

Annual report

2024-25



The Ombudsman acknowledges the Traditional Custodians of Country throughout Victoria and pays respect to their Elders past and present.

We recognise the enduring connection of First Peoples to land, water and culture, over which sovereignty was never ceded.

As the human rights complaint handler and investigator, we often see the imbalance of power between individuals and the State. We acknowledge the profound injustices and systemic discrimination experienced by First Peoples, often amplified by this power imbalance.

Through our commitment to fairness and human rights, we strive to listen, learn and advance outcomes that contribute to justice in pursuit of a Victoria that is fair for everyone.

Artwork by Maddison Laws, a proud Yorta Yorta woman from Cummeragunja and member of the Victorian Ombudsman team.

Letter to the Legislative Council and the Legislative Assembly

To

The Honourable the President of the Legislative Council

and

The Honourable the Speaker of the Legislative Assembly

Dear Presiding Officers,

In accordance with section 25 of the *Ombudsman Act 1973*, and my obligations under the *Financial Management Act 1994*, I am pleased to present the Victorian Ombudsman's Annual report of operations for the year ended 30 June 2025.



Marlo Baragwanath
Victorian Ombudsman

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Accessibility

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From the Ombudsman

When Parliament established the Ombudsman's office in 1973, its stated aim was to level the playing field and ensure fairness in people's dealings with government. Independent and impartial, the office was designed to amplify unheard voices, shine a light on matters of public interest, and help public bodies improve. Over half a century on, that role remains as vital as ever.

This Annual Report for 2024/25 reflects a year not only of significant activity across complaint handling and investigations, but also of deep reflection and renewal. It was my first full year in the role, coinciding with the conclusion of our previous strategic framework. This gave us the opportunity to step back, listen to our people, stakeholders and community, and chart a clear course for the future. That process culminated in the launch of our [Strategic plan 2025-29](#), which will guide our work for the years ahead.

Our new vision is expressed in three simple words: **Victoria is fair.**

This is not a statement of fact but a declaration of intent, a future where people are kept at the centre of decision-making, human rights are protected and promoted, and public bodies are open and accountable.

The strategy is built around four themes: Prevention, Oversight, Communities, and People and Systems. Together, they capture our dual role as an independent investigator for the communities we serve and a problem-solving partner for the sector we oversee. It also recognises that fairness requires a flexible approach, balancing our well-known tools, such as enquiries and investigations, with proactive education, engagement and collaboration. Achieving this requires a modern, adaptable organisation.

Our [2024-25 Annual plan](#) laid the groundwork for this evolution, setting out foundational actions including strengthening governance, building capability, and reshaping our external voice to position us for success under the new strategy.

A key milestone was the formation of my new executive team, with three Deputy Ombudsman appointments:

- Andrew Adason, leading Prevention, brings a wealth of institutional experience and passion for everyday human rights;
- Dan Nicholson, leading Operations, drawing on deep legal expertise and a strong record of ensuring access to justice for marginalised communities; and
- Kerryn Ellis, leading Corporate Services, contributing senior leadership expertise from local government and integrity, with a focus on building capable, people-centred organisations.

Under their guidance, and with their complementary skills, we can ensure our organisation is stronger than the sum of its parts.

It has also been a year of significant organisational change. We introduced new governance structures that involve more of the senior leadership team in guiding strategy and ensuring decisions are informed by diverse perspectives. At the same time, we invested in our systems and our people: establishing a new legal team, enhancing compliance frameworks, examining our digital capability, and expanding wellbeing supports. These are not housekeeping measures but essential foundations for the resilience and independence of the office in the face of increased complexity.

Amidst this renewal, the core work of the office continued. Tens of thousands of people contacted us with their complaints, from delays and poor communication to serious allegations of improper conduct and breaches of human rights. While not all result in investigations, every complaint contributes to a collective picture of how fairness is faring. They are not merely issues to be managed away but insights to be valued; they show where systems are failing and where trust is fraying.

This philosophy underpinned the release of our [Good Practice Guide](#) on complaint handling in April 2025. The guide encourages the public sector to “learn to love their complaints” and provides practical steps to make systems accessible, respectful and fair. It has already been welcomed across the sector as a critical tool for building community trust.

Our investigations remain central to exposing systemic failings and driving reform. In February we tabled a major report into [support for children sexually abused at school](#), which found that the Department of Education gave inaccurate advice to a school and failed to support the children and their families when they most needed help. We also completed significant work on two referrals from Parliament, underscoring our role as a trusted and independent source of insight on matters of acute public interest.

This year we also began a more structured approach to prevention, bringing together education, engagement, communications and policy to help agencies improve before problems occur. In May, we added a new Intelligence function to analyse complaint trends and identify systemic issues, giving us sharper focus to target our efforts where they can have the greatest impact and equipping us to share lessons in ways that drive practical improvements.

None of what we achieved this year would have been possible without the extraordinary dedication of our staff. Our people bring compassion, professionalism and courage to often difficult and confronting work. In every role, they strive to ensure fairness, and I am immensely proud of their commitment.

I also thank every person who trusted us with their complaint. It takes bravery to speak up about unfairness or wrongdoing, and in doing so, each has contributed to creating a more just and accountable Victoria. Equally, I'm grateful to the agencies who worked with us constructively, as independence does not mean isolation, and lasting reform depends on that collaboration.

Finally, as Ombudsman, an important part of my role is to ensure the office has the powers and resources to fulfil its mandate, and in this regard, it would be remiss of me to not comment on our budget. Although amounts in dollar terms appear stable, I am increasingly concerned that core integrity agencies are receiving a diminishing proportion of resources relative to the growth of the public sector they are charged with overseeing. Accordingly, I will continue to advocate for a transparent process to ensure our funding is sufficient and sustainable, and simple reforms to our Act to better enable us to efficiently perform our functions.

Looking ahead, we begin a new chapter under our Strategic Plan. It is an ambitious plan, particularly with our limited resources, but ambition is what fairness requires.



Marlo Baragwanath
Victorian Ombudsman

Year in review

Highlights in 2024-25



Complaints

- We received **16,943** complaints within our jurisdiction
- We made enquiries into **4,305** complaints we received



Public interest complaints

- We received **102** public interest complaints, involving **229** allegations
- We finalised **90** public interest complaint cases, involving **208** allegations



Investigations

- We finalised **23** formal investigations
- Agencies accepted **100%** of our recommendations



Conciliation

- We conciliated **64** complaints



Education

- We facilitated **32** training workshops



Engagement

- We engaged with more than **2,500** community members



Social media

- Our content appeared **96,961** times on social media



Sustainability

- Our office achieved a **5-star NABERS** rating for environmental impact

About us

Everyone has a right to be treated fairly when engaging with public services. In democracies around the world, the Ombudsman exists in recognition of the imbalance of power between the individual and the State.

The Victorian Ombudsman has existed since 1973, when the Parliament of Victoria established the Office of the Victorian Ombudsman as a mechanism for fairness in what is an inherently unequal relationship. While independent and impartial, we give voice to those whose voices may not be listened to, we protect and promote human rights, and we are the public sector's partner in good governance – shining a light on public interest issues and helping the public bodies we oversee improve.

Our vision is: **Victoria is fair.**

Our purpose

Through handling complaints, conducting investigations and undertaking a range of preventive activities, we work to ensure fairness for people in their dealings with the Victorian public sector and improve public administration. Day to day, this work involves:

- taking complaints about the actions and decisions of public organisations – we can look into issues involving such as local councils, social housing, child protection, public health and education, prisons and youth justice, Victorian public universities and TAFEs
- making enquiries and resolving complaints informally where possible, including by conciliation
- investigating when needed and making remedial recommendations for change
- receiving and investigating 'whistleblower' complaints under the *Public Interest Disclosures Act 2012*

- examining systemic issues in public administration
- conducting reviews of public organisations' complaint handling
- providing education and training to the Victorian community and public sector, and promoting improved public sector administration.

We do not advocate for members of the public or for authorities. We make decisions based on evidence and operate in accordance with the Ombudsman Act.

Human rights are a crucial part of the Ombudsman's work, and we have an important role in upholding the 20 rights and freedoms set out in Victoria's *Charter of Human Rights and Responsibilities Act 2006* ('the Human Rights Charter'). We are Victoria's human rights complaint handler and investigator, looking into whether public bodies' actions and decisions are compatible with, and give proper consideration to rights. By looking at public administration through the lens of human rights, we encourage a culture of human rights compliance across the public sector.

The *Terrorism (Community Protection) Act 2003* requires us to be notified when a preventative detention order or prohibited contact order is made, and if a person is taken into custody. We can receive complaints and make representations to a nominated senior police officer about a person's treatment in connection with their detention.

Most of our work takes place in private in accordance with our legislation, but the Ombudsman can decide to make our work public in certain circumstances.

The Victorian Ombudsman is established under the Ombudsman Act 1973 and is an independent officer of the Parliament under section 94E of Victoria's *Constitution Act 1975*.

Our Strategic plan

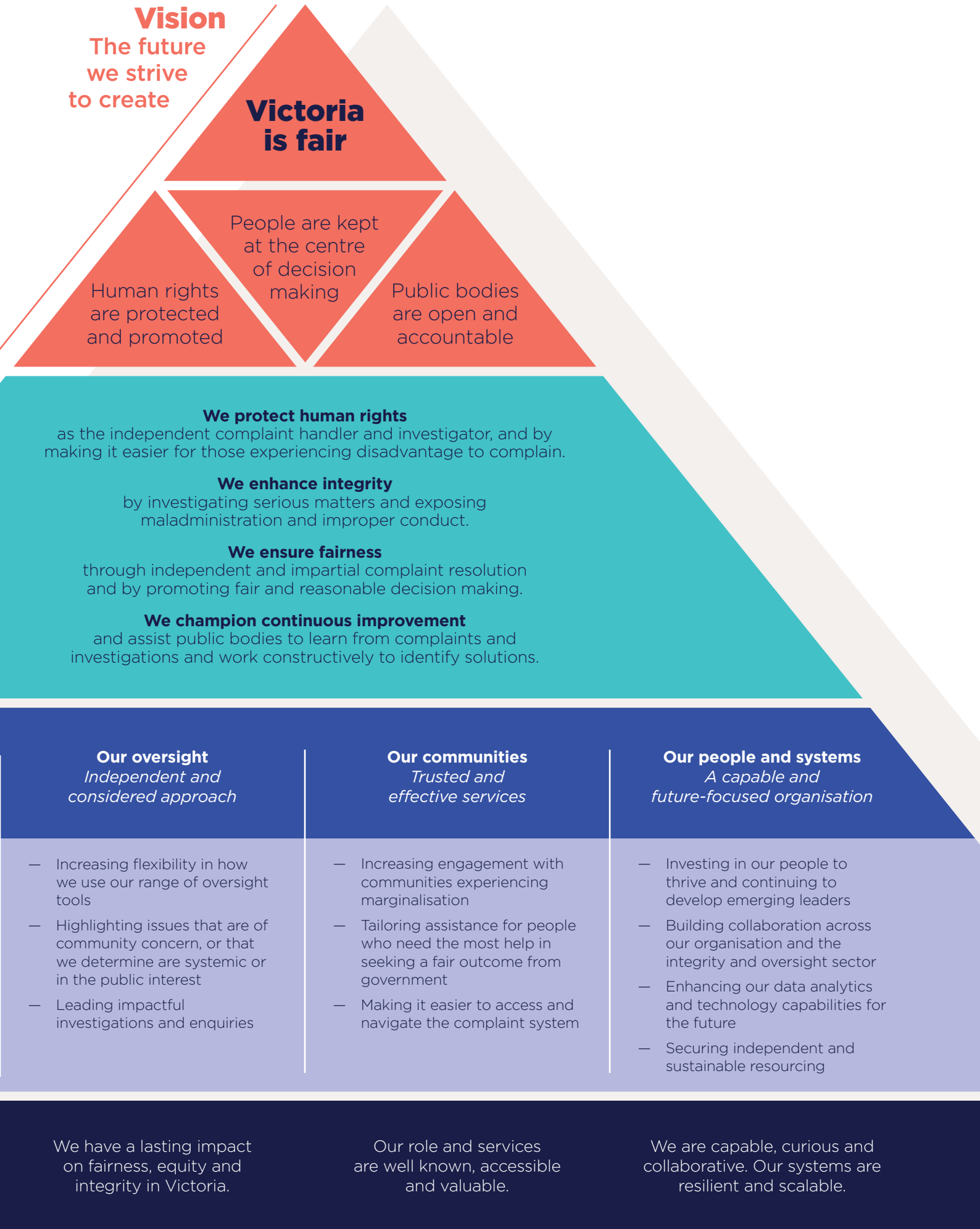
Informed by engagement with our people and stakeholders, our *Strategic plan 2025–29* sets out our ambitions for the next four years, and our priorities for realising them. To guide our work in the years ahead, the plan introduces our new vision – ‘Victoria is fair’

This vision distils our aspiration for a fair Victoria where human rights are protected and promoted; people are kept at the centre of decision making; and public bodies are open and accountable.

To bring this vision to life, the plan also introduces four strategic themes to focus our efforts:

- Our prevention: Proactive education and engagement
- Our oversight: Independent and considered approach
- Our communities: Trusted and effective services
- Our people and systems: A capable and future-focused organisation.





