

Disclosures and Legal Compliance

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

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Fair
Independent
Accountable

Independent Audit Opinion



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

PARLIAMENTARY COMMISSIONER FOR ADMINISTRATIVE INVESTIGATIONS

Report on the Financial Statements

I have audited the accounts and financial statements of the Parliamentary Commissioner for Administrative Investigations.

The financial statements comprise the Statement of Financial Position as at 30 June 2013, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows, and Summary of Consolidated Account Appropriations and Income Estimates for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

Parliamentary Commissioner's Responsibility for the Financial Statements

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

Auditor's Responsibility

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements based on my audit. The audit was conducted in accordance with Australian Auditing Standards. Those Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Parliamentary Commissioner's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Parliamentary Commissioner, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the financial position of the Parliamentary Commissioner for Administrative Investigations at 30 June 2013 and its financial performance and cash flows for the year then ended. They are in accordance with Australian Accounting Standards and the Treasurer's Instructions.

Report on Controls

I have audited the controls exercised by the Parliamentary Commissioner for Administrative Investigations during the year ended 30 June 2013.

Controls exercised by the Parliamentary Commissioner for Administrative Investigations are those policies and procedures established by the Parliamentary Commissioner to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions.

Parliamentary Commissioner's Responsibility for Controls

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

Auditor's Responsibility

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the controls exercised by the Parliamentary Commissioner for Administrative Investigations based on my audit conducted in accordance with Australian Auditing and Assurance Standards.

An audit involves performing procedures to obtain audit evidence about the adequacy of controls to ensure that the Parliamentary Commissioner complies with the legislative provisions. The procedures selected depend on the auditor's judgement and include an evaluation of the design and implementation of relevant controls.

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

Opinion

In my opinion, the controls exercised by the Parliamentary Commissioner for Administrative Investigations are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2013.

Report on the Key Performance Indicators

I have audited the key performance indicators of the Parliamentary Commissioner for Administrative Investigations for the year ended 30 June 2013.

The key performance indicators are the key effectiveness indicators and the key efficiency indicators that provide information on outcome achievement and service provision.

Parliamentary Commissioner's Responsibility for the Key Performance Indicators

The Parliamentary Commissioner is responsible for the preparation and fair presentation of the key performance indicators in accordance with the Financial Management Act 2006 and the Treasurer's Instructions and for such controls as the Parliamentary Commissioner determines necessary to ensure that the key performance indicators fairly represent indicated performance.

Auditor's Responsibility

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the key performance indicators based on my audit conducted in accordance with Australian Auditing and Assurance Standards.

An audit involves performing procedures to obtain audit evidence about the key performance indicators. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments the auditor considers internal control relevant to the Parliamentary Commissioner's preparation and fair presentation of the key performance indicators in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the relevance and appropriateness of the key performance indicators for measuring the extent of outcome achievement and service provision.

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

Opinion

In my opinion, the key performance indicators of the Parliamentary Commissioner for Administrative Investigations are relevant and appropriate to assist users to assess the Parliamentary Commissioner's performance and fairly represent indicated performance for the year ended 30 June 2013.

Independence

In conducting this audit, I have complied with the independence requirements of the Auditor General Act 2006 and Australian Auditing and Assurance Standards, and other relevant ethical requirements.

Matters Relating to the Electronic Publication of the Audited Financial Statements and Key Performance Indicators

This auditor's report relates to the financial statements and key performance indicators of the Parliamentary Commissioner for Administrative Investigations for the year ended 30 June 2013 included on the Parliamentary Commissioner's website. The Parliamentary Commissioner is responsible for the integrity of the Parliamentary Commissioner's website. This audit does not provide assurance on the integrity of the Parliamentary Commissioner's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.



COLIN MURPHY
AUDITOR GENERAL
FOR WESTERN AUSTRALIA
Perth, Western Australia
8 August 2012

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Financial Statements

Certification of Financial Statements

For the year ended 30 June 2013

The accompanying financial statements of the Parliamentary Commissioner for Administrative Investigations have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ended 30 June 2013 and the financial position as at 30 June 2013.

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



Mary White
Chief Finance Officer

8 August 2013



Chris Field
Accountable Authority

8 August 2013

Statement of Comprehensive Income

For the year ended 30 June 2013

	Note	2013 \$	2012 \$
COST OF SERVICES			
Expenses			
Employee benefits expense	<u>6.</u>	7,285,808	6,306,890
Supplies and services	<u>7.</u>	1,366,280	1,260,339
Depreciation and amortisation expense	<u>8.</u>	193,698	250,933
Accommodation expenses	<u>9.</u>	1,508,533	1,096,401
Net Loss on disposal of non-current asset	<u>12.</u>	12	485,598
Other expenses	<u>10.</u>	43,284	23,587
Total cost of services		10,397,615	9,423,748
Income			
<i>Revenue</i>			
Other revenue	<u>11.</u>	2,615,119	2,371,609
Total Revenue		2,615,119	2,371,609
Total income other than income from State Government		2,615,119	2,371,609
NET COST OF SERVICES		7,782,496	7,052,139
Income from State Government			
	<u>13.</u>		
Service appropriation		7,262,000	6,630,000
Services received free of charge		423,461	275,945
Total income from State Government		7,685,461	6,905,945
SURPLUS/(DEFICIT) FOR THE PERIOD		(97,035)	(146,194)
OTHER COMPREHENSIVE INCOME			
		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(97,035)	(146,194)

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

Statement of Financial Position

As at 30 June 2013

	Note	2013 \$	2012 \$
ASSETS			
Current Assets			
Cash and cash equivalents	<u>23.</u>	923,439	1,191,108
Prepayments	<u>33.</u>	94,417	-
Receivables	<u>15.</u>	125,536	255,893
Amounts receivable for services	<u>16.</u>	157,000	190,000
Total Current Assets		1,300,392	1,637,001
Non-Current Assets			
Restricted cash and cash equivalents	<u>14.</u> <u>23.</u>	215,784	152,461
Amounts receivable for services	<u>16.</u>	1,891,000	1,847,000
Plant and equipment	<u>17.</u>	137,137	113,718
Intangible assets	<u>18.</u>	420,254	88,172
Total Non-Current Assets		2,664,175	2,201,351
TOTAL ASSETS		3,964,567	3,838,352
LIABILITIES			
Current Liabilities			
Payables	<u>20.</u>	307,589	652,711
Provisions	<u>21.</u>	1,395,467	1,234,858
Other	<u>34.</u>	20,736	-
Total Current Liabilities		1,723,792	1,887,569
Non-Current Liabilities			
Provisions	<u>21.</u>	385,164	346,313
Other	<u>34.</u>	72,177	-
Total Non-Current Liabilities		457,341	346,313
TOTAL LIABILITIES		2,181,133	2,233,882
NET ASSETS		1,783,435	1,604,470
EQUITY			
	<u>22.</u>		
Contributed equity		1,206,000	930,000
Accumulated surplus/(deficit)		577,435	674,470
TOTAL EQUITY		1,783,435	1,604,470

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

Statement of Changes in Equity

For the year ended 30 June 2013

	Note	Contributed equity	Reserves	Accumulated surplus/(deficit)	Total equity
Balance at 1 July 2011	<u>22.</u>	930,000	-	821,114	1,751,114
Changes in accounting policy or correction of prior period error (a)				(450)	(450)
Restated balance as at 1 July 2011		930,000	-	820,664	1,750,664
Total comprehensive income for the year		-	-	(146,194)	(146,194)
Balance at 30 June 2012		930,000	-	674,470	1,604,470
Balance at 1 July 2012		930,000	-	674,470	1,604,470
Changes in accounting policy or correction of prior period error					
Transactions with owners in their capacity as owners:					
Capital appropriations		276,000	-	-	276,000
Total comprehensive income for the year		-		(97,035)	(97,035)
Balance at 30 June 2013		1,206,000	-	577,435	1,783,435

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

(a) Correction to fixed asset

Statement of Cash Flows

For the year ended 30 June 2013

	Note	2013 \$	2012 \$
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation		7,061,000	6,337,000
Capital appropriation		276,000	
Holding account drawdowns		190,000	125,000
Net cash provided by State Government		7,527,000	6,462,000
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(7,064,773)	(6,227,563)
Supplies and services		(1,579,735)	(982,903)
Accommodation		(1,267,207)	(952,012)
GST payments on purchases		(311,154)	(240,492)
GST payments to taxation authority		-	(39,548)
Other payments		(43,296)	(23,587)
Receipts			
User charges and fees		2,790,173	2,200,597
GST receipts on sales		180,340	284,657
GST receipts from taxation authority		80,511	-
Net cash provided by/(used in) operating activities	23.	(7,215,141)	(5,980,851)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments			
Purchase of non-current physical assets		(516,205)	(113,768)
Receipts			
		-	-
Net cash provided by/(used in) investing activities		(516,205)	(113,768)
Net increase/(decrease) in cash and cash equivalents		(204,346)	367,381
Cash and cash equivalents at the beginning of period		1,343,569	976,188
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	23.	1,139,223	1,343,569

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

Summary of Consolidated Account Appropriations and Income Estimates

For the year ended 30 June 2013

	2013 Estimate \$	2013 Actual \$	Variance \$	2013 Actual \$	2012 Actual \$	Variance \$
<u>Delivery Services</u>						
Item 4 Net amount appropriated to deliver services	7,240,000	6,665,000	(575,000)	6,665,000	6,052,000	613,000
 Amount Authorised by Other Statutes						
- <i>Parliamentary Commissioner Act 1971</i>	597,000	597,000	-	597,000	578,000	19,000
 <u>Capital</u>						
Item 118 Capital appropriations	-	276,000	276,000	276,000	-	276,000
Total appropriations provided to deliver services	7,837,000	7,538,000	(299,000)	7,538,000	6,630,000	908,000
GRAND TOTAL	7,837,000	7,538,000	(299,000)	7,538,000	6,630,000	908,000

Details of Expenses by Service

Resolving complaints about decision making of public authorities and improving the standard of public administration	10,311,000	10,397,615	86,615	10,397,615	9,423,748	973,867
Total Cost of Services	10,311,000	10,397,615	86,615	10,397,615	9,423,748	973,867
Less Total Income	(2,368,000)	(2,615,119)	(247,119)	(2,615,119)	(2,371,609)	(243,510)
Net Cost of Services	7,943,000	7,782,496	(160,504)	7,782,496	7,052,139	730,357
Adjustment ^(a)	(106,000)	(244,496)	(138,496)	(244,496)	(422,139)	177,643
Total appropriations provided to deliver services	7,837,000	7,538,000	(299,000)	7,538,000	6,630,000	908,000

Capital Expenditure

Purchase of non-current physical assets	190,000	516,205	326,205	516,205	113,768	402,437
Adjustments for other funding sources	(190,000)	(240,205)	(50,205)	(240,205)	(113,768)	(126,437)
Capital appropriations	-	276,000	276,000	276,000	-	276,000

(a) Adjustments comprise movements in cash balances and other accrual items such as receivables, payables and superannuation.

