injuries Compensation	1		1									1
Curtin University	4		1	1		1	1	1				5
Dairy Industry Authority	-									2		2
Dental Board	10											-
Disability Services Commission	1											-
Edith Cowan University	4			1				1				2
Education – Department of	43	3	17		1	5	2	2	6	3	11	50
Education Services – Department of	-										1	1
Electoral Commission	1					1						1
Electrical Licensing Board	1										1	1
Environmental Protection Authority	2						1					1
Environmental Protection – Department of	2				1		1		2	1	2	7
Fire and Emergency Services Authority	1					1				1	5	7
Fisheries – Department of	4		1						1	1	1	4
Forest Products Commission	1											-
Fremantle Port Authority	1										1	1
Government Employees' Housing Authority	4		1						1			2
Government Employees Superannuation Board	5	1	1			1					2	5
Guardianship and Administration Board	4					1					3	4
Health – Department of	5		2			1			1	1	2	7
Health Review – Office of	14		2	1		1					1	5
Heritage Council	2				1					1		2
Hospital and Health Services	20	1	13						1	1		16
Housing and Works – Department of	132	4	23	5	7	5	8	9	5	4	44	114
Indigenous Affairs – Department of	4		1									1
Indigenous Land Corporation	2		2									2
Industrial Relations Commission – Dept. of the Registrar	1				1							1
Industry and Technology – Department of	3					1	2					3
Insurance Commission	7		4			2						6
Justice – Ministry of – Offender Management Division	559	6	70	48	55	133	15	33	39	81	182	661
Justice – Ministry of – Other	37	4	13	1	3	6	1	3	1	2	10	44
Land Administration – Department of	6		1						5		2	8

	Allegations received	Finalised at initial stage					Finalised by completed investigation or review					Allegations finalised
		No jurisdiction	Discretion exercised	Withdrawn or not proceeded with	Finalised to satisfaction of complainant	Referred back to agency	Withdrawn or not proceeded with	Could not be determined	Sustained partly	Sustained wholly or substantially	Not sustained	
Legal Aid	9	1	3	1		3					1	9
Legal Practitioners Complaints Committee	7		3			1	1				4	9
Local Government & Regional Development – Dept. of Main Roads	10		5									5
Medical Board	13		2		1	4			1	1	7	16
Mental Health Review Board	7	1	1						1	2		5
Midland College of TAFE	-						5					5
Mineral and Petroleum Resources – Department of Murdoch University	-								1			1
Nurses Board	2		1			1						2
Organisation not identified	8											-
Painters' Registration Board	1											-
Parole Board	10	3	5		1							9
Perth Market Authority	5	2				1			2		2	7
Physiotherapists Registration Board	16	1	4	1	1	3					4	14
Planning and Infrastructure – Department for Planning Commission	1		1									1
Police Service	1	1										1
Psychologists Board	56	4	11	4	3	6			5	9	14	56
Public Advocate	7		1			1		1				3
Public Trustee	1811	6	143	17	8	3	129	158	175	336	1370	2345
Racing, Gaming & Liquor – Department of Real Estate and Business Agents Supervisory Board	-	1										1
Rottnest Island Authority	1											1
Strata Titles Referee	3		2									2
Totalisator Agency Board	3	1				1						2
Training – Department of Treasury and Finance – Department of University of Western Australia	1	1										1
Valuer General's Office	2									1	1	2
WA Government Railways – Special Constables	75	6	7	7	1	5		2	5	4	31	68
WA Government Railways – Other	1				1							1
WA Turf Club	3		2									2
Water and Rivers Commission	1		1							1		2
Water Corporation	2								1		2	3
Water Regulation – Office of Western Australian Trotting Association	25	2	17			2		1	1	1	10	34
Western Power Corporation	5		2								1	3
WorkCover	3	1	3									4
Sub Total	112		10	5	6	5	2	5	4	13	59	109
	4	3				1					1	5
Sub Total	3491	67	430	108	120	270	180	240	286	512	1890	4103

¹ Although the Anti-Corruption Commission is not within jurisdiction, at the request of the Anti-Corruption Commission, this office reviewed the police investigation of allegations against an Anti-Corruption Commission officer.

² Dufunct agency (functions now divided between Department of Housing and Works and Department of Industry and Technology) included because of an error in categorisation which will be rectified for next year's report.

	Allegations received	Finalised at initial stage					Finalised by completed investigation or review					Allegations finalised
		No jurisdiction	Discretion exercised	Withdrawn or not proceeded with	Finalised to satisfaction of complainant	Referred back to agency	Withdrawn or not proceeded with	Could not be determined	Sustained partly	Sustained wholly or substantially	Not sustained	
Local Governments												
Albany – City	10					1				4	5	
Armadale – City	9		1							11	12	
Augusta/Margaret River – Shire	6		1					1			2	
Bassendean – Town	3		1								1	
Bayswater – City	7		1				2	1	2	2	8	
Belmont – City	3		1								1	
Bridgetown – Greenbushes – Shire	1										-	
Broome – Shire	1			1						1	2	
Bunbury – City	7								3	7	10	
Busselton – Shire	6							1	1	1	3	
Cambridge – Town	6		1		1		2	1	1	3	9	
Canning – City	6		3					1		3	7	
Capel – Shire	1							1		1	2	
Chittering – Shire	4		3								3	
Claremont – Town	3		1								1	
Cockburn – City	3			1						1	2	
Dandaragan – Shire	1									1	1	
Dardanup – Shire	6									5	5	
Denmark – Shire	1				1						1	
Donnybrook/Balingup – Shire	1								1		1	
East Fremantle – Town	1					3				1	4	
Esperance – Shire	4				1					1	2	
Fremantle – City	10					1	1		4	1	7	
Geraldton – City	5				1					4	5	
Gingin – Shire	-								1	2	3	
Gosnells – City	19		5	1				1		12	19	
Greenough – Shire	5		1								1	
Harvey – Shire	1							1			1	
Irwin – Shire	1				1						1	
Joondalup – City	4		1					1	1		3	
Kalamunda – Shire	11							2		8	10	
Kalgoorlie – Boulder – City	4		1						1		2	
Kwinana – Town	1				1						1	
Mandurah – City	10									3	3	
Manjimup – Shire	4									1	1	
Melville – City	17	2	2			1		1	2	3	11	
Merredin – Shire	3								1	2	3	
Mundaring – Shire	1				1						1	
Murray – Shire	1		1								1	
Narrogin – Town	-									1	1	
Nedlands – City	7						1	1		6	8	
Northam – Shire	-									2	2	
Perth – City	11		2			3		1	4	2	12	
Port Hedland – Town	1		1								1	
Rockingham – City	6		1							3	4	

	Allegations received	Finalised at initial stage					Finalised by completed investigation or review					Allegations finalised
		No jurisdiction	Discretion exercised	Withdrawn or not proceeded with	Finalised to satisfaction of complainant	Referred back to agency	Withdrawn or not proceeded with	Could not be determined	Sustained partly	Sustained wholly or substantially	Not sustained	
Sandstone – Shire	1											-
Serpentine/Jarrahdale – Shire	2										2	2
South Perth – City	8		3						2	3	3	8
Stirling – City	19		4					2	1	7	14	
Subiaco – City	2		3								3	
Swan – City	13		1			3		1	4	5	14	
Toodyay – Shire	4									4	4	
Victoria Park – Town	5							3	1	1	5	
Vincent – Town	3								1		1	
Wanneroo – City	7							2	1	4	7	
Waroona – Shire	2		1							1	2	
Wyalkatchem – Shire	3								3		3	
Windam – East Kimberley – Shire	1									1	1	
York – Shire	1								1		1	
Sub Total	284	2	41	3	2	11	7	6	23	36	118	249
Organisations not within jurisdiction	148	142	7	1			1					151
Grand Total	3923	211	478	112	122	281	188	246	309	548	2008	4503

Our performance

This chapter contains the material required by the *Financial Administration and Audit Act 1985* and *Treasurer's Instruction 904* – which require all government agencies, to identify desired outcomes and outputs and to measure and report on the extent to which they have been achieved and delivered.

Mission

Our mission is “**To assist the Parliament of Western Australia to be confident that the public sector of the State is accountable for, and is improving the standard of, administrative decision-making, practices and conduct**”. To achieve this, we aim to provide effective and efficient systems for handling complaints received about the administrative actions and conduct of government agencies, thereby identifying the underlying causes of complaints and making recommendations for changes to procedures, practices, policies or legislation which will prevent similar problems recurring.

Key Performance Indicators

The performance indicators for the office focus on two key aspects:

- **Effectiveness**
 - in terms of the extent to which we have been able to provide assistance to complainants and to have agencies improve their practices and procedures
- **Efficiency**
 - in terms of how quickly we are able to deal with complaints.

The Key Performance Indicators for the past year are set out in the following pages, followed by the Auditor General's opinion regarding them. Following the Auditor General's opinion is information about the performance targets which were contained in the 2001/2002 Budget Statements. That information is not subject to audit by the Auditor General.

Key Performance Indicators

The desired outcome from the activities of the Office is that the public sector of Western Australia is accountable for, and is improving the standard of, administrative decision-making, practices and conduct.

To achieve this outcome the Office aims to provide effective and efficient systems for handling complaints received about the administrative actions and conduct of government agencies, thereby identifying underlying causes of complaints and making recommendations for changes to procedures, practices, policies or legislation which will prevent similar problems recurring.

The work of the Office is performed via the following three output groups:

Police Service and railway special constables

Provide an effective and efficient system of investigating, and reviewing the adequacy of internal investigations of, complaints about the Police Service and railway special constables.

Other Public Sector Organisations

Provide an effective and efficient system of investigating complaints about public sector organisations other than the Police Service and railway special constables.

Telecommunications Interception Audit

Perform the duties of Principal Inspector and Inspectors under the *Telecommunications (Interception) Western Australia Act 1996*.

Key Effectiveness Indicators

The key effectiveness indicators of the Office report on the extent to which we have been able to provide assistance to complainants and have agencies improve their practices and procedures.

Police Service and railway special constables

A total of 1,029ⁱ allegations were brought forward from 2000/2001 and a further 1,864 were received during the year. 2,446 allegations were finalised, and of these, assistance to the complainant (by way of apology, action expedited, act of grace payment, monetary charge reduced/withdrawn/refunded/rebate given, reversal or significant variation of original decision, explanation/reason provided by agency, criminal/disciplinary/infringement charge reduced or withdrawn, referral to another appropriate agency, or other action to assist the complainant) was provided in respect of 1,144 allegations.

	1998 ⁱⁱ	1999	2000	2001	2002
Percentage of allegations finalised where complainants received assistance ⁱⁱⁱ	83%	59%	70%	43%	47%
Number of improvements to practices and procedures ^{iv}	24	14	15	97	165
Number of allegations where Police or Railways took further action following a review of the agency internal investigation by my Office	86	96	110	141	78
Other Public Sector Organisations					
A total of 574 ¹ allegations were brought forward from 2000/2001 and a further 2,059 were received during the year. 2,057 allegations were finalised and assistance to the complainant (by way of apology, action expedited, act of grace payment, monetary charge reduced/withdrawn/refunded/rebate given, reversal or significant variation of original decision, explanation/reason provided by agency, criminal / disciplinary / infringement charge reduced or withdrawn, referral to another appropriate agency, or other action to assist the complainant) was provided in respect of 841 allegations.					
	1998	1999	2000	2001	2002
Percentage of allegations finalised where complainants received assistance	74%	75%	79%	62%	41%
Number of improvements to practices and procedures ⁴	42	46	90	122	118
Key Efficiency Indicators					
Key efficiency indicators cover the timeliness with which we deal with complaints and the cost of the various outputs and activities.					
Police Service and railway special constables	1998²	1999	2000	2001	2002
Average time taken to finalise allegations (days)	123	121	130	148	162
Allegations finalised per full-time equivalent staff member ^v	141	165	153	143	187
Percentage of allegations finalised in less than three months	58%	51%	54%	50%	44%
Percentage of allegations on hand at 30 June less than three months old	67%	39%	44%	41%	42%
Cost per finalised allegation	n/a	\$513	\$606	\$672	\$521

Other Public Sector Organisations	1998	1999	2000	2001	2002
Average time taken to finalise allegations (days)	69	94	73	72	86
Allegations finalised per full-time equivalent staff member ⁵	91	112	128	118	129
Percentage of allegations finalised in less than three months	83%	65%	77%	77%	69%
Percentage of allegations on hand at 30 June less than three months old	72%	57%	43%	57%	35%
Cost per finalised allegation	n/a	\$628	\$676	\$787	\$715
Telecommunications Interception Audit	1998	1999	2000	2001	2002
Total cost of activity	n/a	\$70,038	\$49,344	\$44,499	\$40,095

I hereby certify that the 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 2002.



Accountable Officer
30 August 2002

- i This number differs from the number that could have been calculated from the numbers contained in the 2001 Annual Report, and reflects the deletion and creation of certain allegations in the database after 30 June 2001 that had been received prior to that date. For Police/Railways that number was 820 allegations and for Other Public Sector Organisations that number was 551.
- ii The figures for 1998 only related to police and did not include complaints about railway special constables.
- iii The figures for 1998, 1999 and 2000 relate only to those allegations that were not finalised by way of a review of an internal investigation by Police or Railways and, therefore, related only to a minority of allegations finalised. The figures for 2001 and 2002 relate to all allegations finalised by any means and, therefore, better reflects the work of the Office. For that reason the 2001 and 2002 figures are not directly comparable with the figures for the previous years.
- iv The figures for 1998, 1999 and 2000 reflect only changes that were recommended by the Office. The figures for 2001 and 2002 include changes recommended and changes made voluntarily by the agency without a recommendation having to be made.
- v The full-time equivalent (FTE) staff figure used for the purpose of this calculation includes investigating officers, an Assistant Ombudsman and a proportion of corporate services staff, the Ombudsman and Deputy Ombudsman.



AUDITOR GENERAL

To the Parliament of Western Australia

PARLIAMENTARY COMMISSIONER FOR ADMINISTRATIVE INVESTIGATIONS PERFORMANCE INDICATORS FOR THE YEAR ENDED JUNE 30, 2002

Matters Relating to the Electronic Presentation of the Audited Performance Indicators

This audit opinion relates to the performance indicators of the Parliamentary Commissioner for Administrative Investigations for the year ended June 30, 2002 included on the Parliamentary Commissioner for Administrative Investigations' web site. The Parliamentary Commissioner is responsible for the integrity of the Parliamentary Commissioner's web site. I have not been engaged to report on the integrity of the Parliamentary Commissioner's web site. The audit opinion refers only to the performance indicators named below. It does not provide an opinion on any other information which may have been hyperlinked to or from these performance indicators. If users of this opinion are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited performance indicators to confirm the information included in the audited performance indicators presented on this web site.

Scope

I have audited the key effectiveness and efficiency performance indicators of the Parliamentary Commissioner for Administrative Investigations for the year ended June 30, 2002 under the provisions of the Financial Administration and Audit Act 1985.

The Parliamentary Commissioner is responsible for developing and maintaining proper records and systems for preparing and presenting performance indicators. I have conducted an audit of the key performance indicators in order to express an opinion on them to the Parliament as required by the Act. No opinion is expressed on the output measures of quantity, quality, timeliness and cost.

My audit was performed in accordance with section 79 of the Act to form an opinion based on a reasonable level of assurance. The audit procedures included examining, on a test basis, evidence supporting the amounts and other disclosures in the performance indicators, and assessing the relevance and appropriateness of the performance indicators in assisting users to assess the Parliamentary Commissioner's performance. These procedures have been undertaken to form an opinion as to whether, in all material respects, the performance indicators are relevant and appropriate having regard to their purpose and fairly represent the indicated performance.

The audit opinion expressed below has been formed on the above basis.

Audit Opinion

In my opinion, the key effectiveness and efficiency performance indicators of the Parliamentary Commissioner for Administrative Investigations are relevant and appropriate for assisting users to assess the Parliamentary Commissioner's performance and fairly represent the indicated performance for the year ended June 30, 2002.

A handwritten signature in black ink, appearing to read 'D D R Pearson'.

D D R PEARSON
AUDITOR GENERAL
October 31, 2002

Other Performance Measures

The following are the performance targets contained in the 2001/2002 Budget Statements and the actual performances achieved.

	<i>Target</i>	<i>Actual</i>
<i>Police Service and railway special constables</i>		
Quantity		
Allegations finalised	2,200	2,446
Timeliness		
Average time taken to finalise an allegation (days)	150	162
Cost		
Cost per finalised allegation	\$578	\$521
<i>Other Public Sector Organisations</i>		
Quantity		
Allegations finalised	1,700	2,057
Timeliness		
Average time taken to finalise an allegation (days)	80	86
Cost		
Cost per finalised allegation	\$822	\$715
<i>Telecommunications Interception Audit</i>		
Quantity		
Audit reports completed in accordance with legislation	2	2
Timeliness		
Statutory time limits complied with	100%	100%

Police Service and Railways Commission special constables

The Police Team assists in the achievement of the Ombudsman’s mission by ensuring that complaints about the Western Australia Police Service and Western Australian Government Railways Commission special constables are efficiently and effectively investigated.

A total of 1,296 complaints containing 1,864 allegations about police or railway special constables were received during the year. This represents a 3% decline in complaints received and a 10% decline in allegations received compared to last year.