Outcomes from our Annual plan 2024-25

Key

- ✓ Action achieved
- Action progressed, nearing completion >80%
- Action in progress <80%
- ⊗ Action cancelled

Action		Status	Commentary
1	Develop a comprehensive Strategic plan integrating stakeholder feedback, independent audit recommendations and supported by performance metrics to ensure its effectiveness and relevance	✓	
2	Develop and commence the implementation of a prevention framework, including communication, engagement and intelligence strategies	✓	
3	Develop a future focused blueprint for case and complaint management IT solutions	■	50% complete. We are undertaking a case management review, with a survey, workshops and requirements gathering underway.
4	Further enhance VO's network systems capability and cyber security posture to protect our information.	●	95% complete.
5	Commence development of a VO people strategy leveraging existing internal action plans	✓	
6	Implement the Justice Legislation Amendment (Integrity, Defamation and Other Matters) Bill 2024, legislative reform	✓	
7	Refine and enhance our Compliance and Governance framework to ensure ongoing adherence to regulatory requirements	■	Delayed as work to review our strategic risks and map assurance requirements needed to be completed first.
8	Expand the VO's legal capabilities to support compliance when exercising coercive powers	✓	
9	Develop and commence implementation of a data-led, risk-based program of complaint system reviews with scheduled follow-up to measure impact	■	On hold due to resourcing constraints.
10	Initiate a systemic investigation addressing a matter of public interest with a focus on human rights	✓	

Performance overview

Performance measures	Unit of measure	2024-25 actual	2024-25 target	Performance variation (%)	Target Met, Not Met or Exceeded
Quantity					
Number of jurisdictional cases opened	number	16,943	18,000	-6%	Not met
The 2024-25 outcome is lower than the target. The number of jurisdictional cases opened is dependent on the number of complaints received which is largely outside the VO's direct control.					
Jurisdictional cases selected for enquiry/ investigation	per cent	26	27	-4%	Met
Education and training participants	number	484	750	-35%	Not met
The 2024-25 expected outcome is lower than the 2024-25 target. While the VO training and education programs still achieve high satisfaction ratings from participants, the number of enrolments may be lower due to budget pressures across the VPS. This impacts learning and development budgets and has a flow on effect on enrolments in VO courses. The lower outcome is despite ongoing efforts to promote offerings on the usual platforms and bolster bookings with cost incentives. Although not measured in this BP3, to complement its formal training workshops, the VO presents to hundreds, if not thousands of people across the Victorian community and the public sector about matters relating to the functions of the Ombudsman each year. As one example, in April 2025, the VO launched its good practice guide on complaint handling in an interactive seminar with close to 200 public sector participants.					
Quality					
Jurisdictional cases that lead to an agreed improvement (e.g., practice/policy/law reform, remedial/rectification/mitigation action)	per cent	77	55	40%	Exceeded
The 2024-25 expected outcome is higher than the 2024-25 target because of effective relationships and constructive exchanges between VO staff and respondent agencies.					
Public sector education program satisfaction rate	per cent	93	90	3%	Met
Complaint service satisfaction	per cent	50	60	-17%	Not met
The 2024-25 expected outcome is lower than the 2024-25 target. VO complainant satisfaction data reflects the decline in satisfaction associated with other government services and is generally consistent with the results of other Parliamentary Ombudsman. The VO continues to review and refine operational processes and systems to ensure online complainants' interactions with the office meet the complainants' needs and expectations.					
Timeliness					
Complaints closed within 30 days	per cent	95	90	6%	Exceeded
The 2024-25 expected outcome is higher than the 2024-25 target due to the VO's processes and systems that ensure complaints are resolved as quickly as possible.					
Investigations closed within 12 months	per cent	47	75	-38%	Not met
The 2024-25 expected outcome is lower than the 2024-25 target due to the closure of aged investigations and the temporary diversion of investigative resources in response to parliamentary complaints.					
Cost					
Total output cost	\$ million	22.6	21.95	3%	Met

Key

Met – Result against target is between +/- 5 per cent variance

Exceeded – Result against target is more than 5 per cent variance above target

Not met – Result against target is more than 5 per cent variance below target

Financial overview

Five-year financial summary	2025 ^(a)	2024	2023	2022	2021 ^(b)
Total income from transactions ^(c)	24,374,821	23,259,204	23,316,259	20,681,144	20,675,043
Total expenses from transactions	24,389,570	23,282,389	23,316,259	20,804,345	19,959,766
Net result from transactions ^(d)	(14,749)	(23,185)	-	(123,202)	715,277
Other economic flows included in net result	-	(5,715)	-	-	11,161
Net result for the period	(14,749)	(28,900)	-	(123,202)	726,438
Net cash flow from operating activities	1,191,203	1,071,888	1,077,645	1,077,935	(709,475)
Total assets	17,578,354	18,079,729	18,573,281	18,676,055	19,426,638
Total liabilities	12,109,395	12,596,021	13,060,674	13,163,449	13,790,830

Notes:

(a) This table presents data from the current reporting year with comparative data from the past four reporting years.

(b) 2021 restated.

(c) Income from government includes both output and special appropriations.

(d) The 'net result from transactions' is identical to the 'net operating balance' for the general government sector.

Current financial year review

The Victorian Government considers the net result from transactions to be the appropriate measure of financial management. This measure excludes the effects of gains and losses associated with the disposal of assets and the impact of the revaluation of leave liabilities due to changes in discount rates and market assumptions. Such gains and losses are outside the control of the VO.

In 2024-25, the VO reported an operating deficit of \$0.01 million due to CPI increases for non-salary expenditure.

There was an increase in income and expenses from transactions in 2024-25.

Financial position – balance sheet

The VO's net asset base as at 30 June 2025 is \$5.47 million, which is a \$0.01 million decrease from the previous year.

There were no other significant changes or factors that affected the current year's performance.

Cash flows

The net cash inflows from operating activities \$1.19 million for the year. The main driver being timing differences relating to the receipting of appropriation revenue from Government and payments.

Significant changes in financial position

There were no significant matters which changed the VO's financial position during the reporting period.

Capital projects

The VO implemented document management module and capitalised it as intangible asset in 2024-25.

Disclosure of grants and transfer payments

The VO has not provided any grants or transfer payments to companies or organisations.

Subsequent events

There are no subsequent events to report.

Our prevention



Given my background at the Ombudsman's office it has been great to step into a newly created leadership role.

As the Ombudsman's Deputy dedicated to Prevention, my task was to bring focus and structure to an important part of our purpose: helping stop problems before they occur and supporting better public administration.

For us, this year was above all foundational. We created a new Prevention team, welcomed new colleagues, and brought together existing functions such as education, engagement, communications and policy. For our experienced staff it meant re-orienting towards a more proactive, outward way of working, like trialling a public policy approach to developing recommendations. For new starters, it meant building something from the ground up.

At the heart of this work was the development of our Prevention Framework, built through consultation, reflection and design. It sets out six modes of working: to identify risks, engage meaningfully, understand context, educate with impact, partner on solutions, and inform the public and sector with clarity. This will underpin everything we do, ensuring prevention is not just a concept but a structured part of our oversight.

Alongside the framework, we developed and began implementing new approaches in key areas. We reimaged our approach to education, broadening how we deliver targeted, inclusive and impactful lessons that strengthen integrity, fairness and human rights across Victoria.

We refreshed communications, aligning our external voice and brand to enable more deliberate stakeholder engagement. We met with agencies to share complaint data and integrity insights, helping them address issues proactively while also reaching out to diverse communities to support fairer and more effective complaints.

Helping the community we service and sector we oversee is a driving force in prevention and in April 2025 it was great to launch our latest Good Practice Guide, encouraging agencies to love complaints. Its positive reception across the sector shows the appetite for constructive guidance as well as critical oversight.

Later in the year we also established a small intelligence function, giving us new capacity to review complaint systems and sharpen the focus of both our proactive and responsive oversight tools. While quantifying the impact of prevention is not easy, it is pleasing to see complaints about complaint handling and decision-making trending down as we focus our education and good practice guidance on these issues.

I want to acknowledge the Prevention team who approached this first year with energy and curiosity, and everyone across the office for supporting our establishment. Their openness to collaboration and focus on having a positive impact has been the driving force behind our progress. Thanks to their efforts, prevention is a growing reality.

Andrew Adason

Deputy Ombudsman, Prevention



Complaint system reviews

We proactively review public bodies' complaint handling practices and processes to help them improve and, ultimately, reduce the number of complaints to the Ombudsman about others' complaint handling. Reviews support authorities to operate complaint-handling systems that are responsive to complainants, encourage reflection and harness the power of complaints to identify continuous improvement within organisations.

In 2024–25, we finalised two complaint system reviews, in parallel with broader work to embed our Reviews function within the Prevention division.

Education

Our program of training workshops is one of the practical ways we put our prevention agenda into action. We deliver engaging sessions that provide accessible guidance and real-life examples to help public sector workers hone their complaint-handling, better deal with complex behaviour and improve their decision-making.

In 2024–25, we delivered 32 workshops with 484 attendees. This was significantly below the 70 workshops delivered in the prior year, likely reflecting a tighter financial outlook across the public sector and limited budgets for outsourced training. Participant satisfaction with the training we delivered remained high at 93.1 per cent.

Face-to-face delivery remained popular for in-house workshops, with online delivery also available to best meet the needs of particular workforces and cohorts.

Highlight stats: workshops delivered, attendees, satisfaction rates

- We delivered **32** training workshops
- Our workshops attracted **484** participants
- Participants gave our workshops a **93.1 per cent** satisfaction rating

Measuring the impact of our training

Across 2024 and 2025, we engaged an independent researcher to survey training participants to help us understand whether our training is effective in helping the public sector to prevent maladministration. The results show strong satisfaction and tangible impact on public administration:

- **High satisfaction and value:** 95 per cent of surveyed participants rated their overall experience as very good or good, and 93 per cent said the workshop increased their confidence, and 91 per cent said it increased their understanding of the skills needed to provide a quality service to the community.
- **Meaningful change:** 98 per cent said the training changed the way they approach their role, and 93 per cent reported a broader shift in how they think about their public-service responsibilities.
- **Positive workplace outcomes:** Most participants felt the training would strengthen continuous improvement cultures (84 per cent), improve complainant experiences (82 per cent), and boost staff morale and wellbeing (75 per cent).
- **Enduring engagement:** 81 per cent said they would attend another workshop and 71 per cent said they shared materials and resources with colleagues.

Education is not, however, limited to formal training workshops and this year we also delivered speeches and seminars to hundreds if not thousands of people across the public sector and community, including presentations at:

- **9** state and national conferences
- **13** in-house agency events, including departmental integrity forums
- **6** multi-agency roundtable and community events
- **15** training sessions for new recruits in Corrections and Youth Justice.

Good practice guidance

In April, we launched a new edition of our *Good practice guide: Complaint handling for Victorian public sector organisations*. This new edition has been updated to align with the revised Australian Standard Guidelines for complaint management in organizations (AS 10002:2022, ISO 10002:2018).

The guide steps through the whole process – from creating the right conditions for complaint handling, through to receiving and responding to complaints effectively, as well as learning from complaints data to improve systems and practices. To help put the guide into practice, it is supported by a downloadable model policy template and a sample outcome letter that agencies can tailor to their needs.

To launch the guide, we welcomed representatives from across Victoria's public sector for an event at the Treasury Theatre. The Ombudsman shared reflections on the value of complaints for public sector organisations and how a prevention mindset can drive improvements; while Andrew Adason, Deputy Ombudsman, Prevention, led a lively panel discussion with Dan Nicholson, Deputy Ombudsman, Operations, Rachael Bolton, Director, Complaints, and Michael Heffernan, Senior Manager, Early Resolution and Conciliation.

The discussion was wide ranging, touching on keeping people at the centre of complaints processes, supporting the wellbeing of complaint-handling staff, managing complex complainant behaviour, and the role AI and other tools can play as part of complaint systems.

Our oversight



It has been a pleasure and privilege to work at the Victorian Ombudsman since August 2024, leading our work in

Complaints, Investigations and Legal.

Following 12 years at Victoria Legal Aid, it has been heartening to join an organisation that also strives to ensure fairness, dignity and the protection of human rights. What has struck me at the Ombudsman, however, is the diversity of issues that come through the door.

To ensure our oversight has the greatest impact possible, we have sought to be flexible in how we use our range of oversight tools, and deliberate in what we take on, so we focus on matters of systemic importance, community concern or public interest. Our objectives remain efficient, effective, flexible and independent complaint resolution and the investigation and exposure of maladministration and improper conduct.

Although we received slightly fewer complaints compared to previous years, their complexity continues to increase, with more than 22,000 distinct issues raised. To meet this challenge, our Complaints team has been revising processes and realigning effort, with the goal of embedding a prioritisation framework that allows us to give more help to those who need it most.

Investigations have also kept us busy. A major report tabled in February examined the department's response to child sexual abuse at a primary school. This was my first Ombudsman investigation, and I'll never forget the reaction of one victim-survivor who felt proud their story had been told and that their bravery might help prevent harm to others. It was a powerful reminder of the importance of truly independent oversight – and sunlight as a disinfectant.

We also progressed two referrals from the Legislative Council, one into flood risk at Rivervue Retirement Village and Kensington Banks and the other on VMIA's handling of domestic building insurance claims. Both are well advanced.

To strengthen our capacity across all operations, we established a new legal team to support the exercise of coercive powers and provide advice across the organisation.

At the same time we continue to face constraints. The limited discretion we have in dealing with low-level conduct complaints absorbs a significant amount of our capacity, preventing us from doing the systemic own motion work Ombudsman institutions are uniquely placed to deliver. We will keep advocating for simple reforms to our Act so that our resources can be used to greatest effect.

I am especially grateful to the dedicated teams who make this work possible, not only for welcoming me so generously, but for demonstrating daily what professionalism and compassion look like in practice. Their hard work underpins every outcome we achieve, and I am proud to work alongside them.

Dan Nicholson

Deputy Ombudsman, Operations

Handling complaints

Every year, we speak with tens of thousands of people who feel they have been treated unfairly by a public body in Victoria. We are flexible in how we receive complaints, and most people prefer to contact us by phone to speak directly to one of our complaint handlers.

We assess, prioritise and seek to resolve complaints at the first possible opportunity, preventing small issues from growing into larger ones. We can make enquiries to decide whether an issue may be resolved or should be investigated further. Our enquiries are informal and can involve speaking to the parties, undertaking research, obtaining records or inspecting files.

Throughout 2024-25 we received 16,943 complaints within our jurisdiction and enquired into 4,305.

We always aim to be timely and, this year we dealt with more than 95 per cent of complaints within 30 days.

Consistent with previous years, complaints about decision-making and poor communication were the most common issue we heard about. Although these issues accounted for the largest numbers, as a proportion of what we see each year, complaints about communications, decision-making and complaint-handling continue to trend down. This is pleasing as we focus our prevention efforts on these issues.

When comparing issues we heard about this year to last year, as a proportion, we continued to see an increase in complaints likely associated with cost-of-living pressures, including those about fees and charges, and fines. For example, in 2022-23, complaints about 'financial' issues accounted for 7.8 per cent of all issues received. That increased to 9.3 per cent in 2023-24 and 10 per cent in 2024-25.

How people contacted us in 2024-25



15,077

Phone call

↓ 8%



5,796

Online complaint

↓ 8%



2,082

Email

↑ 6%



307

Webchat

↓ 41%



197

Letter

↓ 35%

Highlight stats 2024-25

Top 10 most complained about issues in 2024-25

Variance
from last year

3,009	Decision making For example, complaints about agencies making the wrong decision, not providing reasons for decisions and / or not properly considering relevant laws and policies	↓ 0.5%
2,784	Communication For example, complaints about not receiving a response to correspondence and / or agencies unreasonably withholding information	↓ 1.6%
2,186	Financial For example, complaints about fees and charges, taxes, duties and rates and / or compensation payments	↑ 0.7%
2,152	Complaint handling For example, complaints about the process, including delays and / or complaints about the outcome, including inadequate remedies or reasons	↓ 0.1%
1,699	Quality of and access to services For example, complaints about the quality of services in prisons including the telephones or how person property is managed and / or access to other public services	↓ 0.3%
1,295	Enforcement action For example, complaints about agencies either taking excessive action or not taking enough action to enforce decisions	↑ 0.1%
1,250	Buildings and facilities For example, complaints about the quality, condition and maintenance of public facilities and housing	↓ 0.4%
1,236	Fines and infringements For example, complaints about fines being unreasonably issued and / or the review process not being fair	↑ 0.5%
1,031	Conduct For example, allegations about public officers misusing their position of power and other forms of misconduct	↓ 0.5%
828	Health services / access to medical For example, complaints about access to and / or the quality of public health services, including public health care providers and justice health within prisons	no variance

Note: Variance as a proportion of all issues dealt with. For example, complaints about decision making accounted for 15.2% of all issues dealt with in 2023-24 and 14.7% of all issues dealt with in 2024-25, representing a reduction of 0.5%.

We can receive complaints about more than 1,000 bodies, including state government departments, local councils and a range of other public organisations such as universities and TAFEs, VicRoads, WorkSafe and Fines Victoria.

To give a sense of who people complained about, we group authorities into portfolios or agencies. For example, 'Local government' includes 79 individual councils, and 'Social housing' combines complaints about both public and community housing.

Most complained about portfolios and agencies in 2024-25

Variance
from last year

3,496	Local government	↓ 9%
3,140	Corrections	↓ 12%
1,592	Social Housing	↑ 4%
1,175	Workers Compensation and TAC	↑ 14%
1,172	Child Protection	↑ 20%
973	Licensing, registration and roads	↓ 11%
825	Universities and TAFEs	↓ 2%
853	Fines Victoria	↓ 7%
360	State Revenue Office	↑ 20%
237	State Trustees	↑ 8%

Note: Despite receiving fewer complaints about Corrections in 2024-25 than the year before, between May and July 2025 we saw an increase of 17%.