[Note 27 'Explanatory statement'](#) provides details of any significant variations between estimates and actual results for 2013 and between the actual results for 2012 and 2013.

Notes to the Financial Statements for the year ended 30 June 2013

Note 1. Australian Accounting Standards

General

The Office's financial statements for the year ended 30 June 2013 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' includes Standards and Interpretations issued by the Australian Accounting Standards Board (**AASB**).

The Office has adopted any applicable new and revised Australian Accounting Standards from their operative dates.

Early adoption of standards

The Office cannot early adopt an Australian Accounting Standard unless specifically permitted by *TI 1101 Application of Australian Accounting Standards and Other Pronouncements*. There has been no early adoption of Australian Accounting Standards that have been issued or amended (but not operative) by the Office for the annual reporting period ended 30 June 2013.

Note 2. Summary of significant accounting policies

(a) General statement

The Office is a not-for-profit reporting entity that prepares general purpose financial statements in accordance with Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB as applied by the Treasurer's instructions. Several of these are modified by the Treasurer's instructions to vary application, disclosure, format and wording.

The *Financial Management Act* and the Treasurer's Instructions impose legislative provisions that govern the preparation of financial statements and take precedence over Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB.

Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

(b) Basis of preparation

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention.

The accounting policies adopted in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.

The financial statements are presented in Australian dollars and all values are rounded to the nearest dollar.

[Note 3 'Judgements made by management in applying accounting policies'](#) discloses judgements that have been made in the process of applying the Office's accounting policies resulting in the most significant effect on amounts recognised in the financial statements.

[Note 4 'Key sources of estimation uncertainty'](#) discloses key assumptions made concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(c) Reporting entity

The reporting entity comprises the Office of the Parliamentary Commissioner for Administrative Investigations, generally known as the Ombudsman Western Australia (**the Office**).

Mission

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

- Resolving complaints about decision making of public authorities; and
- Improving the standard of public administration.

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

Services

The Office provides the following service:

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

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

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

(d) Contributed equity

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

Contributions by Owners made to Wholly Owned Public Sector Entities and have been credited directly to Contributed equity.

(e) Income

Revenue recognition

Revenue is recognised and measured at the fair value of consideration received or receivable. Revenue is recognised for the major business activities as follows:

Provision of services

Revenue is recognised by reference to the stage of completion of the transaction.

Service appropriations

Service appropriations are recognised as revenues at fair value 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 to the bank account or credited to the 'Amounts receivable for services' (holding account) held at Treasury.

Net Appropriation Determination

The Treasurer may make a determination providing for prescribed receipts to be retained for services under the control of the Office. In accordance with the determination specified in the 2012-2013 Budget Statements, the Office retained **\$2,615,137** in 2013 (**\$2,371,609** in 2012) from the following:

- GST Input Credits;
- Proceeds from fees and charges; and
- Other Office receipts.

Grants, donations, gifts and other non-reciprocal contributions

Revenue is recognised at fair value when the Office obtains control over the assets comprising the contributions, usually when cash is received.

Other non-reciprocal contributions that are not contributions by owners are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

Gains

Realised or unrealised gains are usually recognised on a net basis. These include gains arising on the disposal of non-current assets and some revaluations of non-current assets.

(f) Plant and equipment

Capitalisation/expensing of assets

Items of plant and equipment costing \$5,000 or more are recognised as assets and the cost of utilising assets is expensed (depreciated) over their useful lives. Items of plant and equipment costing less than \$5,000 are immediately expensed direct to the Statement of Comprehensive Income.

Initial recognition and measurement

Plant and equipment are initially recognised at cost.

For items of plant and equipment acquired at no cost or for nominal cost, the cost is the fair value at the date of acquisition.

Subsequent measurement

Subsequent to initial recognition as an asset, the cost model is used for plant and equipment. All items of plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Depreciation

All non-current assets having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits.

Depreciation is calculated using the straight line method, using rates which are reviewed annually. Estimated useful lives for each class of depreciable asset are:

Furniture and fittings	10 years
Plant and machinery	10 years
Computer hardware	3 years
Office equipment	5 years

(g) Intangible assets

Capitalisation/expensing of assets

Acquisitions of intangible assets costing \$5,000 or more and internally generated intangible assets costing \$50,000 or more are capitalised. The cost of utilising the assets is expensed (amortised) over their useful lives. Costs incurred below these thresholds are immediately expensed directly to the Statement of Comprehensive Income.

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

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

Amortisation for intangible assets with finite useful lives is calculated for the period of the expected benefit (estimated useful life which is reviewed annually) on the straight line basis. All intangible assets controlled by the Office have a finite useful life and zero residual value.

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

Software (a)	3 years
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(a) Software that is not integral to the operation of any related hardware.

Computer software

Software that is an integral part of the related hardware is recognised as plant and equipment. Software that is not an integral part of the related hardware is recognised as an intangible asset. Software costing less than \$5,000 is expensed in the year of acquisition.

(h) Impairment of assets

Plant and equipment and intangible assets are tested for any indication of impairment at the end of each reporting period. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised. Where an asset is written down to recoverable amount, an impairment loss is recognised in profit and loss. Where a previously revalued asset is written down to recoverable amount, the loss is recognised as a revaluation decrement in other comprehensive income. As the Office is a not-for-profit entity, unless an asset has been identified as a surplus asset, the recoverable amount is the higher of an asset's fair value less costs to sell and depreciated replacement cost.

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

Intangible assets with an indefinite useful life and intangible assets not yet available for use are tested for impairment at the end of each reporting period irrespective of whether there is any indication of impairment.

The recoverable amount of assets identified as surplus assets is the higher of fair value less costs to sell and the present value of future cash flows expected to be derived from the asset. Surplus assets carried at fair value have no risk of material impairment where fair value is determined by reference to market-based evidence. Where fair value is determined by reference to depreciated replacement cost, surplus assets are at risk of impairment and the recoverable amount is measured. Surplus assets at cost are tested for indications of impairment at the end of each reporting period.

(i) Leases

The Office holds operating leases for its Office buildings and motor vehicles. Operating leases are expensed on a straight line basis over the lease term as this represents the pattern of benefits derived from the leased property.

(j) Financial instruments

In addition to cash, the Office has two categories of financial instrument:

- Receivables; and
- Financial liabilities measured at amortised cost.

Financial instruments have been disaggregated into the following classes:

- Financial Assets
 - Cash and cash equivalents
 - Restricted cash and cash equivalents
 - Receivables
 - Amounts receivable for services
- Financial Liabilities
 - Payables

Initial recognition and measurement of financial instruments is at fair value which normally equates to the transaction cost or the face value. Subsequent measurement is at amortised cost using the effective interest method.

The fair value of short-term receivables and payables is the transaction cost or the face value because there is no interest rate applicable and subsequent measurement is not required as the effect of discounting is not material.

(k) Cash and cash equivalents

For the purpose of the Statement of Cash Flows, cash and cash equivalent (and restricted cash and cash equivalent) assets comprise cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

(l) Accrued salaries

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

The accrued salaries suspense 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 instead of the normal 26. No interest is received on this account.

(m) Amounts receivable for services (holding account)

The Office receives funding on an accrual basis. The appropriations are paid partly in cash and partly as an asset (holding account receivable). The accrued amount receivable is accessible on the emergence of the cash funding requirement to cover leave entitlements and asset replacement.

(n) Receivables

Receivables are recognised at original invoice amount less an allowance for any uncollectible amounts (i.e. impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written-off against the allowance account. The allowance for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the Office will not be able to collect the debts. The carrying amount is equivalent to fair value as it is due for settlement within 30 days.

(o) Payables

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

(p) Provisions

Provisions are liabilities of uncertain timing or amount and are recognised where there is a present legal or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at the end of each reporting period.

Provisions - employee benefits

All annual leave and long service leave provisions are in respect of employees' services up to the end of the reporting period.

Annual leave

The liability for annual leave that is expected to be settled within 12 months after the end of the reporting period is recognised and measured at the undiscounted amounts expected to be paid when the liability is settled.

Annual leave that is not expected to be settled within 12 months after the end of the reporting period is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as the experience of employee departures and periods of service. The expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

The provision for annual leave is classified as a current liability as the Office does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Long service leave

The liability for long service leave that is expected to be settled within 12 months after the end of the reporting period is recognised and measured at the undiscounted amounts expected to be paid when the liability is settled.

Long service leave that is not expected to be settled within 12 months after the end of the reporting period is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as the experience of employee departures and periods of service. The expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

Unconditional long service leave provisions are classified as current liabilities as the Office does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period. Pre-conditional and conditional long service leave provisions are classified as non-current liabilities because the Office has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

Superannuation

The Government Employees Superannuation Board (**GESB**) and other funds administer public sector superannuation arrangements in Western Australia in accordance with legislative requirements. Eligibility criteria for membership in particular schemes for public sector employees varies according to commencement and implementation dates.