Complaints received about the Police Service declined by 2% (from 1,297 to 1,267). They contained 1,811 allegations, which amounted to a 9% decline from last year’s figure of 1,986. Complaints received about railway special constables declined by 33% (from 43 to 29) and allegations received by 40% (from 88 to 53).

Figure 3.1 shows the eight-year trend for allegations finalised, together with allegations received. The overall trend in the number of allegations finalised is of continued growth. This year the police team finalised 2,446 allegations – 16% more than last year. The number of allegations finalised against police rose by 17% (from 1,999 to 2,345). The number of allegations finalised against railway special constables declined by 11% (from 114 to 101).

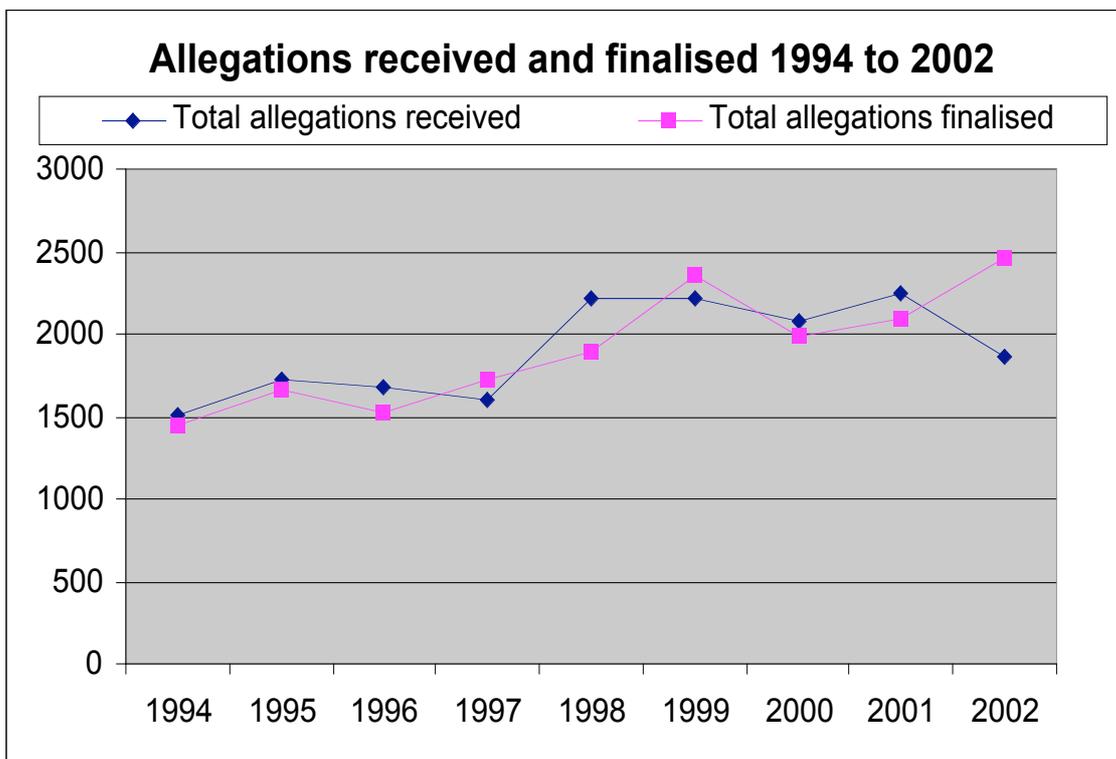


Figure 3.1

Allegations about the Police Service fall into the following categories:

- **Improper conduct** (e.g., sexual harassment, misuse of office or regulatory breaches)
- **Attitude and demeanour** (e.g., swearing, abusive remarks or disrespect)
- **Assault** (e.g., common assault, serious assault, excessive force or improper use of handcuffs, batons or pepper spray)
- **Investigations and prosecutions** (e.g., forced confessions, fabrication of evidence or failure to prosecute)
- **Arrest and detention issues** (e.g., personal searches, improper detention or self-harm in custody)
- **Information** (e.g., disclosure of confidential information or inaccurate records)
- **Search/custody/property handling** (e.g., unlawful detention or loss of property)
- **Traffic matters** (e.g., issue of infringements, manner of driving by police officers or traffic policy issues)
- **Management issues** (e.g., administration of warrants, condition of cells or recruitment procedures)
- **Significant criminal conduct** (e.g., theft, fraud or sexual assault)
- **Internal investigation of complaints** (e.g., failure to record complaints or inadequate investigation).

Figure 3.2 shows the percentages of allegations about police finalised on a category basis for this and the previous year.

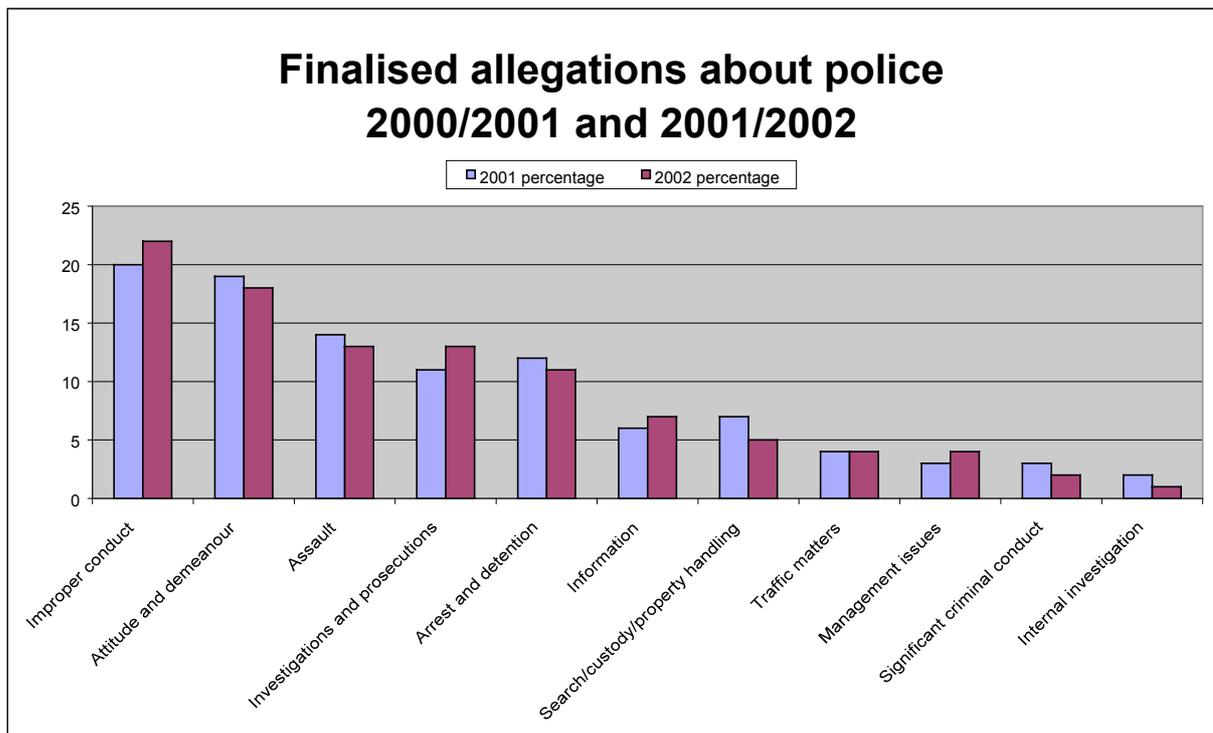


Figure 3.2

Because of their relatively small numbers, allegations about railway special constables are grouped into three broad categories:

- **Conduct** (including assault, excessive force or demeanour)
 - constituting 76% of allegations finalised, as against 77% in 2000/2001
- **Decision or action** (including improper detention or wrong prosecution)
 - constituting 19% of allegations finalised, as against 18% in 2000/2001
- **Policies and procedure** (including policies relating to the issue of infringements)
 - constituting 5% of allegations finalised, as against 6% in 2000/2001.

The review program

This constitutes the bulk of the Police Team's work. The aim of the review program is to enhance the accountability of the Police Service and the Railways Commission by reviewing internal investigations to ascertain whether:

- all reasonable and relevant issues highlighted by complainants, including specific allegations and related matters, have been considered
- all relevant and reasonably available evidence has been gathered
- the evidence gathered has been logically analysed and reasonable conclusions reached
- conclusions and outcomes have been reasonably communicated to complainants
- efficient and effective investigating practices have been followed and documented in ways that allow external review.

This process includes:

- conducting our own inquiries into issues that have not been properly addressed during the internal investigation
- consulting with internal investigators at an early stage of their investigations to provide them with advice and support
- actively seeking out the opinions of complainants by interviewing them and by recording and considering their responses to a standard questionnaire
- consulting and negotiating with Police Service and Railways Commission management about internal investigation outcomes.

Inadequate internal investigations are returned for further work and then reviewed a second time.

Reviews of internal investigations into 2,299 allegations were conducted during the year. This constitutes an increase of 11% from 2000/2001 (2,072). The breakdown between Police Service and the Railways Commission reviews and their adequacy is shown in Table 3.1.

TABLE 3.1

	Adequate	Inadequate	Total
All first reviews	2,033 (94%)	119 (6%)	2,152
All second reviews	124 (84%)	23 (16%)	147
Total reviews	2,157 (94%)	142 (6%)	2,299
First reviews Police Service	1,961 (95%)	111 (5%)	2,072
Second reviews Police Service	115 (85%)	21 (15%)	136
Total Police Service reviews	2,076 (94%)	132 (6%)	2,208
First reviews Railways Commission	72 (90%)	8 (10%)	80
Second reviews Railways Commission	9 (82%)	2 (18%)	11
Total Railways Commission reviews	81 (89%)	10 (11%)	91

Comparing the data in Table 3.3 with data from 2000/2001, the following changes are noteworthy:

- the overall level of adequacy of Police Service and Railways Commission internal investigations improved from 91% to 94%
- the level of adequacy for Police Service internal investigations improved from 91% to 94%
- the level of adequacy of Railways Commission internal investigations improved from 83% to 89%.

Reviews of Police Service Local Complaint Resolutions (LCRs)

LCRs involve allegations about minor misconduct. They are dealt with at the police district level using an informal process that focuses on speedy resolution. They accounted for 37% (811) of the police internal investigations reviewed (40% in 2000/2001). Of those reviews, 98% (795) found the internal investigation to be adequate, compared to 95% in 2000/2001.

All complainants are sent a questionnaire to ascertain their views about the adequacy and timeliness of the internal investigation into their complaint. Complainants are asked to respond to the following questions:

- Question 1** Are you satisfied with the process followed by police to investigate your complaint?
- Question 2** Do you think that all of the issues that you raised were dealt with during the police investigation?
- Question 3** Are you satisfied that all relevant information and evidence was taken into account during the police investigation?
- Question 4** Are you satisfied that the conclusions reached and the actions taken by police (if any) as a result of your complaint were appropriate?

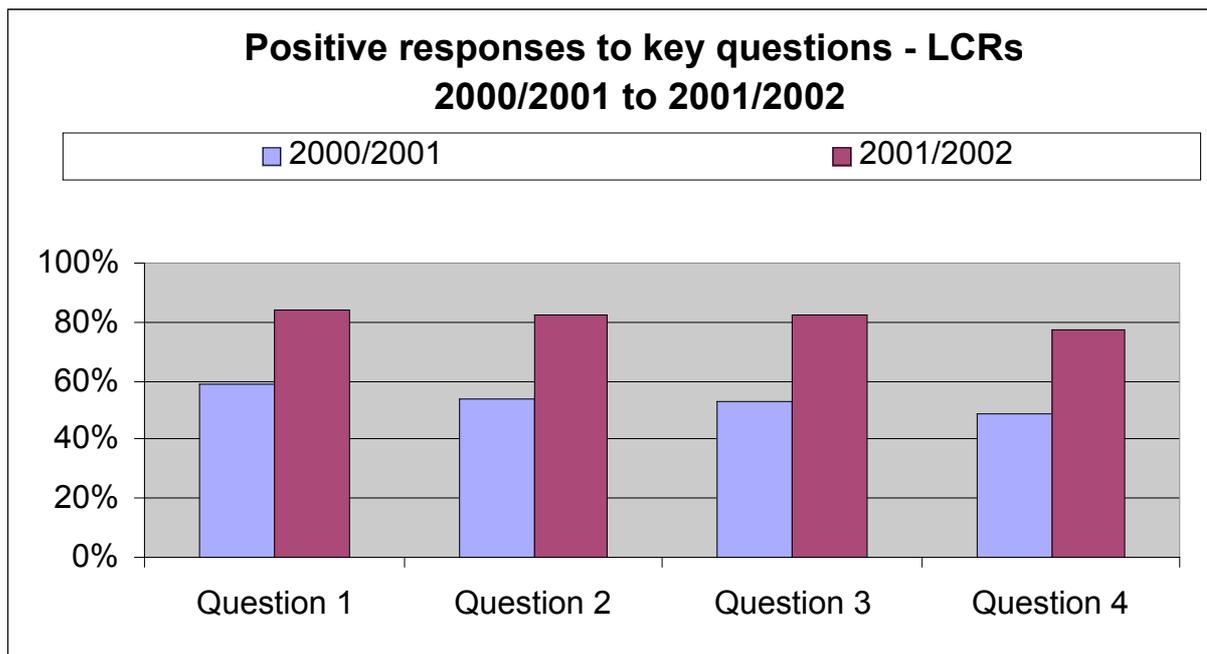


Figure 3.3

A total of 382 complainants (56% of complainants surveyed) responded. Their responses, as compared to 2000/2001, show significant improvements in the way complainants view the system. This is demonstrated in Figure 3.3, which records the percentage of respondents who responded positively to these questions.

The time taken to complete LCRs is important, given the emphasis in the process on speedy resolution. On average it took police 70 days per allegation to finalise LCRs. This represents an increase of 12 days from the 2000/2001 average of 58 days and is more than twice the 30 days target agreed between the Ombudsman and Police Service.

Complainants' opinions about the time taken by the Police Service were also canvassed in the questionnaire. Of those who responded, 89% said that they were satisfied with the time taken.

Reviews of Police Service major matters

Major matters involve more serious allegations. As with LCRs, they are also mostly dealt with by police at the district level, but the process is focussed on gathering and analysing evidence to establish the facts. Major matters accounted for 63% (1,397) of the internal investigations reviewed. Of those reviews 92% (1,281) found the internal investigation to be adequate, compared to 89% in 2000/2001.

As for LCRs, all complainants are sent a questionnaire to ascertain their views about the adequacy and timeliness of the internal investigation into their complaint in relation to the following key areas:

Question 1 Are you satisfied with the process followed by police to investigate your complaint?

Question 2 Do you think that all of the issues that you raised were dealt with during the police investigation?

Question 3 Are you satisfied that all relevant information and evidence was taken into account during the police investigation?

Question 4 Are you satisfied that the conclusions reached and the actions taken by police (if any) as a result of your complaint were appropriate?

A total of 173 complainants (28% of complainants surveyed) responded. Their responses, as compared to 2000/2001, show a consistent decline in the way complainants view the system. Figure 3.4 shows the percentage of respondents who responded positively to four key questions:

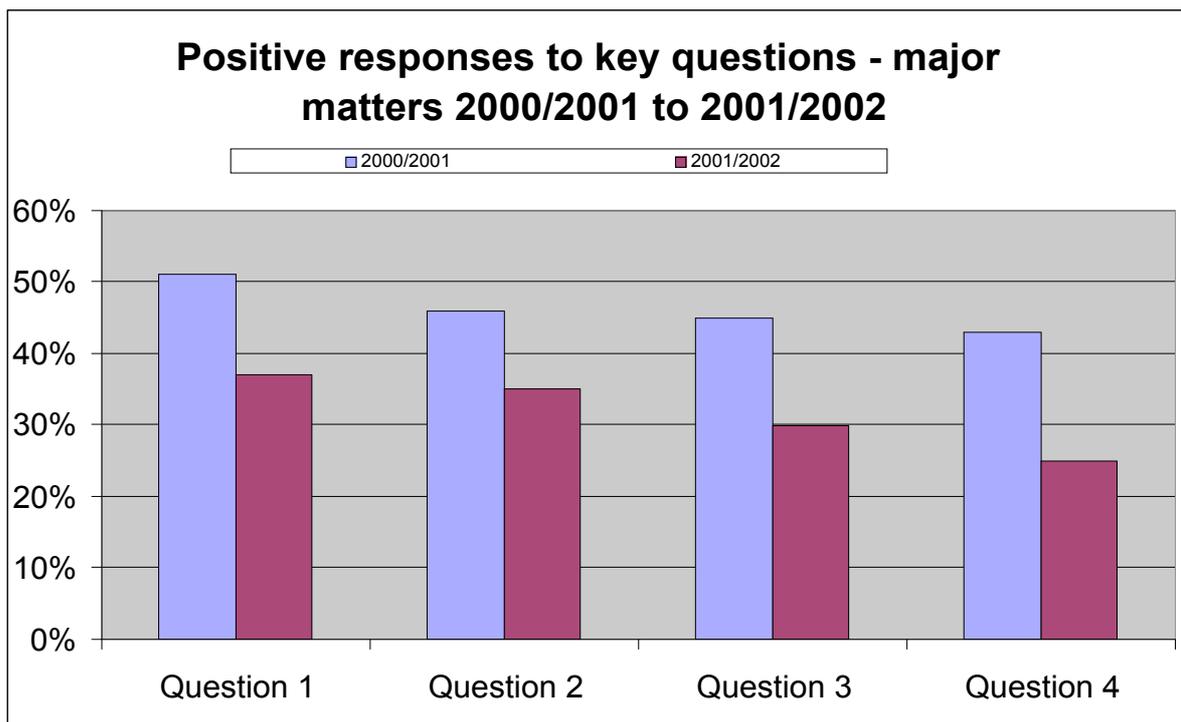


Figure 3.4

On average it took police 183 days to finalise internal investigations into major matters. This is consistent with the time taken in 2000/2001 (184 days). The target agreed between the Ombudsman and Police Service for major matters is 120 days. Complainants' opinions about the time taken by the Police Service were also canvassed in the questionnaire. Of those who responded, 51% said that they were happy with the time taken. We are addressing the issue of timeliness of major matters and LRCs by investigating how internal investigations are case managed (see *Investigations under way as at 30 June 2002* on page 31).