Working cooperatively with complainants and agencies, this year we were able to negotiate over 8,000 remedies, often to resolve complaints without a formal investigation.

As in previous years, the most common remedy for the complaints we dealt with in 2024-25 involved facilitating communication, by reconnecting the parties and encouraging the agency to respond to the issue directly.

Actions agreed by agencies in 2024-25

3,712 Facilitate communication

1,755 Reasons given

1,191 Fix the problem

499 Further investigation

365 Apology and/or error

192 Reconsider the decision

149 Refund, waiver or reduction in fees / fines or other form of payment

116 Review or change policy, procedure or legislation

106 Offer training or guidance

Conciliating complaints

Where a complaint involves a complex or long-running dispute, a communication breakdown or an ongoing relationship between the parties, conciliation may be an ideal way to reach a resolution.

Through the process, trained conciliators bring both parties together to find solutions in a supported and structured setting. Conciliations are held in private and conducted with agreed, respectful rules of engagement. Our complaints officers are trained to detect where conciliation may be a sound option to resolve a complaint. It's a voluntary process for everyone involved.

We can conciliate a complaint at any stage of an enquiry or investigation process. Conciliation can be a good option for complaints that rely on both parties taking responsibility and where both parties can bring a solution mindset. Successful conciliations are an opportunity to 'humanise' the bureaucracy and improve decision making in the public sector.

In 2024-25, we published a new guide to conciliation for both complainants and public organisations. The guide steps through the process and provides plain language advice on what each party to the complaint should expect and how they can get the best outcome from the process.

Highlight stats: Outcomes from conciliation in 2024-25

We conciliated **64** complaints.

- Conciliations resulted in:
 - **23** apologies and/or admissions of error
 - **27** complainants receiving a clearer explanation of the reasons for decisions or actions
 - **\$489,006** in ex gratia payments
- **90 per cent** of conciliations resulted in a resolution.

Protecting human rights

Victoria's Human Rights Charter places important obligations on public authorities to properly consider and act compatibly with the fundamental human rights of everyone in Victoria. As Victoria's human rights complaint handler and investigator, we have a role in ensuring individuals' human rights are respected when they engage with public services.

In 2024-25, we handled 3,906 complaints that engaged human rights. We made enquiries into hundreds of individual cases alleging breaches of human rights. Our work resulted in reversals of decisions, improved policies and other actions to uphold people's rights.

Quality assurance

To ensure the quality of our complaint-handling service, our Service Excellence Team focuses on ensuring our practice aligns with principles in the Australian Standard Guidelines for complaint management in organizations. This function brings together quality assurance, ongoing learning and development, and management of any complaints about our service.

We conduct routine audits of complaints files for new team members to ensure they are following established processes and to identify areas where they may need additional help, and systemic audits to look into specific types of complaints or areas of focus in our complaint handling. This year we conducted a total of 125 audits on case files and 136 audits on phone calls.

To equip our complaints handlers with knowledge about agencies within our jurisdiction, we invite those agencies to deliver an information session to complaints handlers and other interested Ombudsman officers. This year we had information sessions from the Commission for Children and Young People, Fines Victoria and State Trustees.

Investigations

Investigations are a powerful tool for ensuring accountability within the public sector and delivered fair and meaningful outcomes. Through our investigations, we examine wide-ranging matters, ranging from specific complaints to systemic issues.

Using Royal Commission-style powers, we formally investigate public bodies' actions and decisions and make remedial recommendations for improvement. We investigate complaints (including Public Interest (whistleblower) Complaints), on our own motion, or any matter referred by the Victorian Parliament.

In some instances, our investigation team may make use of our coercive powers. But much of our investigation work involves working closely and flexibly with organisations in less formal ways to quickly address issues and achieve positive change. For example, where appropriate, we may allow organisations to internally investigate complaints made about them. We monitor their progress and, if required, may take further steps to investigate at a later point.

In 2024–25, we finalised 23 formal investigations, and agencies accepted 100 per cent of our recommendations.

Investigation report: Support when children are sexually abused at school

**** Content warning: This release discusses child sexual assault and may be distressing to some readers.*

In February 2025, the Victorian Ombudsman tabled a report in the Parliament of Victoria – *Support when children are sexually abused at school: The Department of Education's response to abuse in a Victorian primary school*.

The investigation was sparked by concern about the way the Department of Education responded to two incidents of child sexual abuse at a Victorian primary school.

The investigation identified systemic gaps in the department's policies, procedures and practices in managing child sexual abuse and found significant flaws in the department's response including a failure to quickly contact the families concerned, apologise and adequately support the children and their families.

The department has now formally apologised to both children. One child's family has received compensation through a civil claims process and the other child's family is currently seeking compensation from the department.

There are critical lessons in this investigation for every organisation that engages with children and families across the Victorian public sector. Upholding the rights of the child and ensuring effective, victim-centric systems for preventing sexual abuse from occurring – and responding appropriately if it does – must be at the heart of all departmental policies, systems and actions.

Public interest disclosures and complaints

Providing appropriate protections for whistleblowers is an important way people can raise integrity concerns about the public sector without fear of retribution. Under the Public Interest Disclosure scheme, people can report improper conduct or detrimental action in the Victorian public sector.

People can make disclosures about public organisations, public officers or another person whose conduct adversely affects the honest performance of a public organisation's or public officer's official functions – for example, a person who tries to bribe a public officer.

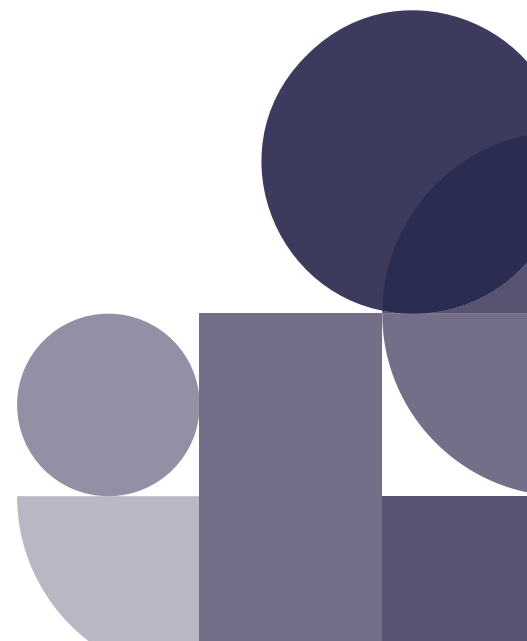
A critical part of the scheme is ensuring the identities of disclosers are kept confidential to protect them from reprisals such as bullying, harassment, job loss or legal action. Protections also apply to people who cooperate with investigations into disclosures.

We have a role in assessing, enquiring into, and investigating public interest disclosures and complaints. We must refer a matter to IBAC if we decide it may be a public interest disclosure. IBAC then assesses the disclosure and determines if it is 'a public interest complaint'. IBAC often refers those complaints back to us, and we decide if they warrant investigation.

We may pause our investigation into a public interest complaint where an agency is appropriately dealing with the matter with our oversight.

Highlight stats: Cases referred and received

- We assessed **137** public interest disclosures, involving **252** allegations
- We referred **47** assessable disclosures to IBAC, involving **99** allegations
- IBAC referred **102** public interest complaints to us, involving **229** allegations
- We finalised **90** PIC cases, involving **208** allegations
- We finalised **22** PIC investigations, involving **49** allegations
- From our PIC investigations:
 - **9** allegations were substantiated or partially substantiated
 - **9** allegations were not substantiated
 - **31** allegations were discontinued



Our communities



One of the greatest privileges of being Ombudsman is engaging directly with the people we serve. Every

complaint we receive represents someone trying to navigate government, often in stressful or difficult circumstances. For many, the process can feel daunting or inaccessible, which is why connecting with communities, and making our role clearer, is central to what we do.

This year we placed a deliberate focus on reaching people who may struggle most to have their voices heard. We participated in events for marginalised communities, promoting understanding of our role and empowering people to stand up for their rights. We partnered with Neighbourhood Houses to provide information and support, helping people make more effective complaints that agencies can resolve more easily. We also delivered speeches and presentations to community groups and students, using these opportunities to demystify our role and highlight how fairness and human rights can be protected in everyday decision-making.

We also invested in practical resources to make our office more approachable. Simplifying what we can on our website and redesigning other information about our office to be clearer and more inclusive. We also trialled new handouts, such as a simple notepad, that might be used for a weekly shopping list but also includes tips on making effective complaints – combine usefulness with guidance. These resources serve as small but powerful tools to encourage people to speak up and navigate the complaints system with confidence.

At the same time, we sought opportunities to engage with government and agencies to promote a more coherent and simplified complainant experience. While this work is less visible, it is no less important as working to make the system easier to navigate will reduce duplication, improve accountability, and ultimately benefit both the community and the public bodies that serve them.

These efforts sit alongside our core work: tens of thousands of people contacted us this year, and every contact told us something about how systems are functioning. Each individual complaint matters, and together they create a collective picture that guides our oversight and prevention efforts.

I am grateful to the communities who welcomed us into their spaces, to the people who trusted us with their stories, and to the staff who carried this work forward with creativity and commitment. Independence does not mean working alone: lasting reform depends on dialogue and trust. By deepening those relationships, we take another step toward our vision of a Victoria that is fair.

Marlo Baragwanath
Ombudsman



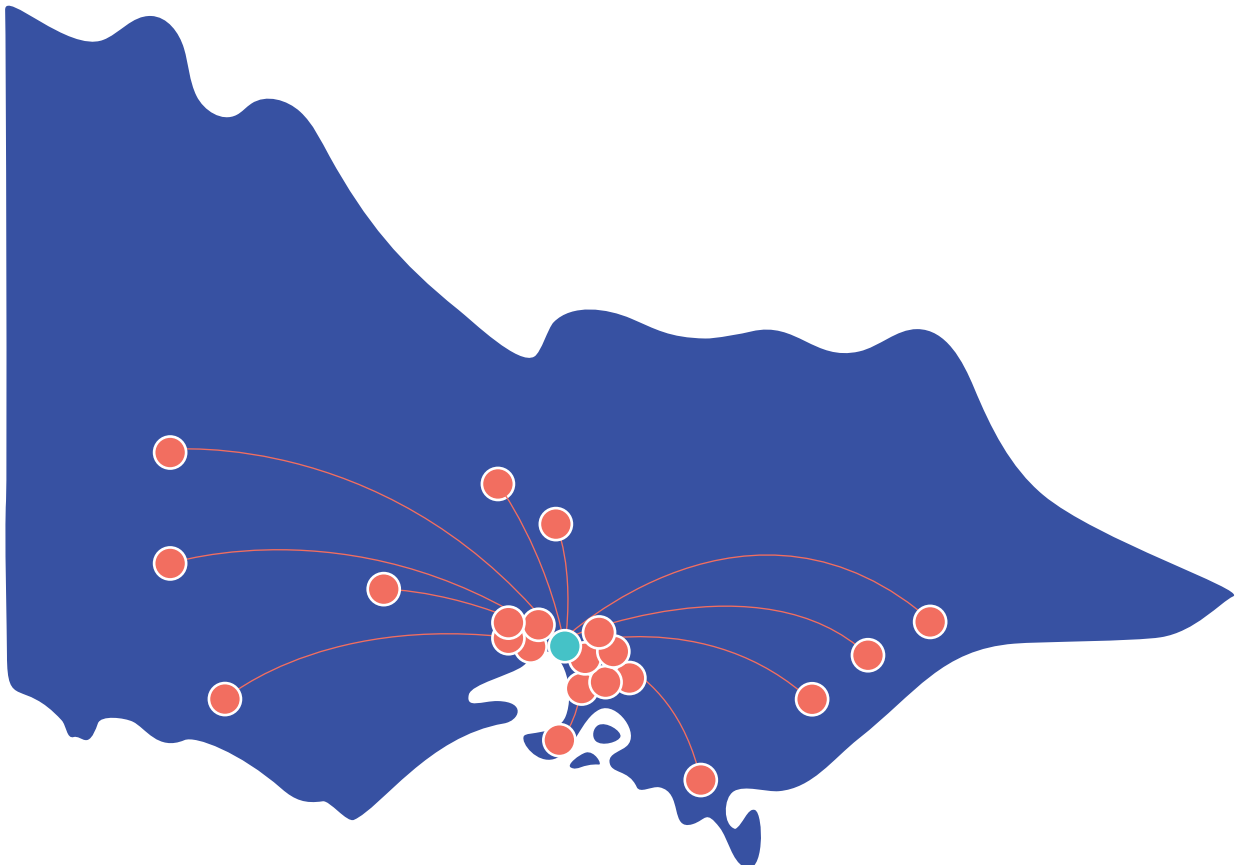
Community engagement

Helping the community understand their rights and navigate complaints pathways remained the focus of our community engagement program in 2024-25. Over the course of the year, we engaged with more than 2,500 members of the community across Victoria.

To amplify our reach, we partnered with key community organisations throughout the year, including neighbourhood houses and community centres, community legal centres, Aboriginal community-controlled organisations, local libraries and financial counsellors. Through these partnerships, we attended monthly Fix-it Friday events, complaints clinics and bimonthly Southeast Community Links events alongside a range of other services.

We were also proud to participate in the annual Midsumma Carnival, speaking with members of the LGBTIQ+ community to better understand how they engage with public organisations, the common problems they encounter and provide information about the available pathways to make a complaint.

We also partnered with the Victoria Law Foundation for Law Week, an annual celebration of how the law intersects with our everyday lives. We spent three days in Horsham, speaking with students, community members and local council staff.



Our people and systems



Joining the Ombudsman's office at the beginning of 2025 has been both a pleasure and a challenge

I have relished. Having spent most of my career working across local government and integrity, the move to VO has felt like a natural progression of years spent focused on people – keeping them at the centre of decision-making and empowering them to do their best work.

Coming from local government, I am looking forward to contributing my on-the-ground experience to Ombudsman work and helping to drive improvements at a systemic level.

Internally, driving improvements underpins the theme of People and Systems in our Strategic plan which recognises that our staff are at the heart of our success. To deliver for our communities, our people need the right resources, skills and support, and they need systems and digital infrastructure that work seamlessly and reliably. Together with my team, my role is to make sure both sides of that equation are in place.

In 2024-25, that meant strengthening our corporate governance, establishing new committees that bring more voices to the table. It also involved mapping our future state, particularly in terms of advancing technology and innovation and working to refresh our compliance frameworks to safeguard our independence and resilience in the face of increasing demand and complexity.

Equally important has been building capability in our people. We have started work on a new people strategy to support leadership development, staff safety and wellbeing, and ensuring our workforce has the capabilities needed for VO's future. We want to give our teams the tools and confidence they need not only to succeed now, but to grow into the future leaders of this office and of the broader sector.

Finally, I want to thank my colleagues in Corporate Services, who embraced change with commitment and good humour. Their work often sits behind the scenes, whether its leading our strategic planning, managing our finances, people or ICT services or quite literally keeping the lights on, it is essential. Right across the organisation people are at the heart of our success. By fostering collaboration both within our office and across the integrity sector, we can empower our people to excel and deliver their crucial work.