Eligible employees contribute to the Pension Scheme, a defined benefit pension scheme closed to new members since 1987, or the Gold State Superannuation Scheme (**GSS**), a defined benefit lump sum scheme closed to new members since 1995.

Employees commencing employment prior to 16 April 2007 who were not members of either the Pension Scheme or the GSS became non-contributory members of the West State Superannuation Scheme (WSS). Employees commencing employment on or after 16 April 2007 became members of the GESB Super Scheme (GESBS). From 30 March 2012, existing members of the WSS or GESBS and new employees became able to choose their preferred superannuation fund. The Office makes concurrent contributions to GESB or other funds on behalf of employees in compliance with the *Commonwealth Government's Superannuation Guarantee (Administration) Act 1992*. Contributions to these accumulation schemes extinguish the Office's liability for superannuation charges in respect of employees who are not members of the Pension Scheme or GSS.

The GSS is a defined benefit scheme for the purposes of employees and whole-of-government reporting. However, it is a defined contribution plan for agency purposes because the concurrent contributions (defined contributions) made by the

Office to GESB extinguishes the agency's obligations to the related superannuation liability.

The Office has no liabilities under the Pension Scheme or the GSS. The liabilities for the unfunded Pension Scheme and the unfunded GSS transfer benefits attributable to members who transferred from the Pension Scheme, are assumed by the Treasurer. All other GSS obligations are funded by concurrent contributions made by the Office to the GESB.

The GESB makes all benefit payments in respect of the Pension Scheme and GSS, and is recouped from the Treasurer for the employer's share.

Provisions - other

Employment on-costs

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Other expenses' and are not included as part of the Office's 'Employee benefits expense'. The related liability is included in 'Employment on-costs provision'.

(q) Superannuation expense

The superannuation expense in the Statement of Comprehensive Income comprises of employer contributions paid to the GSS (concurrent contributions), the WSS, the GESBS, or other superannuation funds. The employer contribution paid to the GESB in respect of the GSS is paid back into the Consolidated Account by the GESB.

(r) Asset and services received free of charge or for nominal cost

Assets and services received free of charge or for nominal cost that can be reliably measured are recognised as income at fair value of the assets and/or the fair value of those services that the Office would otherwise pay for. A corresponding expense is recognised for services received. Receipts of assets are recognised in the Statement of Financial Position.

Assets or services are received from other State Government agencies are separately disclosed under Income from State Government in the Statement of Comprehensive Income.

(s) Comparative Figures

Comparative figures are, where appropriate, reclassified to be comparable with the figures presented in the current financial year.

Note 3. Judgements made by management in applying accounting policies

The preparation of financial statements requires management to make judgements about the application of accounting policies that have a significant effect on the amounts recognised in the financial statements. The Office evaluates these judgements regularly.

Operating lease commitments

The Office has entered into a lease for a building used for office accommodation. It has been determined that the lessor retains substantially all the risks and rewards incidental to ownership. Accordingly, this lease has been classified as an operating lease.

Note 4. Key sources of estimation uncertainty

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

Long Service Leave

Several estimations and assumptions used in calculating the Office's long service leave provision include expected future salary rates, discount rates, employee retention rates and expected future payments. Changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision.

Note 5. Disclosure of changes in accounting policy and estimates

Initial application of an Australian Accounting Standard

The Office has applied the following Australian Accounting Standards effective for annual reporting periods beginning on or after 1 July 2012 that impacted on the Authority.

AASB 2011-9 Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049]

This Standard requires to group items presented in other comprehensive income on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). There is no financial impact.

Future impact of Australian Accounting Standards not yet operative

The Office cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 *Application of Australian Accounting Standards and Other Pronouncements*. Consequently, the Office has not applied early any of the following Australian Accounting Standards that have been issued that may impact the Office. Where applicable, the Office plans to apply these Australian Accounting Standards from their application date.

AASB 9	<i>Financial Instruments</i>	1 Jan 2015
	<p>This Standard supersedes <i>AASB 139 Financial Instruments: Recognition and Measurement</i>, introducing a number of changes to accounting treatments.</p> <p><i>AASB 2012-6 Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transition Disclosures</i> amended the mandatory application date of this Standard to 1 January 2015. The Office has not yet determined the application or the potential impact of the Standard.</p>	
AASB 13	<i>Fair Value Measurement</i>	1 Jan 2013
	<p>This Standard defines fair value, sets out a framework for measuring fair value and requires disclosures about fair value measurements. The Office has liaised with the Western Australian Land Information Authority (Valuation Services) to ensure that sufficient information will be provided to meet the disclosure requirements of this Standard. There is no financial impact.</p>	
AASB 119	<i>Employee Benefits</i>	1 Jan 2013
	<p>This Standard supersedes AASB 119 (October 2010), making changes to the recognition, presentation and disclosure requirements.</p> <p>The Office does not have any defined benefit plans, and therefore the financial impact will be limited to the effect of discounting annual leave and long service leave liabilities that were previously measured at the undiscounted amounts.</p>	
AASB 2010-2	<i>Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050 & 1052 and Int 2, 4, 5, 15, 17, 127, 129 & 1052]</i>	1 Jul 2013
	<p>This Standard makes amendments to Australian Accounting Standards and Interpretations to introduce reduced disclosure requirements for certain types of entities. There is no financial impact.</p>	

AASB 2010-7	<i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Int 2, 5, 10, 12, 19 & 127]</i>	1 Jan 2015
	<p>This Standard makes consequential amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 9 in December 2010.</p> <p>AASB 2012-6 amended the mandatory application date of this Standard to 1 January 2015. The Office has not yet determined the application or the potential impact of the Standard.</p>	
AASB 2011-2	<i>Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project – Reduced Disclosure Requirements [AASB 101 & 1054]</i>	1 Jul 2013
	<p>This Standard removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards for reduced disclosure reporting. There is no financial impact.</p>	
AASB 2011-8	<i>Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Int 2, 4, 12, 13, 14, 17, 19, 131 & 132]</i>	1 Jan 2013
	<p>This Standard replaces the existing definition and fair value guidance in other Australian Accounting Standards and Interpretations as the result of issuing AASB 13 in September 2011. There is no financial impact.</p>	
AASB 2011-10	<i>Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) [AASB 1, 8, 101, 124, 134, 1049 & 2011-8 and Int 14]</i>	1 Jan 2013
	<p>This Standard makes amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 119 in September 2011. There is no financial impact.</p>	

AASB 2011-11	<i>Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements</i>	1 Jul 2013
	This Standard gives effect to Australian Accounting Standards – Reduced Disclosure Requirements for AASB 119 (September 2011). There is no financial impact.	
AASB 2012-1	<i>Amendments to Australian Accounting Standards - Fair Value Measurement - Reduced Disclosure Requirements [AASB 3, 7, 13, 140 & 141]</i>	1 Jul 2013
	This Standard establishes and amends reduced disclosure requirements for additional and amended disclosures arising from AASB 13 and the consequential amendments implemented through AASB 2011-8. There is no financial impact.	
AASB 2012-2	<i>Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities [AASB 7 & 132]</i>	1 Jan 2013
	This Standard amends the required disclosures in AASB 7 to include information that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position. There is no financial impact.	
AASB 2012-3	<i>Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities [AASB 132]</i>	1 Jan 2014
	This Standard adds application guidance to AASB 132 to address inconsistencies identified in applying some of the offsetting criteria, including clarifying the meaning of “currently has a legally enforceable right of set-off” and that some gross settlement systems may be considered equivalent to net settlement. There is no financial impact.	

AASB 2012-5	<p><i>Amendments to Australian Accounting Standards arising from Annual Improvements 2009-11 Cycle [AASB 1, 101, 116, 132 & 134 and Int 2]</i></p> <p>This Standard makes amendments to the Australian Accounting Standards and Interpretations as a consequence of the annual improvements process. There is no financial impact.</p>	1 Jan 2013
AASB 2012-6	<p><i>Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transition Disclosures [AASB 9, 2009-11, 2010-7, 2011-7 & 2011-8]</i></p> <p>This Standard amends the mandatory effective date of AASB 9 Financial Instruments to 1 January 2015. Further amendments are also made to consequential amendments arising from AASB 9 that will now apply from 1 January 2015 and to consequential amendments arising out of the Standards that will still apply from 1 January 2013. There is no financial impact.</p>	1 Jan 2013
AASB 2012-7	<p><i>Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 7, 12, 101 & 127]</i></p> <p>This Standard adds to or amends the Australian Accounting Standards to provide further information regarding the differential reporting framework and the two tiers of reporting requirements for preparing general financial statement. There is no financial impact.</p>	1 Jul 2013
AASB 2012-10	<p><i>Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments [AASB 1, 5, 7, 8, 10, 11, 12, 13, 101, 102, 108, 112, 118, 119, 127, 128, 132, 133, 134, 137, 1023, 1038, 1039, 1049, & 2011-7 and Int 12]</i></p> <p>This Standard makes amendments to AASB 10 and related Standards to revise the transition guidance relevant to the initial application of those Standards, and to clarify the circumstances in which adjustments to an entity's previous accounting for its involvement with other entities are required and the timing of such adjustments.</p>	1 Jan 2013

The Standard was issued in December 2012. The Office has not yet determined the application or the potential impact of the Standard.

AASB 2012-
11

Amendments to Australian Accounting Standards – Reduced Disclosure Requirements and Other Amendments [AASB 1, 2, 8, 10, 107, 128, 133, 134 & 2011-4]

1 Jul 2013

This Standard makes various editorial corrections to Australian Accounting Standards – Reduced Disclosure Requirements (Tier 2). These corrections ensure that the Standards reflect decisions of the AASB regarding the Tier 2 requirements.

This Standard also extends the relief from consolidation and the equity method (in the new Consolidation and Joint Arrangements Standards) to entities complying with Australian Accounting Standards – Reduced Disclosure Requirements. There is no financial impact.