Overall observations about Police Service internal investigations

The fact that we were able to increase the number of reviews conducted during the year by 11% during a period of constrained resources reflects positively on our efficiency. The fact that the overall level of adequacy of police internal investigations improved from 91% to 94% reflects positively on the approach taken to internal investigations by the Police Service.

The positive trend in the views of complainants from 2000/2001 to 2001/2002 about the Local Complaint Resolution process indicates that it appears to be achieving its aims.

Although police officers have not been surveyed, their informal feedback also indicates that they support this process.

For major matters the trend in the views of complainants from 2000/2001 to 2001/2002 was essentially the opposite of the trend for LCRs. The decline in positive views about internal investigations into major matters clearly contrasts with the improvement in positive views about LCRs. There is no clearly distinguishable explanation for this divergence, in our view, but the following factors are likely to be significant:

- LCRs involve simpler issues
- LCRs are generally concluded at a meeting between complainant and internal investigator (often followed by a confirming letter) whereas major matters are concluded in writing
- major matters take on average six months to complete, but complainants are not routinely informed of progress
- final letters to complainants in major matters are, in our view, often too brief to adequately explain the amount of work that has gone into the investigation
- the Police Service does not always fully explain to complainants what action has been taken in the light of deficiencies, errors or misconduct identified during internal investigations.

The time taken to complete internal investigations remains a problem. Figure 3.5 plots the overall age of open allegations, time taken by the Police Service and the time taken by the Ombudsman for all open allegations on a fortnightly basis for the year.

Age of open allegations for the Police Service, the Ombudsman and overall, fortnightly for 2001/2002

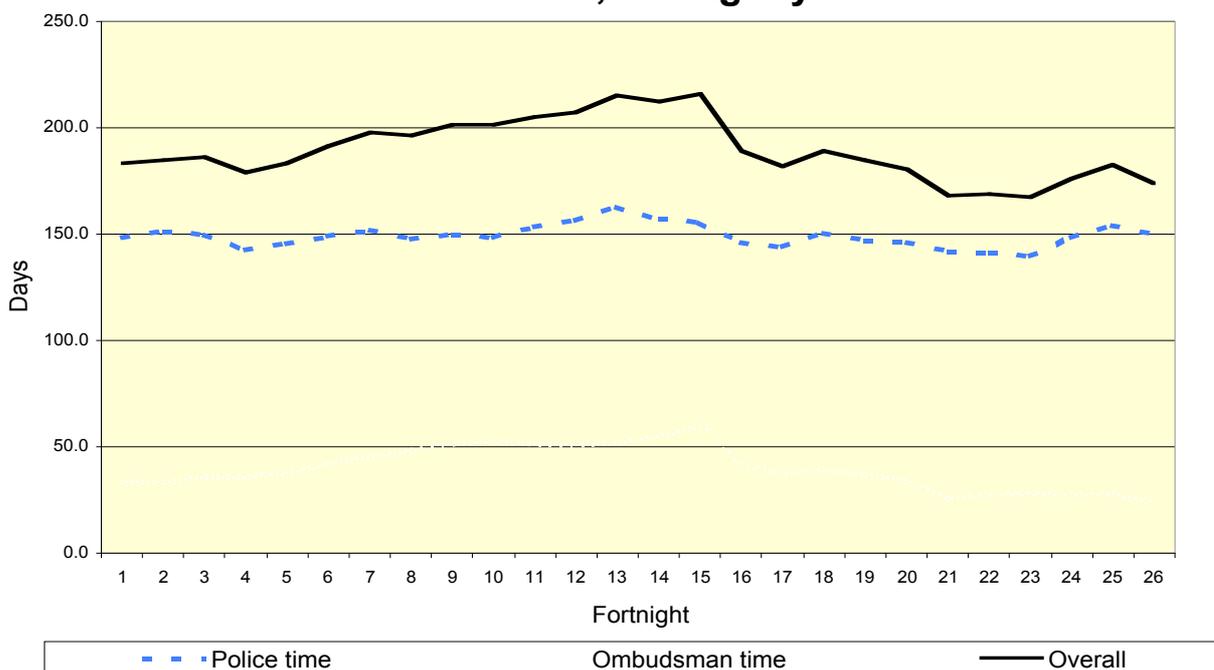


Figure 3.5

The overall trend is positive. However, the time taken by the Police Service has remained relatively static for the year. We attempted to tackle this problem by establishing a timeliness committee, which involved our staff and police officers from the Professional Standards Portfolio. As that committee had only limited impact on the problem, decided to conduct a formal investigation into the way internal investigations are case-managed (see page 31 for further information).

Reviews of complaints about Railways Commission special constables

All Railways Commission internal investigations involve a similar investigative technique to Police Service internal investigations into major matters. They accounted for 4% (91) of the internal investigations we reviewed. Of those reviews, 89% (81) found the internal investigation to be adequate, compared to 83% in 2000/2001.

All complainants are sent a questionnaire to ascertain their views about the adequacy and timeliness of the internal investigation into their complaint. They were asked to respond to the following key questions:

- Question 1** Are you satisfied with the process followed by the Railways Commission to investigate your complaint?
- Question 2** Do you think that all of the issues that you raised were dealt with during the Railways Commission investigation?
- Question 3** Are you satisfied that all relevant information and evidence was taken into account during the Railways Commission investigation?
- Question 4** Are you satisfied that the conclusions reached and the actions taken by the Railways Commission (if any) as a result of your complaint were appropriate?

Only 19 complainants (56% of complainants surveyed) responded to the questionnaire. This makes it difficult to draw reliable conclusions about their opinions. However, their responses, as compared to 2000/2001 appear to show significant improvements in the way complainants view the system. Figure 3.6 records the percentage of respondents who responded positively to these questions:

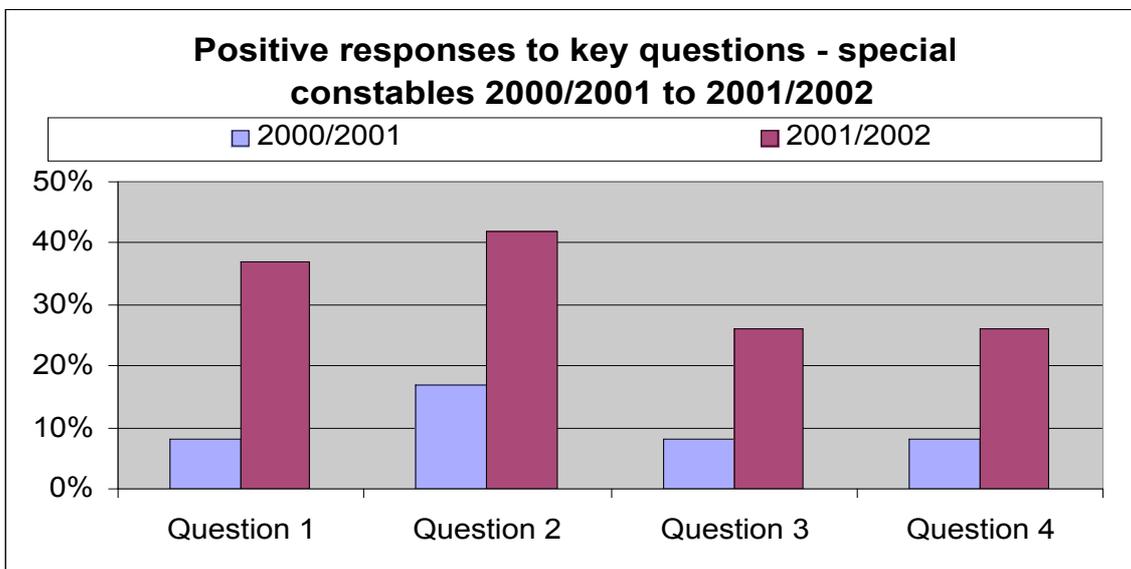


Figure 3.6

On average it took the Railways Commission 154 days per allegation to finalise their internal investigations. This represents a 69 day improvement compared to the average of 223 days in 2000/2001. Complainants' opinions about the time taken by the Railways Commission were also canvassed in the questionnaire. Of those who responded 42% said that they were satisfied with the time taken, an increase from 25% in 2000/2001.

Overall observations about Railways Commission internal investigations

The security function of the Railways Commission underwent important changes during 2001/2002. This included:

- establishing an expanded Transit Guard Squad
- employing transit guards instead of engaging them on a contract basis through a private service provider
- expanding the training program provided to transit guards
- developing an operations manual
- focussing transit guard activities on customer service
- developing a working relationship with the newly established Police Railway Transit Squad.

These changes coincided with a significant reduction in the time taken to conduct internal investigations and positive changes in the views of those complainants who responded to our questionnaire. In our view, these changes provide positive momentum for continued improvement in an environment characterised by expansion of both transport services and security.

The investigation program

The investigation program is intended to add value to the review process by focussing on significant issues. Investigations examine issues identified from the review program, complaints or other intelligence. This program has a wider focus than the review program. Investigations may be undertaken on an "own motion" basis. A broad view of what constitutes an investigation is also taken, given that the *Parliamentary Commissioner Act 1971* enables the Ombudsman to conduct investigations in such manner as she thinks fit.

Reports tabled in Parliament

Section 27 of the *Parliamentary Commissioner Act 1971* empowers the Ombudsman to lay before each House of Parliament a report on any matter arising in connection with the exercise of her functions. Two investigations completed during the year resulted in the following reports being tabled in the Parliament.

The Falsification of Random Breath Testing Statistics in the Western Australia Police Service

This report dealt with the systematic falsification of random breath testing statistics at a suburban police station and suburban traffic office. Work practices at these two workplaces highlighted that, until prior to the investigation, the system of compiling random breath testing statistics was open to abuse. Officers motivated to falsify records had ample opportunity to do so and were not likely to get caught.

Thirteen of the 19 staff at the suburban police station falsified random breath testing statistics. During the period reviewed, 93.5% of recorded random breath testing statistics were falsified. Two police officers at a suburban traffic office falsified between 400 and 450 random breath tests.

An audit of all police districts revealed that at least 35% of random breath tests they reported were false. However, random breath testing statistics compiled by Booze Buses, which accounted for 38% and 41% of reported random breath tests for the 2000/2001 and 1999/2000 respective financial years, were reliable.

The Police Service dealt with the problem in a transparent and accountable way by:

- issuing all staff with a new random breath testing policy and procedure, clarifying how random breath tests are to be conducted and reported
- developing a standard form for roadside use
- auditing random breath testing statistics
- undertaking a follow up review in April 2002 to determine whether these changes had positively affected the reliability of random breath testing statistics (which did occur and endorsed the impact of the changes made).

We recommended that the follow-up review in April 2002 be repeated periodically as a means of providing service-wide support to district level audits. Obtaining advice from the Auditor General when conducting these reviews would be a useful means of ensuring public confidence in them.

The Management, Supervision and Control of Operation Safe Trains

Operation Safe Trains (OST) was a police operation that ran for approximately three months, from 11 August 2000 to mid November 2000. Its brief was:

- to reduce anti-social and criminal behaviour on trains
- for police officers to mentor special constables about how to deal with criminal and anti-social behaviour.

We formed the view that there was no definitive way of measuring whether OST met its anti-social and crime-reducing objective. This is because OST operated in what might be described as an audit vacuum in that:

- it operated on a system of trust instead of accountability
- its records were insufficient to determine what its officers did or where they were on a day-to-day basis
- in the main, statistics compiled during the operation amounted to little more than informed guesswork
- its records were not subjected to the usual Business Area Management Review (BAMR) audit process at any time.

We also formed the view that OST did not meet its mentoring objective. Notwithstanding that mentoring special constables was both a primary objective of OST and the factor that differentiated it from the single agency Metropolitan Taskforce that preceded it, it appeared that no substantive effort was ever made to achieve this objective.

OST attracted a number of complaints that suggested it adopted overly aggressive policing tactics. Videotape evidence in relation to one of the complaints captured what appeared to be acts of serious misconduct in the presence of the OST supervisor, without his intervention.

Six complaints gave rise to our investigation. In relation to them:

- seven charges preferred by OST were withdrawn
- six charges were dismissed
- over \$20,000 costs were awarded against police
- one man was subjected to force, handcuffed and then released without charge – OST records incorrectly indicated that he was charged.

The lack of accountable records maintained by OST meant that it was not possible to determine whether the approach highlighted by these complaints typified OST's tactics or whether these particular matters were aberrations.

We made the following four recommendations to deal with the problems highlighted by OST.

- 1 The Commissioner of Police review the BAMR system, focussing on:
 - standardisation of record keeping
 - auditability of records
 - identification of accountability risks and failures
 - the review should proceed with advice and input from the Ombudsman and the Auditor General.
- 2 The Commissioner of Police review the management and reporting structures that exist within the Metropolitan Region with a view to determining whether the management failings of OST were more a function of those structures or the individuals involved, or both. At the conclusion of the review, that the Commissioner of Police take whatever action is necessary to rectify the problem.
- 3 The Commissioner of Police review the compilation and reporting of statistics in the Police Service. This review should focus on:
 - the way in which statistics are currently compiled
 - the extent to which statistics are used to guide operational and strategic decision-making
 - the reliability of statistics currently used.

This review could be usefully incorporated into the review of the BAMR system.

- 4 The Commissioner of Police and the Commissioner of Railways undertake a joint evaluation of the management and communication structures for the Rail Transit Authority in the light of the OST experience. In particular, that evaluation should address the accountability mechanisms and statistical recording practices in place for the Authority. The outcome of that evaluation should be reported to the Minister for Police and the Minister for Transport.

Complete copies of these two reports are available on our website.

Reports not tabled in Parliament

Not all investigations conducted by the Ombudsman lead to reports being tabled in the Parliament pursuant to section 27 of the Act. During the year we conducted a number of investigations into significant issues, which resulted in a number of recommendations. Following is a sample of some of the matters dealt with in this way.

Execution of Interstate Warrants

This investigation highlighted important deficiencies in the way the Police Service deals with interstate warrants. These deficiencies led to a woman being detained unnecessarily, if perhaps not unlawfully, for several hours for an unpaid interstate fine totalling \$40. We made the following recommendations.

- The complainant be offered an apology for the manner in which police dealt with the interstate warrant.
- The Police Service provide the complainant with an ex-gratia payment in the amount of \$40, being the sum originally outstanding on the warrant, on the basis that if she had been brought before a court as required by the relevant legislation, the court would have taken into account the time spent in custody in determining whether her liability to pay the fine had been fully discharged.
- The Police Service revise its guidelines regarding warrants to include:
 - clear distinction between warrants that can be acted on without a physical copy of the warrant, and those that cannot.
 - allocation of responsibility for who must obtain a warrant when an original or fax must be obtained – particularly in circumstances where a person is arrested for other offences
 - that a timeframe be fixed in which a discretion must be exercised (such as that indicated in the relevant legislation) or the person be released
 - that a timeframe be fixed in which a warrant must be located when a person is apprehended solely on the basis of that warrant (and it is not a warrant that can be executed in the absence of the original warrant or fax), or the person be released. It would seem that 30 minutes should be sufficient.

Legal and Procedural Framework for Special Constables

This investigation identified that the legal and procedural framework which special constables use to deal with public disorder offences is inadequate and places special constables in an untenable position. The Railways Commission agreed to our recommendation that consideration be given to a complete “re-think” of the way in which special constables deal with public disorder offences. That consideration should include the legal and procedural framework, training of special constables and how the powers of arrest and issuing of infringements can be used to best effect.

Arrest by Special Constables

This investigation identified that Railways Commission special constables arrested a woman at the Perth Railway Station for reasons that to this day are unclear. The arresting officer himself did not know why he arrested her. She was released shortly after her arrest and advised that she would be charged by way of summons for two counts of assaulting a public officer, disorderly conduct and refusing to provide her name and address. However, some eight months after the incident she received an infringement notice for offensive behaviour contrary to section 43(5) of the *Government Railways Act 1904* (the Act). That infringement was contrary to section 53A of the Act and completely at odds with the thinking and decision-making of the special constable who dealt with her at the time of the incident.

Our investigation identified shortcomings in the manner in which special constables deal with public disorder offences. In particular it identified that there was a need to address the training of special constables as to how their powers of arrest and infringement could be used to best effect.