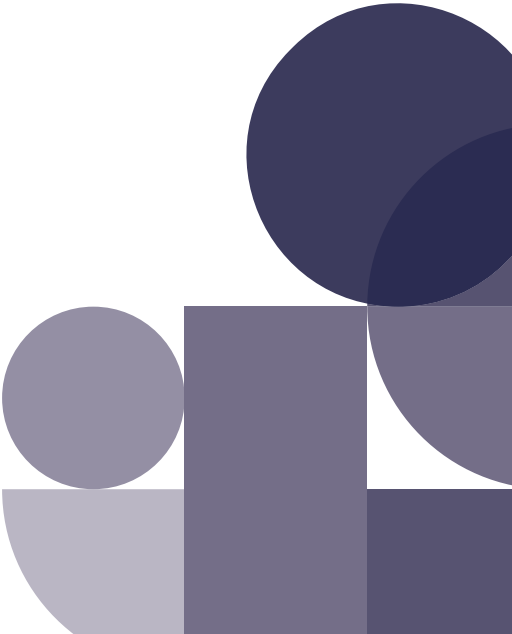
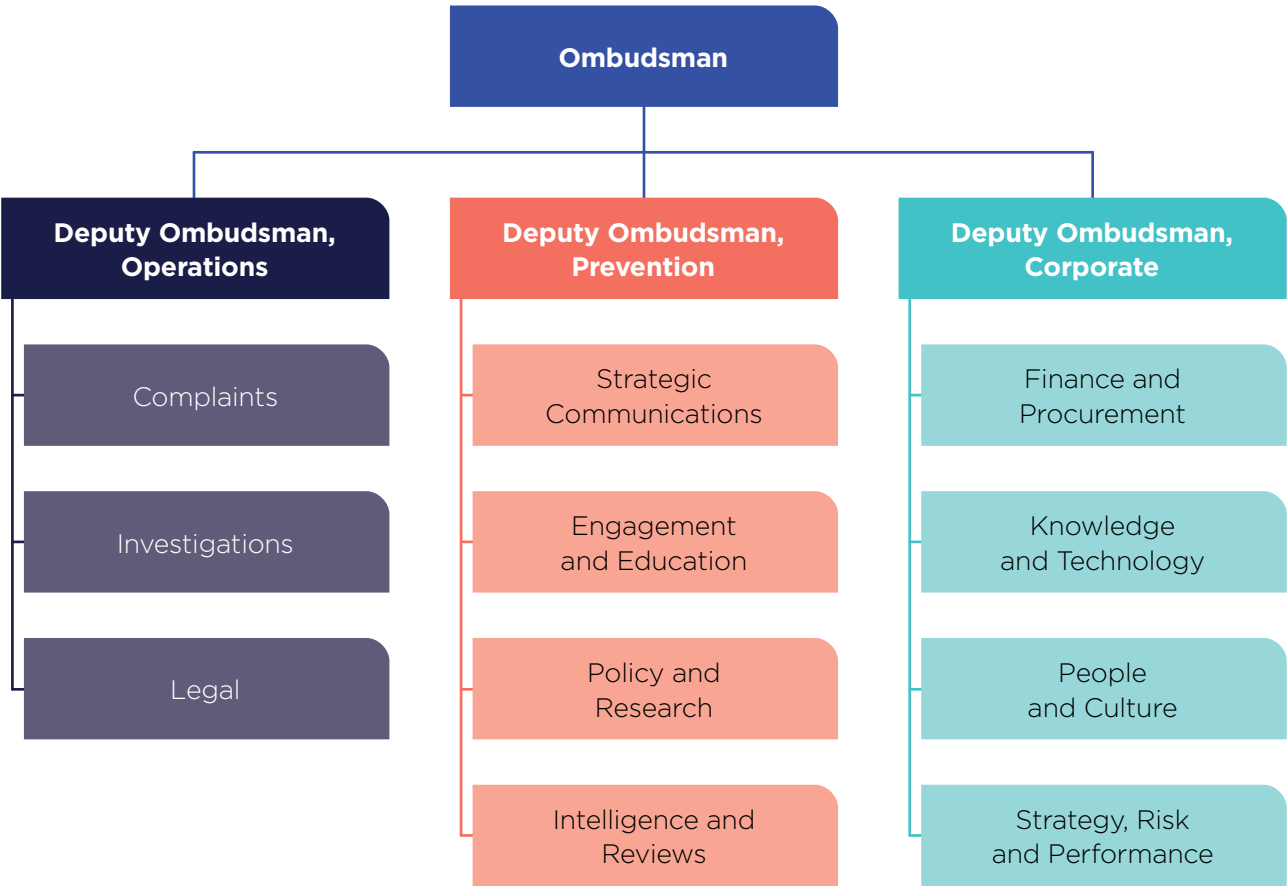
Kerryn Ellis

Deputy Ombudsman, Corporate



Our organisational structure

We coordinate and collaborate across three divisions to achieve our outcomes.



Operations

Within Operations, our Complaints team assesses, prioritises and resolves matters quickly and informally, often preventing small issues from becoming larger ones. More complex complaints can involve enquiries to identify issues and propose solutions. Trained conciliators also help resolve matters through alternative dispute resolution techniques.

Our Investigations team conducts formal investigations, either in response to complaints (including whistleblower matters), or where we identify systemic issues without a complaint. We also investigate matters referred by the Victorian Parliament. Our Legal team supports the whole organisation with their advice.

Prevention

Our Prevention division draws together our Strategic Communications, Engagement and Education, Policy, and Intelligence teams and seeks to proactively improve public administration.

To complement our operations, our preventive work aims to identify, expose and prevent maladministration and improper conduct, assist authorities to improve, and educate the community and the public sector about Ombudsman.

Corporate Services

Collaborating across the organisation, the teams in Corporate Services work to ensure we have the financial resources, skilled personnel, and support needed to fulfil our mandate. They lead our strategic planning, manage our finances, support our people and oversee the implementation of effective systems while fostering a culture of continuous improvement to develop and maintain an inclusive, values driven workplace.

Highlight: Career development and progression pathways

In response to feedback from our people, and to promote ongoing learning and development, this year, we piloted three-year career development and progression pathways for Investigations Officers and Complaints Officers at VPS4 level.

Mapping the first three years in these roles, the pathways focus on building key capabilities aligned with the VPS Capability Framework. By linking the pathways to the broader VPS framework, the model helps staff to make connections to roles beyond their current position and recognise the transferability of their skills. It also helps managers have career-focused conversations with their teams, to better understand their aspirations whether with VO or in the broader public sector. Importantly the model also ensures that staff who are happy working at their current grade are valued and supported to continue developing their skills.

Under the pathways model, eligible staff spend the first year building their understanding of their role and the organisation. The next two years focus on building capability and experience – for example, taking on more complex work, aligned to the relevant classification and value range for the role.

The pathways model reflects VO's 70-20-10 learning model, which brings together on-the-job learning, online modules and formal training.

Corporate governance

The Ombudsman is the:

- ‘Accountable Officer’ pursuant to section 42 of the *Financial Management Act 1994*
- ‘Responsible Body’ under the Standing Directions of the Minister for Finance
- ‘Public Service Body Head’ pursuant to subsection 16(1)(h) of the *Public Administration Act 2004* and section 3 of the *Privacy and Data Protection Act 2014*
- ‘Officer in Charge’ pursuant to section 13 of the *Public Records Act 1973*.

The Ombudsman Act bestows all the powers and functions conferred on the Office of the Ombudsman on the Ombudsman personally. Employees or executive staff exercise only the powers and functions that the Ombudsman delegates to them via delegation instrument.

In 2024-25, the Ombudsman was supported by:

- two internal committees – the Operational Governance Committee and the Corporate Governance Committee
- one external committee – the Audit and Risk Management Committee.

Each committee has terms of reference approved by the Ombudsman stating the purpose and membership of the committee, meeting frequency, and record-keeping and reporting obligations. The committees may co-opt expertise from across the office as required and receive appropriate secretariat support.

Audit and Risk Management Committee membership and roles

The Audit and Risk Management Committee consists of the following members:

- S Goddard, Chair (independent member)
- K Rowe (independent member)
- I Sargent (independent member)
- N McCutcheon (independent member)
- M Shatter (independent member)
- M Baragwanath (ex-officio)

The main responsibilities of the Audit and Risk Management Committee are to:

- review and report independently to the Responsible Body on the annual report and all other financial information published by the agency
- assist the Responsible Body in reviewing the effectiveness of the agency’s internal control environment covering effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations
- determine the scope of the internal audit function and ensure its resources are adequate and used effectively, including coordination with the external auditors
- maintain effective communication with external auditors
- consider recommendations made by internal and external auditors and review the implementation of actions to resolve issues raised
- oversee the effective operation of the risk management framework.

Occupational health and safety

Measure	Key Performance Indicator	2022-23	2023-24	2024-25
Incidents*	No. of reported incidents	13	14	9
	Rate per 100 FTE	7.69	13.46	7.75
	No. of incidents requiring first aid and/or further medical treatment	5	4	0
Claims	No. of standard claims **	1	1	0
	Rate per 100 FTE	0.78	0.96	0
	No. of lost time claims	1	1	1
	Rate per 100 FTE	0.78	0.96	0.86
	No. of claims exceeding 13 weeks	1	0	0
	Rate per 100 FTE	0.78	0	0
Fatalities	Fatality claims	0	0	0
Claim costs	Average cost per standard claim	\$3,000	\$19,027.50	0
Return to work	Percentage of claims with RTW plan <30 days	0	0	0
Management commitment	Evidence of OHS policy statement, OHS objectives, regular reporting to senior management of OHS, and OHS plans	Completed	Completed	Completed
	Evidence of OH&S criteria(s) in purchasing guidelines (including goods, services and personnel)	Completed	Completed	Completed
Consultation and participation	Evidence of agreed structure of designated workgroups, (DWGs), health and safety representatives (HSRs), and issue resolution procedures (IRPs)	Completed	Completed	Completed
	Compliance with agreed structure of DWGs, HSRs and IRPs	Completed	Completed	Completed
	No. of quarterly OHS Committee meetings			4
Risk management	Percentage of internal audits/inspections conducted as planned	75%	75%	100%
	% or reported incidents investigated			100%
	No. of Improvement Notices issued across the organisation by WorkSafe Inspector	0	0	0
	Percentage of issues resolved arising from: - internal audits and inspections - HSR Provisional Improvement Notices (PINs) - WorkSafe Notices	100% 100% 100%	100% 100% 100%	100% N/A N/A
Training	Percentage of staff that have received OHS training: - induction - management training - contractors, temps, and visitors	100% 100% 100%	100% 100% 100%	100% 100% 100%
	Percentage of HSRs trained: - on acceptance of role (initial training) - re-training (refresher) - on reporting of incidents and injuries	100% 100% 100%	100% 100% 100%	100% 0% Not required

Note: * Incidents includes injuries and near misses.

** Standard claims are those that have exceeded the employer excess (for medical and like expenses) threshold and/or liability for 10 working days of time lost.

Incident management

Data	2025
% change in incident rate per 100 FTE	-57%
# notifiable incidents	0
# incidents and rate per 100 FTE	9 and 7.75
# standard claims and rate per 100 FTE	0
% change in WorkCover claims lodged	-100%
% change in average. cost per claim	0%
Lost time claims and rate per 100 FTE	0.86
Claims exceeding 13 weeks and rate per 100 FTE	0
% change in WorkCover premium rate	20%
Claim ratio as a proportion of total staff	0.86%
Premium rate	0.92%

Employment and conduct principles

The Victorian Ombudsman is committed to applying merit and equity principles when appointing staff. The selection processes ensure applicants are assessed and evaluated fairly and equitably on the basis of the key selection criteria and other accountabilities without discrimination. Employees have been correctly classified in workforce data collections below.

Workforce data

Public sector values and employment principles

The *Public Administration Act 2004* established the Victorian Public Sector Commission (VPSC). The VPSC's role is to strengthen public sector efficiency, effectiveness and capability, and advocate for public sector professionalism and integrity.

The Victorian Ombudsman introduced policies and practices that are consistent with the VPSC's employment standards and provide for fair treatment, career opportunities and the early resolution of workplace issues. The Victorian Ombudsman advised its employees on how to avoid conflicts of interest, how to respond to offers of gifts and how it deals with misconduct.

Comparative workforce data

The following table discloses the head count and full-time equivalent (FTE) of all active public service employees of the Victorian Ombudsman, employed in the last full pay period in June of the current reporting period, and in the last full pay period in June of the previous reporting period (2024).

Active Employees as at last full pay period ending Sunday 29 June 2025

All employees			Ongoing			Fixed term casual	
	Headcount	FTE	Full time - headcount	Part time - headcount	FTE	Headcount	FTE
Gender							
Female	83	79	54	8	59.6	19	17.4
Male	37	36.16	22	4	25.16	10	10
Self-described	1	1	1		1		
Age							
15-24	3	1.6				3	1.6
25-34	23	23	14		14	8	8
35-44	44	42.75	29	6	33.95	9	8.8
45-54	30	28.61	20	4	22.61	6	6
55-64	18	17.2	13	2	14.2	3	3
65+	3	3	1		1	2	2
VPS classification							
<i>VPS1-6 grades (group total)</i>	<i>110</i>	<i>105.56</i>	<i>76</i>	<i>11</i>	<i>84.16</i>	<i>21</i>	<i>19.4</i>
VPS1	0	0	0	0	0	0	0
VPS2	1	0.4				1	0.4
VPS3	5	4.2	2		2	3	2.2
VPS4	46	43.61	29	8	34.61	9	9
VPS5	38	37.6	29	8	34.61	9	9
VPS6	20	19.75	16	1	16.95	3	2.8
<i>Senior employees (group total)</i>	<i>11</i>	<i>10.6</i>	<i>1</i>	<i>1</i>	<i>1.6</i>	<i>8</i>	<i>8</i>
STS7	2	1.6		1	0.6		
Executives	9	9	1		1	8	8
Total employees	121	116.16	77	12	85.76	29	27.4

* Employees have been correctly classified in workforce data collections. Excludes staff on leave without pay, volunteers, contractors and consultants. Employees reported as 'secondees' are included in the fixed term counts.

Active Employees as at last full pay period ending Sunday 30 June 2024

All employees			Ongoing			Fixed term casual	
	Headcount	FTE	Full time - headcount	Part time - headcount	FTE	Headcount	FTE
Gender							
Female	75	70.9	51	9	57.4	13	11.5
Male	35	33.96	25	5	28.96	4	4
Self-described	1	1	1		1		
Age							
15-24	2	1				2	1
25-34	18	18	12		12	5	5
35-44	40	38.55	27	8	33.55	5	5
45-54	32	30.11	23	4	25.61	4	3.5
55-64	16	15.2	13	2	14.2	1	1
65+	3	3	2		2	0	0
VPS classification							
<i>VPS1-6 grades (group total)</i>	102	97.46	76	13	85.76	11	9.7
VPS1							
VPS2	1	0.4				1	0.4
VPS3	4	3.6	2		2	2	1.6
VPS4	42	39.61	31	8	36.61	2	2
VPS5	37	36.1	28	3	30.4	5	4.7
VPS6	18	17.75	15	2	16.75	1	1
<i>Senior employees (group total)</i>	9	8.4	7	1	7.6	6	5.8
STS7	3	2.4		1	0.6	1	0.8
Executives	6	6	1		1	5	5
Total employees	111	105.86	77	14	87.36	17	15.5

*Employees have been correctly classified in workforce data collections. Excludes staff on leave without pay, volunteers, contractors and consultants. Employees reported as 'seconded' are included in the fixed term counts.