Note 6. Employee benefits expense

	2013 \$	2012 \$
Wages and salaries ^(a)	6,621,688	5,665,417
Superannuation - defined contribution plans ^(b)	612,972	574,054
Other related expenses	51,148	67,419
	7,285,808	6,306,890

(a) Includes the value of the fringe benefit to the employee plus the fringe benefit tax component and leave entitlements including superannuation contribution component.

(b) Defined contribution plans include West State, Gold State and GESB Super Scheme (contributions paid).

Employment on-costs expenses, such as workers' compensation insurance are included at [Note 10 'Other expenses'](#).

Employment on-costs liability is included in [Note 21 'Provisions'](#).

Note 7. Supplies and services

	2013 \$	2012 \$
Travel	45,719	39,762
Communications	99,673	80,293
Consumables	162,022	210,397
Services and contracts	745,189	566,126
Services received free of charge	89,218	131,556
Other	224,459	232,205
	1,366,280	1,260,339

Note 8. Depreciation and amortisation expense

	2013 \$	2012 \$
<u>Depreciation</u>		
Furniture fixtures and fittings	681	53,077
Computer hardware	25,287	17,463
Communications	41,820	29,567
Office equipment	8,214	6,784
Plant and machinery	-	2,124
Total depreciation	76,002	109,015
<u>Amortisation</u>		
Intangible assets	117,696	141,918
Total amortisation	117,696	141,918
Total depreciation and amortisation	193,698	250,933

Note 9. Accommodation expenses

	2013 \$	2012 \$
Lease rentals	1,163,144	951,030
Repairs and maintenance	11,146	982
Services received free of charge ^(a)	334,243	144,389
	1,508,533	1,096,401

(a) Relates to the notional value of the fit-out of office accommodation provided through Building Management and Works.

Note 10. Other expenses

	2013 \$	2012 \$
Employment on-cost ^(a)	84	34
Audit Fee ^(b)	43,200	20,000
Other Miscellaneous Expenses	-	3,553
	43,284	23,587

(a) Includes workers' compensation insurance and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liability is included at [Note 21 'Provisions'](#). Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

(b) Audit fee, see also [Note 30 'Remuneration of auditor'](#).

Note 11. Other revenue

	2013 \$	2012 \$
Other revenue - general	2,568,247	2,313,272
Other recoup	46,872	58,337
	2,615,119	2,371,609

Note 12. Net gain/(loss) on disposal of non-current assets

	2013 \$	2012 \$
<u>Proceeds from disposal of non-current asset</u>		
Plant and Equipment	18	-
<u>Cost of disposal of non-current assets</u>		
Plant and Equipment	30	485,598
Net gain/(loss)	(12)	(485,598)

Note 13. Income from State Government

	2013 \$	2012 \$
Appropriation received during the year:		
Service appropriations ^(a)		
- Recurrent	6,665,000	6,052,000
- Special Acts	597,000	578,000
	7,262,000	6,630,000
Resources received free of charge ^(b)		
Determined on the basis of the following estimates provided by agencies:		
- State Solicitors Office	2,908	9,323
- Department of the Premier and Cabinet Corporate and Business Services	86,310	122,233
- Department of Finance - Building Management and Works	334,243	144,389
	423,461	275,945
	7,685,461	6,905,945

- (a) Service appropriations funds the net cost of services delivered. 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.
- (b) Assets or services received free of charge or for nominal cost are recognised as revenue at fair value of the assets and/or services that can be reliably measured and which would have been purchased if they were not donated. Contributions of assets or services in the nature of contributions by owners are recognised direct to equity.

Note 14. Restricted cash and cash equivalents

	2013 \$	2012 \$
<u>Non-current</u>		
Accrued salaries suspense account ^(a)	215,784	152,461
	215,784	152,461

- (a) Funds held in the suspense account used only for the purpose of meeting the 27th pay in a financial year that occurs every 11 years.

Note 15. Receivables

	2013 \$	2012 \$
<u>Current</u>		
Receivables	52,883	227,937
GST receivable	72,653	27,956
Total current	125,536	255,893

There were no allowances made in the current year for the impairment of receivables (2011/12: nil)

The Office does not hold any collateral or other credit enhancements as security for receivables.

Note 16. Amounts receivable for services (Holding Account)

	2013 \$	2012 \$
Current	157,000	190,000
Non-Current	1,891,000	1,847,000
	2,048,000	2,037,000

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

Note 17. Plant and Equipment

	2013 \$	2012 \$
<u>Furniture fixtures and fittings</u>		
At cost	6,814	6,814
Accumulated depreciation	(851)	(170)
Accumulated impairment losses	-	-
	5,963	6,644
<u>Computer Hardware</u>		
At Cost	186,076	194,543
Accumulated depreciation	(146,511)	(175,801)
Accumulated impairment losses	-	-
	39,564	18,742
<u>Office equipment</u>		
At cost	64,054	41,418
Accumulated depreciation	(29,499)	(21,285)
Accumulated impairment losses	-	-
	34,555	20,133

	2013 \$	2012 \$
Communications		
At cost	193,670	162,995
Accumulated depreciation	(136,615)	(94,796)
Accumulated impairment losses	-	-
	57,055	68,199
	137,137	113,718

Reconciliation

Reconciliations of the carrying amounts of plant and equipment at the beginning and end of the reporting period are set out in the table below:

	Furniture and Fittings	Computer hardware	Office Equipment	Plant and Machinery	Communications	Total
2013	\$	\$	\$	\$	\$	\$
Carrying amount at start of period	6,644	18,742	20,133	-	68,199	113,718
Additions	-	46,304	22,636	-	28,638	97,578
Transfers	-	(195)	-	-	2,038	1,843
Retirements	-	-	-	-	-	-
Correction prior period error	-	-	-	-	-	-
Depreciation	(681)	(25,287)	(8,214)	-	(41,820)	(76,002)
Carrying amount at end of period	5,963	39,564	34,555	-	57,055	137,137

2012	\$	\$	\$	\$	\$	\$
Carrying amount at start of period	523,639	34,167	19,420	16,989	85,238	679,453
Additions	6,814	2,038	7,497	-	12,978	29,327
Retirements	(470,732)	-	-	(14,865)	-	(485,597)
Correction prior period error	-	-	-	-	(450)	(450)
Depreciation	(53,077)	(17,463)	(6,784)	(2,124)	(29,567)	(109,015)
Carrying amount at end of period	6,644	18,742	20,133	-	68,199	113,718

Note 18. Intangible assets

	2013 \$	2012 \$
Computer Software		
At cost	929,138	454,235
Accumulated amortisation	(508,884)	(391,188)
Accumulated impairment losses	-	-
	420,254	63,047
Work in Progress	-	25,125
	-	25,125
Total intangible assets	420,254	88,172
Reconciliation:		
Computer Software		
Carrying amount at start of year	63,047	85,731
Additions	476,747	119,234
Transfer	(1,843)	-
Amortisation expense	(117,696)	(141,918)
Carrying amount at end of year	420,254	63,047

Note 19. Impairment of assets

There were no indications of impairment to plant and equipment or intangible assets at 30 June 2013.

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

All surplus assets as at 30 June 2013 have either been classified as assets held for sale or written-off.

Note 20. Payables

	2013 \$	2012 \$
Current		
Trade payables	91,847	44,685
Accrued Expenses	45,186	226,536
Accrued Salaries	155,144	138,472
Accrued Superannuation	15,402	10,499
Other payables	10	232,519
Total current	307,589	652,711

Note 21. Provisions

	2013 \$	2012 \$
Current		
<i>Employee benefits provision</i>		
Annual leave ^(a)	593,973	571,482
Long service leave ^(b)	786,251	662,816
Purchased leave scheme ^(c)	14,615	-
	1,394,839	1,234,298
<i>Other provisions</i>		
Employment on-costs ^(d)	628	560
	628	560
	1,395,467	1,234,858
Non-current		
<i>Employee benefits provision</i>		
Long service leave ^(b)	384,990	346,155
	384,990	346,155
<i>Other provisions</i>		
Employment on-costs ^(d)	174	158
	174	158
	385,164	346,313

- (a) Annual leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

	2013 \$	2012 \$
Within 12 months of the end of the reporting period	389,724	331,867
More than 12 months after the end of the reporting period	204,249	239,615
	593,973	571,482

- (b) Long service leave liabilities have been classified as current where there is no unconditional right to defer settlement for at least 12 months after the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

	2013 \$	2012 \$
Within 12 months of the end of the reporting period	205,214	291,633
More than 12 months after the end of the reporting period	966,027	717,337
	1,171,241	1,008,970

- (c) Purchase leave liabilities have been classified as current as they must be cleared or paid out within 12 months.
- (d) The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including worker's compensation insurance. The provision is the present value of expected future payments. The associated expense, apart from the unwinding of the discount (finance cost), is disclosed in [Note 10 'Other expenses'](#).

Movement in other provisions

Movements in each class of provisions during the financial year, other than employee benefits, are set out below.

	2013 \$	2012 \$
<u>Employment on-cost provision</u>		
Carrying amount at start of year	718	684
Additional provisions recognised	84	34
Carrying amount at end of year	802	718

Note 22. Equity

The Government holds the equity interest in the Office on behalf of the community. Equity represents the residual interest in the net assets of the Office. The asset revaluation surplus represents that portion of equity resulting from the revaluation of non-current assets.