We made a number of recommendations that addressed the actions of the special constables involved, as well as systemic concerns. With some qualifications, the Acting Commissioner for Railways agreed to these recommendations. In summary they were to:

- 1 Withdraw the infringement notices and refund fine monies paid.
- 2 Offer the complainant an apology and an ex-gratia payment.
- 3 Formally counsel the special constable involved.
- 4 Consider appropriate disciplinary and managerial action to address concerns arising from the actions of the special constable.
- 5 Review current supervision, oversight and support regimes.
- 6 Review the manner by which special constables deal with public disorder offences.
- 7 Consider the introduction of a customer service approach to problem-solving in appropriate circumstances.

Misuse of Name

This investigation identified that the system of suspending driving licences through the Fines Enforcement Registry (FER) is not well-equipped to deal with situations in which an arrested person provides police with a false name. Convictions were recorded against an innocent woman (whose sister had falsely used her name when she was arrested). The convictions were referred to the FER when unpaid and led to the suspension of the innocent woman's driving licence.

Our inquiries revealed that:

- the Fingerprint Identification System (FIS) in place at the time of arrest failed to match the fingerprints against any others on the database (that system has since been replaced)
- there is currently no recognised procedure under existing law for dealing with the circumstances faced by the innocent sister
- new legislation has been drafted that relates specifically to the correction of errors caused by the use of false names.

We recommended the following interim solution:

- 1 When a person receives a notice of intention to suspend licences, and that person believes that this has occurred as a result of another person providing a false name to a prosecuting authority, the FER will refer the person to police. Police can create an offence report and an investigation proceed in the normal manner.
- 2 Police could provide the "innocent" party with written confirmation that the matter is being investigated. That confirmation could be submitted to the FER by police and the FER could use it as a basis for exercising discretion to not make a licence suspension order until receiving police advice of the outcome of the investigation.
- 3 Where police inquiries confirm that the person is in fact innocent, police will assist the person by making an application under section 37 of the *Sentencing Act*.
- 4 Once the matter has been heard and the record corrected, the court should report the correction to the FER, so that their register can be amended accordingly.

The proposed interim solution was developed in order to provide a consistent approach. It was adopted by the Police Service, the FER and supported by the Chief Magistrate.

Investigations underway as at 30 June 2002

As at 30 June 2002 the following significant issues were under investigation.

Case management of internal investigations

The time taken by police to finalise internal investigations has been an issue for some years. A number of matters dealt with during this and the previous year highlighted that there is some confusion among internal investigators about how to deal with allegations that involve alleged or suspected criminality on the part of police officers. In consequence of these issues we decided to investigate how police internal investigations are case-managed. The aim of this investigation is to make positive recommendations to assist police reduce the time taken to conduct internal investigations and ensure that alleged and/or suspected criminality is properly dealt with.

Redress

A number of issues dealt with in previous years highlight that the law enforcement community has difficulty in providing redress to people aggrieved by law enforcement decisions in ways that are fair and equitable. This investigation aims to assist by developing a framework to assist law enforcement managers make decisions about resolving complainants' distress.

Police and domestic violence

A complaint dealt with during the year indicated that the way police deal with domestic violence allegations may vary significantly between regions and districts. We are investigating the matter with a view to making recommendations to establish common minimum response standards and to try to improve the interaction between police, victims and victim support organisations.

Off duty incidents

Complaints received over a number of years have highlighted ongoing uncertainties on the part of police officers who are confronted with unlawful behaviour when off duty. This investigation aims to make recommendations to establish minimum standards and reduce uncertainty in this area.

Significant events

On 28 March 2002 the Royal Commission Into Whether There Has Been Any Corrupt Or Criminal Conduct By Western Australian Police Officers commenced its public hearings. We have responded to a number of notices to produce documents, but have not been required to actively participate in the Commission's hearings.

However, we have maintained a dialogue with the Commission and look forward to its proposed "round table" discussions about how the system of dealing with police misconduct in Western Australia might be improved. In that regard, we have prepared a background paper about the Ombudsman's experience of the system since 1985 - the year in which the Ombudsman's jurisdiction was expanded to include complaints about the conduct of police officers.

Also during the year memoranda of understanding with the Police Service, the Railways Commission and the Police Union were developed. The memoranda are intended to strengthen the existing positive working relationships we have with these organisations.

Other public sector organisations

The General Public Sector Team commenced the year with 574 allegations brought forward from 2000/2001. During the year 2,059 allegations were received concerning public sector agencies other than the Police Service and WA Government Railways Commission special constables, compared to 1,974 allegations received in the previous year. That represents an increase of approximately 4.5%.

The Team finalised 2,057 allegations during the year, which was approximately 19% more than the 1,732 allegations finalised in the previous year. The number finalised exceeded the Team's target for the year, which was 1,700, and the average time taken to finalise an allegation was 86 days, which was slightly longer than the year's target of 80 days, and was a significant increase compared to the average time taken in the previous year (72 days).

Some changes to operational practices were implemented during the year. Those included moving away from the previously standard practice of, on receipt of a complaint, routinely forwarding a copy of the written complaint to the agency concerned and requesting a "background report". Instead, if possible, the complaint may be resolved informally by telephone without sending the written complaint to the agency. In other appropriate cases, the officer dealing with the complaint on behalf of the Ombudsman will make some preliminary enquiries before forwarding the complaint and, where those enquiries have provided sufficient information to enable a preliminary view to be formed, that view will be expressed at the time that the complaint is forwarded to the agency.

In all cases, where the matter is to be investigated, complaints are analysed before being sent to the agency and the issues of complaint identified so that, where an agency has been asked to provide a report, it is a report that addresses the issues of complaint. Where the issues are not clear from the letter of complaint, our practice is to clarify and agree them with the complainant before the complaint is sent to the agency concerned. Agencies are now also requested to provide their reports and any other information and documentation requested within a particular timeframe.

As a matter of course, when sufficient information has been gathered by investigation, the parties are informed of our preliminary view about the complaint, including our understanding of the factual background of the matter, the issues in dispute, our view about those issues, the reasons for that view and the material upon which it is based. The parties are at that stage invited to respond, providing any necessary clarification about the factual background and any further information or submissions they wish to make in response to the preliminary view. Following consideration of those responses, either further inquiries are made or the matter is finalised.

The focus of the year, therefore, has been on improving the analysis of complaints when they are first received and providing that information to the agency at the outset, so that the investigation of the complaint is focussed, and on improving the quality of the information given after investigation but before the conclusion of the matter in order that all parties have been afforded procedural fairness, including a proper opportunity to put their respective cases. Although we endeavour to deal with complaints in as timely a manner as possible, the focus this year has been principally on the quality of our work. Strategies to improve timeliness in the investigation of complaints will be a focus for the forthcoming year.

Another important focus will be to continue to encourage agencies to develop and implement effective internal complaint-handling systems in order to reduce the number of matters requiring our involvement and to monitor the use and effectiveness of those internal systems. That is covered in more detail in Chapter 1.

The agencies about which allegations were received and the number received for each of those agencies is shown in Table 1.5 in Chapter 1. As in previous years, the greatest number of allegations (748) came from prisoners concerning prisons and prison services. We received 284 allegations concerning local governments; 132 allegations concerning the Department of Housing and Works; 112 allegations concerning Western Power Corporation; 75 allegations concerning the Public Trustee; 72 allegations concerning the Department of Education, individual schools, universities and TAFE Colleges; 50 allegations concerning the Department for Community Development; 44 allegations concerning the Transport Division of the Department for Planning and Infrastructure; and 37 allegations concerning the Department of Justice other than the Offender Management Division, and with the balance involving various other agencies, shown in Table 1.5. The following information relates to those agencies about which the most complaints were received.

Department of Justice and AIMS Corporation

Offender management

In the past year 748 allegations were made in complaints received from prisoners about the prison system. Of those, 682 related specifically to a prison (177 to Acacia Prison, run by the private contractor, AIMS Corporation, and 505 to prisons run by the Department of Justice); 54 related more generally to a prison service or administration; and 12 related to the prisoner transportation service provided by AIMS Corporation. These include a number of matters initially raised in telephone calls from prisoners. However, we also dealt with a number of telephone enquiries, which were not recorded. This is referred to further below.

The prisons area continues to generate a large volume of complaints and, while no single incident or issue can be identified as the major contributing factor during this year, certainly the opening of the medium security private prison – Acacia – appears to have been a significant factor influencing prisoner contact with our office during the year. With some 700 prisoners being relocated, it was not surprising that such an event should have an unsettling effect on the prisons population as prisoners faced the prospect of transfer to a new prison environment and, once transferred, adjustment to a different way of prison life. This is reflected not only in the number of complaints received from Acacia and the nature of them but also those made from prisoners in the other major prisons, Casuarina and Hakea.

Table 4.1 shows the sources of allegations received in 2001/2002 and the four previous years.

TABLE 4.1		Source of allegations received 1998–2002				
Prison	Allegations					
	1998	1999	2000	2001	2002	
Acacia (AIMS)	-	-	-	1	177	
Acacia (Dept. of Justice)	-	-	-	-	12	
Albany	14	24	12	25	7	
Bandyup	33	41	43	36	25	
Banksia Hill	-	2	1	1	1	
Broome	1	7	4	9	0	
Bunbury	24	63	42	55	20	
Casuarina	97	161	194	233	167	
Eastern Goldfields	4	6	5	9	1	
Greenough	20	20	21	32	18	
Hakea Prison – Remand	20	17	29	55	21	
Hakea Prison	39	69	73	133	166	
Karnet	9	8	11	22	29	
Nyandi	-	2	5	9	8	
Pardelup	2	7	4	8	1	
Rangeview Remand Centre	-	-	-	5	0	
Riverbank	-	8	5	2	1	
Roebourne	7	9	11	20	4	
Wooroloo	13	21	9	11	24	
Not allocated to a prison	20	45	72	30	66	
Total	303	510	541	696	748	

Note: Allegations in 2001/2002 initially received by telephone: Acacia (AIMS) 79; Acacia (Dept of Justice) 3; Albany 2; Bandyup 5; Bunbury 3; Casuarina 44; Greenough 4; Hakea 64; Karnet 6; Nyandi 2; not allocated to a prison 6.)

Telephone contacts

I have made particular mention of telephone contacts from prisoners as these have steadily increased over the past few years. They have become a factor that has had a significant bearing on the way in which we conduct business with the prison system as well as becoming a growing influence on complaint numbers. As a result we have commenced the recording of details of prisoner telephone contacts on the computerised complaints system database. This year, while some matters received by telephone have been recorded on the database, a large volume have not. The recording process and the nature of the information being stored is presently being refined to enable us to provide more information in the future about this aspect of the work of the office.

In the past 12 months, staff dealing with prisons complaints have been encouraged to deal with them informally wherever possible and appropriate in order to reduce the demand on the resources of both this office and the Department and AIMS Corporation that the adoption of more formal processes necessarily entails. That also provides a more accessible and timely complaint-resolution process so that practical and relevant outcomes can be achieved, both for the complainants and for the prison service providers.

As part of that process, staff have been encouraged to deal with telephone enquiries from prisoners and to resolve minor matters by telephone where possible in order to avoid such matters becoming formal complaints.

At the same time, however, it is important to ensure that we are not, as a consequence of this immediacy of access, drawn into such involvement with everyday prison situations that it cuts across the prison management process. Generally, before we consider becoming involved in a prison matter raised in that way, prison superintendents, who are primarily responsible for all that occurs in prisons, are first given the opportunity to address prisoner issues and, where formal internal grievance mechanisms exist, prisoners are encouraged to access them before seeking our involvement. To reinforce this, in the forthcoming year we plan to review our approach to the handling and recording of these informal prisoner contacts and the way in which prisoner complaints generally are addressed.

Nature of allegations

The areas of prison operations giving rise to most complaints remain similar to those in previous years, namely: health services; prisoner placements; conduct of prison officers; prisoners' property; visits; and facilities and conditions. These account for approximately 60% of the matters complained about. The most notable variation in the allegations for this year has been the fall in the number of complaints about prison discipline (issues concerning loss of privileges and charges for prison offences).

Health services

- complaints in the main referred to the Office of Health Review. They generally concern issues about the nature of the treatment or medication being provided and about delays and access to treatment

Prisoner placements

- generally involve objections to decisions made about prison transfers or concerns about placement within a prison

Officer conduct

- involve issues of harassment, failing to assist, manner and behaviour

Prisoner property

- in most cases concern loss or damage issues or restrictions on access to certain property items

Visits

- involve mainly issues about restrictions on contact visits with friends or family or delays and disruption to visits (drugs detection practices and the use of search dogs in prison visits areas accounted for a number of complaints in this year)

Facilities and conditions

- cover a wide range of everyday prison matters and include complaints about food, laundry, clothing, hygiene and amenities such as the prison library.

Table 4.2 shows the nature of allegations received in the past year.

TABLE 4.2		Nature of allegations received
		Allegations
Assault (by AIMS officer)		1
Assault (by prison officer)		12
Assault (by prisoner)		3
Authorised absences / funerals		19
Canteen/spends issues		39
Communication - mail		8
Communication - telephones		21
Discipline (incl. loss of privileges/prison charges)		27
Drug detection (prisoners)		22
Education courses and facilities		22
Facilities and conditions		53
Food and diet		6
Health services		90
Individual Management Plan		3
Placement		90
Prison officer conduct (incl. failure to assist, harassment, threat or rudeness) – AIMS		16
Prison officer conduct (incl. failure to assist, harassment, threat or rudeness) – Department of Justice		61
Prison officer grievances		1
Prisoner employment		15
Prisoners' property		65
Prisoner transport (AIMS)		12
Protection		5
Rehabilitation programs		14
Security classification		22
Sentencing/parole issues		13
Separate confinement		8
Visits		49
Other		51
Total		748

Finalised complaints

A total of 812 allegations were finalised during the year, approximately 35% more than in the previous year. Tables 4.3 and 4.4 show the outcome of allegations dealt with.

TABLE 4.3	Manner in which allegations finalised			
	AIMS – Prisoner Transport	AIMS – Acacia Prison	Dept. of Justice Prisons	Total
Finalised without investigation				
No jurisdiction	-	3	6	9
Discretion exercised not to investigate*	1	11	70	82
Withdrawn or not proceeded with	1	5	48	54
Finalised to satisfaction of complainant	-	26	55	81
Referred back to the agency	1	56	133	190
	3	101	312	416
Finalised by completed investigation				
Sustained wholly or substantially	3	1	81	85
Sustained partly	-	2	39	41
Not sustained	4	29	182	215
Could not be determined	2	5	32	39
Withdrawn or not proceeded with	-	1	15	16
	9	38	349	396
Total allegations finalised	12	139	661	812
* "Discretion exercised not to investigate" does not necessarily indicate that no enquiries about the matter raised were undertaken, nor does it imply that no assistance was provided.				

TABLE 4.4	Assistance provided – allegations finalised by investigation		
	Voluntary	Formally recommended	Total
Benefit for complainant			
Act of grace payment made	1	-	1
Action/decision expedited	39	7	46
Apology	1	2	3
Explanation or reasons provided by agency	19	1	20
Reversal or significant variation of original action	8	1	9
Monetary charge reduced/withdrawn/refunded/rebated	1	-	1
Other	11	4	15
Explanation only			301
Total allegations finalised by investigation			396
Changes to law, practice or procedure			
Change policy/procedure	23	4	27
Improve record-keeping	3	1	4
Other change to system	7	-	7
Training issue	1	-	1
Total			39

Grievance procedure

In June last year the Department introduced a prisoner grievance procedure into the prison system. Our office was instrumental in the development of this initiative and was directly involved in initial discussions with the Department and its consultants in respect of how the procedure might be structured and how it might function. I have mentioned in Chapter 1 my views on internal complaint/grievance handling systems and the importance of them for the user/client and the agency involved. My views are equally relevant in the prison setting and I cannot emphasise strongly enough the need for the prison system to have this procedure accepted and operating as an integral part of daily prison life. A considerable volume of the complaints that come to us from prisoners involve matters that could and should be resolved within the prison and very often at the first level – within the prisoner’s unit.

If we are to refer prisoners who approach us with complaints to an internal prison process as the initial step in having the matter addressed, it is important that it is an effective, timely and reliable process. Therefore, in the forthcoming year, I propose to commence a process of monitoring those complaints to this office that are referred back to the prison’s grievance procedure.

For a grievance procedure in a prison environment to fairly serve prisoners and also to be a successful management tool, it must have integrity with both prisoners and prison staff alike – it must be respected. Fundamentally it is the attitude of prison staff towards the procedure that will establish this integrity. In this regard, it is necessary that staff play their part in endeavouring to resolve grievances as they arise (avoiding the need to resort to the formal process if possible) and, in those instances where an initial resolution cannot be achieved, to progress the grievance in a timely manner according to the set procedural format and time frames.

Our informal observations over the past year suggest that the procedure works with varying degrees of success at different prisons. Given that this is the initial year of operation and the procedure has only been in place at some prisons for a relatively short period, these variances are not surprising. The success of the grievance procedure will be a primary focus for our office in the coming year and I will continue to assist the Department and prison superintendents with their endeavours wherever possible.

