

QUESTIONS ON NOTICE

Question 1

In the short, intermediate and long term, how does the VO see the role of (a) complaint handling and (b) own motion investigations as a proportion of its work? Increasing, decreasing or staying about the same?

Complaint handling is a vital part of what VO offers the community and will always be central to our work. We expect three factors to influence the number of complaints we receive in coming years:

- As we work to improve public bodies' complaint handling through our prevention work, over time we expect to receive fewer complaints. For example, since the Local Government Act was amended to require councils to have a complaints policy and process, we have received fewer complaints about the way councils' handle complaints. We believe councils have found our good practice guides and complaint handling training helpful, and complaints data is being used to drive improvements.
- As we increase awareness of the VO's functions and improve our digital offerings, we expect members of the community will be better able to navigate the complaints system themselves. This should result, over time, in a decrease in the number of complaints we receive that are outside our jurisdiction or complaints that are premature, that is the complainant has not first sought to address the issue with the responsible agency.
- As we increase awareness of the VO's functions among marginalised groups, we expect to see an increase in complaints.

The interaction of these three factors on the number of complaints we receive is difficult to predict and, in order for us to do further prevention work with the public sector and raise community awareness, further funding is required.

Own-motion investigations are an important part of our work and we receive feedback that they are valued by community stakeholders. Own-motion investigations enable us to respond to issues of significant public interest or community concern where there may be systemic factors that we can address through our remedial recommendations.

We would like to undertake more own-motion investigations, based on intelligence from our complaints and engagement activities, but are hampered by:

- our budget - VO's budget is just 39% of that of the NSW Ombudsman.
 - a lack of discretion in the way that we must deal with public interest complaints – given the need to consider every matter, significant investigative resources are dedicated to this work (see our response to question 9 below).
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Question 2

What has the VO learnt from its review of other agencies' complaint-handling practices, including from any comparative data shared and analysed?

Of the public bodies that have been subject to a Complaint System Review, there has been a discernible improvement in their complaints handling performance. For example, after a Review, complaints about complaint handling by the Legal Services Board and Commission reduced by $\approx 19\%$ (FY21/22 to FY23/24).

One of the other pleasing observations from Reviews has been public bodies' commitment to effective complaint handling and the fact that they can often already point to areas of practice that could be improved. Common areas for improvement include centralising responsibility for complaints management and training for complaint handlers, which can be a question of resourcing.

When encouraging the public sector to learn to love their complaints in presentations and other engagements, we often point to research by industry experts showing that effective complaints management can have a 500% return for public sector agencies.¹

The VO has approximately 1.2FTE who conduct up to three Reviews per year. Subject to funding, the VO would like to increase its capacity to deliver a data-led and risk-based program of Reviews into the future and empower public bodies with analytics to learn from their complaints data and proactively address issues of community concern without requiring our involvement.

Question 3

Has the VO been able to reduce, through the use of 'digital contact platforms' such as webchat, the number of non-jurisdictional complaints it receives? (p. 8)

The number of non-jurisdictional complaints received by the VO has not materially changed in the past three years and remains similar to 10 years ago. A lower proportion of complaints received through our online form are non-jurisdictional compared with via telephone, so as the shift to online complaints continues, we expect to see a gradual reduction in non-jurisdictional complaints.

Question 4

What progress has the VO made in automating aspects of its case management system, including correspondence with complainants? (p. 11)

VO has automated a number of aspects of our case management system which is designed to:

- Keep complainants informed of progress from lodgement to close.

¹ T. Sourdin, J. Carlson, M. Watts, C. Armstrong, T. Carlyle Ford, 'Return on Investment of Effective Complaints Management: Public Sector Organisations' (SOCAP and The University of Newcastle, June 2020), available online at: <https://www.socap.org.au/knowledge-centre/the-roi-of-complaints/public-organisations/>.

- Ensure consistency in communication and consideration of matters across the Complaints team.
- Provide support to officers to manage and respond to complaints.

Key points of automation include:

- Online complaints form: automatic opening of a new complaint file, automated email acknowledging receipt and providing reference
- Webchat: option for complainants to self-navigate (as well as chatting to a VO officer), scripted responses for staff
- SMS communication: Automated SMS can be sent when a case is allocated to an officer, if enquiries are made, and at time of closure
- Correspondence: Template letters are generated throughout the life of a complaint.

Each of these points is also subject to oversight by VO officers to check for errors, allow customisation and to reflect complainant communication preferences.

Question 5

What digital measures has the VO developed and used 'to promote service excellence'? (p. 10)

The VO uses PowerBI to pull together and display data from a variety of sources including its case management, telephony and human resources systems.

To deliver the FY22/23 annual plan item on digital methods to promote service excellence, the VO developed an internal performance report dashboard in PowerBI to combine case and call metrics, KPI results, feedback from Quality Assurance audits and other data to support individual officers and their managers identify training needs and promote continuous improvement and professional development and support.

The performance report can be viewed by managers at either an individual or team level to support planning and a systematic approach to promoting service excellence in complaints.

Question 6

Why do you think there has been a decline in people using the VO's online complaint form? Has the VO conducted any UX testing on the form to better understand its strengths and weaknesses?