Contributed equity

	2013 \$	2012 \$
Balance at start of period	930,000	930,000
<u>Contributions by owners</u>		-
Capital Contributions	276,000	-
Total contributions by owners	276,000	-
Balance at the end of period	1,206,000	930,000

Accumulated surplus/(deficit)

	2013 \$	2012 \$
Balance at start of period	674,470	820,664
Result for the period	(97,035)	(146,194)
Balance at end of period	577,435	674,470
Total Equity at the end of period	1,783,435	1,604,470

Note 23. Notes to the Statement of Cash Flows

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 Position](#) as follows:

	2013 \$	2012 \$
Cash and cash equivalents	923,439	1,191,108
Restricted cash and cash equivalents	215,784	152,461
	1,139,223	1,343,569

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

	2013 \$	2012 \$
Net cost of services	(7,782,496)	(7,052,139)
<u>Non-cash items:</u>		
Depreciation and amortisation expense	193,698	250,933
Resources received free of charge	423,461	275,945
Net gain/(loss) on disposal of non-current assets		485,598
<u>(Increase)/decrease in assets:</u>		
Current receivables ^(a)	175,054	(143,478)
Other current assets	(94,417)	-
<u>Increase/(decrease) in liabilities:</u>		
Accrued salaries	16,672	(1,356)
Accrued superannuation	4,903	7,574
Accrued expenses	(153,243)	12,627
Current payables ^(a)	(153,536)	133,902
Current provisions	160,609	54,390
Non-current provisions	38,851	18,719
Net GST receipts/(payments) ^(b)	(50,303)	(22,917)
Change in GST in receivables/payables ^(c)	5,606	(649)
Net cash provided by/(used in) operating activities	(7,215,141)	(5,980,851)

(a) Note that the Australian Taxation Office (ATO) receivable/payable in respect of GST and the receivable/payable in respect of the sale/purchase of non-current assets are not included in these items as they do not form part of the reconciling items.

(b) This is the net GST paid/received, i.e. cash transactions.

(c) This reverses out the GST in receivables and payables.

Note 24. Commitments

The commitments below are inclusive of GST where relevant.

Lease commitments

Commitments in relation to leases contracted for at the end of the reporting period but not recognised in the financial statements are payable as follows:

Non-cancellable operating leases commitments

	2013 \$	2012 \$
Commitments for minimum leases payments are payable as follows:		
Within 1 year	931,761	916,087
Later than 1 year and not later than 5 years	965,031	1,835,450
	1,896,792	2,751,537

The Office has entered into a property lease which is a non-cancellable lease with a three year term, with rent payable monthly in advance. Contingent rent provisions within the lease agreement require that the minimum lease payments shall be increased by the lower of CPI or 3.5% per annum. An option exists to renew the lease at the end of the three year term for an additional term of five years.

The motor vehicle lease is a non-cancellable lease with a three year term, with lease payments monthly. New vehicle leases are negotiated at the end of this period, the number of vehicle leases being subject to the Office's operational needs.

Note 25. Contingent liabilities and contingent assets

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

Note 26. Events occurring after the end of the reporting period

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

Note 27. Explanatory statement

Significant variations between estimates and actual results for income and expense as presented in the financial statement titled '[Summary of Consolidated Account Appropriations and Income Estimates](#)' are shown below. Significant variations are considered to be those greater than 10% or \$100,000.

Total appropriations provided to deliver services

Significant variances between estimate and actual for 2013

Although there was no significant variation from the total appropriation, there were significant offsetting variances in the following expenditure.

	2013 Estimate \$	2013 Actual \$	Variance \$
Employee benefits expense	7,482,000	7,285,808	(196,192)
Supplies and services	875,000	1,366,280	491,280
Accommodation expenses	1,184,000	1,508,533	324,533
Other expenses	569,000	43,284	(525,716)
Other revenue	2,368,000	2,615,119	247,119
Service appropriation	7,837,000	7,262,000	(575,000)
Resources received free of charge	106,000	423,461	317,461

Employee benefits expense

Employee benefits appropriations have decreased due to the deferral of the Criminal Penalty Infringement Notices function, from 2012-13 to 2013-14 and an efficiency dividend of \$110,000. This is partially offset by an increase in employee benefits due to the transfer of finance functions from the Office of Shared Services.

Supplies and services

The increase is primarily due to some expenses, included in the estimate as other expenses, being included in supplies and services for actual expenses.

Accommodation Expenses

This increase is primarily due to higher resources received free of charge for the depreciation of the fit-out of office accommodation provided through the Department of Finance (Building Management and Works).

Other expenses

The decrease in other expenses is primarily due to the deferral of the Criminal Penalty Infringement Notices function, from 2012-13 to 2013-14, and some expenses, included in the estimate as other expenses, being included in supplies and services for actual expenses.

Other revenue

This increase is primarily due to an increase in funding, approved by the Board of the Energy Ombudsman Western Australia, to cover additional expenses associated with a significant increase in complaints proceeding to investigation under the Energy jurisdiction, and revenue to offset past period errors resulting in uncleared purchase orders being retained in the system.

Service Appropriation

The decrease is primarily due to the deferral of the Criminal Penalty Infringement Notices function, from 2012-13 to 2013-14 and an efficiency dividend of \$110,000. This is partially offset by an increase in employee benefits due to the transfer of finance functions from the Office of Shared Services.

Resources received free of charge

This increase is primarily due to the higher resources received free of charge for the depreciation of the fit-out of office accommodation provided through the Department of Finance (Building Management and Works).

Service ExpenditureSignificant variances between actual results for 2013 and 2012

The increase in expenses in 2013 has been primarily due to the commencement of a new function to review family and domestic violence fatalities and the transfer of the finance function to the Office as a result of the decommissioning of the Office of Shared Services. This has been funded by an increase in appropriation to deliver services from \$6,630,000 in 2012 to \$7,262,000 in 2013. The significant variances from 2012 to 2013 are set out below.

	2013 \$	2012 \$	Variance \$
<u>Expenses</u>			
Employee benefits expense	7,285,808	6,306,890	978,918
Supplies and Services	1,366,280	1,260,339	105,941
Depreciation and amortisation expense	193,698	250,933	(57,235)
Accommodation expense	1,508,533	1,096,401	412,132
Loss on disposal of non-current asset	12	485,598	(485,586)
Other expenses	43,284	23,587	19,697
Other revenue	2,615,119	2,371,609	243,510
Resources received free of charge	423,461	275,945	147,516

Employee benefits expense

The increase is primarily due to additional staffing requirements associated with the new function of family and domestic violence fatality reviews and the transfer of finance functions to the Office due to the decommissioning of Office of Shared Services.

Supplies and Services

The increase is primarily due to services required to support the new family and domestic violence fatality review function and the transition of the finance function to the Office from the Office of Shared Services.

Depreciation and amortisation

The decrease is primarily due to a reduction in assets requiring depreciation following disposal of an office fit out in 2011-12 as a result of the transfer to new accommodation.

Accommodation expense

The increase is primarily due to the higher resources received free of charge for the depreciation of the fit-out of office accommodation provided through the Department of Finance (Building Management and Works).

Loss on disposal of non-current asset

The decrease is primarily due to a one off loss due to the disposal of an office fit out in 2011-12 arising from the transfer to new accommodation.

Other expenses

The increase is due to the payment of audit fees for the 2011-12 in 2012-13 and the accrual for the 2012-13 audit fee.

Other revenue

The increase is primarily due to revenue to offset past period errors resulting in uncleared purchase orders being retained in the system.

Resources received free of charge

The increase is primarily due to government accommodation - fit-out depreciation, provided through the Department of Finance (Building Management and Works) for the refit of the Office's new accommodation.

Capital contribution

Significant variances between estimate and actual for 2013 are shown below

There were significant variations between estimate and actual capital contributions as outlined below.

	2013 Estimate \$	2013 Actual \$	Variance \$
Capital contribution	-	276,000	276,000

Capital contribution

The increase in capital contribution from the estimate to the actual 2013 was due to the purchase of a finance system to support the financial operations of the Office following the decommissioning of the Office of Shared Services provided through a transfer of funds from the Department of Finance.

Capital contribution

Significant variances between actuals for 2013 and 2012

There were significant variations between actual 2012 and actual 2013 capital contributions as outlined below.

	2013 Actual \$	2012 Actual \$	Variance \$
Capital appropriation	276,000	-	(276,000)

Capital contribution

This increase was due a one off capital contribution for the purchase of a finance system to support the financial operations of the Office following the decommissioning of the Office of Shared Services.

Note 28. Financial instruments

(a) Financial risk management objectives and policies

Financial instruments held by the Office are cash and cash equivalents, restricted cash and cash equivalents, receivables and payables. The Office has limited exposure to financial risks. The Office's overall risk management program focuses on managing the risks identified below.

Credit risk

Credit risk arises when there is the possibility of the Office's receivables defaulting on their contractual obligations resulting in financial loss to the Office.

The maximum exposure to credit risk at the end of the reporting period in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any provisions for impairment, as shown in the table at [Note 28\(c\) 'Financial instruments disclosures'](#) and [Note 15 'Receivables'](#).

Credit risk associated with the Office's financial assets is minimal because the main receivable is the amounts receivables for services (holding accounts). For receivables other than government, the Office trades only with recognised, creditworthy third parties. The Office has policies in place to ensure that services are made to customers with an appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that the Office's exposure to bad debts is minimal. At the end of the reporting period there were no significant concentrations of credit risk.

Liquidity risk

Liquidity risk arises when the Office is unable to meet its financial obligations as they fall due. The Office is exposed to liquidity risk through its trading in the normal course of business. The Office has appropriate procedures to manage cash flows including drawdowns of appropriations by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Office's income or the value of its holdings of financial instruments. The Office does not trade in foreign currency and is not materially exposed to other price risks.

(b) Categories of financial instruments

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

	2013 \$	2012 \$
<u>Financial Assets</u>		
Cash and cash equivalents	923,439	1,191,108
Restricted cash and cash equivalents	215,784	152,461
Receivables ^(a)	52,883	227,937
Amount receivable for service	2,048,000	2,037,000
<u>Financial Liabilities</u>		
Financial liabilities measured at amortised cost	307,589	652,711
Other liabilities	92,913	-

(a) The amount of receivables excludes GST recoverable from the ATO (statutory receivable).

(c) Financial instrument disclosuresCredit risk

The following table details the Office's maximum exposure to credit risk and the ageing analysis of financial assets. The Office's maximum exposure to credit risk at end of the reporting period is the carrying amount of financial assets as shown below. The table discloses the ageing of financial assets that are past due but not impaired and impaired in financial assets. The table is based on information provided to senior management of the Office.