Passive Alert Drug Detection (PADD) dogs

Since the introduction of PADD (or sniffer) dogs to the prison system, complaints have been received from both prisoners and their visitors about the dog search practices in prison visits areas. Although the number of complaints received has not been large, the issues raised carried a common theme in that the visitors identified by the dog were found not to be in possession of an illegal substance and/or they were refused a contact visit because the dog had “indicated an interest”. With one exception the complaints involved female visitors. Various explanations were advanced by the complainants for the dog’s allegedly misdirected interest. Complainants generally expressed feelings of distress, indignation, offence and inconvenience.

Inquiries were commenced on the basis that this was a general prison system issue. From the complaints received and the informal inquiries made in respect of each of them, it appeared that there were three significant aspects to consider, those being:

- whether the dogs' responses could be considered sufficiently reliable
- whether appropriate practices and procedures were followed when a search was conducted and once a dog indicated an interest in a visitor; and in the conduct of a search
- how much visitors knew and understood about what was taking place, and what information they were provided with.

Discussions were held with the Department of Justice; a visit was made to the Department's Canine Unit to observe operations, inquiries were made with interstate jurisdictions; and some research was conducted into the use and training of dogs for drug detection internationally. Coincidentally the Department is currently engaged in a project reviewing practices and procedures involved with the movement of all persons into and out of prisons – called the Gatehouse Project. An aspect of this project is the consideration of visitor management and search procedures in prison visits areas.

It was evident from our inquiries that it was reasonable to conclude that: PADD dogs were, from their training, extremely sensitive to traces of illegal substance odour; their responses during search exercises could be considered highly reliable and a basis for intervention in the visits process; the dogs were so sensitive as to sometimes react to such fine traces of substance odour that a person identified might not actually be carrying the substance but may have unknowingly come into contact with substance residue present on another source, for example, another person, a handrail or a bus seat. This could well have explained what occurred in some of those instances that were raised in complaints to us.

We intend presenting a discussion paper to the Department for consideration by the Gatehouse Project Team. This paper will address the procedural and management issues that relate to PADD dog search procedures as they apply to visitors to prisons – in particular: the manner in which the search is conducted; strip-searching of visitors; contact and non-contact visits; and information for visitors about searches and their visits.

Acacia Prison

I made earlier reference to the opening of Acacia Prison and the effect this had on the prisoner population, as medium security prisoners were relocated to this outer-metropolitan site at Wooroloo. During the past 12 months there has been considerable interaction between my office and the prison. This has come about both as the result of the need to establish a working relationship with the prison administration and in response to approaches from prisoners. The significant volume of contacts from prisoners in the main reflects the adjustments taking place at the prison as new staff and relocated prisoners come to terms with a new living and working environment and daily prison routines and management practices are shaken out. In the next 12 months we hope to see the prison stabilise and for there to be a marked reduction in prisoner contacts.

Local government

During the year we received a total of 203 complaints involving 284 specific allegations about the actions or decisions of 61 of the State's 142 local governments. This was similar to the 275 allegations contained in the 203 complaints that were received in 2000/2001. Table 4.5 shows the kinds of allegations received in 2001/2002.

Building Control	
Refusals, conditions of applications, objections, construction and demolition matters	23
Community Services	
Cultural and community services, parks and recreation reserves and facilities	11
Contracts and Property Management	
Tenders and contracts for goods and services, resumption of property, leases, other property transactions	20
Corporate and Customer Service	
Complaint-handling, provision of information, liability claims, meetings/elections, conduct of officers and elected members, staffing issues	94
Development	
Refusals, conditions of application, objections, home occupations	28
Enforcement	
Enforcement of development and building conditions, unauthorised development, parking and traffic, control of animals, fire control and other statutes and local laws	41
Engineering	
Roads, footpaths, rights of way, construction/maintenance, traffic management, road closures, access	18
Environmental Health Issues	
Noise and other pollution, public health issues, waste disposal and other environmental issues	12
Other Approvals and Licences	
Refusals, conditions/objections	9
Rates and Charges	
Valuations and ratings, payments, collection, rebates, other charges	15
Town Planning	
Subdivision, land use, town planning schemes, rezoning	13
Total	284

Complaint handling

We continue to receive complaints that may have been able to be resolved had the local government concerned had an effective complaints system in place. Of the 249 allegations finalised during the year 34% dealt with administration and customer service issues. The majority of those complaints related to complaint-handling.

Although most councils have adopted formal complaint-handling policies it is not clear that all are effectively implementing them. It appears, from the results of surveys carried out by our office, that most do not have formal standards for dealing with complaints or the recording of complaint information. Many do not provide for advising complainants of the outcome of their complaint. This is particularly pertinent in matters relating to enforcement.

Levels of service

Recently a number of complaints have been made to us in relation to local governments withdrawing services that are considered to make excessive and unreasonable demands on local government resources. In particular, one local government has refused to act in response to complaints dealing with dangerous trees in private property - which is a discretionary function under the *Local Government Act 1995*. This leaves the complainant no other option but to pursue the matter by means of court proceedings, if it cannot be resolved with the neighbour concerned.

We understand that other local governments are considering withdrawing noise-related services provided in accordance with the *Environmental Protection (Noise Regulations) 1997*. The *Environmental Protection Act 1986* provides local government with power to manage local noise issues. However, the Act does not require local governments to enforce the noise laws and the Department of Environmental Protection is not resourced to respond to neighbourhood complaints.

We have concerns about the withdrawing of such services and the effect that may have on local communities. It is a matter we propose to take up in the coming year. It may be that, to better manage their resources, local governments could consider imposing limits on the levels of service provided that are commensurate with community needs and expectations and within the council's budgetary constraints in these areas. Levels of service are set in a number of other areas of local government, for example, dog control, food premises and public building inspections and security patrols.

Local governments considering withdrawing services need to be aware that such action may result in their being unable to assist their residents who are in genuine need of assistance with issues that are affecting their health and welfare.

Table 4.6 shows how the local governments that were the subject of complaints this year are distributed across the broad categories into which local governments are classified according to the Australian Classification of Local Governments.

Category	% of total local governments in category	% of the 58 local governments subject of complaint	% of complaints received
Urban – metropolitan developed	13%	33%	50%
Regional town/city	7%	12%	10%
Fringe developing urban or regional	6%	12%	20%
Rural – significant growth	6%	14%	7%
Rural – agricultural	52%	26%	11%
Rural – remote	16%	3%	2%

Administration and customer service

In the majority of the complaints made to us this year, the primary focus has been a decision or action of the local government that the complainant considered unfair or unreasonable. However, many complainants make secondary allegations that relate to the handling of a complaint by the local government.

Thirty percent of the complaints received concerned basic administrative service-delivery issues such as the timely provision of information, complaint-handling and the conduct of officers and councillors.

Generally, administrative complaints relate to direct customer contact and interaction with the resident by either staff or elected members. The attitude of the officers and elected members together with the attitude of the customer will determine the ultimate quality of the service experience.

The customer is a judge of service quality and a complaint system is one of the most effective means of collecting vital information about customer views of an organisation. Effective internal complaint systems have the potential to reduce the need for office to deal with a proportion of the simple complaints and for such complaints to be dealt with more quickly and efficiently for all concerned.

Few local governments offer to customers, as a matter of course, the opportunity to make general service delivery complaints as distinct from requests for a review of a decision. Even where local governments claim to offer customers access to an internal complaint-handling mechanism, it seems there is often confusion or misunderstanding of the principles that should underpin such a system, thereby limiting its usefulness, both for the local government and its customers.

Failure to deal effectively with general service delivery complaints creates a false sense of economy in local governments. Although there undoubtedly is a cost associated with handling complaints, those costs increase significantly if local governments fail to resolve complaints quickly. Such complaints can escalate into ongoing disputes requiring considerable additional resources to resolve. The apparent lack of effective internal complaint mechanisms has a significant impact on the workload of both local governments and our office.

Table 4.7 shows the kind of assistance given to complainants following our involvement.

	Allegations	%
Apology	4	2
Action expedited	8	3
Act of grace payment	2	1
Adequate explanation or reasons given	213	85
Charge reduced or rebate given	8	3
Reversal or significant variation of original decision	8	3
Explanation only	6	2
Total allegations finalised	249	100
Changes to practice/procedure	12	

Western Power Corporation

During the year, 93 written complaints containing 112 allegations were received about Western Power. This represents a large increase in complaints (approximately 41%) from the 66 received in 2000/2001, and also a large increase in allegations (approximately 53%) from the 73 allegations in 2000/2001. It is likely that this increase has arisen because Western Power began the practice during the year of advising dissatisfied complainants that they had a further avenue of recourse to our office.

A total of 47 allegations received (approximately 42%) related to accounts, disputed consumption and/or accounts, debt repayments, and actual or threatened disconnections. Of the 43 allegations about these issues finalised this year, 12 were sustained to some extent, 21 were not sustained, and the remaining 10 were not investigated for the same reasons as described above.

A total of 29 allegations (approximately 26%) concerned damage to electrical appliances caused by power surges, outages or other supply irregularities. This percentage remains consistent with the 27% for the previous year. A total of 47 allegations about these issues were finalised in 2001/2002. Of these, 37 were not sustained, three were sustained, and the remaining seven were not investigated because they were withdrawn, or referred back to Western Power, or we exercised our discretion not to investigate them, on the grounds that the complaints were out of time, trivial, or an investigation was not justified.

My predecessor commented in our 2000/2001 report that many consumers were left in an unsatisfactory position in these situations because Western Power can legitimately claim that it is not responsible for damage if it has not been negligent, and many private insurers do not provide cover for such incidents. This is the major reason why complaints are not sustained. We have considered this issue at some length during the year but have not reached a point where a feasible alternative approach can be proposed to Western Power. We will continue to focus on this matter in the coming year.

In terms of allegations finalised, during the year, 109 allegations were finalised compared to 65 finalised last year, an increase of 68%. Table 4.8 shows the outcome of these 109 finalised allegations and Table 4.9 shows the assistance provided to complainants.

TABLE 4.8	Outcome of allegations finalised	
	Allegations	%
Finalised without investigation		
Discretion exercised not to investigate	10	9
Finalised to satisfaction of complainant	6	5
Referred back to agency	5	5
Complaint withdrawn or not proceeded with	5	5
Finalised by completed investigation		
Sustained wholly or substantially	13	12
Sustained partly	4	3
Not sustained	59	54
Could not be determined	5	5
Withdrawn or not proceeded with	2	2
Total allegations finalised	109	100

TABLE 4.9 Assistance provided – allegations finalised by investigation

	Allegations
Benefit for complainant	
Act of grace payment made	2
Action/decision expedited	-
Explanation or reasons provided by agency	1
Reversal or significant variation of original decision	5
Monetary change reduced, withdrawn or refunded	5
Explanation only	68
Total allegations finalised by investigation	81
Changes to practice/procedure	1
Staff training	1

Department of Housing and Works

We received 98 complaints containing 132 allegations about the Department of Housing and Works. This represents an increase of 30 complaints (44%) and 28 allegations (27%) compared to 2001. The number of complaints received has, however, fluctuated over recent years and although the number increased during 2002 it does not represent the highest recorded number of complaints received in recent years.

TABLE 4.10 Complaints and allegations received 1998–2002

	1998	1999	2000	2001	2002
Number of individual complaints	66	115	128	68	98
Number of allegations	67	121	137	104	132

Complaints about property allocations, transfers and tenant liability continued to decline this year. We received 28 complaints about property allocations and transfers compared to 38 in 2001 and 51 in 2000. Eight allegations about tenant liability were received in 2002 compared to 13 in 2001 and 29 in 2000. As these are matters which may be dealt with through the Department's appeals process it may be that more complaints are being resolved through that process, reducing the need to bring a complaint to this office. In any event, this decline is encouraging. There was, however, a significant increase in the number of allegations received about property condition and maintenance, with 20 allegations being made. This represents twice the number of allegations of this nature compared to 2001 and 2000.

Table 4.11 shows a continuing significant drop in complaints about tenant liability and property allocations and transfers, all matters that may be taken through the formal appeals process.

TABLE 4.11	Nature of allegations received		
	2000	2001	2002
Actions of agency officers/employee management issues	27	8	-
Administration	-	-	12
Rental operations			
- Property allocations and transfers	51	38	28
- Tenant liability	29	13	8
- Property condition and maintenance	10	9	20
- Behaviour of tenants/evictions	3	12	11
- Rental/bond assistance	6	5	7
- Debt repayments	-	-	4
- Other	-	-	29
Property purchase	4	3	4
Construction & development	-	-	2
Other	7	16	7
Total	137	104	132

Tables 4.12 and 4.13 show the outcome of complaints finalised in 2001/2002.

TABLE 4.12	Manner in which allegations finalised	
	Allegations	%
Finalised without investigation		
Discretion exercised not to investigate	23	20
Withdrawn or not proceeded with	5	4.5
Finalised to satisfaction of complainant	7	6
Referred back to Department	5	4.5
No jurisdiction	4	3.5
Finalised by completed investigation		
Sustained wholly or substantially	4	3.5
Sustained partly	5	4.5
Not sustained	44	39
Could not be determined	9	8
Withdrawn or not proceeded with	8	6.5
Total	114	100

TABLE 4.13 Assistance provided – allegations finalised by investigation

	Allegations
Benefit for complainant	
Act of grace payment made	1
Monetary charge reduced, withdrawn or refunded	5
Action/decision expedited	2
Explanation or reasons provided by agency	5
Reversal or significant variation of original decision	4
Apology given	1
Other assistance given	3
Explanation only	41
Total	62

Two of the reductions, withdrawals or refunds of monetary charges were as a result of formal recommendations by the Ombudsman to the Department. All other assistance to complainants shown in Table 4 was by voluntary action by the Department as a result of the Ombudsman's involvement. In addition, the assistance given to the Ombudsman resulted in the Department making changes to its policies or procedures in two instances; improvements to record-keeping in one instance; further staff training in one instance; and other systemic changes in two instances.

One issue that arose during the course of our inquiries was that concerning "overlapping rent" in the property allocation process. It became apparent that on occasions prospective public housing tenants were being required to pay rent for two properties when terminating a private tenancy arrangement and accepting an offer of public housing from the Department. In dealing with this matter the Department recognised that there may be scope to allow additional flexibility in certain situations in an effort to assist tenants to make the transition from private to public housing. Although discussions did not result in changes being made to operational policies, the Department agreed to deal with the matter under its *Discretionary Decision Making Policy* whereby Regional Managers would exercise discretion on a case-by-case basis, including providing increased flexibility for commencement dates for rent payments.

The Public Trustee

During the year a total of 29 complaints involving 75 specific allegations were received about the actions or decisions of the Public Trustee's office. This represents a 120% increase in allegations received this year compared to the 34 allegations contained in the 26 complaints that were received in 2000/01, although the number of complaints received was slightly lower. It may be that this is attributable in part to a different approach being taken by us to analysing complaints and identifying and recording allegations.

A more meaningful comparison may be achieved by comparing the percentage of allegations made against the Public Trustee's office that were sustained wholly or partly in 2000/01 (3%) with the percentage of those allegations that were sustained wholly or partly in 2001/02 (13%). This represents a significant increase in the number of allegations against the Public Trustee's office that the Ombudsman found to have substance this year.

Table 4.14 shows the outcome of the 34 complaints containing 68 allegations that were finalised during the year.

TABLE 4.14	Outcome of allegations finalised	
	Allegations	% (approx.)
Finalised without investigation		
Discretion exercised not to investigate	7	10
Withdrawn or not proceeded with	7	10
Finalised to satisfaction of complainant	1	1.5
Referred back to the agency	5	7
No jurisdiction	6	9
Finalised by completed investigation		
Sustained wholly or substantially	4	6
Sustained partly	5	7
Not sustained	31	46
Could not be determined	2	3.5
Total	68	100

This year we found four allegations to be sustained “wholly or substantially”. In two cases, the Public Trustee accepted the Ombudsman’s recommendation to make an act of grace payment or to refund money to the complainant; in the third case the agency was prepared to reverse or significantly change its original decision and in the final case the Public Trustee identified a training issue that it intended to implement in order to prevent similar problems from arising in the future.

Education – schools, universities and TAFE colleges

During the year a total of 58 complaints were received, involving 72 individual allegations, about the Department of Education, individual schools, universities and TAFE colleges. A total of 73 allegations were finalised. Table 4.15 shows details of allegations received and finalised during the year compared to the previous year, together with the institutions that the allegations concerned.

Agency	Allegations received and finalised			
	2000/2001		2001/2002	
	Allegations received	Allegations finalised	Allegations received	Allegations finalised
Education, Department of (administration and individual schools)	36	19	43	50
Education Services, Department of	1	0	0	1
Curtin University	3	3	4	5
Edith Cowan University	3	3	4	2
Murdoch University	3	3	8	0
University of Western Australia	1	1	3	2
Tertiary Institutions Service Centre	-	-	-	-
Curriculum Council	-	-	-	-
Central TAFE	5	6	9	11
Challenger TAFE	3	4	1	1
Central West College of TAFE	2	1	-	-
Eastern Pilbara College of TAFE	1	1	-	-
Great Southern College of TAFE	-	-	-	-
Kimberley College of TAFE	-	-	-	-
Midland College of TAFE	1	-	-	1
South East Metro College of TAFE	-	-	-	-
South Metro College of TAFE	-	-	-	-
South West Regional College of TAFE	-	-	-	-
West Coast College of TAFE	-	-	-	-
Totals	59	41	72	73

The 73 allegations finalised during 2001/2002 covered the following general areas.