The following table discloses the annualised total salary for senior employees of the Victorian Ombudsman, categorised by classification. The salary amount is reported as the full-time annualised salary.

Annualised total salary, by \$20,000 bands, for executives and other senior non-executive staff

Income band (salary)	Executives	STS	PS	SMA	SRA	Other
< \$160,000						
\$160,000 - \$179,999						
\$180,000 - \$199,999						
\$200,000 - \$219,999	3					
\$220,000 - \$239,999	1					
\$240,000 - \$259,999	1	2				
\$260,000 - \$279,999	1					
\$280,000 - \$299,999	1					
\$300,000 - \$319,999						
\$320,000 - \$339,999						
\$340,000 - \$359,999	1					
\$360,000 - \$379,999						
\$380,000 - \$399,999						
\$400,000 - \$419,999						
\$420,000 - \$439,999						
\$440,000 - \$459,999						
\$460,000 - \$479,999						
\$480,000 - \$499,999	1					
Total	9	2				

Note: (a) The salaries reported above are for the full financial year, at a 1-FTE rate, and exclude superannuation.
(b) There are two employees employed on a part-time basis at a 0.6 FTE rate and a 0.8 FTE rate respectively.

Workforce inclusion

We are committed to maintaining an inclusive working environment and a workforce that celebrates diversity and reflects the communities we serve. In recent year, we have implemented workforce inclusion practices that have resulted in women making up 67 per cent of our workforce, with men comprising 32 per cent and non-binary or gender diverse people comprising 1 per cent.

Throughout the year, we celebrate diversity by:

- recognising days of cultural significance
- supporting LGBTQIA+ events
- celebrating awareness days or weeks
- cultural safety and awareness workshops
- progressing our *Reconciliation action plan*
- implementing our *Gender equality action plan*
- implementing our *Diversity, equity and inclusion strategy*.

In 2024-25, we continued to exceed the Gender Equality Act 2020 target of at least 50 per cent of executive roles are held by women. The following table outlines our actual progress against this target.

We strive to be a safe and respectful workplace for staff across the gender spectrum, but acknowledge that, due to historic and persistent barriers to disclosure, some individuals may not feel comfortable disclosing gender-diverse and non-binary gender identities.

Workforce inclusion policy initiative	Target	Actual progress in 2024-25	Actual progress in 2023-24
Executive level gender profile	Executive Officers: 50 per cent male, 50 per cent female by 2021	Executive Officers: 66.6 per cent female 33.3 per cent male	Executive Officers: 83 per cent female 17 per cent male

Executive data

For a department, a member of the Senior Executive Service (SES) is defined as a person employed as an executive under Part 3 of the *Public Administration Act 2004* (PAA). For a public body, an executive is defined as a person employed as an executive under Part 3 of the PAA or a person to whom the Victorian Government's *Public Entity Executive Remuneration Policy* applies. All figures reflect employment levels at the last full pay period in June of the current and corresponding previous reporting year.

The definition of SES does not include a statutory office holder or an Accountable Officer.

The following tables disclose the SES of the Victorian Ombudsman for 30 June 2025:

- Table 1 discloses the total numbers of SES, broken down by gender
- Table 2 provides a reconciliation of executive numbers presented between the report of operations and Note 8.2 Remuneration of executives in the financial statements
- Tables 1 to 2 also disclose the variations, denoted by 'var', between the current and previous reporting periods.

Table 1: Total number of SES for the Victorian Ombudsman, broken down into gender

All			Women		Men		Self-described	
Class	No.	Var.	No.	Var.	No.	Var.	No.	Var.
SES-3	0	0	1	0	0	0	0	0
SES-2	3	2	1	1	2	1	0	0
SES-1	5	1	4	1	1	0	0	0
Total	8	3	6	2	3	1	0	0

The number of executives in the report of operations is based on the number of executive positions that are occupied at the end of the financial year. Note 8.2 in the financial statements lists the actual number of SES and the total remuneration paid to SES over the course of the reporting period.

The financial statements note does not include the Accountable Officer, nor does it distinguish between executive levels or disclose separations. Separations are executives who have left the Department during the relevant reporting period. To assist readers, these two disclosures are reconciled below.

Table 2: Reconciliation of executive numbers

		2025	2024
	Executives (financial statement Note 8.2)	11	6
	Accountable Officer (Secretary)	1	1
Less	Separations	3	0
	Total executive numbers at 30 June	9	7

Complaints and feedback about us

In 2024-25, we received 137 complaints requesting a review of our decision and 48 complaints about our service delivery.

Of the requests for review of a decision:

- 97 were declined
- 22 resulted in the matter being returned to the case officer for further work
- 18 progressed to internal review, of which 16 reviews determined the original decision was satisfactory; and 2 reviews resulted in us reconsidering the complaint or taking further action.

Of the complaints about our service delivery that we handled:

- in 28, we determined our service delivery was satisfactory
- in 18, we determined that service delivery was not satisfactory and attempted to resolve the concerns raised through providing an explanation or an apology or agreeing to take further action.
- 2 were under assessment as of 30 June 2025

Requests for review are initially considered by the original complaint handler in conjunction with their manager. This provides an opportunity for the concerns raised in the request for review to be considered and potentially addressed prior to, and sometimes instead of, the request having to be formally considered. Most requests assessed as being not suitable for internal review were declined because the person seeking review had expressed their disagreement or dissatisfaction with the decision, rather than any error in how their complaint was managed.

If complaints about us allege corrupt conduct or staff misconduct, we must notify IBAC or Integrity Oversight Victoria, and they deal with them independently of us.

Complainant satisfaction survey

We engaged independent researchers to conduct complainant satisfaction surveys to help us identify opportunities for improvement. Overall complainant satisfaction with our service has remained consistent with last year's results, with one in two (51 per cent) responding as either satisfied or very satisfied.

Other disclosures

Local Jobs First

The *Local Jobs First Act 2003* introduced in August 2018 brings together the Victorian Industry Participation Policy (VIPPP) and Major Project Skills Guarantee (MPSG) policy which were previously administered separately.

Departments and public sector bodies are required to apply the Local Jobs First policy in all projects valued at \$3 million or more in Metropolitan Melbourne or for statewide projects, or \$1 million or more for projects in regional Victoria.

The Local Jobs First Act requires public bodies to report on their compliance. In 2024-25, the Victorian Ombudsman had no procurements or projects to which the policy applied.

Government advertising expenditure

The Victorian Ombudsman did not conduct any activities that triggered the disclosure threshold of \$100,000 or greater on government advertising expenditure. We make a nil report statement against this requirement.

Consultancy expenditure

Details of consultancies (valued at \$10,000 or greater)

In 2024-25, there were two consultancies where the total fees payable to the consultants were \$10,000 or greater. The total expenditure incurred during 2024-25 in relation to these consultancies is \$221,500 (excluding GST). Details of individual consultancies are outlined below.

Details of consultancies under \$10,000

Nil to report for 2024-25.

Reviews and studies expenditure

Nil to report for 2024-25.

Details of consultancies (valued at \$10,000 or greater)

Consultant	Purpose of consultancy	Start Date	End Date	Total approved project fee (excl. GST)	Expenditure 2024-25 (excl. GST)	Future Expenditure (excl. GST)
Cube Group Management Consulting (Australia) Pty Ltd	Development of Strategic Plan	4/09/2024	12/02/2025	179,000.00	179,000.00	-
Cube Group Management Consulting (Australia) Pty Ltd	Annual Planning Support	19/12/2024	30/04/2025	42,500.00	42,500.00	-

Information and communication technology expenditure

Details of information and communication technology (ICT) expenditure

For the 2024-25 reporting period, the Victorian Ombudsman had a total ICT expenditure of \$3.318 million with the details shown below.

ICT expenditure refers to the Victorian Ombudsman’s costs in providing business enabling ICT services within the current reporting period. It comprises:

- Non-Business as Usual (Non-BAU) ICT expenditure, which relates to extending or enhancing the Department’s current ICT capabilities.
- Business as Usual (BAU) ICT expenditure, which is all remaining ICT expenditure that primarily relates to ongoing activities to operate and maintain the current ICT capability.

Disclosure of major contracts

Nil major contracts greater than \$10 million to report for 2024-25.

Details of information and communication technology (ICT) expenditure

All Operational ICT Expenditure	ICT Expenditure related to projects to create or enhance ICT Capabilities		
Business As Usual (BAU) ICT Expenditure	Non-Business As Usual (Non-BAU) ICT expenditure	Operational expenditure	Capital expenditure
(Total)	(Total = Operational expenditure and capital expenditure)		
\$3,318,301	\$292,055	\$128,980	\$163,075

Freedom of information

The *Freedom of Information Act 1982* (the Act) allows the public a right of access to documents held by the Victorian Ombudsman, with some limited exemptions. The purpose of the Act is to extend as far as possible the right of the community to access information held by government departments, local councils, Ministers and other bodies subject to the Act.

An applicant has a right to apply for access to documents held by the Victorian Ombudsman. This comprises documents both created by the Victorian Ombudsman or supplied to the Victorian Ombudsman by an external organisation or individual, and may also include maps, films, microfiche, photographs, computer printouts, computer discs, tape recordings and videotapes.

The Act allows the Victorian Ombudsman to refuse access, either fully or partially, to certain documents or information. Examples of documents that may not be accessed include cabinet documents; some internal working documents; law enforcement documents; documents covered by legal professional privilege, such as legal advice; personal information about other people; and information provided to a department in-confidence and information that is confidential under another Act.

Section 29A of the Ombudsman Act provides a limited exemption from the FOI Act and means the FOI Act does not apply to documents in the possession of the Ombudsman or any other person or body that disclose information about:

- a complaint, a referred complaint, a referred matter or a matter referred to the Ombudsman by Parliament under section 16 of the Ombudsman Act
- an enquiry or investigation under the Ombudsman Act
- a recommendation made by the Ombudsman under the Ombudsman Act
- a report or draft report made under the Ombudsman Act

Under the Act, the FOI processing time for requests received is 30 calendar days. However, when external consultation is required under ss29, 29A, 31, 31A, 33, 34 or 35, a 15-day automatic extension applies. Processing time may also be extended by periods of up to 30 days, in consultation with the applicant. With the applicant's agreement this may occur any number of times. However, obtaining an applicant's agreement for an extension cannot occur after the expiry of the timeframe for deciding a request.

If an applicant is not satisfied by a decision made by the Victorian Ombudsman, under section 49A of the Act, they have the right to seek a review by the Office of the Victorian Information Commissioner (OVIC) within 28 days of receiving a decision letter.

Making a request

FOI requests can be lodged online at online.foi.vic.gov.au. An application fee of \$32.70 applies. Access charges may also be payable if the document pool is large and the search for material time consuming.

When making an FOI request, applicants should ensure requests are in writing, clearly identify what types of material/documents are being sought and be accompanied by the application fee to be a valid request.

If you are unable to make a request online, you can request documents in the possession of the Victorian Ombudsman by writing to:

FOI Officer
Victorian Ombudsman
Level 2/570 Bourke Street
Melbourne VIC 3000
Email: legal@ombudsman.vic.gov.au
Tel: 1800 806 314

Our FOI requests in 2024-25

This year, we received 16 FOI requests from members of the community. We did not receive any requests from Members of Parliament or the media.

We made decisions on each of these requests within statutory time periods. On average, we made a decision on requests 7 days before the statutory deadline.

For 2 of the requests we received, no documents existed, and 5 were dealt by providing documents outside the Act. For the remaining 9 requests, the application of section 29A of the Ombudsman Act meant that the FOI Act did not apply.

Further information

Further information regarding the operation and scope of FOI can be obtained from the Act, regulations made under the Act and ovic.vic.gov.au.

Compliance with the *Building Act 1993*

The Victorian Ombudsman does not own or control any government buildings and consequently is exempt from notifying its compliance with the building and maintenance provisions of the Building Act 1993.

Competitive neutrality policy

Competitive neutrality requires government businesses to ensure that where services compete, or potentially compete, with the private sector, any net advantage arising from government ownership is accounted for if it is not in the public interest. Government businesses that undertake significant business activities are required to implement competitive neutrality measures (such as setting competitive neutral prices), which accounts for any net advantage that comes from public ownership.

Competitive neutrality policy supports fair competition between public and private businesses and provides government businesses with a tool to enhance decisions on resource allocation. This policy does not override other policy objectives of government and focuses on removing resource allocation distortions.

The Victorian Ombudsman does not provide services in competition with the private sector.

Compliance with the *Public Interest Disclosures Act 2012*

The *Public Interest Disclosures Act 2012* encourages and assists people in making disclosures of improper conduct by public officers and public bodies. The Act provides protection to people who make disclosures in accordance with the Act and establishes a system for the matters disclosed to be investigated and rectifying action to be taken.

The Independent Broad-based Anti-corruption Commission (IBAC) is the clearing house for Victoria's PID Scheme and publishes guidelines and procedures relating to the scheme. It is responsible for assessing most PIDs to determine whether they meet the requirements for a PID or a public interest complaint under the PID Act.

The Victorian Ombudsman also has a role in assessing, enquiring into, and investigating public interest disclosures and complaints. We must refer a matter to IBAC if we decide it may be a public interest disclosure. IBAC then assesses the disclosure and determines if it is 'a public interest complaint'. IBAC often refers those complaints back to us, and we decide if they warrant investigation.

Refer to the Public interest disclosure section earlier in this report for data on disclosure cases referred to IBAC, received from IBAC and closed by the Victorian Ombudsman.

Reporting procedures

The Victorian Ombudsman cannot receive disclosures about itself or its employees. Disclosures of improper conduct or detrimental action by the Victorian Ombudsman or any of our employees may be made to:

Independent Broad-based Anti-corruption Commission

GPO Box 24234, Melbourne VIC 3001

Phone: 1300 735 135

Email: info@ibac.vic.gov.au

Website: www.ibac.vic.gov.au

OR

Integrity Oversight Victoria

PO Box 617, Collins Street West, Melbourne VIC 8007

Phone: 1800 518 197

Email: info@vicinspectorate.vic.gov.au

Website: www.integrityoversight.vic.gov.au

Compliance with the *Carers Recognition Act 2012*

The Victorian Ombudsman operates a hybrid working model and continues to offer a range of work and flexible leave options to help our employees balance the demands of work with personal and carer commitments.

Compliance with the *Disability Act 2006*

The Victorian Ombudsman has complied with its obligations under the Disability Act to prepare a Disability Action Plan for the purpose of reducing barriers to access goods, services and facilities; reducing barriers to a person with a disability obtaining and maintaining employment; and promoting inclusion and participation in the community and achieving tangible changes in attitudes and practices that discriminate against people with a disability as outlined:

- Diversity, Equity and Inclusion Strategy 2024-26, incorporating disability actions to promote disability awareness and establish multiple sourcing mechanisms, beyond VPS, including specific recruitment campaigns to target diverse applicants (for example explicit encouragement for people with disability to apply) and establish a performance target to increase in employment from 9 per cent of people with disabilities
- Reasonable adjustments policy and consideration of reasonable adjustments as part of our recruitment and employment process

Compliance with other legislation

Disclosure of Emergency Procurement

In 2024-25, we did not undertake any emergency procurement.

Disclosure of social procurement activities under the Social Procurement Framework

The Social Procurement Framework governs how the Victorian Government undertakes social procurement. The framework applies to the procurement of all goods, services and construction undertaken by, or on behalf of, entities subject to the Standing Directions 2018 under the *Financial Management Act 1994*.

The Victorian Ombudsman uses its buying power to deliver social, economic and environmental outcomes benefiting the Victorian community, the economy and the environment, above and beyond the goods, services and construction works procured.