The Office does not hold any collateral as security or other credit enhancements relating to the financial assets it holds.

The Office does not hold any financial assets that had to have their terms renegotiated that would have otherwise resulted in them being past due or impaired.

Aged analysis of financial assets ^(a)									
	Carrying Amount	Not past due and not impaired	Past due but not impaired						Impaired financial assets
			Up to 1 month	Up to 3 months	3 to 12 months	1 - 2 Years	2 - 5 Years	More than 5 Years	
	€	€	€	€	€	€	€	€	€
2013									
Cash and cash equivalents	923,439	923,439	-	-	-	-	-	-	-
Restricted cash and cash equivalent	215,784	215,784	-	-	-	-	-	-	-
Receivables ^(a)	52,883	52,883	-	-	-	-	-	-	-
Amount receivable for service	2,048,000	2,048,000	-	-	-	-	-	-	-
	3,240,106	3,240,106	-	-	-	-	-	-	-
2012									
Cash and cash equivalents	1,191,108	1,191,108	-	-	-	-	-	-	-
Restricted cash and cash equivalent	152,461	152,461	-	-	-	-	-	-	-
Receivables ^(a)	227,937	153,530	33,926	-	40,481	-	-	-	-
Amount receivable for service	2,037,000	2,037,000	-	-	-	-	-	-	-
	3,608,506	3,534,099	33,926	-	40,481	-	-	-	-

(a) The amount of receivables excludes GST recoverable from the ATO (statutory receivable).

Liquidity risk and interest rate exposure

The following table details the Office's interest rate exposure and the contractual maturity analysis of financial assets and financial liabilities. The maturity analysis section includes interest and principal cash flow. The interest rate exposure section analysis only the carrying amounts of each item.

Interest rate exposure and maturity analysis of financial assets and financial liabilities											
Interest rate exposure						Maturity date					
2013	Weighted average effective interest rate %	Carrying Amount	Fixed interest rate	Variable interest rate	Non-interest bearing	Nominal Amount	Up to 1 month	Up to 3 months	3 to 12 Months	1 – 5 Years	More than 5 Years
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Financial Assets											
Cash and cash equivalents		923,439	-	-	923,439	923,439	923,439	-	-	-	-
Restricted cash and cash equivalent		215,784	-	-	215,784	215,784		-	-	215,784	-
Receivables (a)		52,883	-	-	52,883	52,883	52,883	-	-	-	-
Amount receivable for service		2,048,000	-	-	2,048,000	2,048,000	-	-	157,000	612,000	1,279,000
		3,240,106	-	-	3,240,106	3,240,106	976,322	-	157,000	827,784	1,279,000
Financial liabilities											
Payables		307,589			307,589	307,589	307,589	-	-	-	-
Other liabilities		92,913	-	-	92,913	92,913	-	-	20,736	72,177	-
		400,501	-	-	400,501	400,501	307,589	-	20,736	72,177	

(a) The amount of receivables excludes GST recoverable from the ATO (statutory receivable).

Interest rate exposure and maturity analysis of financial assets and financial liabilities											
2012	Weighted average effective interest rate %	Interest rate exposure				Nominal Amount	Maturity date				
		Carrying Amount	Fixed interest rate	Variable interest rate	Non-interest bearing		Up to 1 months	1 to 3 months	3 to 12 Months	1 – 5 Years	More than 5 Years
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Financial Assets											
Cash and cash equivalents		1,191,108	-	-	1,191,108	1,191,108	1,191,108	-	-	-	-
Restricted cash and cash equivalent		152,461	-	-	152,461	152,461	-	-	-	152,461	-
Receivables (a)		227,937	-	-	227,937	227,937	227,937	-	-	-	-
Amount receivable for service		2,037,000	-	-	2,037,000	2,037,000	-	-	190,000	561,000	1,286,000
		3,608,506	-	-	3,608,506	3,608,506	1,419,045	-	190,000	713,461	1,286,000
Financial liabilities											
Payables		652,711	-	-	652,711	652,711	652,711	-	-	-	-
Other Liabilities		-	-	-	-	-	-	-	-	-	-
		652,711	-	-	652,711	652,711	652,711	-	-	-	-

(a) The amount of receivables excludes GST recoverable from the ATO (statutory receivable).

Interest rate sensitivity analysis

None of the Office's financial assets and liabilities at the end of the reporting period are sensitive to movements in interest rates. Movements in interest rates would therefore have no impact on the Office's surplus or equity.

Fair values

All financial assets and liabilities recognised in the Statement of Financial Position, whether they are carried at cost or fair value, are recognised at amounts that represent a reasonable approximation of fair value unless otherwise stated in the applicable notes.

Note 29. Remuneration of senior officers

The number of senior officers whose total fees, salaries, superannuation, non-monetary benefits and other benefits for the financial year fall within the following bands are:

\$	2013	2012
70,001 - 80,000	-	1
80,001 - 90,000	-	1
120,001 - 130,000	1	-
150,001 - 160,000	-	1
160,001 - 170,000	1	-
170,001 - 180,000	1	1
180,001 - 190,000	1	-
200,001 - 210,000	2	1
230,001 - 240,000	-	1
360,001 - 370,000	-	1
430,001 - 440,000	1	-
Base remuneration and superannuation	1,223,986	1,069,658
Annual leave and long service leave accruals	49,308	113
Other benefits	223,786	230,883
	\$	\$
Total remuneration of senior officers	1,497,081	1,300,654

The total remuneration includes the superannuation expense incurred by the Office in respect of senior officers.

Note 30. Remuneration of auditor

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

	2013 \$	2012 \$
Auditing the accounts, financial statements and performance indicators	22,000	21,200
	22,000	21,200

Note 31. 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 involved 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.

	2013 \$	2012 \$
Opening Balance	(3,891)	(9,599)
Receipts	31,304	31,330
Payments	(23,418)	(25,622)
Closing Balance	3,995	(3,891)

Note 32. Supplementary financial information

(a) Write-offs

There was no write-off during the period.

(b) Losses through theft, defaults and other causes

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

(c) Gifts of public property

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

Note 33. Other Assets

	2013 \$	2012 \$
<u>Current</u>		
Prepayments	94,417	-
	94,417	-

Note 34. Other Liabilities

	2013 \$	2012 \$
Current	20,736	-
Non Current	72,177	-
	92,913	-

Key Performance Indicators

Certification of Key Performance Indicators for year ended 30 June 2013

We hereby certify that the key performance indicators are based on proper records, are relevant and are appropriate for assisting users to assess performance and fairly represent the performance of the Parliamentary Commissioner for Administrative Investigations for the financial year ended 30 June 2013.



Mary White
Chief Finance Officer

8 August 2013



Chris Field
Accountable Authority

8 August 2013

Key Performance Indicators

Key Effectiveness Indicators

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

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

Key Effectiveness Indicators	2008-09	2009-10	2010-11	2011-12	2012-13 Target	2012-13 Actual
Of allegations where the Ombudsman made recommendations to improve practices or procedures, percentage of recommendations accepted by agencies (a)	100%	100%	100%	100%	100%	100%
Number of improvements to practices or procedures as a result of Ombudsman action (b)	29	49	57	96	100	72

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

Comparison of Actual Results and Budget Targets

For the fifth consecutive year, public authorities have accepted every recommendation made by the Ombudsman, matching the 2011-12 actual result and meeting the 2012-13 Target.

In 2007-08, the office of the Ombudsman (**the Office**) commenced a program to ensure that its work increasingly contributed to improvements to public administration. Consistent with this program, the number of improvements to practices and procedures of public authorities as a result of Ombudsman action, has risen significantly since the commencement of the program but there may be fluctuations from year to year.

Key Efficiency Indicators

The Ombudsman's key efficiency indicators relate to the following service:

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

Key Efficiency Indicators	2008-09	2009-10	2010-11	2011-12	2012-13 Target	2012-13 Actual
Percentage of allegations finalised within three months	82%	82%	78%	72%	85%	83%
Percentage of allegations finalised within 12 months	96%	99%	96%	99%	99%	99%
Percentage of allegations on hand at 30 June less than three months old	71%	63%	68%	45%	70%	94%
Percentage of allegations on hand at 30 June less than 12 months old	96%	97%	98%	99%	99%	96%
Average cost per finalised allegation (a)	\$2,759	\$1,999	\$1,899	\$1,866	\$1,875	\$1,821
Average cost per finalised notification of death (b)	NA	\$9,377	\$9,651	\$10,410	\$9,600	\$12,281

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

(b) This is the net cost of undertaking the function to review certain child deaths and family and domestic violence fatalities divided by the number of notifications finalised.

Comparison of Actual Results and Budget Targets

The timeliness and efficiency of complaint handling has substantially improved over the past five years due to a major complaint handling improvement program introduced in 2007-08. An initial focus of the program was the elimination of aged complaints, including complaints as old as six years. Building on the program, the Office developed and commenced a new organisational structure and processes in 2011-12 to promote and support early resolution of complaints. As a result of the program, the Office has reduced the average age of complaints from 173 days on 30 June 2007 to 33 days on 30 June 2013 while at the same time reducing the average cost of finalised allegation for five consecutive years. These improvements are in the context of a significant increase in the number of complaints across all sectors that occurred in 2009-10, that has been maintained for the last three financial years.

In 2012-13, substantially improved complaint handling has resulted in the following actual results compared to budget targets. The percentage of allegations finalised within three months (83%) is the highest figure in the past five years, very significantly improving on the 2011-12 actual result (72%), and only slightly less than the 2012-13 target (85%). The percentage of allegations finalised within 12 months (99%), has matched the 2011-12 actual result and the 2012-13 Target. The

percentage of allegations on hand at 30 June less than three months old (94%) has improved very significantly from the 2011-12 actual result (45%) and has significantly bettered the 2012-13 Target (70%). The percentage of allegations on hand at 30 June less than 12 months old (96%) has not matched the 2011-12 actual result (99%) or met the 2012-13 Target (99%), however, it is anticipated that, early in 2013-14, the Office will achieve, and then maintain, not having any complaints on hand over 12 months. Accordingly, the 2013-14 Target for allegations on hand at 30 June less than 12 months old has been adjusted to 100%. The average cost per finalised allegation bettered the 2011-12 actual result and the 2012-13 Target.