TABLE 4.16	Nature of allegations received			
		Allegations	Percentage	As compared to % 2000/01
	Academic Assessment	2	3	20
	Fees/charges	8	7	7
	Home Schooling	2	3	4
	Quality of teaching/organisation of courses	8	11	12
	Staff employment issues	20	27	20
	Student discipline	4	5	17
	Miscellaneous	32	44	20
	Total	76	100%	100%

Table 4.17 shows how those allegations finalised were dealt with.

TABLE 4.17	Manner in which allegations finalised			
		2001/2002 Allegations	2001/2002 Percentage	As compared to % 2000/01
	Withdrawn or not proceeded with	2	3	3
	Finalised to complainant's satisfaction without investigation	1	1	0
	No jurisdiction	3	4	6
	Discretion exercised not to investigate	20	27	17
	Referred back to agency	7	10	6
	Finalised by investigation	40	55	68
	Total	73	100%	100%

Of the 40 allegations finalised by the completion of an investigation, 17 were resolved totally, substantially or partly in favour of the complainant, 17 were not sustained, four could not be determined and two were withdrawn or not proceeded with.

The assistance that was able to be provided in the matters finalised by investigation for the last two years is shown in Table 4.18.

TABLE 4.18	Assistance provided for allegations finalised by investigation		
		As compared to 2000/01	2001/2001
	Act of grace payment	-	1
	Action expedited	4	4
	Apology given	2	2
	Explanation only by Ombudsman and/or agency	18	27
	Monetary charge reduced, withdrawn or refunded	2	3
	Other	2	4
	Reversal or significant variation of original decision	1	1
	Total	29	42¹

¹ It is possible for a complainant to receive more than one form of assistance with respect to the one allegation.

Examples of the assistance given included the following:

- Two students at Central TAFE received refunds of fees of approximately \$1,850 each for fee-for-service courses they had withdrawn from.
- A home educator received a certificate of registration from the Department of Education that had initially been refused as the result of a staff member misinterpreting the new *School Education Act*. Steps were also taken to compensate the home educator for the loss of a textbook subsidy that occurred as a consequence of the refusal of registration.
- Edith Cowan University made an act of grace payment of \$500 and apologised to a student in response to her complaint about lack of supervision and support during a professional placement.

Systemic changes

In eight instances (five in response to specific recommendations by the Ombudsman and three as a voluntary initiative by the agency concerned) changes to the agency's policies and procedures occurred as a consequence of investigations. These included the following.

- The Department of Education's child protection procedures were reviewed to specifically provide for:
 - situations where non-consensual sexual contact occurred between children
 - the views of mature children regarding notifying their parents or the police to be taken into account where the alleged perpetrator is not a parent or person with whom the child resides or has regular contact, and where the Department of Education personnel have reasonable grounds for believing (and do believe) that the child is not in danger of further abuse
- Central TAFE established a separate refund of fees policy document for fee-for-service courses and took steps to ensure it was handed out to all students enrolling in such courses. This was done to overcome confusion that had arisen amongst students concerning the applicability of the college's general refund policy.

Department for Community Development

During the year a total of 35 complaints were received, involving 50 allegations. This represents a decrease of approximately 10% in allegations received compared to the previous year, in which 56 allegations were received. A total of 50 allegations were finalised, compared to 48 in the previous year.

The 50 allegations finalised during 2001/2002 related to the general areas shown in Table 4.19.

TABLE 4.19

	2001/2002 Number	2001/2002 Percentage	As compared to % 2000/01
Adoption	0	0	0
Child maltreatment investigations	17	34	59
Funding of non-government agencies	0	0	0
Human resource management issues	0	0	0
Other	11	22	10
Out of home care (fostering)	20	40	27
Special Assistance	1	2	4
Staff salaries	1	2	0
Total	50	100%	100%

Table 4.20 shows how the 50 finalised allegations were dealt with.

TABLE 4.20

	Number	%
Withdrawn or not proceeded with	4	8
No jurisdiction	5	10
Discretion exercised not to investigate	8	16
Referred back to agency	11	22
Finalised by investigation	22	44
Total	50	100

Of the 22 allegations finalised by the completion of an investigation, eight were resolved totally, substantially or partly in favour of the complainant and 14 were not sustained.

The assistance that was provided to complainants in the matters finalised by investigation is shown in Table 4.21.

	Number of instances	%
Apology given	1	5
Action expedited	3	14
Other	5	22
Explanation only by Ombudsman and/or Department	13	59
Total	22	100

Systemic changes

Several changes to the Department's policies and procedures occurred in response to recommendations made by the Ombudsman about matters arising in investigations, including:

- protocols between the Department and Relationships Australia (a non-government agency funded by the Department to provide counselling to victims of abuse) were reviewed to improve information-sharing between the two bodies
- procedures for issuing notices to parties involved in care and protection applications in the Children's Court were revised to prevent estranged parties becoming aware of the other's address
- procedures for notifying parents of the Department's intention to interview, examine or apprehend children were revised to take more account of the wishes of mature children/adolescents.

Transport

During the year, 36 written complaints containing 44 allegations were received about the Transport Division of the Department for Planning and Infrastructure. This represented a decrease from the numbers received in the previous year – 47 and 48 respectively.

The majority of allegations – 27 (approximately 61%) – concerned licensing and registration matters. Of the remainder, five allegations were about the Department's Taxi Unit.

During the year, 29 allegations concerning licensing and registration matters were finalised. Of these, 10 were not sustained, nine were sustained, and the remaining 10 were not investigated because they were withdrawn, or referred back to the Department, or we exercised our discretion not to investigate them on the grounds that the complaints were out of time, trivial, or an investigation was not justified.

Administration and staffing

The position of Parliamentary Commissioner for Administrative Investigations (or Ombudsman, as it is more commonly known) was established under the *Parliamentary Commissioner Act 1971*, which was assented to on 22 December 1971 and came into operation on 12 May 1972. Under the Act the Parliamentary Commissioner reports direct to the Parliament, and it is to the Parliament – not the Government of the day – that the Commissioner is responsible.

The responsibility for the administration of the Act (as distinct from the responsibility for the Commissioner's office) is allocated to the Premier. The Department of the Premier and Cabinet provides a support service for such matters as the payment of salaries and the keeping of accounts and personnel records.

Appointments to the positions of Parliamentary Commissioner and Deputy Parliamentary Commissioner are made by the Governor pursuant to section 5(2) of the Act. The Governor may, on the recommendation of the Parliamentary Commissioner, appoint such officers as he considers necessary for the purpose of enabling the functions of the Commissioner to be carried out. Part 3 of the *Public Sector Management Act 1994* (which relates to the constitution and staffing of the Public Service) does not apply to the Commissioner, the Deputy Commissioner, an Acting Commissioner or officers of the Commissioner.

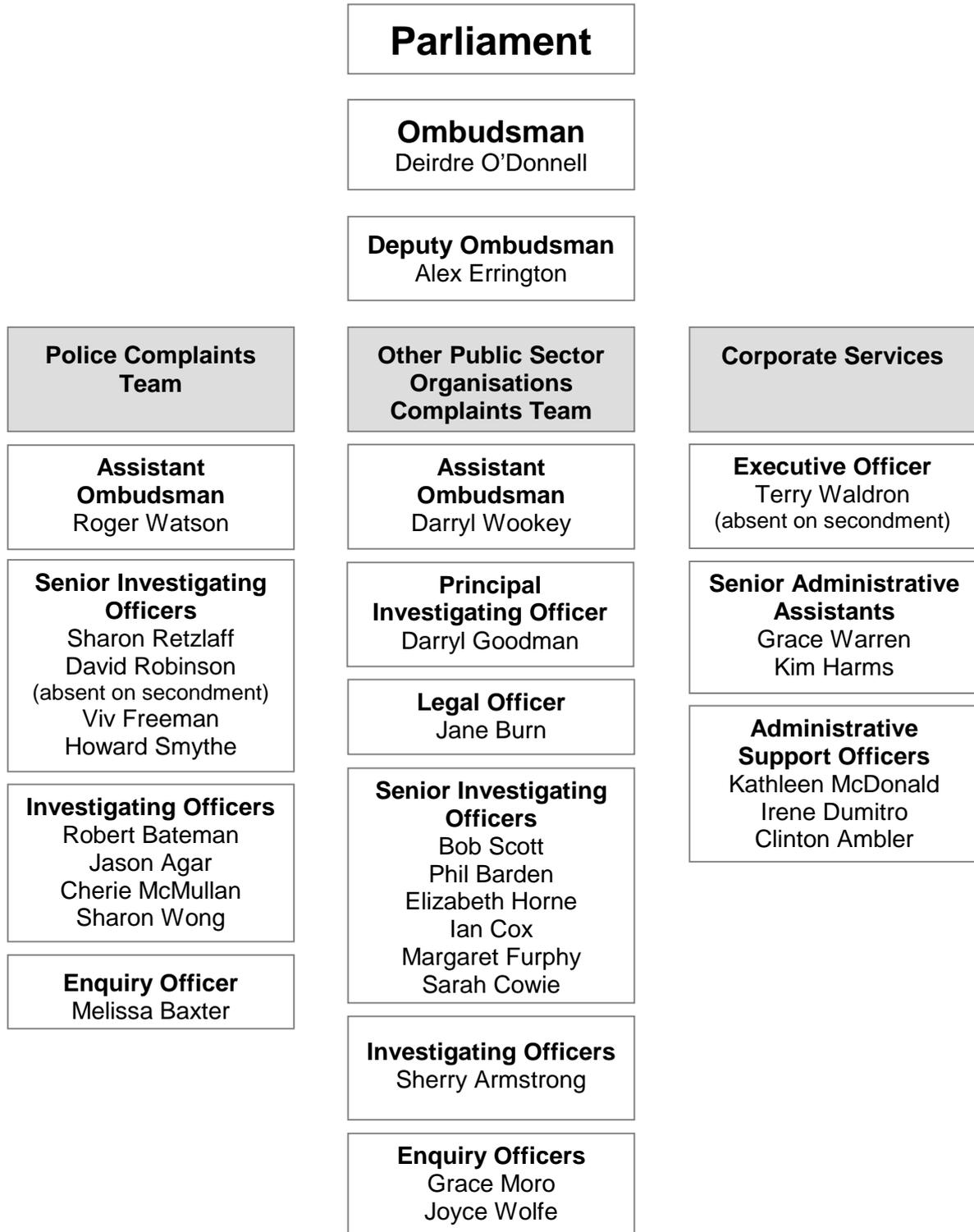
I took up duty on 25 February 2002 for a term of five years as the sixth Ombudsman for Western Australia. The current five-year term of the Deputy Ombudsman, Alex Errington, expires on 1 November 2002.

Staffing

The year saw a number of staff changes in the office.

- Laurene Dempsey, Maxina Martellotta and Eamon Ryan resigned.
- Terry Waldron commenced a secondment with the office of Multicultural Interests.
- David Robinson commenced a secondment with the Department of Consumer and Employment Protection.
- Sharon Wong was appointed as an Investigating Officer, in the absence of David Robinson.
- Sam McComb retired.
- Tina Morton returned to a position in the Public Service.
- Jason Agar returned from a secondment with the Department of Justice.
- Howard Smythe re-joined the office, on secondment from the Anti-Corruption Commission.
- Kirstine Forestier was appointed as an Investigating Officer, but subsequently resigned.

As at 30 June 2002 the office was organised as shown in the following chart.



Industrial relations

The office registered its first workplace agreement on 20 August 1997. It had a term of two years and was replaced by a new agreement registered on 8 September 1999. Prior to its expiry on 7 September 2001 the Government announced its intention to phase-out workplace agreements. In March 2002 all our staff who were parties to the workplace agreement agreed to cancel it and receive the salaries and conditions of service contained in the Public Service General Agreement 2002.

On 28 June 2001 an "Omnibus" Bill was introduced into the Parliament that contained a clause designed to enable the Ombudsman to appoint staff in the office, rather than all appointments having to be approved by the Governor in Executive Council. The Bill is currently before the Legislative Council for debate.

Office accommodation

Since 1978 this office and the Commonwealth Ombudsman's Perth office have shared accommodation at 44 St Georges Terrace. This has proved to be very convenient over the years, as members of the public are often unsure whether their complaint concerns a State or a Commonwealth agency. Consequently there are advantages if they can visit or contact the one "Ombudsman Centre". We share a reception area and telephone switchboard and this has provided a convenient one-stop service for members of the public. In December 2000 the office of Health Review moved into offices adjacent to us and we have an agreement to share our reception area, interview rooms and conference room. This has proved to be a very successful collocation arrangement for all three organisations.

Information technology

There were no significant changes made to the office's computing network during the year. The network operated efficiently and provided a stable service to users.

We are continuing with our program that provides for the replacement of computing hardware on a three-year renewal basis. The program should enable us to keep pace with technological improvements.

Alphawest 6 has continued to provide a range of IT support services and W.A. Customware has continued to support the office's complaints register database known as OSCAR (Ombudsman Statistical Complaints Automated Register).

Freedom of information

The office is an exempt agency under the *Freedom of Information Act 1992*. However, it has always been the policy to apply the spirit of the Act, where possible, to documents held by, or originating from, the office, provided that their release would not contravene the secrecy provision of the *Parliamentary Commissioner Act 1971*.

Agencies that receive applications for access to documents that have originated from my office or have been specifically prepared for my office are required to notify us of such applications so that we have the opportunity to point out any sensitivities in the documents.

Legislation impacting on the office

The office does not administer any legislation. However, the *Parliamentary Commissioner Act 1971* provides the basis for the existence of the office, and the *Telecommunications (Interception) Western Australia Act 1996* places certain statutory responsibilities on the Ombudsman. Other written laws which have an impact on the activities of the office are:

- *Anti-Corruption Commission Act 1998*
- *Disability Services Act 1993*
- *Equal Opportunity Act 1984*
- *Financial Administration and Audit Act 1985*
- *Library Board of Western Australia Act 1951*
- *Occupational Health, Safety and Welfare Act 1987*
- *Public Sector Management Act 1994*
- *Royal Commissions Act 1968*
- *Royal Commission (Police) Act 2002*
- *State Records Act 2000*
- *State Supply Commission Act 1991*
- *Workers' Compensation and Rehabilitation Act 1981.*

Public Sector Management Act

A code of conduct for the office was adopted in 1997/1998. It incorporates appropriate policy and procedures for resolving complaints about discrimination and harassment and draws upon provisions contained in the *Public Sector Code of Ethics*.

There were no breach of standards applications received during the year.

In accordance with section 31(1) of the *Public Sector Management Act 1994*, in the administration of the office during 2001/2002 I have complied with the *Public Sector Standards in Human Resource Management*, the *Public Sector Code of Ethics* and the office *Code of Conduct*.

As a consequence of reports about the development of the office's computerised complaints-handling system (known as OSCAR), the Commissioner for Public Sector Standards undertook an examination into the appointment by my office of three staff in 1997, 1998 and 1999. The Commissioner found that in one case the recruitment process did not comply with the *Recruitment, Selection and Appointment Standard*. In addition, the State Supply Commission reviewed the contracting arrangements for the OSCAR project and concluded that certain supply policies had not been complied with and the office had exceeded its partial exemption level in the course of the project.

Both these reports were tabled in Parliament by the Premier on 18 September 2001, at which time the Premier said that he had spoken to Mr Allen, my predecessor, about the findings of these enquiries. He further announced that in view of the findings and Mr Allen's concerns that the reports may reflect badly on the office and may undermine the confidence the public

must have in his position, Mr Allen intended to resign his position as Ombudsman. Mr Allen subsequently did so, with effect from 12 October 2001.

Subsequently, in his *Third Public Sector Performance Report 2001* the Auditor General also commented on the OSCAR project, finding that although the system met the operational requirements of the office, its development had been protracted and costly.

Occupational health and safety

There were no compensation claims received during the year.

Equal employment opportunity

The office continued to actively support the principles and practice of equal employment opportunity in the workplace. Flexible work practices, including part-time employment, working from home, care of family and parental leave are examples of this.

Disability services

There were no complaints received during the year regarding the office's provision of appropriate facilities or access to services.

Electoral Act 1907

Amounts of \$7,250.39 and \$1,108.64 were paid to Marketforce Productions for arranging the placing of recruitment advertisements in newspapers in October 2001 and May 2002.

Financial statements

Financial statements for the year ended 30 June 2002

The accompanying financial statements of the Parliamentary Commissioner for Administrative Investigations have been prepared in compliance with the provisions of the *Financial Administration and Audit Act 1985* from proper accounts and records to present fairly the financial transactions for the year ended 30 June 2002 and the financial position as at 30 June 2002.