Victorian Ombudsman's Social Procurement strategy is developed as required by VGPPB to enable social procurement discussions and part of our overall procurement strategy.

Our social procurement covers both direct and indirect approaches to social procurement. VO has a small procurement spend but our intent is to enable and engage suppliers through conversations.

During 2024-25, the Victorian Ombudsman engaged one registered social benefit supplier with a total spend of \$1,167. Although not registered with any of the Victorian Government's social procurement partners, we engaged First Peoples-led businesses to facilitate panels during NAIDOC and National Reconciliation Weeks, and to deliver Aboriginal cultural awareness training to our staff.

Disclosure of procurement complaints

Under the Governance Policy of the Victorian Government Purchasing Board (VGPB), the Victorian Ombudsman must disclose any formal complaints relating to the procurement of goods and services received through its procurement complaints management system.

A procurement related complaint is defined as an issue or concern expressed by a supplier in relation to the process and probity applied by an organisation when carrying out a procurement activity.

The Victorian Ombudsman's Chief Procurement Officer (Chief Financial Officer) is responsible for the complaint's management process. In 2024-25, the Victorian Ombudsman received no complaints from suppliers related to a procurement activity.

Reporting of environmental data

The Victorian Ombudsman is committed to environmental sustainability in its operations.

Financial Reporting Direction 24, Reporting of environmental data by government entities, recognises there is substantial variety in the size, environmental impact and capability of public sector entities to report on environmental data, and sets out the classification of different 'tiers' of entities for the purpose of reporting environmental data.

The Victorian Ombudsman is classified as a Tier 4 entity and can comply with FRD 24 with a simple disclosure in the annual report, including the following mandatory indicators:

- **EL 1** – Total electricity consumption segmented by source
- **EL 4** – Total electricity offsets segmented by offset type
- **T2** – Number and proportion of vehicles in the organisational boundary segmented by engine/fuel type and vehicle category
- **B3** – NABERS Energy ratings of newly completed/occupied entity-owned office buildings and substantial tenancy fit-outs

Electricity consumption

In 2024-25, the Victorian Ombudsman's electricity consumption was seven per cent lower than in 2023-24.

The Victorian Ombudsman does not utilise electricity offsets, such as Greenpower, due to financial constraints.

Transportation

Where possible, we encourage our staff to use public transport for official business instead of office cars. The office has one hybrid electric/petrol vehicle available for staff, which is unchanged from the previous two financial years.

Sustainable buildings and infrastructure

The Victorian Ombudsman leases one floor of office space in Melbourne. In 2024-25, the building received a 5-star NABERS Energy rating, which is unchanged from the previous two financial years.

Electricity

Electricity consumption and offsets (EL 1 and EL4)	2024-25	2023-24	2022-23
Total electricity consumption (MWh)	183.4	196.7	160.8
Total electricity offsets (MWh)	0	0	0

Transportation

Transportation (T2)	2024-25	2023-24	2022-23
Number of vehicles	1	1	1
— Type: Passenger vehicles (Hybridelectric/petrol)	1	1	1
— Proportion of passenger vehicles	100%	100%	100%

Sustainable buildings and infrastructure

NABERS energy rating (B3)	2024-25	2023-24	2022-23
Name of building	Level 2/570 Bourke Street	Level 2/570 Bourke Street	Level 2/570 Bourke Street
Building type	General office building	General office building	General office building
Rating scheme	NABERS - Energy	NABERS - Energy	NABERS - Energy

Compliance with DataVic Access Policy

The DataVic Access Policy was issued by the Victorian Government in 2012, with the purpose of:

- enabling public access to government data to support research and education, promote innovation, support improvements in productivity and stimulate economic growth
- enhancing the sharing of, and access to, information-rich resources to support evidence-based decision making in the public sector

As a public body, the Victorian Ombudsman must determine whether it is subject to the Policy, considering factors, including our size, sophistication, intellectual property, data and needs. The Victorian Ombudsman did not make any data sets available on the DataVic website in 2024-25.

Victorian Ombudsman Financial Management Compliance Attestation Statement

I, Marlo Baragwanath, in my capacity as the Responsible Body, certify that the Victorian Ombudsman has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.

Signed:



Victorian Ombudsman

Date: 24 September 2025

Financial statements



Independent Auditor's Report

To the Victorian Ombudsman

Opinion	I have audited the financial report of the Office of the Ombudsman (the Ombudsman) which comprises the: • balance sheet as at 30 June 2025 • comprehensive operating statement for the year then ended • statement of changes in equity for the year then ended • cash flow statement for the year then ended • notes to the financial statements, including material accounting policy information • Ombudsman's and Chief Financial Officer's Declaration. In my opinion the financial report presents fairly, in all material respects, the financial position of the Ombudsman as at 30 June 2025 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and Australian Accounting Standards-Simplified Disclosures.
Basis for Opinion	I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report. My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the Ombudsman in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants (including Independence Standards)</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.
Ombudsman's responsibilities for the financial report	The Ombudsman is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards-Simplified Disclosures and the <i>Financial Management Act 1994</i>, and for such internal control as the Ombudsman determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error. In preparing the financial report, the Ombudsman is responsible for assessing the ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

**Auditor's
responsibilities
for the audit
of the financial
report**

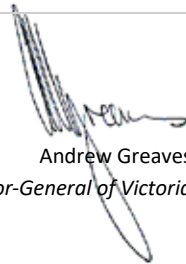
As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Ombudsman's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Ombudsman
- conclude on the appropriateness of the Ombudsman's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Ombudsman's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Ombudsman to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Ombudsman regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE
1 October 2025


Andrew Greaves
Auditor-General of Victoria

VICTORIAN OMBUDSMAN

Financial Statements

For the Year Ended 30 June 2025

VICTORIAN OMBUDSMAN

The Victorian Ombudsman (VO) has presented its audited general-purpose financial statements for the financial year ended 30 June 2025 in the following structure, to provide users with the information about VO's stewardship of resources entrusted to it.

Financial Statements	Comprehensive operating statement	
	Balance sheet	
	Cash flow statement	
	Statement of changes in equity	
Notes to the financial statements	1. About this report	
	The basis on which the financial statements have been prepared and compliance with reporting requirements	
	2. Funding delivery of our services	
	2.1. Summary of revenue that funds the delivery of our services	
	2.2. Appropriations	
	2.3. Summary of compliance with annual Parliamentary and special appropriations	
	3. The cost of delivering services	
	Operating expenses of VO	
	3.1. Expenses incurred in delivery of services	
	3.2. Employee expenses	
	3.3. Other operating expenses	
	4. Key assets to support service delivery	
	4.1. Property, plant and equipment	
	4.2. Intangible assets	
	4.3. Depreciation and amortisation	
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	5.2. Payables	
	5.3. Prepayments	
	5.4. Other provisions	
	5.5. Other liabilities	
	6. How we financed our operations	
	6.1. Borrowings	
	6.2. Leases	
	6.3. Commitments for expenditure	
	7. Financial instruments, contingencies and valuation judgements	
	7.1 Financial instruments specific disclosures	
	7.2 Contingent assets and contingent liabilities	
	7.3 Fair Value determination	
	8. Other disclosures	
	8.1 Responsible persons	
	8.2 Remuneration of executives	
	8.3 Related parties	
	8.4 Remuneration of auditors	
	8.5 Administered items	
	8.6 Subsequent events	

Financial statements

Comprehensive operating statement For the financial year ended 30 June 2025

	Notes	2025 \$	2024 \$
Continuing operations			
<i>Revenue and income from transactions</i>			
Output appropriations	2.1	23,789,746	22,489,776
Special appropriation	2.1	585,075	769,428
Total revenue and income from transactions		24,374,821	23,259,204
<i>Expenses from transactions</i>			
Employee expenses	3.2.1	18,388,444	17,454,017
Depreciation	4.3	1,842,536	1,714,866
Interest expense	6.2.2	236,796	261,339
Other operating expenses	3.3	3,921,794	3,852,165
Total expenses from transactions		24,389,570	23,282,389
Net result from transactions		(14,749)	(23,185)
<i>Other economic flows included in net results</i>			
Net gain(loss) from disposal of assets		-	(5,715)
Net gain(loss) arising from revaluation of leave liabilities		-	-
Total other economic flows included in net results		-	(5,715)
Net result		(14,749)	(28,900)
<i>Items that will not be reclassified to net result</i>			
Changes in non-financial assets revaluation surplus		-	-
Total other economic flows - other comprehensive income		-	-
Comprehensive result		(14,749)	(28,900)

The accompanying notes form part of these financial statements.

VICTORIAN OMBUDSMAN

Balance sheet
As at 30 June 2025

		2025	2024
	Notes	\$	\$
Assets			
Financial assets			
Receivables	5.1	10,587,080	9,769,931
Total financial assets		10,587,080	9,769,931
Non-financial assets			
Property, plant and equipment	4.1	6,076,495	7,320,591
Intangible assets	4.2	614,058	688,354
Prepayments	5.3	300,721	300,853
Total non-financial assets		6,991,273	8,309,798
Total assets		17,578,354	18,079,729
Liabilities			
Payables	5.2	641,046	951,099
Other provisions	5.4	620,400	499,422
Borrowings	6.2	7,430,445	8,218,482
Employee related provisions	3.2.2	3,391,729	2,926,654
Other liabilities	5.5	25,776	365
Total liabilities		12,109,395	12,596,021
Net assets		5,468,959	5,483,708
Accumulated surplus/(deficit)		(230,945)	(216,196)
Contributed capital		5,699,904	5,699,904
Net worth		5,468,959	5,483,708

The accompanying notes form part of these financial statements.

Financial statements

Cash flow statement For the financial year ended 30 June 2025

		2025	2024
	Notes	\$	\$
Cash flows from operating activities			
Receipts			
Receipts from Victorian Government		23,164,395	21,893,560
Goods and services tax from the Australian Taxation Office (ATO)		493,403	508,951
Total receipts		23,657,798	22,402,511
Payments			
Payments to suppliers and employees		(22,229,799)	(21,069,284)
Interest and other financing costs	6.2.2	(236,796)	(261,339)
Total payments		(22,466,595)	(21,330,623)
Net cash flows from/(used in) operating activities		1,191,203	1,071,888
Cash flows from investing activities			
Payments for property, plant and equipment	4.1	(300,406)	(43,368)
Proceeds from disposal of property, plant and equipment		30,961	-
Payments for intangible assets	4.2	(133,720)	(216,939)
Net cash flows from/(used in) investing activities		(403,165)	(260,307)
Cash flows from financing activities			
Repayment of lease		(788,037)	(811,582)
Net cash flows from/(used in) financial activities		(788,037)	(811,582)
Net increase in cash and cash equivalents		-	-
Cash and cash equivalents at the beginning of the financial year		-	-
Cash and cash equivalents at end of the financial year		-	-

The accompanying notes form part of these financial statements.

VICTORIAN OMBUDSMAN

Statement of changes in equity
For the financial year ended 30 June 2025

	Contributed capital \$	Accumulated deficit \$	Total \$
Balance at 1 July 2023	5,699,904	(187,297)	5,512,607
Net result for the year	-	(28,900)	(28,900)
Balance at 30 June 2024	5,699,904	(216,197)	5,483,707
Balance at 1 July 2024	5,699,904	(216,197)	5,483,707
Net result for the year	-	(14,748)	(14,748)
Balance at 30 June 2025	5,699,904	(230,945)	5,468,959

The accompanying notes form part of these financial statements.

1. About this report

The Victorian Ombudsman (VO) is a government agency of the State of Victoria, established under the *Ombudsman Act 1973*.

The principal address is:

Level 2, 570 Bourke Street
Melbourne Victoria 3000

A description of the nature of the principal services of the VO is included in the "Report of Operations" of the Annual Report which does not form part of these financial statements.

Basis of preparation

These financial statements are Tier 2 general purpose financial statements prepared in accordance with AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* (AASB 1060) and Financial Reporting Direction 101 Application of Tiers of Australian Accounting Standards (FRD 101).

These financial statements are prepared in Australian dollars, and the historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured on a different basis.

The accrual basis of accounting has been applied in the preparation of these financial statements whereby assets, liabilities, equity, income, and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Consistent with the requirements of AASB 1004 *Contributions*, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of the VO.

Additions to net assets which have been designated as contributions by owners are recognised as contributed capital. Other transfers that are contributions to or distributions by owners have also been designated as contributions by owners.

Transfers of net assets arising from administrative restructurings are treated as distributions to or contributions by owners. Transfers of net liabilities arising from administrative restructurings are treated as distributions to owners.

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

Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods that are affected by the revision. Judgements and assumptions made by management in applying Australian Accounting Standards (AASs) that have significant effects on the financial statements and estimates are disclosed in the notes to which they relate.

These financial statements cover the Victorian Ombudsman as an individual reporting entity and include all the controlled activities.

Compliance information

These general-purpose financial statements have been prepared on a going concern basis in accordance with the *Financial Management Act 1994* and applicable Australian Accounting Standards

(AASs) which include Interpretations issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Where appropriate, those AASs paragraphs applicable to not-for-profit entities have been applied. Accounting policies selected and applied in these financial statements ensure that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

2. Funding delivery of our services

Introduction

The VO is funded by accrual based Parliamentary appropriations for the provision of outputs. These appropriations are received directly by the VO.

Structure

- 2.1 Summary of revenue and income that funds the delivery of our services
- 2.2 Appropriations
- 2.3 Summary of compliance with annual Parliamentary and special appropriations

2.1. Summary of revenue and income that funds the delivery of our services

	Notes	2025 \$	2024 \$
Output appropriations	2.2, 2.3	23,789,746	22,489,776
Special appropriations	2.2, 2.3	585,075	769,428
Total revenue from transactions ^(a)		24,374,821	23,259,204

Notes:

(a) The total revenue and income from transactions includes the VO's Annual and Special appropriations, and other supplementary funding such as Treasurer's Advance, fee for service revenue collected and retained through a Section 29 arrangement. All these funds have been received directly as appropriations from Department of Treasury and Finance (DTF).

Revenue that funds delivery of the VO's services is accounted for consistently with the requirements of the relevant accounting standards disclosed in the following notes.

2.2. Appropriations

Once annual Parliamentary appropriations are applied by the Treasurer, they become controlled by the VO and are recognised as income when applied for the purposes defined under the relevant Appropriations Act.

Output appropriations: Income from outputs that the VO has provided to the Government. It is recognised when those outputs have been delivered, and the Treasurer has certified delivery of those in accordance with specified performance criteria.

Special appropriations: Under *Ombudsman Act 1973* Section 5, income pertaining to the Ombudsman (salary and related entitlements) is recognised when the amount appropriated for that purpose is due and payable by the VO.

2.3 Summary of compliance with annual Parliamentary and special appropriations

The following table discloses the details of the various annual Parliamentary appropriations received by the VO for the year.

In accordance with accrual output-based management procedures, 'provision of outputs' and 'additions to net assets' are disclosed as 'controlled' activities of the VO. Administered transactions are those that are undertaken on behalf of the State over which the VO has no control or discretion.