While use of our online complaint reform reduced in FY22/23, in FY23/24 we saw a marked increase in people contacting us via digital platforms, with use of webchat, our online complaint form and email all increasing, and a 6.5% reduction in people contacting us via telephone. We expect this trend to continue.

We continue to refine our webform to improve its usability and aim to increase the use of webchat this year. While we have not conducted UX

testing previously, we are likely to undertake a website redesign from late 2025 and UX testing will be a key part of that project.

Question 7

How, in your view, is the implementation of recommendations from the Operation Watts report progressing?

Operation Watts made 21 recommendations, all of which were accepted on the day the report was released.

Many of the recommendations have been significantly progressed by the passage of the *Parliamentary Workplace Standards and Integrity Act 2024*. Some recommendations will be for the new Parliamentary Integrity Commission to implement.

Other recommendations may require further legislative reform, such as to the *Public Interest Disclosures Act 2012* or the *Parliamentary Administration Act 2005*. The VO understands implementation of these recommendations is still being progressed.

Question 8

What effect has Parliamentary referrals on matters for investigation to the VO had on staff workload and on handling its other investigations workload, including meeting annual targets for closing investigations?

Parliamentary referrals do have an impact on our other investigative work. Although the VO is reimbursed for the costs investigating referrals, it is difficult to recruit investigators with the requisite skills to undertake this complex work quickly.

In practice this can delay some of our other investigative work, including dealing with public interest complaints. It can also impact our ability to commence new systemic own-motion investigations, which although discretionary, are an incredibly important function of an Ombudsman.

Despite the resourcing challenges associated with referrals from Parliament, and the legislative requirement to 'forthwith investigate', the VO will always prioritise people's complaints, especially those involving human rights or marginalised groups, even if that means investigations take longer.

If a new matter raises issues of public interest, we will investigate, despite the impact on our annual targets. The targets are not mandated by legislation and reflect the average time taken historically to complete investigations (with a bit of stretch to ensure improvement). Whether to refer a matter to the Ombudsman should not be guided by timing or resource constraints, but rather whether an issue needs an independent investigation by the Ombudsman, the agency entrusted to investigate public administration and human rights issues in the public interest.

Question 9

What, if any, legislative reforms would you propose in relation to Victoria's public interest disclosure (whistleblower) scheme?

The public interest disclosure scheme is an important part of Victoria's integrity landscape and helps safeguard against corruption and other reforms of improper conduct.

However, under the Ombudsman Act we have limited discretion about the investigation of public interest complaints, compared with other complaints we receive. This can result in significant delay in the assessment and investigation of these matters and diverts a disproportionate amount of resources to low-level Public Interest Complaints which often have scant detail and limited systemic implications.

We propose three sets of changes to the Ombudsman Act to improve the public interest disclosure scheme:

1. Give VO the power to refer public interest complaints to other public bodies for investigation, and to then oversee and review the referred investigation conducted by the agency. The Ombudsman could then determine if further investigation was necessary or warranted and make recommendations at their conclusion. This would enable a local council or government department to investigate an allegation of improper conduct where it is best placed to do so, with proper oversight by the VO.
2. Give the VO the power to conciliate public interest complaints, in the same way that we can conciliate other complaints under section 13G of the Ombudsman Act. We conciliated 52 complaints last year, with over 90% resolved.
3. Give the VO a discretion to not investigate public interest complaints if investigating the complaint is unnecessary or unjustifiable, having regard to all the circumstances of the case. The VO already has this discretion in respect of ordinary complaints and procedural fairness processes would continue to apply.

In addition to changes to the Ombudsman Act, consideration should be given to the threshold for improper conduct, so that relatively minor matters, such as employment-related matters, are no longer captured.

Question 10

How is the development of the VO's Engagement Action Plan progressing, and will the plan include outcomes-based performance measures and targets?

In June 2024, noting VO's draft plans, the IOC performance audit recommended VO complete and implement its engagement action plans and develops output and outcomes-based performance measures and targets.

In July 2024, the VO established its new Prevention division, bringing together Communications, Education, Engagement (previously in Corporate

Services), Policy and Complaint System Reviews - embedding the objectives of the Ombudsman Act into our work practices.

VO's current annual plan includes an item to develop and commence the implementation of a prevention framework, including communication, engagement and intelligence strategies, which include performance measures to:

- identify, expose and prevent maladministration and improper conduct
- assist authorities improve administrative decision-making and complaint handling
- educate the Victorian community and the public sector about Ombudsman matters.

The new Prevention division will build on previous work incorporating the best parts of the drafts we have, to articulate our approach to engagement with the public and the public sector to achieve our statutory objectives.

Question 11

What progress has been made with respect to the VO's compliance framework?

The VI made a recommendation that the VO should strengthen our processes supporting compliance with the Ombudsman Act when exercising coercive powers.

We have already made changes to processes to ensure that we always exercise coercive powers consistently with the Act.

We are reviewing policies, processes, training and oversight relating to the exercise of coercive powers and this will be completed by 31 March in accordance with the timeframe that the VI recommended. We have expanded our legal team to strengthen our oversight processes.