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



Accountable Officer



Principal Accounting Officer

30 August 2002

Parliamentary Commissioner for Administrative Investigations Statement of Financial Performance

for the year ended 30 June 2002

	Note	2001/02 \$	2000/01 \$
COST OF SERVICES			
Expenses from ordinary activities			
Employee expenses	4	2,123,273	2,253,036
Travelling expenses		4,828	10,107
Depreciation expense	5	56,520	58,900
Administration expenses	6	303,310	380,059
Accommodation expenses	7	297,302	125,947
Total cost of services		<u>2,785,233</u>	<u>2,828,049</u>
Revenue from ordinary activities			
Revenue from other services	8	10,297	4,936
Net profit on disposal of non-current assets	9	0	2,908
Other revenue - from State Government	8	16,178	7,110
Grant from Commonwealth	8	4,572	6,528
Total revenue from ordinary activities		<u>31,047</u>	<u>21,482</u>
NET COST OF SERVICES		<u>2,754,186</u>	<u>2,806,567</u>
REVENUES FROM GOVERNMENT			
Output appropriation (1)	10	2,626,000	2,541,133
Resources received free of charge		111,546	82,201
Liabilities assumed by the Treasurer		4,617	170,618
Total revenues from Government		<u>2,742,163</u>	<u>2,793,952</u>
TOTAL CHANGES IN EQUITY OTHER THAN THOSE RESULTING FROM TRANSACTIONS WITH STATE GOVERNMENT AS OWNERS		<u>(12,023)</u>	<u>(12,615)</u>

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

(1) Appropriation included capital in 2000/01

Parliamentary Commissioner for Administrative Investigations Statement of Financial Position

as at 30 June 2002

	Note	2001/02 \$	2000/01 \$
CURRENT ASSETS			
Cash assets	20(a)	186,423	275,795
Restricted cash assets	11	92,291	46,000
Prepayments	12	1,448	0
Receivables	13	9,387	1,705
Total Current Assets		<u>289,550</u>	<u>323,500</u>
NON-CURRENT ASSETS			
Restricted cash assets	11	58,000	
Furniture and fittings	15	0	0
Computer equipment	15	71,048	61,982
Office equipment	15	6,216	10,602
Office establishment	15	80,095	97,233
Works of art	15	4,965	4,965
Accounts receivable for outputs	14	72,000	0
Total Non-Current Assets		<u>292,324</u>	<u>174,782</u>
TOTAL ASSETS		<u><u>581,874</u></u>	<u><u>498,282</u></u>
CURRENT LIABILITIES			
Payables	16	58,784	33,096
Accrued salaries	17	42,346	50,237
Provisions	18	384,554	334,343
Total Current Liabilities		<u>485,684</u>	<u>417,676</u>
NON-CURRENT LIABILITIES			
Provisions	18	168,000	208,394
Total Non-Current Liabilities		<u>168,000</u>	<u>208,394</u>
Total Liabilities		<u>653,684</u>	<u>626,070</u>
EQUITY			
Contributed equity	19	68,000	0
Reserves		5,117	5,117
Accumulated surplus/(deficiency)		(144,928)	(132,905)
Total Equity		<u>(71,811)</u>	<u>(127,788)</u>
TOTAL LIABILITIES AND EQUITY		<u><u>581,874</u></u>	<u><u>498,282</u></u>

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

Parliamentary Commissioner for Administrative Investigations Statement of Cash Flows

for the year ended 30 June 2002

	Note	2001/02 \$ Inflows (Outflows)	2000/01 \$ Inflows (Outflows)
CASH FLOWS FROM GOVERNMENT			
Output appropriations		2,554,000	2,491,133
Capital contributions		68,000	50,000
Net cash provided by Government		<u>2,622,000</u>	<u>2,541,133</u>
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee costs		(2,112,050)	(2,026,762)
Travelling expenses		(5,480)	(9,566)
GST payments on purchases		(53,881)	(55,085)
Administration		(202,131)	(300,215)
Accommodation		(310,514)	(110,423)
Receipts			
Revenue from services		9,765	7,212
Grant from Commonwealth		4,572	6,528
Other revenue - from ordinary activities		16,178	7,110
GST receipts on sales		4,676	2,477
GST receipts from taxation authority		45,631	51,630
Net cash provided by/(used in) operating activities	20(b)	<u>(2,603,234)</u>	<u>(2,427,093)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of non-current physical assets		(3,846)	(166,983)
Net cash provided by/(used in) investing activities		<u>(3,846)</u>	<u>(166,983)</u>
NET INCREASE(DECREASE) IN CASH HELD			
		14,920	(52,943)
Cash assets at the beginning of the financial year		321,795	374,739
CASH AT THE END OF THE FINANCIAL YEAR	20(a)	<u>336,715</u>	<u>321,795</u>

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

Parliamentary Commissioner for Administrative Investigations Summary of Consolidated Fund Appropriations and Revenue Estimates

for the year ended 30 June 2002

	2001/02 Estimate \$	2001/02 Actual \$	Variance \$	2001/02 Actual \$	2000/01 Actual \$	Variance \$
PURCHASE OF OUTPUTS						
Item 4 Net amount appropriated to purchase outputs	2,321,000	2,321,000	0	2,321,000	2,190,133	130,867
Amount authorised by other statutes						
Parliamentary Commissioner Act 1971	305,000	305,000	0	305,000	301,000	4,000
Total appropriations provided to purchase outputs	<u>2,626,000</u>	<u>2,626,000</u>	<u>0</u>	<u>2,626,000</u>	<u>2,491,133</u>	<u>134,867</u>
Details of Expenditure by Outputs						
Output 1 - Police Service and railway special constables	1,271,000	1,274,439	3,439	1,274,439	1,419,709	(145,270)
Output 2 - Other Public Sector Organisations	1,397,000	1,470,699	73,699	1,470,699	1,363,842	106,857
Output 3 - Telecommunications Interception Audit	41,000	40,095	(905)	40,095	44,499	(4,404)
Total Cost of Outputs	<u>2,709,000</u>	<u>2,785,233</u>	<u>76,233</u>	<u>2,785,233</u>	<u>2,828,050</u>	<u>(42,817)</u>
Less retained revenue	<u>23,000</u>	<u>31,047</u>	<u>8,047</u>	<u>31,047</u>	<u>21,482</u>	<u>9,565</u>
Net Cost of Outputs	<u>2,686,000</u>	<u>2,754,023</u>	<u>(68,186)</u>	<u>2,754,186</u>	<u>2,806,568</u>	<u>(52,382)</u>
Adjustment for movement in cash balances and other accrual items	<u>60,000</u>	<u>120,186</u>	<u>(68,186)</u>	<u>128,186</u>	<u>315,435</u>	<u>(187,249)</u>
Total appropriations provided to purchase outputs	<u>2,626,000</u>	<u>2,626,000</u>	<u>0</u>	<u>2,626,000</u>	<u>2,491,133</u>	<u>134,867</u>
CAPITAL						
Item 119 Capital Contribution	68,000	68,000	0	68,000	50,000	18,000
Capital Expenditure						
Capital appropriations	68,000	68,000	0	68,000	50,000	18,000
Adjustment for movement in cash balances and other funding sources	(18,000)	(23,938)	(5,938)	(23,938)	102,946	(126,884)
Holding account draw-downs	0	0	0	0	0	0
Total Capital Expenditure	<u>50,000</u>	<u>44,062</u>	<u>(5,938)</u>	<u>44,062</u>	<u>152,946</u>	<u>(108,884)</u>
GRAND TOTAL OF APPROPRIATIONS	<u>2,694,000</u>	<u>2,694,000</u>	<u>0</u>	<u>2,694,000</u>	<u>2,541,133</u>	<u>152,867</u>
DETAILS OF REVENUE ESTIMATES						
Revenues disclosed as operating revenues	23,000	31,047	8,047	31,047	21,482	9,565
TOTAL REVENUE ESTIMATES	<u>23,000</u>	<u>31,047</u>	<u>8,047</u>	<u>31,047</u>	<u>21,482</u>	<u>9,565</u>

The Summary of Consolidated Fund Appropriations and Revenues Estimates should be read in conjunction with the accompanying notes. The Summary provides the basis for the Explanatory Statement information requirements of TI 945.

The comparative figures for 2000/01 have been revised to report accrual information rather than the cash information reported in this Summary for 2000/01, to provide more meaningful comparative information with the figures presented for the current financial year, for the purposes of the Explanatory Statement required by Treasurer's Instruction 945. The financial effect in the current year of this change in reporting is that the total cost of outputs for 2000/01 reported in this Summary is \$2,491,133, whereas in the Summary for 2000/01 the total cost of outputs was \$2,548,705.

Parliamentary Commissioner for Administrative Investigations
Output Schedule of Expenses and Revenues
for the year ended 30 June 2002

Output	Police Service and railway special constables		Other Public Sector Organisations		Telecommunication Interception Audit		Total	
	2001/02 \$	2000/01 \$	2001/02 \$	2000/01 \$	2001/02 \$	2000/01 \$	2001/02 \$	2000/01 \$
COST OF SERVICES								
Expenses from ordinary activities								
Employee expenses	940,835	1,128,328	1,144,574	1,081,878	37,864	42,831	2,123,273	2,253,036
Travelling expenses	2,414	5,053	2,414	5,053	0	0	4,828	10,107
Depreciation	28,433	29,650	28,086	29,249	0	0	56,520	58,900
Administration expenses	154,623	193,696	147,491	184,702	2,231	1,661	304,345	380,059
Accommodation expenses	148,134	62,981	148,134	62,959	0	7	296,268	125,947
Total cost of services	1,274,439	1,419,709	1,470,699	1,363,842	40,095	44,499	2,785,233	2,828,049
Revenues from ordinary activities								
Revenue from other services	3,966	2,468	5,531	2,468	0	0	9,497	4,936
Net profit on disposal of non-current assets	0	1,454	0	1,454	0	0	0	2,908
Other revenue from ordinary activities	8,089	3,555	8,889	3,555	0	0	16,978	7,110
Commonwealth grants and contributions	0	0	4,572	6,528	0	0	4,572	6,528
Total revenues from ordinary activities	12,056	7,477	18,992	14,005	0	0	31,047	21,483
NET COST OF SERVICES	1,262,384	1,412,232	1,451,707	1,349,837	40,095	44,499	2,754,186	2,806,568
REVENUES FROM GOVERNMENT								
Output appropriations	1,207,960	1,320,389	1,365,520	1,170,921	52,520	49,823	2,626,000	2,541,133
Resources received free of charge	58,004	42,745	51,311	37,813	2,231	1,644	111,546	82,201
Liabilities assumed by the Treasurer	2,401	88,721	2,124	78,484	92	3,412	4,617	170,618
Total revenues from Government	1,268,365	1,451,855	1,418,955	1,287,218	54,843	54,879	2,742,163	2,793,952
CHANGE IN NET ASSETS RESULTING FROM OPERATIONS	5,981	39,623	(32,752)	(62,619)	14,748	10,380	(12,023)	(12,615)

The Output Schedule of Expenses and Revenues 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 2002

1 Mission and funding

The mission of the Office is *“To assist the Parliament of Western Australia to be confident that the public sector of the State is accountable for, and is improving the standard of, administrative decision-making, practices and conduct”*.

The Office is predominantly funded by Parliamentary appropriations. The financial statements encompass all funds through which the Office controls resources to carry on its functions.

2 Significant accounting policies

The following accounting policies have been adopted in the preparation of the financial statements. Unless otherwise stated these policies are consistent with those adopted in the previous year.

(a) General Statement

The financial statements constitute a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board and Urgent Issues Group (UIG) Consensus Views as applied by the *Treasurer’s Instructions*. Several of these are modified by the *Treasurer’s Instructions* to vary the application, disclosure, format and wording. The *Financial Administration and Audit Act* and the *Treasurer’s Instructions* are legislative provisions governing the preparation of financial statements and take precedence over Australian Accounting Standards, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standard Board and UIG Consensus Views. The modifications are intended to fulfil the requirements of general application to the public sector together with the need for greater disclosure and also to satisfy accountability requirements.

If any such modification has a material or significant financial effect upon the reported results, details of that modification and, where practicable, the resulting financial effects are disclosed in individual notes to these financial statements.

(b) Basis of Accounting

The financial statements have been prepared in accordance with the Australian Accounting Standard AAS 29.

The statements have been prepared on the accrual basis of accounting under the historical cost convention, except that certain non-current physical assets have been introduced at written down current cost as at 30 June 1997. Additions to non-current physical assets since valuation are stated at cost.

(c) Output Appropriations

Output Appropriations are recognised as revenues 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 into the Office's bank account or credited to the holding account held at the Department of Treasury and Finance.

(d) Contributed Equity

Under UIG 38 "Contributions by Owners Made to Wholly-Owned Public Sector Entities" transfers in the nature of equity contributions must be designated by the Government (owners) as contributions by owners (at the time of, or prior to transfer) before such transfers can be recognised as equity contributions in the financial statements. Capital contributions (appropriations) have been designated as contributions by owners and have been credited to Contributed Equity in the Statement of Financial Position. All other transfers have been recognised in the Statement of Financial Performance. Prior to the current reporting period, capital appropriations were recognised as revenue in the Statement of Financial Performance. Capital appropriations which are repayable to the Treasurer are recognised as liabilities.

(e) Net Appropriation Determination

Pursuant to section 23A of the *Financial Administration and Audit Act*, the Treasurer may make a determination providing for prescribed revenue to be retained by a department. Receipts in respect of all revenues recognised in the Statement of Financial Performance are the subject of a net appropriation determined by the Treasurer.

The net appropriation determination allows all prescribed revenues to be retained except for:

- Revenues derived from the sale of real property; and
- One-off revenues with a value of \$10,000 or more derived from the sale of property other than real property.

Prescribed revenues include moneys received other than from taxes, royalties and Commonwealth general purpose grants.

Retained revenues may only be applied to the outputs specified in the 2001-2002 Budget Statements.

(f) Revenue Recognition

Revenue from the rendering of services is recognised when the Office has delivered the service to the customer.

(g) Acquisition of assets

The cost method of accounting is used for all acquisitions of assets. Cost is measured as the fair value of the assets given up or liabilities undertaken at the date of acquisition plus incidental costs directly attributable to the acquisition.

(h) Depreciation of non-current assets

All non-current assets of a material value being those over \$1,000 and having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of their future economic benefits. Depreciation is provided for on a straight-line basis using rates which are reviewed annually.

Useful lives for each class of depreciable asset are:

Furniture and fittings	5 years
Computer equipment	3 years
Office equipment	5 years
Office establishment	4-7 years

Works of art controlled by the Office are classified as heritage assets. They are anticipated to have very long and indeterminate useful lives. Their service potential has not, in any material sense, been consumed during the reporting period. As such, no amount for depreciation has been recognised in respect of them.

(i) Leases

The Office has entered into an operational lease arrangement for motor vehicles where the lessors effectively retain all the risks and benefits incidental to ownership of the items held under the operating lease.

Office accommodation occupied by the Office is under a head lease arrangement between the lessor and the Commercial Property Branch of the Department of Housing and Works. As such, the Office has entered into an operating lease for the rent of its office space where the lessor effectively retains all of the risks and benefits incidental to ownership of the building held under the operating lease.

Equal instalments of the lease payments are charged to the operating statement over the lease term as this is representative of the pattern of benefits to be derived from the leased property.

(j) Cash

For the purposes of the Statement of Cash Flows, cash includes cash assets and restricted cash assets.

(k) Accrued Salaries

The Accrued Salaries Suspense Account (refer to note 11) consists of amounts paid annually into a suspense account over a period of 10 financial years to largely meet the additional cash outflow in each eleventh year when 27 pay days occur in that year instead of the normal 26. No interest is received on this account.

Accrued salaries (refer note 17) represent the amount due to staff but unpaid at the end of the financial year, as the end of the last pay period for that financial year does not coincide with the end of the financial year. Accrued salaries are settled within a few days of the financial year end. The Office considers the carrying amount of accrued salaries to be equivalent to the fair net value.

(l) Receivables

Receivables are recognised at the amounts receivable as they are due for settlement no more than 30 days from the date of recognition.

Collectability of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off. A provision for doubtful debts is raised where some doubt as to collection exists and in any event where the debt is more than 60 days overdue.

(m) Payables

Payables, including accruals not yet billed, are recognised when the Office becomes obliged to make future payments as a result of a purchase of assets or services. Payables are generally settled within 30 days.

(n) Employee entitlements

Annual leave

This entitlement is recognised at current remuneration rates and is measured at the amount unpaid at the reporting date in respect to employees' service up to that date.

Long service leave

A liability for long service leave is recognised and is measured as the present value of expected future payments to be made in respect of services provided by employers up to the reporting date. Consideration is given when assessing expected future payments, to expected future wage and salary levels including relevant on-costs, experience of employee departures and periods of service. Expected future payments are discounted using interest rates to obtain the estimated future cash outflows.

An actual assessment of long service leave was undertaken by PriceWaterhouseCoopers in July 2002

Superannuation

Staff may contribute to the Pension Scheme, a defined benefits pension scheme now closed to new members, or to the Gold State Superannuation Scheme, a defined benefit and lump sum scheme now also closed to new members. All staff who do not contribute to either of these schemes become non-contributory members of the West State Superannuation Scheme, an accumulation fund complying with the Commonwealth Government's *Superannuation Guarantee (Administration) Act 1992*. All of these schemes are administered by the Government Employees Superannuation Board (GESB).

The superannuation expense comprises the following elements:

- (i) change in the unfunded employer's liability in respect of current employees who are members of the Pension Scheme and current employees who accrued a benefit on transfer from that Scheme to the Gold State Superannuation Scheme; and
- (ii) employer contributions paid to the Gold State Superannuation Scheme and West State Superannuation Scheme.