	Appropriations Act		Financial Management Act		Total Parliamentary authority	Appropriations applied	Variance ^(a)
	Annual appropriation	Advance from Treasurer	Section 29	Section 35			
Controlled							
Provision for outputs	21,691,294	1,940,963	157,489	-	23,789,746	23,789,746	-
Addition to net assets	-	-	-	-	-	-	-
Administered							
Payments made on behalf of the State	-	-	-	-	-	-	-
2023 total	21,691,294	1,940,963	157,489	-	23,789,746	23,789,746	-
2024							
Controlled							
Provision for outputs	21,440,423	759,608	293,325	-	22,489,776	22,489,776	-
Addition to net assets	-	-	-	-	-	-	-
Administered							
Payments made on behalf of the State	-	-	-	-	-	-	-
2024 total	21,440,423	759,608	293,325	-	22,489,776	22,489,776	-

Notes

(a) - There is a no variance to report

Section 29

The VO is permitted under section 29 of the Financial Management Act 1994 (FMA) to have certain income annotated to the annual appropriation. The VO applied to the Treasurer to retain revenue generated from its Training Program; table above includes FMA section 29 annotated income agreement approved by the Treasurer.

Advance from Treasurer

\$759,532 relates to once off lumpsum and backdated CPI payments made to all eligible employees under the Victorian Public Sector's EBA 2024.

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\$1,181,431 relates to the Parliamentary Referral expenditure pertaining to the two referrals from the Legislative Council of the Parliament of Victoria, pursuant to section 16 of the Ombudsman Act 1973, these were- Flooding at Kensington Banks and Rivervue estates and the management of domestic building insurance by Victorian Managed Insurance Authority (VMIA).

Special Appropriations			
Authority	Purpose	Appropriations applied	
		2025 \$	2024 \$
Ombudsman Act 1973- Section 5	Ombudsman's salary and employee related entitlements	585,075	769,428
		585,075	769,428

Special appropriations amount in 2024 included recognition of provision of accrued leave entitlements for the new Ombudsman.

3. The cost of delivering services

Introduction

This section provides an account of the expenses incurred by the VO in delivering services and outputs.

The funds that enable the provision of the services were disclosed in Note 2.

Structure

- 3.1 Expenses incurred in delivery of services.
- 3.2 Employee expenses
- 3.3 Other operating expenses

3.1 Expenses incurred in delivery of services

	Notes	2025 \$	2024 \$
Employee benefit expenses	3.2.1	18,388,444	17,454,017
Other operating expenses	3.3	3,921,794	3,852,165
Total expenses incurred in delivery of services		22,310,238	21,306,182

3.2 Employee expenses

3.2.1 Employee expenses in the comprehensive operating statement

	2025 \$	2024 \$
Defined contribution superannuation expense	1,643,816	1,507,506
Salaries and wages, annual leave and long service leave	16,744,628	15,946,511
Total employee expenses	18,388,444	17,454,017

Employee expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, termination payments and Workcover premiums.

	2025 \$	2024 \$
Defined contribution superannuation expense	1,643,816	1,507,506
Payroll tax	838,054	790,494
Covid debt & Mental health wellbeing surcharge levy	321,927	306,525
Work cover	147,340	92,571
Salaries and wages, annual leave and long service leave	15,437,307	14,756,921
Total employee expenses	18,388,444	17,454,017

The amount recognised in the comprehensive operating statement in relation to superannuation is employer contributions for members of defined contribution superannuation plans that are paid or payable during the reporting period. The VO does not contribute to any defined benefit funds.

3.2.2 Employee-related provisions

Provision is made for benefits accruing to employees in respect of annual leave and long service leave for services rendered up to the reporting date and recorded as an expense during the period the services are delivered. (AASB119 *Employee Benefits*)

	2025 \$	2024 \$
Current provisions:		
Annual leave		
Unconditional and expected to settle within 12 months	1,071,838	989,882
Long service leave		
Unconditional and expected to settle within 12 months	1,624,032	1,325,089
Provision for on-costs		
Unconditional and expected to settle within 12 months	529,955	431,009
Total current provisions for employee benefits	3,225,825	2,745,980
Non-current provisions:		
Employee benefits	139,853	153,052
On-costs	26,051	27,621
Total non-current provisions for employee benefits	165,904	180,673
Total provisions for employee benefits	3,391,729	2,926,654

Current provisions: The annual leave liability is classified as a current liability and measured at the undiscounted amount expected to be paid, as the VO does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period as per AASB 119 *Employee Benefits*.

Unconditional long service leave (LSL) is disclosed as a current liability even where the VO does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months as per AASB 101 *Presentation of Financial Statements*.

No provision has been made for sick leave as all sick leave is non-vesting, and it is not considered probable that the average sick leave taken in the future will be greater than the benefits accrued in the future. As sick leave is non-vesting, an expense is recognised in the Comprehensive Operating Statement as it is taken.

Employment on-costs such as payroll tax, workers compensation and superannuation are not employee benefits. They are disclosed separately as a component of the provision for employee benefits when employment to which they relate has occurred.

Non-current provisions: Conditional LSL is disclosed as a non-current liability. There is a conditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. This non-current LSL is measured at present value.

Any gain or loss following revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest rates for which it is then recognised as an 'other economic flow' in the net result.

3.3 Other operating expenses

	2025 £	2024 £
Supplies and services		
Purchase of services	1,877,142	1,758,127
Information technology	826,755	873,012
Supplies and services	610,899	641,511
Occupancy costs	606,998	579,515
Total other operating expenses	3,921,794	3,852,165

Other operating expenses represent the day-to-day running costs incurred in delivering services of the VO. They are recognised as an expense in the period in which they are incurred.

4 Key assets available to support output delivery

Introduction

The VO controls property, plant and equipment in fulfilling its objectives and conducting its activities. These assets represent the key resources that the VO uses for the delivery of those activities.

Structure

- 4.1 Property, plant and equipment
- 4.2 Intangible assets
- 4.3 Depreciation and amortisation

4.1 Property, plant and equipment

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2025 \$	2024 \$	2025 \$	2024 \$	2025 \$	2024 \$
Leasehold improvements	4,968,418	4,847,440	(4,182,623)	(3,715,434)	785,795	1,132,006
Right of Use Buildings	10,102,709	10,102,709	(4,980,793)	(4,150,661)	5,121,916	5,952,048
Office furniture and equipment at fair value	1,163,379	1,048,975	(1,162,726)	(860,281)	653	188,694
Lease Motor vehicles	200,380	78,112	(39,934)	(38,025)	160,455	40,087
Cultural assets at fair value	8,200	8,200	(525)	(443)	7,675	7,757
Net carrying amount	16,443,096	16,085,436	(10,366,601)	(8,764,845)	6,076,495	7,320,591

Property, plant and equipment other than right of use assets

Initial recognition: Items of property, plant and equipment are recognised initially at cost. Where an asset is acquired for no or nominal consideration, the cost is its fair value at the date of acquisition.

The cost of the VO furniture and equipment is the purchase price and any other additional cost incurred in bring the asset to the place and condition it is available for use.

Subsequent measurement: Property, plant and equipment is subsequently measured at fair value less accumulated depreciation and impairment. Fair value is determined with regard to the asset's highest and best use (considering legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset).

The following tables are right-of-use assets included in the PPE balance, presented by subsets of buildings.

Total right-of-use assets: buildings

	Gross carrying amount 2025 \$	Accumulated depreciation 2025 \$	Net carrying amount 2025 \$	Gross carrying amount 2024 \$	Accumulated depreciation 2024 \$	Net carrying amount 2024 \$
Rights of Use Buildings	10,102,709	(4,980,793)	5,121,916	10,102,709	(4,150,661)	5,952,048
Net carrying amount	10,102,709	(4,980,793)	5,121,916	10,102,709	(4,150,661)	5,952,048

4.1.1 Reconciliation of movements in carrying amount of property, plant and equipment

	Leasehold improvements \$	Rights of use Building \$	Office furniture and equipment at fair value \$	Lease Motor vehicles \$	Cultural assets at fair value \$	Total
Opening balance – 1 July 2024	1,132,006	5,952,048	188,694	40,086	7,757	7,320,591
Adjustment to Provision	120,978	-	-	-	-	120,978
Additions	-	-	128,922	173,483	-	300,405
Disposals/ Retirement	-	-	-	(30,961)	-	(30,961)
Transfers between classes	-	-	-	-	-	-
Depreciation	(467,188)	(830,132)	(314,963)	(22,154)	(82)	(1,634,520)
Closing balance – 30 June 2025	785,796	5,121,916	653	169,455	7,675	6,076,495

Right-of-use asset acquired by lessees – Initial recognition

The VO recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date less any lease incentive received; plus
- any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The cost of a leasehold improvement is capitalised and depreciated over the shorter of the remaining term of the lease or their estimated useful lives.

The cost of the leased motor vehicle is measured at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease.

Right-of-use asset – Subsequent measurement

The VO depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The right-of-use assets are also subject to fair value revaluation.

Impairment of property, plant and equipment

The recoverable amount of primarily non-cash-generating assets of the VO, which are typically specialised in nature and held for continuing use of their service capacity, is expected to be materially the same as fair value determined under AASB 13 *Fair Value Measurement*, with the consequence that AASB 136 does not apply to such assets that are regularly revalued.

4.2 Intangible assets

Intangible assets represent identifiable non-monetary assets without physical substance.

Initial recognition: Purchased intangible assets are measured at cost less accumulated amortisation and impairment. Costs incurred subsequent to initial acquisition are capitalised when it is expected that additional future economic benefits will flow to the VO. When the recognition criteria in AASB 138 *Intangible Assets* is met, internally generated intangible assets are recognised at cost.

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Amortisation begins when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Subsequent measurement: Intangible assets with finite useful lives are amortised as an 'expense from transactions' on a straight-line basis over their useful lives. Purchased intangible assets have useful lives of between three to seven years.

Impairment: Intangible assets with finite useful lives are tested for impairment whenever an indication of impairment is identified.

Reconciliation of movements in carrying amount:

	2025 \$	2024 \$
Carrying amount at start of year	688,355	681,279
Additions including work in progress	133,719	216,939
Disposal w/off	-	(5,715)
Amortisation expense	(208,016)	(204,148)
Carrying amount at the end of year	614,058	688,355

4.3 Depreciation and amortisation

All buildings, plant and equipment and other non-financial physical assets that have finite useful lives, are depreciated.

Depreciation is generally calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life.

Typical estimated useful lives for the different asset classes for current year is included in the table below:

Asset	Useful life (years)
Right of use Buildings ^(a)	2 to 10 ^(b)
Plant, equipment and vehicles (including leased assets)	3 to 10
Cultural assets (with finite useful lives)	100
Leased motor vehicles	2 to 3
Capitalised software	3 to 7

(a) Right of use buildings relates to the VO's accommodation lease.

(b) VO has depreciated over the shorter of the asset's useful life and the lease term.

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

Where the VO obtains ownership of the underlying leased asset or if the cost of the right-of-use asset reflects that the VO will exercise a purchase option, the VO depreciates the right-of-use asset over its useful life.

Leasehold improvements are depreciated over the shorter of the lease term and their useful lives.

5 Other assets and liabilities

Introduction

This section sets out those assets and liabilities that arise from the VO's operations.

Structure

- 5.1 Receivables
- 5.2 Payables
- 5.3 Prepayments
- 5.4 Other provisions
- 5.5 Other liabilities

5.1 Receivables

	2025 \$	2024 \$
Contractual		
Receivables	8,591	23,893
Statutory		
Amount owing from Victorian Government	10,431,129	9,638,842
GST recoverable	147,360	107,196
Total receivables	10,587,080	9,769,931
<i>Represented by:</i>		
Current receivables	10,587,080	9,769,931
Non-current receivables	-	-

Contractual receivables are classified as financial instruments and measured at amortised cost. They are initially recognised at fair value plus any directly attributable transaction costs. After initial recognition they are measured at amortised cost using the effective interest method, less any impairment.

There are no financial assets that have had their terms renegotiated so as to prevent them from being past due or impaired, and they are stated at the carrying amounts as indicated.

Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment) but are not classified as financial instruments. The VO applies AASB 9 *Financial Instruments* for initial measurement of the statutory receivables and, as a result, statutory receivables are initially recognised at fair value plus any directly attributable transaction cost. Amounts recognised from the Victorian Government represent funding for all commitments incurred and are drawn from the Consolidated Fund as the commitments fall due.

5.2 Payables

	2025 \$	2024 \$
Contractual		
Supplies and services	517,508	699,237
Amounts payable to government and agencies	123,537	251,862
Total payables	641,046	951,099
<i>Represented by:</i>		
Current payables	641,046	951,099

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Payables represent liabilities for goods and services provided to the VO that are unpaid at the end of the financial year. Payables are initially measured at fair value, being the cost of the goods and services, and then subsequently measured at amortised cost.

Statutory payables are immaterial thus not disclosed.

5.3 Prepayments

	2025	2024
	\$	\$
Prepayment	300,721	300,853
Total Prepayments	300,721	300,853

Prepayments represent payments in advance of receipt of goods or services or payment for expenditure relating to future periods.

5.4 Other provisions

	2025	2024
	\$	\$
Make good provision	620,400	499,422
Total Provision	620,400	499,422

The make-good provision is recognised in accordance with the agreement over the leased premises. The VO is required to remove any leasehold improvements from the leased premises and restore the premises to its original condition at the end of the lease term.

5.4.1 Reconciliation of movements in make-good provision

	2025	2024
	\$	\$
Opening balance	499,422	499,422
Additional provision	120,978	-
Closing balance	620,400	499,422

5.5 Other liabilities

	2025	2024
	\$	\$
Deferred income	25,776	365
Total Other liabilities	25,776	365

Deferred income refers to income received for education program in advance of receipt of services.

6 Financing our operations

Introduction

This section provides information on the sources of finance utilised by the VO during its operations, along with interest expenses (the cost of borrowings) and other information related to financing activities of the VO. This section also includes disclosures on commitments for expenditure.

Structure

- 6.1 Borrowings
- 6.2 Leases
- 6.3 Commitments for expenditure

6.1 Borrowings

Borrowings refer to lease liabilities.

Information about leases for which the VO is a lessee is presented below.

	2025 \$	2024 \$
Secured		
Current lease liabilities	1,000,747	948,031
Non-Current lease liabilities	6,428,697	7,270,451
Total borrowings	7,430,445	8,218,482

Leases are secured borrowings as the right to the leased assets will revert to the lessor in the event of a default. There were no defaults and breaches of any lease conditions during the current or previous financial years.

6.2 Leases

6.2.1 Right-of-use assets

VO leases right-of-use buildings and motor vehicles.

Right-of-use building's lease contracts are typically made for a fixed period of 1-10 years with an option to renew the lease after that date.

Motor vehicles lease agreement is of low value and short term; VO has elected not to recognise right-of-use asset and lease liability for these.

6.2.2 Cash flow information and balances

The following amounts are recognised in the statement of cashflows relating to leases:

	2025 \$	2024 \$
Interest cost	236,796	261,339
Other financing cost	551,241	550,243
Total amount recognised in the statement of cash flows	788,037	811,582

'Interest expense' includes costs incurred in connection with interest component of lease repayments and the increase in financial liabilities and other provisions due to the unwinding of discounts to reflect the passage of time.

Interest expense is recognised in the period in which it is incurred.

The VO recognises borrowing costs immediately as an expense, even where they are directly attributable to the acquisition, construction or production of a qualifying asset.

6.2.3 Recognition and measurement of leases as a lessee

For any new contracts entered, the VO considers whether a contract is or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the VO assesses whether the contract meets three key evaluations:

- whether the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the VO and for which the supplier does not have substantive substitution rights.
- whether the VO has the right to obtain substantially all the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract and the VO has the right to direct the use of the identified asset throughout the period of use; and
- whether the VO has the right to take decisions in respect of 'how and for what purpose' the asset is used throughout the period of use.