The Ombudsman reviews certain child deaths and family and domestic violence fatalities. This involves:

- Reviewing the circumstances in which and why child deaths and family and domestic violence fatalities occur;
- Identifying patterns and trends that arise from reviews of child deaths and family and domestic violence fatalities; and
- Making recommendations to public authorities about ways to prevent or reduce child deaths and family and domestic violence fatalities.

The average cost per finalised notification of death exceeded the 2011-12 actual result and the 2012-13 Target, reflecting the complexity of this function, including the complexity of reviews of family and domestic violence fatalities, that commenced in 2012-13. The 2013-14 Target has been adjusted accordingly.

Other Disclosures and Legal Compliance

Ministerial Directives

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

Other Financial Disclosures

Pricing Policies of Services Provided

The Office currently receives revenue for the following functions:

- Costs for the Energy Ombudsman functions are recouped from the Energy Industry Ombudsman (Western Australia) Limited on a full cost recovery basis. These costs are determined by the actual staffing costs involved in delivering the service plus an allowance for overheads and costs of particular operational expenses.
- Under an arrangement with the Australian Government, the Office handles enquiries and complaints from the Indian Ocean Territories (**the Territories**) about local government and Western Australian public authorities delivering services to the Territories. Each year the Office recoups costs from the Australian Government for any complaints received from the Territories. Cost recovery is based on the average cost per complaint in the last two years as published in the Office's annual reports. Administrative costs and the costs of any travel to the Territories by the Ombudsman or staff and any promotional materials are also recouped in full.
- The Office is a partner with the Commonwealth Ombudsman and the New South Wales Ombudsman in an AusAID funded program in Indonesia (funded under the AusAID Government Partnership Fund), the principal goal of which is to provide greater access across Indonesia to more effective and sustainable Ombudsman services. The Office recoups costs for these activities from the Commonwealth Ombudsman's Office in accordance with the Australia Indonesia Partnership for Reconstruction and Development Government Partnership Fund Guidelines.

Capital Works

During 2012-13, the Office undertook a major capital project to implement a finance system as a result of the decommissioning of the Office of Shared Services and the transfer of finance related functions to the Office. The total budget of the project is \$276,000 and, as at 30 June 2013, the outstanding amount required to complete the project was \$57,000.

The development of a database for case management of child death reviews commenced in 2010-11. Further development was undertaken in 2011-12 and 2012-13 including to provide for case management of the reviews of family and domestic violence fatalities which commenced in 2012-13. The total budget of the project is \$150,000 and, as at 30 June 2013, the outstanding amount required to complete the project was \$12,000, \$6,000 of which was already committed. The remaining \$6,000 will be used in 2013-14 to complete the project.

There were no other major capital projects in 2012-13.

Employment and Industrial Relations

Employment of Staff

Staff numbers at the Office increased in 2012-13 due to the commencement of the family and domestic violence fatality review function and the transfer of finance functions to the Office as a result of the decommissioning of the Office of Shared Services.

Over the full year for 2012-13 there was an average of 60 full-time equivalent positions (**FTEs**). There were also additional staff seconded into the Office and people employed through recruitment agencies to cover short term vacancies and work requirements.

As at 30 June 2013 there were 72 staff (65.6 FTEs) undertaking the work of the Office. There were 69 people (62.4 FTEs) directly employed by the Office, including 55 full-time employees and 14 part-time employees. This includes people on unpaid leave, contract staff providing short term expertise and backfilling staff during extended leave periods and people seconded out of the Office. The net total is adjusted for people seconded into and out of the Office and people employed through a recruitment agency to cover short term vacancies.

All employees are public sector employees operating in executive, policy, enquiry, investigation and administrative roles. The following table provides a breakdown of the categories of employment for staff as at 30 June over the past three years.

Staff numbers as at 30 June 2013

Employee Category	2010-11	2011-12	2012-13
Full-time permanent	40	40	46
Full-time contract	9	12	9
Part-time permanent	11 (7 FTEs)	11 (5.3 FTEs)	13 (6.85 FTEs)
Part-time contract	2 (0.9 FTEs)	1 (0.5 FTEs)	1 (0.5 FTEs)
TOTAL	62 (56.9 FTEs)	64 (57.8 FTEs)	69 (62.4 FTEs)
Employees seconded out (included in numbers above)	-2 (2 FTEs)	-2 (2 FTEs)	-1 (0.8 FTEs)
Employees seconded in (not included in numbers above)	2 (2 FTEs)	3 (3 FTEs)	2 (2 FTEs)
Temporary staff employed through recruitment agencies	4 (3.4 FTEs)	5 (5 FTEs)	2 (2 FTEs)
NET TOTAL (FTE)	60.3	63.8	65.6
NET TOTAL (Head Count)	66	70	72

Human Resources Strategy 2009-12

The Office continued with the implementation of the Human Resources Strategy 2009-12 (**the Strategy**) during the year. The Strategy aims to support the attraction and retention of staff and staff development through performance management and continuous professional development, through:

- **Recruitment, Retention and Engagement of High Quality Staff**

Recruitment practices continue to prove successful in attracting staff to apply for positions with the Office, with high numbers of quality applications received for positions advertised during the year. The Office provides benefits for staff such as flexible work options and part-time arrangements and this is promoted in all job advertisements. Staff have access to flexible work options, including part-time or purchased leave arrangements and work from home arrangements.

- **Accounting for Performance**

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

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

- **Continual Learning**

The Office provides a range of training sessions and professional development sessions for staff. Where appropriate the sessions use the expertise of senior staff of the Office to deliver the material. To supplement this in-house program, staff are encouraged to attend external training, conferences and seminars to improve their skills and knowledge in areas relevant to their work. These opportunities are facilitated through development plans as part of staff annual performance reviews and the continual learning assists with positioning the Office as an employer of choice.

Workforce Plan

In 2011-12, the *Workforce Plan 2012-14* was developed in accordance with the *Public Sector Commissioner's Circular 2010-02: Workforce Planning And Diversity In The Public Sector*, Part IX of the *Equal Opportunity Act 1984*, and *Strategic Directions for the Public Sector Workforce 2009-14*. The Office has four key focus areas for 2012-14 covering:

- The scheduled review of the strategic plan and related human resources strategies;
- Workforce reporting to Corporate Executive that shows the status of key workforce indicators;

- Collation of information on current skills of staff and future continuous professional development requirements from the performance management process; and
- Continuing to develop innovative and effective strategies to improve workforce diversity.

Induction

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

Staff recruited in 2012-13 have provided feedback that the induction process is welcoming and useful in assisting new employees to understand the Office's direction, expectations and processes. The product has also proved valuable for existing staff members to keep them informed and updated about policy and governance issues within the Office.

Governance Disclosures

Shares in Statutory Authorities

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

Shares in Subsidiary Bodies

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

Interests in Contracts by Senior Officers

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

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

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

There have been no declarations of an interest in any existing or proposed contracts by senior officers.

Benefits to Senior Officers through Contracts

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

Insurance Paid to Indemnify Directors

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

Other Legal Requirements

Advertising and Sponsorship Expenditure

During 2012-13 the Office incurred the following expenditure in relation to advertising, market research, polling, direct mail and media advertising that requires disclosure under s.175ZE of the [Electoral Act 1907](#).

Total expenditure was \$7,203 for advertising vacant positions and promoting regional visits.

Category of Expenditure	Total	Company
Advertising agencies	Nil	Nil
Market research organisations	Nil	Nil
Polling organisations	Nil	Nil
Direct mail organisations	Nil	Nil
Media advertising organisations	\$7,203	Adcorp

Disability Access and Inclusion Plan Outcomes

The Office is committed to providing optimum access and service to people with disabilities, their families and carers and maintains a Disability Access and Inclusion Plan (**DAIP**). Current initiatives to address desired DAIP outcomes are shown below.

Initiative 1: People with disabilities have the same opportunities as other people to access the services of, and any events organised by, a public authority.

People with a disability have an equal opportunity to participate in consultation, decision making, events, processes, complaints and other services provided by the Office. Venues for events and meetings are assessed for suitable access for people with disabilities. A notice regarding disclosure of 'special access or dietary requirements', is added to all invitations for events coordinated by the Office.

Initiative 2: People with disabilities have the same opportunities as others to access the buildings and other facilities of a public authority.

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

Initiative 3: People with disabilities receive information from a public authority in a format that will enable them to access the information as readily as other people are able to access it.

All Office documents are in plain English and publications are available in alternative formats on request. The Office's website meets the requirements set out in the Public Sector Commission's Website Governance Framework, including access requirements. Information published on the website can be viewed and printed in alternative sizes and online documents are published in PDF format to allow browsers to use screen readers as required. TTY phone access is available and signs are provided in the reception area to assist visitors who have a hearing loss. The Office also provides suitable equipment to enable employees with vision impairments to access electronic information.

Initiative 4: People with disabilities receive the same level and quality of service from the staff of a public authority as other people receive from the staff of that public authority.

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

Initiative 5: People with disabilities have the same opportunities as other people to make complaints to a public authority.

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

Initiative 6: People with disabilities have the same opportunities as other people to participate in any public consultation by a public authority.

Staff and members of the public with a disability have an equal opportunity to participate in any consultation process. Most consultation is handled electronically and the website meets disability access requirements. Documents can be made available in alternative formats to meet the needs of people with disabilities.

Compliance with Public Sector Standards and Ethical Codes

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

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

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

Significant Action to Monitor and Ensure Compliance with Western Australian Public Sector Standards (the Standards)

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

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

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

Significant Action to Monitor and Ensure Compliance with the *Code of Ethics* and the Office's *Code of Conduct* (the ethical codes)

The ethical codes are available on the Office's intranet and are part of the Online Induction for new staff. Guidelines for *Ethical and Accountable Decision Making* have been developed as a ready reference for staff when dealing with a difficult situation related to the *Code of Ethics* and the Office's *Code of Conduct*. The Guidelines are based on the *Accountable and Ethical Decision Making in the WA Public Sector* training materials provided by the Public Sector Commissioner.