The superannuation expense does not include payment of pensions to retirees as this does not constitute part of the cost of services provided by the Office in the current year.

A revenue "Liabilities assumed by the Treasurer" equivalent to (i) is recognised under Revenues From Government in the Statement of Financial Performance, as the unfunded liability is assumed by the Treasurer. The GESB makes the benefit payments and is recouped by the Treasurer.

From 1 July 2001 employer contributions were paid to the GESB in respect of the Gold State Superannuation Scheme and the West State Superannuation Scheme. Prior to 1 July 2001, the unfunded liability in respect of these Schemes was assumed by the Treasurer. An amount equivalent to the employer contributions which would have been paid to the Gold State Superannuation Scheme and the West State Superannuation Scheme if the Office had made concurrent employer contributions to those Schemes, was included in superannuation expense. This amount is also included in the revenue item "Liabilities assumed by the Treasurer"

(o) Resources Received Free of Charge or For Nominal Value

Resources received free of charge or for nominal value which can be reliably measured are recognised as revenues and as assets or expenses as appropriate at fair value.

3 Outputs of the Office

Information about the Office's outputs and the expenses and revenues which are reliably attributable to those outputs is set out in the Outputs Schedule.

The outputs of the Office and their objectives are:

Output 1: Police Service and railway special constables

Description: Provide an effective and efficient system of investigating, and reviewing the adequacy of internal investigations of, complaints about the Police Service and railway special constables.

Output 2: Other Public Sector Organisations

Description: Provide an effective and efficient system of investigating complaints about public sector organisations other than the Police Service and railway special constables.

Output 3: Telecommunications Interception Audit

Description: Perform the duties of Principal Inspector and Inspectors under the *Telecommunications (Interception) Western Australian Act 1996*.

	2001/02 \$	2000/01 \$
4 Employee expenses		
Salaries	1,914,493	1,999,316
Superannuation	153,904	170,618
Movement in long service leave entitlements	(38,987)	82,143
Movement in annual leave entitlements	(3,350)	(37,673)
Other related expenses (I)	97,213	38,632
	<u>2,123,273</u>	<u>2,253,036</u>
<p>(I) These employee expenses include superannuation, workers' compensation premiums and other employment on-costs associated with the recognition of annual and long service leave liability. The related on-costs liability is included in employee entitlements liabilities at Note 18.</p>		
5 Depreciation		
Furniture and fittings	0	0
Computer equipment	34,996	36,747
Office equipment	4,385	6,252
Office establishment	17,138	15,901
	<u>56,520</u>	<u>58,900</u>
6 Administration expenses		
Communications	35,074	38,295
Consumables	58,506	77,470
Services and Contracts	99,218	183,009
Resources received free of charge (see note 10)	110,512	81,285
	<u>303,310</u>	<u>380,059</u>
7 Accommodation expenses		
Expenses directly incurred by the Office	296,268	125,031
Resources received free of charge (see note 10)	1,034	916
	<u>297,302</u>	<u>125,947</u>
8 Other revenue - from ordinary activities		
Other revenue - State Government	16,178	7,110
Retained revenue - other	817	1,247
Government grant - Indian Ocean Territories	4,572	6,528
Revenue from other services	9,480	3,689
	<u>31,047</u>	<u>18,574</u>
9 Profit on sale of non-current assets		
Gross proceeds on disposal of office equipment	0	2,908
Net profit/(loss)	<u>0</u>	<u>2,908</u>

	2001/02 \$	2000/01 \$
10 Revenues (to) from government		
Appropriation revenue received during the year:		
Output appropriation (I)		
Recurrent	2,321,000	2,190,133
Special Acts	305,000	301,000
Capital appropriation (II)		50,000
	2,626,000	2,541,133
The following liabilities have been assumed by the Treasurer during the financial year: (III)		
Superannuation	4,617	170,618
Total liabilities assumed by the Treasurer	4,617	170,618
Resources received free of charge (IV) Determined on the basis of the following estimates provided by agencies:		
Office of the Auditor General - audit services	12,500	7,500
Crown Solicitor's Office	5,685	15,676
Department of the Premier and Cabinet - Corporate and Business Services	92,327	58,109
Department of Housing and Works - property management	1,034	916
	111,546	82,201

(I) Output appropriations are accrual amounts as from 1 July 2001, reflecting the full price paid for outputs purchased by the Government. The appropriation revenue comprises a cash component and a receivable (asset). The receivable (holding account) comprises the depreciation expense for the year and any agreed increase in leave liability during the year.

(II) Capital appropriations were revenue in 2000/2001 (year ended 30 June 2001). From 1 July 2001, capital appropriations, termed Capital Contributions, have been designated as contributions by owners and are credited straight to equity in the Statement of Financial Position.

(III) Where a liability has been assumed by the Treasurer or other entity, the Office recognises revenues equivalent to the amount of the liability assumed and an expense relating to the nature of the event or events that initially gave rise to the liability.

	2001/02 \$	2000/01 \$
<p>(IV) Where assets or services have been received free of charge or for nominal consideration, the Office recognises revenues equivalent to the fair value of the assets and/or the fair value of those services that can be reliably determined and which would have been purchased if not donated, and those fair values have been recognised as assets or expenses, as applicable.</p>		
11 Restricted cash assets		
Current		
Capital contributions (I)	<u>92,291</u>	<u>0</u>
<p>(I) Balance of Capital contributions remaining in the operating account.</p>		
Non-current		
Accrued salaries and cash in suspense account (I)	<u>58,000</u>	<u>46,000</u>
<p>(I) Amount held in suspense account is only to be used for the purpose of meeting the 27th pay in a financial year that occurs every 11 years.</p>		
12 Prepayments		
Amounts paid in advance in respect of goods and services		
Other	<u>1,448</u>	<u>0</u>
	<u>1,448</u>	<u>0</u>
13 Receivables		
Current		
GST Receivable	9,419	2,267
GST payable	(32)	(562)
	<u>9,387</u>	<u>1,705</u>
14 Amounts receivable for outputs		
Non-current	<u>72,000</u>	<u>0</u>
<p>This asset represents the non-cash component of output appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liability.</p>		

	2001/02 \$	2000/01 \$
15 Property, furniture, fittings, equipment and software		
Furniture and fittings		
At cost or valuation	16,000	16,000
Accumulated depreciation	<u>(16,000)</u>	<u>(16,000)</u>
	<u>0</u>	<u>0</u>
Computer equipment		
At cost or valuation	203,202	160,490
Accumulated depreciation	<u>(132,154)</u>	<u>(98,508)</u>
	<u>71,048</u>	<u>61,982</u>
Office equipment		
At cost or valuation	52,450	52,450
Accumulated depreciation	<u>(46,234)</u>	<u>(41,848)</u>
	<u>6,216</u>	<u>10,602</u>
Office establishment		
At cost or valuation	118,250	118,250
Accumulated depreciation	<u>(38,155)</u>	<u>(21,017)</u>
	<u>80,095</u>	<u>97,233</u>
Works of art		
At cost	<u>4,965</u>	<u>4,965</u>
Total		
At cost and valuation	394,868	352,156
Accumulated depreciation	<u>(232,543)</u>	<u>(177,374)</u>
	<u>162,324</u>	<u>174,782</u>

Reconciliations

Reconciliations of the carrying amounts of property, plant, equipment and vehicles at the beginning and end of the current and previous financial year are set out below.

2001/2002	Computer equipment	Office equipment	Office establishment	Works of art	Total
Carrying amount at start of year	61,982	10,602	97,233	4,965	174,782
Additions	44,062				44,062
Disposals					0
Revaluation increments					0
Depreciation	<u>(34,996)</u>	<u>(4,385)</u>	<u>(17,138)</u>	0	<u>(56,519)</u>
Carrying amount at end of year	<u>71,048</u>	<u>6,217</u>	<u>80,095</u>	4,965	<u>162,325</u>

2000/2001	Computer equipment	Office equipment	Office establishment	Works of art	Total
Carrying amount at start of year	63,883	16,854	0	0	80,736
Additions	34,846	0	113,134	4,965	152,946
Disposals					0
Revaluation increments					0
Depreciation	(36,747)	(6,252)	(15,901)	0	(58,900)
Carrying amount at end of year	<u>61,982</u>	<u>10,602</u>	<u>97,233</u>	<u>4,965</u>	<u>174,782</u>

	2001/02 \$	2000/01 \$
16 Payables		
Current		
Administration expenses	18,568	33,096
Non-current		
Capital expenses	<u>40,216</u>	<u>0</u>
	<u>58,784</u>	<u>33,096</u>

The carrying amount of payables approximates their net fair values.

17 Accrued Salaries		
Amounts owing for the working days between the end of the last pay period for the financial year end 30 June.		
2002 - 6 working days	<u>42,346</u>	
2001 - 6 working days		<u>50,237</u>

Accrued salaries are settled within a few days of the financial year end. The carrying amount of accrued salaries is equivalent to the net fair value.

18 Provisions		
Current		
Annual leave	87,165	90,515
Long service leave	261,113	243,828
Other - On-costs (I)	<u>36,276</u>	<u>0</u>
	<u>384,554</u>	<u>334,343</u>
Non-current liabilities		
Liability for long service leave	152,123	208,394
Other - On-costs (I)	<u>15,877</u>	<u>0</u>
	<u>168,000</u>	<u>208,394</u>

	2001/02 \$	2000/01 \$
<p>(1) The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including superannuation and workers' compensation premiums. The liability for such on-costs is included here. The associated expense is included under other related expenses (under Employee expenses) at Note 4.</p>		
Employee entitlements		
<p>The aggregate employee entitlement liability recognised and included in the financial statements is as follows:</p>		
Provision for employee entitlements		
Current	384,554	334,343
Non-current	168,000	208,394
	552,554	542,737

19 Equity

Liabilities exceed assets and there is therefore no residual interest in the assets of the Office. This deficit arises through expenses such as depreciation and accrual of employee entitlements for leave not involving the payment of cash in the current period being recognised in the Statement of Financial Performance. Funding for the Office until July 2001 was mainly through appropriation on a cash basis. This situation reverses when appropriated cash is used to purchase assets or to pay out accrued liabilities.

Contributed equity		
Opening balance		
Capital Contributions (I)	68,000	0
Closing Balance	68,000	0

(I) From 1 July 2001, capital appropriations, termed capital contributions, have been designated as contributions by owners and are credited straight to equity in the Statement of Financial Position.

	2001/02 \$	2000/01 \$
Reserves		
Asset Revaluation Reserve (I)		
Opening balance	5,117	5,117
Net revaluations increments/(decrements)		
Land	0	0
Buildings	0	0
Motor vehicles	0	0
Closing balance	5,117	5,117

(I) The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets.

Accumulated surplus		
Balance at the beginning of the year	(132,905)	(120,290)
Change in net assets resulting from operations	(12,023)	(12,615)
	<u>(144,928)</u>	<u>(132,905)</u>

20 Notes to the Statement of Cash Flows

(a) Reconciliation of cash

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Performance as follows:

Cash assets	186,423	275,795
Restricted cash assets (refer to Note 11)	150,291	46,000
	<u>336,715</u>	<u>321,795</u>

(b) Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities

Net cost of services (operating statement)	(2,754,186)	(2,806,567)
Non-cash items:		
Depreciation expense	56,520	58,900
Superannuation expense assumed by the Treasurer	4,617	170,618
Resources received free of charge	111,546	82,201
(Profit)/loss on sale of property, plant and equipment	0	0
(Increase)/decrease in assets:		
Prepayments	(1,448)	2,353

	2001/02 \$	2000/01 \$
Increase/(decrease) in liabilities:		
Accrued salaries	(7,891)	9,330
Provisions	50,212	21,728
Current payables	(14,527)	13,072
Non-current provisions	(40,394)	22,742
Change in GST receivables/payables	(7,682)	(1,470)
Net cash provided by/(used in) operating activities	<u>(2,603,234)</u>	<u>(2,427,093)</u>

21 Commitments for Expenditure

Lease Commitments

Motor Vehicles

These commitments relate to motor vehicle leases which are due for payment:

Within 1 year	7,181	11,267
Later than 1 year and not later than 5 years	983	3,733
	<u>8,164</u>	<u>15,000</u>

Property Lease

The Commercial Property Branch leases office accommodation on behalf of government agencies under non-cancellable operating leases. At reporting date, the net fair value of this commitment is:

Within 1 year	172,031	163,693
Later than 1 year and not later than 5 years	593,634	563,426
Later than 5 years		126,761
	<u>765,665</u>	<u>853,880</u>

22 Remuneration and Retirement Benefits of Senior Officers

Remuneration

The number of senior officers whose total of fees, salaries and other benefits received, or due and receivable, for the financial year, who fall within the following bands is:

\$		
20,001 - 30,000		2
70,001 - 80,000	1	
100,000 - 110,000	2	
110,001 - 120,000		1
130,001 - 140,000	1	
140,001 - 150,000		1
160,001 - 170,000	1	
180,001 - 190,000		1

	2001/02 \$	2000/01 \$
The total remuneration of senior officers was:	591,073	486,151

No senior officers are members of the Superannuation and Family Benefits Act Scheme.

23 Explanatory Statement

The Summary of Consolidated Fund Appropriations and Revenue Estimates discloses appropriations and other statutes expenditure estimates, the actual expenditures made and revenue estimates and payments into the Consolidated Fund, all on an accrual basis.

The following explanations are provided in accordance with Treasurer's Instruction 945:

Significant variations between actual revenue and expenditure and estimates for the financial year. (Variations of 10% or greater are considered significant)

	2001/02 Actual \$	2000/01 Actual \$	Variance \$
Retained revenue - <i>Section 23A Financial Administration and Audit Act</i>	31,047	21,482	(9,565)
The variance is due to an adjustment of costs shared with the Commonwealth Ombudsman's Office relating to office accommodation.			
Capital appropriations	68,000	50,000	(18,000)

The variance is due to additional funds being provided in the budget to meet leave liability payments.

24 Additional Financial Instruments Disclosures

(a) Interest rate risk exposure

The Office's exposure to interest rate risk is nil as the relevant financial instruments, consisting of cash and amounts in suspense, accounts payable, accrued salaries and employee entitlements are all non-interest bearing.

	2001/02	2000/01
	\$	\$

(b) Credit risk exposure

The Department's exposure to credit risk is nil as there are no amounts receivable.

(c) The carrying amount of financial assets and financial liabilities recorded in the financial statements are not materially different from their net fair values, determined in accordance with the accounting policies disclosed in Note 2.

25 Indian Ocean Territories

The Indian Ocean Territories Reimbursement 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.

The balance of the Fund at the end of the financial year is included in the Office's Operating Account.

The figures presented below for the Fund have been prepared on a cash basis.

Opening Balance	11,001	4,473
Receipts	4,572	6,528
Payments	0	0
Closing Balance	15,573	11,001



AUDITOR GENERAL

To the Parliament of Western Australia

PARLIAMENTARY COMMISSIONER FOR ADMINISTRATIVE INVESTIGATIONS FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2002

Matters Relating to the Electronic Presentation of the Audited Financial Statements

This audit opinion relates to the financial statements of the Parliamentary Commissioner for Administrative Investigations for the year ended June 30, 2002 included on the Parliamentary Commissioner for Administrative Investigations' web site. The Parliamentary Commissioner is responsible for the integrity of the Parliamentary Commissioner's web site. I have not been engaged to report on the integrity of the Parliamentary Commissioner's web site. The audit opinion refers only to the statements named below. It does not provide an opinion on any other information which may have been hyperlinked to or from these statements. If users of this opinion are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited financial statements to confirm the information included in the audited financial statements presented on this web site.

Scope

I have audited the accounts and financial statements of the Parliamentary Commissioner for Administrative Investigations for the year ended June 30, 2002 under the provisions of the Financial Administration and Audit Act 1985.

The Parliamentary Commissioner is responsible for keeping proper accounts and maintaining adequate systems of internal control, preparing and presenting the financial statements, and complying with the Act and other relevant written law. The primary responsibility for the detection, investigation and prevention of irregularities rests with the Parliamentary Commissioner.

My audit was performed in accordance with section 79 of the Act to form an opinion based on a reasonable level of assurance. The audit procedures included examining, on a test basis, the controls exercised by the Parliamentary Commissioner to ensure financial regularity in accordance with legislative provisions, evidence to provide reasonable assurance that the amounts and other disclosures in the financial statements are free of material misstatement and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia and the Treasurer's Instructions so as to present a view which is consistent with my understanding of the Parliamentary Commissioner's financial position, its financial performance and its cash flows.

The audit opinion expressed below has been formed on the above basis.

Parliamentary Commissioner for Administrative Investigations
Financial statements for the year ended June 30, 2002

Audit Opinion

In my opinion,

- (i) the controls exercised by the Parliamentary Commissioner for Administrative Investigations provide reasonable assurance that the receipt and expenditure of moneys and the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions; and
- (ii) the Statement of Financial Performance, Statement of Financial Position and Statement of Cash Flows, Output Schedule of Expenses and Revenue and Summary of Consolidated Fund Appropriations and Revenue Estimates and the Notes to and forming part of the financial statements are based on proper accounts and present fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia and the Treasurer's Instructions, the financial position of the Parliamentary Commissioner at June 30, 2002 and its financial performance and its cash flows for the year then ended.



D D R PEARSON
AUDITOR GENERAL
October 31, 2002