Lease Liability – initial measurement

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or the VO's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments (including in-substance fixed payments) less any lease incentive receivable.
- variable payments based on an index or rate, initially measured using the index or rate as at the commencement date.
- amounts expected to be payable under a residual value guarantee.
- payments arising from purchase and termination options reasonably certain to be exercised.

Lease Liability – subsequent measurement

After initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

Short-term leases and leases of low-value assets

The VO has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss when the expenditure is incurred.

Presentation of right-of-use assets and lease liabilities

The VO presents right-of-use assets as 'property plant equipment'. Lease liabilities are presented as 'borrowings' in the balance sheet.

	2025 \$	2024 \$
Secured		
Not longer than 1 year	1,000,747	948,031
<i>Non-Current lease liabilities</i>		
Longer than 1 year but not longer than 5 years	6,420,697	7,270,451
Minimum lease payments	7,430,445	8,218,482
Less future finance charges	818,628	1,055,424
Present value of minimum lease payments	6,611,817	7,163,058

Note:

(a) Minimum future lease payments include the aggregate of all base payments and any guaranteed residual.

6.3 Commitments for expenditure

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are recorded below at their nominal value and inclusive of GST. Where it is considered appropriate and provides additional relevant information to users, the net present values of significant individual projects are stated. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

2025	Less than 1 year	1-5 years	5+ years	Total
Capital expenditure commitments payable				
Intangible assets commitments payable	3,941			3,941
Other commitments payable	1,233,479	632,472		1,865,951
Total commitments (Inclusive of GST)	1,237,420	632,472		1,869,892
Less GST recoverable				(169,980)
Total commitments (Exclusive of GST)				1,699,912

2024	Less than 1 year	1-5 years	5+ years	Total
Capital expenditure commitments payable				
Intangible assets commitments payable	7,260			7,260
Other commitments payable	1,496,923	383,391		1,880,314
Total commitments (Inclusive of GST)	1,504,183	383,391		1,887,574
Less GST recoverable				(171,598)
Total commitments (Exclusive of GST)				1,715,976

7 Financial Instruments, contingencies, and valuation judgements

Introduction

The VO is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information, (including exposures to financial risks) as well as those items that are contingent in nature or require a higher level of judgement to be applied.

Structure

- 7.1 Financial instruments specific disclosures
- 7.2 Contingent assets and contingent liabilities
- 7.3 Fair Value Determination

7.1 Financial instruments specific disclosures

Introduction

Financial instruments arise out of contractual agreements between entities that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of the VO's activities, certain financial assets and financial liabilities arise under statute rather than a contract. Such financial assets and financial liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*.

Categories of financial assets and financial liabilities

Financial assets at amortised cost

Financial assets at amortised cost include the VO's trade receivables, but not statutory receivables.

Financial assets are measured at amortised costs if both of the following criteria are met, and the assets are not designated as fair value through net result:

- the assets are held by the VO to collect the contractual cash flows.
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interests.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the asset have expired.

Financial liabilities measured at amortised cost

Financial liabilities are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial measurement, these financial instruments are measured at amortised cost using the effective interest method.

Financial liabilities measured at amortised cost include all of the VO's contractual payables and lease liabilities (borrowings).

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

7.2 Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet but are disclosed and, if quantifiable, are measured at nominal value.

Contingent assets and liabilities are presented inclusive of GST receivable or payable, respectively.

Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

These are classified as either quantifiable, where the potential economic benefit is known, or non-quantifiable.

There were no contingent assets based on the above definitions relating to the VO at 30 June 2025 (30 June 2024: Nil).

Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- present obligations that arise from past events but are not recognised because:
 - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations; or
 - the amount of the obligations cannot be measured with sufficient reliability.

Contingent liabilities are also classified as either quantifiable or non-quantifiable. There were no contingent liabilities based on the above definitions relating to the VO at 30 June 2025 (30 June 2024: \$Nil).

7.3 Fair Value determination

For all assets measured at fair value, VO considers the current use is the highest and best use.

Vehicles (including right-of-use assets) are valued using the current replacement cost method.

Property, plant and equipment other than right of use assets

Fair value is determined about the asset's highest and best use (considering legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset).

Leasehold premises (including right-of-use assets)

Fair value determination for leasehold premises under FRD 103 involves assessing the price a market participant would pay to sell the asset in an orderly transaction. This assessment is crucial for ensuring that the carrying amount of right-of-use assets (leasehold premises) reflects their fair value at the end of each reporting period. Key factors include the condition and location of the asset, and any restrictions on its sale or use.

8 Other disclosures

Introduction

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

Structure

- 8.1 Responsible persons
- 8.2 Remuneration of executives
- 8.3 Related parties
- 8.4 Remuneration of auditors
- 8.5 Administered items
- 8.6 Subsequent events

8.1 Responsible persons

In accordance with the Ministerial Directions issued by the Assistant Treasurer under the *Financial Management Act 1994* (FMA), the following disclosures are made regarding responsible persons for the reporting period.

Responsible Minister:

The Hon. Jaclyn Symes MLC, Attorney-General	1 July 2024 to 19 December 2024
The Hon. Sonya Kilkenny MP, Attorney-General	19 December 2024 to 30 June 2025

Accountable Officer:

Mario Baragwanath, Ombudsman	1 July 2024 to 30 June 2025
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Remuneration

The total remuneration package of the person holding the office of Ombudsman, in connection with the management of the Office during the reporting period, was in the range: \$550,000- \$560,000 (\$560,000- \$570,000 in 2023-24)

8.2 Remuneration of executives

The number of executive officers, other than Ministers and Accountable Officers, and their total remuneration during the reporting period are shown in the table below. Total annualised employee equivalents provide a measure of full time equivalent executive officers over the reporting period.

Remuneration comprises employee benefits (as defined in AASB 119 *Employee Benefits*) in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered, and is disclosed in the following categories.

	Total remuneration	
	2025	2024
	\$	\$
Remuneration of the executive officers		
(including Key Management Personnel disclosed in Note 8.3) ^(a)		
Total remuneration ^(a)	2,360,728	1,704,218
Total number of executives	11.00	6.00
Total annualised employee equivalents ^(b)	7.29	6

Note:

- (a) Remuneration includes termination benefits.
- (b) The total number of executives includes two new executives, executives who left during the year as well as their backfills and executives who meet the definition of Key Management Personnel (KMP) of the VO under AASB 124 *Related Party Disclosures* and are also reported in Note 8.3
- (c) Annualised employee equivalent is based on the time fraction worked over the reporting period.

8.3 Related parties

The VO is a wholly owned and controlled entity of the State of Victoria. Related parties of the VO include:

- all key management personnel and their close family members.
- all cabinet Ministers and their close family members.
- all departments and public sector entities that are controlled and consolidated into the whole of State consolidated financial statements.

Significant transactions with government-related entities

The VO received direct appropriation funding from the Department of Treasury and Finance of \$23.789 million (2024: \$22.489 million).

Key management personnel (KMP) of the VO included the Portfolio Ministers being The Hon Jaclyn Symes MLC, Hon Sonya Kilkenny Attorney-General and the Executive Team of the VO, which includes:

- Ombudsman, Marlo Baragwanath
- Deputy Ombudsman Prevention, Andrew Adason
- Deputy Ombudsman Operations, Dan Nicholson
- Deputy Ombudsman Corporate, Kerryn Ellis.

Remuneration of key management personnel

The compensation detailed below excludes the salaries and benefits of the portfolio minister receives. The Minister's remuneration and allowances are set by the *Parliamentary Salaries and Superannuation Act 1968* and are reported in the financial report of State of Victoria.

Compensation of KMPs	2025	2024
	\$	\$
Total ^(a)	1,590,045	1,328,920

Note:

(a) KMPs are also reported in the disclosure of remuneration of executive officers (Note 8.2).
Remuneration includes termination benefits.

Transactions and balances with KMPs and other related parties

Given the breadth and depth of State government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public. Further employment of processes within the Victorian public sector occurs on terms and conditions consistent with the *Public Administration Act 2004* and Codes of Conduct and Standards issued by the Victorian Public Sector Commission.

Procurement processes occur on terms and conditions consistent with the Victorian Government Procurement Board requirements.

Outside of normal citizen type transactions with the VO, there were no related party transactions that involved key management personnel, their close family members and their personal business interests.

No provision has been required, nor any expense recognised, for impairment of receivables from related parties.

8.4 Remuneration of auditors

	2025	2024
	\$	\$
Victorian Auditor-General's Office		
Audit or review of the financial statements	32,100	30,200
Total remuneration of auditors	32,100	30,200

No other direct services were provided by the Victorian Auditor-General's Office.

8.5 Administered items

In addition to the specific operations of the VO which are included in the balance sheet, comprehensive operating statement and cash flow statement, the VO administers or manages activities on behalf of the State. There was no activity to report relating to these transactions as at 30 June 2025 (30 June 2024: Nil).

8.6 Subsequent events

There have been no subsequent events that have been identified by the VO as at 15th September 2025.

Ombudsman and Chief Financial Officer's Declaration

The attached financial statements for the Victorian Ombudsman have been prepared in accordance with Direction 5.2 of the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994*, applicable Financial Reporting Directions Australian Accounting Standards including interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2025 and financial position of the Victorian Ombudsman at 30 June 2025.

At the time of signing, we are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on 24 September 2025.

Sheetal Kapoor

Sheetal Kapoor
Chief Financial Officer

Melbourne
24 September 2025

M.J. Baragwanath

Marlo Baragwanath
Ombudsman

Melbourne
24 September 2025

Appendix 1: Disclosure Index

Disclosure Index		
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Ministerial Directions & Financial Reporting Directions		
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Charter and purpose		
FRD 22	Manner of establishment and the relevant Ministers	7
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FRD 8	Departmental objectives, indicators and outputs	11
FRD 22	Key initiatives and projects	10
FRD 22	Nature and range of services provided	7-25
Management and structure		
FRD 22	Organisational structure	27
Financial and other information		
FRD 8	Performance against output performance measures	11
FRD 8	Budget portfolio outcomes	56
FRD 10	Disclosure index	76-77
FRD 12	Disclosure of major contracts	n/a
FRD 15	Executive officer disclosures	36
FRD 22	Employment and conduct principles	31
FRD 22	Occupational health and safety policy	30
FRD 22	Summary of the financial results for the year	50
FRD 22	Significant changes in financial position during the year	n/a
FRD 22	Significant changes or factors affecting performance	12
FRD 22	Subsequent events	n/a
FRD 22	Application and operation of <i>Freedom of Information Act 1982</i> (Vic)	40
FRD 22	Compliance with building and maintenance provisions of <i>Building Act 1993</i> (Vic)	41
FRD 22	Statement on National Competition Policy	41
FRD 22	Application and operation of the <i>Public Interest Disclosures Act 2012</i> (Vic)	41
FRD 22	Application and operation of the <i>Carers Recognition Act 2012</i> (Vic)	42
FRD 22	Details of consultancies over \$10,000	38
FRD 22	Details of consultancies under \$10,000	n/a
FRD 22	Disclosure of government advertising expenditure	38
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Disclosure Index		
FRD 22	Statement of availability of other information	40
FRD 22	Asset Management Accountability Framework (AMAF) maturity assessment	n/a
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Declaration		
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SD 5.2.1(a)	Compliance with Ministerial Directions	45
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FRD 13	Disclosure of Parliamentary Appropriations	57
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FRD 110	Cash Flow Statements	52
FRD 112	Defined Benefit Superannuation Obligations	59
FRD 114	Financial Instruments – general government entities and public non-financial corporations	70

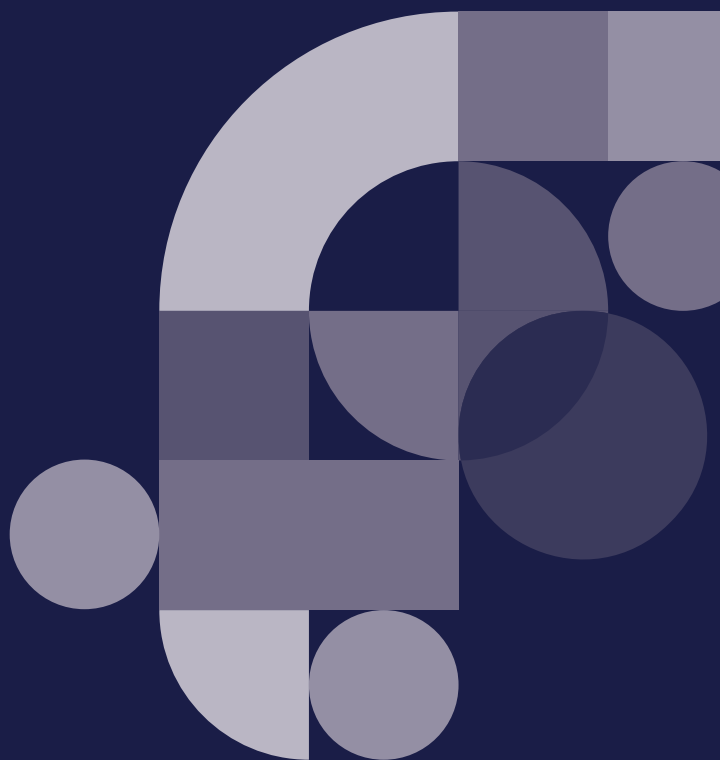
Note: (a): References to FRDs have been removed from the Disclosure Index if the specific FRDs do not contain requirements that are of the nature of disclosure.

Appendix 2: Business glossary

Business glossary	
Business term	Definition
Allegations Discontinued	Number of public interest complaint allegations VO discontinued investigating in accordance with section 17 of the <i>Ombudsman Act 1973</i> (Vic).
Assessable Disclosures notified to IBAC (S21 Assessable Disclosure) 33	An assessable disclosure is a whistleblower complaint to VO about public organisations/officers that might involve improper or corrupt conduct, which VO refers to IBAC under the <i>Public Interest Disclosures Act 2012</i> (Vic).
Enquiries Made	Enquiries made means any action taken by VO (e.g. seeking information from an authority, research, inspecting records) to decide whether the issue may be informally resolved or whether it should be investigated.
Investigations finalised	An Investigation is a formal investigation notified to an authority under section 17 of the Ombudsman Act, in which the Ombudsman is able to exercise coercive powers.
Jurisdictional cases received	Jurisdictional cases received means the number of cases opened we could deal with, including complaints, public interest complaints, assessable disclosures and own motions.
Public interest complaints	A public interest complaint is a whistleblower complaint about a public organisation/officer which IBAC has referred to VO to deal with. Public interest complaints receive specific legal protections.
Public Interest Complaints (PIC) Received	Number of public interest complaints IBAC referred to VO to deal with. VO is required to investigate public interest complaints referred by IBAC, with some exceptions.
Recommendations accepted %	A Recommendation is a formal suggestion by the Ombudsman to remedy an issue identified in an investigation.
# PIC Allegations that were not substantiated	Number of public interest complaint allegations not substantiated by VO.
# PIC Allegations that were substantiated or partially substantiated	Number of public interest complaint allegations substantiated or partly substantiated by VO.
# PIC Investigations Finalised	Number of investigations into public interest complaints VO finalised.
# Potential PID allegations assessed	Number of allegations assessed by VO for possible referral as an assessable disclosure to IBAC under the <i>Public Interest Disclosures Act 2012</i> (Vic). Each assessable disclosure may contain multiple allegations.

 Find out more at
ombudsman.vic.gov.au







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