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

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

The Office has procedures in place for reporting unethical behaviour and misconduct. The Office also has a *Public Interest Disclosure Policy* and strongly supports disclosures being made by staff.

Monitoring provisions for ethical codes include:

- High level review, and Ombudsman sign off, for management of conflicts of interest and gifts;
- High level consideration and sign off of requests for review of the Office's handling of a complaint and any complaints about the conduct of staff; and
- Seeking opportunities to improve current practices through internal auditing and reviewing policies and procedures to ensure compliance and relevancy. Internal audits conducted each year are referred to the Office's Audit and Risk Management Committee.

Compliance issues: There has been no evidence of non-compliance with the ethical codes.

Corporate Governance Framework

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

Principle 1: Government and public sector relationship (The organisation's relationship with the government is clear)

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

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

Principle 2: Management and oversight (The organisation's management and oversight is accountable and has clearly defined responsibilities)

The Office's *Strategic Plan 2009-2012* (**Strategic Plan**) provides a framework for the strategic direction of the Office with identifiable key measures of success. The Office's operational planning identifies how the key strategies in the *Strategic Plan* will be achieved through a detailed list of key projects, measures and targets. A review of the *Strategic Plan* is currently being finalised to incorporate a range of new functions coming to the Office.

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

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

The Office has an Internal Audit and Risk Management Charter and Committee. An external quality assurance review of the Office's internal audit function has been undertaken to ensure the Office conforms with the Institute of Internal Auditors international standards for the professional practice of internal auditing.

Principle 3: Organisational structure (The organisation's structure services its operations)

Decision making responsibilities for the Office lie with the Executive Management Group, comprising the Ombudsman, Deputy Ombudsman, the Principal Assistant Ombudsman Strategic Services and the Principal Assistant Ombudsman Investigations and Inspections. The Office's Corporate Management Group also includes the leaders of the Complaint Resolution, Administrative Improvement and Review teams.

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

Principle 4: Operations (The organisation plans its operations to achieve its goals)

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

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

Principle 5: Ethics and Integrity (Ethics and integrity are embedded in the organisation's values and operations)

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

Staff are made aware of the [Public Interest Disclosure Act 2003](#) during induction. The Office's Public Interest Disclosure Officers and the protections that apply. Staff are also made aware of the Office's *Conflict of Interest and Gift Policies* and registers and how they should be declared. When declarations are made, the Ombudsman assesses the appropriate action to be taken.

Principle 6: People**(The organisation's leadership in people management contributes to individual and organisational achievements)**

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

The Office continues to implement its *Human Resources Strategy 2010-2012*, which focuses on the recruitment, retention and engagement of staff; individual performance and development; and continual learning. The Human Resources Strategy is currently being reviewed and will be finalised in early 2014. For more information see [Human Resources Strategy 2010-2012](#). The *Workforce Plan 2012-2014* provides a strong workforce planning framework to support the achievement of the goals in the strategy.

The Office has a strong human resources policy framework covering employment of staff, conditions of employment, flexible work arrangements, staff development, study assistance, employee relations (including grievance resolution) and occupational safety and health.

Principle 7: Finance**(The organisation safeguards financial integrity and accountability)**

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

An Internal Audit and Risk Management Committee reviews an audit of financial management, including procurement, each year against the policies and procedures in the *Financial Management Manual*. Specific audits are also conducted for key projects as required. The audits in 2012-13 showed a good level of internal control is being maintained over financial management functions to ensure compliance with financial legislation and policies.

Principle 8: Communication**(The organisation communicates with all parties in a way that is accessible, open and responsive)**

To ensure services are accessible, open and responsive, the Office communicates with its key stakeholders using a range of communication channels, adapted to suit the audience. Further information is included in the [Collaboration and Access to Services section](#) of the report. The Office also provides guidance for dealing with people with disabilities and people from culturally and linguistically diverse backgrounds. Policies covering record keeping, records management and communications ensure the Office safeguards the confidentiality and integrity of information, preventing unauthorised or false disclosure.

Bi-monthly Staff Meetings and separate team meetings provide a forum for sharing information internally and the Staff Consultative Committee has input into Office policies and procedures that affect staff. The Committee is made up of management and staff representatives from all teams in the Office.

Principle 9: Risk Management**(The organisation identifies and manages its risks)**

The Office identifies and manages its risk through a *Risk Management Plan* that has been created in line with the Office's Strategic Plan. A review of the *Risk Management Plan* was finalised during 2012-13 to ensure it continues to be relevant. The Office also has a *Business Continuity Plan* to ensure it can respond to, and recover from, any business disruption.

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

Record Keeping Plans

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

- A Record Keeping Plan, a Retention and Disposal Schedule, a Records Keeping Policy, a Records Classification Plan and Security Framework and a Records Disaster Recovery Plan;
- An electronic document records management system (**EDRMS**) called Tower Records Information Management (**TRIM**), which was implemented in 2005 and upgraded in 2011-12; and
- A series of guidelines and user manuals for staff.

Electronic Document Records Management System (EDRMS)

All incoming, outgoing and significant internal documents are saved electronically into the EDRMS. Staff are required to save their final electronic documents into the EDRMS as well as saving electronic mail and facsimiles directly into the EDRMS.

The complaints management system, RESOLVE, which was installed in April 2008 for the State Ombudsman jurisdiction and in June 2007 for the Energy Ombudsman jurisdiction, continues to perform effectively with TRIM. It increases efficiency as all records created in RESOLVE are saved automatically into the EDRMS and records saved directly to the EDRMS are able to be accessed through RESOLVE. A further RESOLVE complaints management system has been installed for the child death review function and this system is currently being upgraded to include the family and domestic violence fatality review function.

Evaluation and Review of Efficiency and Effectiveness of Systems and Training

During 2012-13, the Office's record keeping processes were reviewed to ensure compliance with the Records Management Framework and promote best practice record keeping. The efficiency and effectiveness of the record keeping training program is reviewed regularly through monitoring staff use of the EDRMS to ensure that staff are following the record keeping requirements of the Office.

Induction and Training

All records related plans, policies, guidelines and manuals are available on the Office's intranet to assist staff to comply with their record keeping requirements and include user friendly guides for training staff. The Office's Online Induction mini-site, developed in 2010-11, includes a section on record keeping. This is part of the induction process for new staff and is also available as a resource for existing staff members. The induction process also includes individual training sessions with new staff members conducted by the Customer Service and Records Manager soon after appointment. Follow up training and help desk assistance are provided as required.

Record keeping roles and responsibilities are also included in accountability and ethical decision making training and the code of conduct.

Government Policy Requirements

Substantive Equality

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

The Office understands the importance of appropriate service delivery for people from culturally and linguistically diverse backgrounds. To ensure that services provided by the Office are as accessible as possible:

- Information on how to make a complaint to the Ombudsman is available in 15 languages and features on the homepage of the Office's website;

- All publications are available in alternative formats and can be translated on request and information published on the Office website can be viewed and printed in alternative formats;
- TTY phone access is available, and promoted to, people with a hearing impairment;
- Details for Translating and Interpreting Services are promoted on the website and in publications for people with English as a second language; and
- Interpreters and translators are regularly used when resolving complaints. Complaints can be written in the person's first language and the Office arranges translators for the incoming complaint and outgoing response and staff use interpreters, either face to face or by telephone, when discussing complaints with people whose first language is a language other than English.

Occupational Safety, Health and Injury Management

Commitment to Occupational Safety, Health and Injury Management

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

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

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

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

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

Consultation

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

- The Office has OSH responsibilities within its tenancy and also works closely with the building management at Albert Facey House to ensure a safe working environment is maintained;
- The Office has two OSH Representatives who act as an important link between management and staff, so that they can work together and arrive at solutions to make the workplace safe.
- The Staff Consultative Committee has OSH responsibilities and the Office's OSH Representatives are standing members of the Committee. OSH matters are a standing item on the agenda to allow Committee members to refer matters raised by staff to the Committee for resolution and inform their team of issues and safe working practices raised at Committee meetings;
- There is dissemination of OSH information and discussion at bi-monthly Staff Meetings;
- There is regular training on OSH matters for both management and staff. In 2012-13 an OSH session was held for staff in September 2012 in which a St John Ambulance Representative demonstrated how to use the defibrillator that is located in the foyer of Albert Facey House.

Statement of Compliance

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

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

Audit of OSH Systems

An audit of the Office's OSH systems was conducted internally in 2013 against the elements of the WorkSafe Plan. The results of the audit were used to develop an OSH Management Plan and associated guidelines detailing OSH roles and responsibilities within the Office and outlining the approach taken to identifying, assessing and controlling hazards and the associated risks.

Internal evaluation of the new accommodation at Albert Facey House is ongoing and any OSH changes required are promptly addressed. There is ongoing review of the Office's emergency procedures for dealing with unreasonable conduct by visitors to the Office. During 2012-13 there were trial evacuations of Albert Facey House, where the fire alarms were sounded and all staff within the building were evacuated for drill purposes.

Annual Performance

During 2012-13, there were no workers' compensation claims recorded within the Office.

The Office's OSH and injury management statistics for 2012-13 are shown below.

Occupational Safety and Health Statistics	2012-13 Target	2012-13 Actual
Number of fatalities	0	Target achieved, 0
Lost time injury/disease (LTI/D) incidence rate	0	Target achieved, 0
Lost time injury severity rate	0	Target achieved, 0
Percentage of injured workers returned to work within (i) 13 weeks; and (ii) 26 weeks	Greater than or equal to 80% return to work within 26 weeks	Not applicable - no lost time injuries
Percentage of managers and supervisors trained in occupational safety, health and injury management responsibilities	> 80%	Target achieved, 83%

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