

# Internal Ombudsman Shared Service

Annual Report 2022-2023



## **Acknowledgement of Country**

*The Internal Ombudsman Shared Service acknowledges the traditional custodians of the lands on which we work, and we pay our respects to all Elders past and present, and to the children of today who are the Elders of our future.*



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# Introduction

## Letter to the Chair of the Internal Ombudsman Shared Service Management Committee

31 July 2023

Dear Mr Gainsford,

### **Internal Ombudsman Shared Service Annual Report 2022-2023**

I am pleased to present the Annual Report for the Internal Ombudsman Shared Service with City of Parramatta, Cumberland City and Inner West Councils, which contains an account of our work for the period 1 July 2022 to 30 June 2023. This is our sixth Annual Report.

Yours sincerely,



Josh Jongma

**A/g Internal Ombudsman**

## Message from the Chair of the Internal Ombudsman Shared Service Management Committee

On behalf of the three member Councils of City of Parramatta Council, Cumberland City Council and Inner West Council, I am pleased to present to you the Internal Ombudsman Shared Service (IOSS) Annual Report for 2022-23.

In its sixth year, the IOSS has continued its important work as an “independent ear” for the community and all other Council stakeholders. The usage of the service by the community and Council has significantly increased compared to the previous reporting period with the IOSS undertaking a broad range of activity under the service’s Triple Governance Track of Prevention, Education and Complaints/Investigation. This reflects the importance and value of the service from its stakeholders.

Throughout the year, the IOSS undertook a number of important investigations for the three member Councils, provided valued probity advice and assistance, and delivered training to staff to improve the standard of administrative conduct, governance and ethical decision-making across Councils. Ultimately, this improves the level of service provided to ratepayers, members of the community and all those that interface with Council services.

Of note in the achievements this year have been the high number of recommendations (152) made following the investigation of complaints to improve processes and systems, policies and procedures, education and awareness activities, and investigation outcomes.

The IOSS continued to deliver training and awareness sessions for new staff, and with

existing staff to build awareness of the Code of Conduct and Public Interest Disclosures including sound administrative decision making.

The IOSS also delivered a suite of bespoke training sessions to staff, including fraud and corruption awareness and workplace investigations so staff are aware of their obligations and best practice techniques to ensure integrity is maintained across the councils.

Throughout the reporting year, the IOSS regularly reported to each Councils’ Executive team, providing an update on the services delivered and any trends and concerns identified, reported quarterly to all Councils’ Audit, Risk and Improvement Committee, and reports to the IOSS Management Committee on an annual basis.

I congratulate the service on its achievements throughout the year and look forward, along with the City of Parramatta Council and the Inner West Council, to the continued work of the IOSS to assist in promoting a high standard of ethical, transparent, and administrative conduct and decision making across our organisations which improves the level of service provided to our communities.

Peter Gainsford

**Chair 2022-23, Internal Ombudsman Shared Service Management Committee**

**General Manager, Inner West Council**



A handwritten signature in black ink, appearing to be 'Peter Gainsford', written in a cursive style.

## Message from the Acting Internal Ombudsman



I am delighted to present the Internal Ombudsman Shared Service's (IOSS) Annual Report for 2022-23. The year saw the IOSS continue to provide exceptional service to our member Councils, and I am impressed at the service's positive reputation amongst both the member Council's and our community. Staff and the community trust the IOSS as an "independent ear" to assist in seeking advice and resolving complaints. This has come about from a persistent effort by the staff and the management committee to deliver incredible customer service, maintaining integrity and effectively co-operating with our partners in delivering the triple-track governance model.

The service is led by Ms Elizabeth Renneberg, and her experience, and passion have imprinted on the team and the work the IOSS does. Her reputation for being an excellent leader and working to firmly establish the integrity of the service has become clear to me since commencing in the IOSS. The IOSS was also led by Mr Dhamendra Unka for a portion of the year, and I thank him for his leadership and contributions to the service.

The IOSS is assisted by Ms Sarah Labone, as A/Assistant Internal Ombudsman, who is known amongst our stakeholders as one of the best people to work with. Sarah has built this reputation with skill and effectiveness in her work. I thank Sarah for her ongoing contribution to the service, and for her assistance with the introduction of new staff to the IOSS.

The IOSS has welcomed Finbarr Cahalane as Complaint Assessment and Administration Officer. Finbarr has incredible experience managing complaints in the aviation industry

and has already demonstrated his highly skilled approach to complaint management and provision of services to the community.

The role of an Ombudsman is to undertake work in line with the Triple Track of: Prevention, Education and Investigation of Complaints. The IOSS has continued to bolster our work in the prevention and education space to raise awareness, build staff capacity and improve administrative conduct.

### Looking ahead

Due to changing legislative frameworks for Public Interest Disclosures ('PIDs'), we will increase our training in for staff. The commencement of the Public Interest Disclosure Act 2022 strengthens whistleblower protections, and it is crucial that staff and Council's stakeholders are equipped to benefit from the new legislation.

The IOSS will also be conducting an update to our strategic plan and further projects as outlined in the 'looking ahead' section of this report.

I also thank the members of the IOSS Management Committee, Chair, Mr Peter Fitzgerald, General Manager, Cumberland City Council, Ms Gail Connolly, Chief Executive Officer, City of Parramatta Council and Mr Peter Gainsford, General Manager, Inner West Council for their ongoing commitment to this important service.

This Annual Report will be presented to each Council's Audit Risk and Improvement Committee for endorsement. I commend to you the IOSS Annual Report.

A handwritten signature in black ink that reads "J Jongma". The signature is fluid and cursive.

Josh Jongma  
**A/g Internal Ombudsman**

# 2022-23 highlights

## PREVENTION

**30** Reviews of Council policies and procedures

**139** Probity advice given Council staff and Councillors

**78%** Increase of prevention activities

**7** Proactive advice given to Council staff following environmental scans and finalisation of matters

**9** Prevention projects initiated



## EDUCATION

**34** Training programs provided to staff and Councillors

**98%** Feedback received from bespoke training rating the sessions high

**14** Inductions attended by the IOSS to present on our role within Council



## INVESTIGATION

**406** Total complaints received

**52%** Increase of complaints received

**6%** Increase of complaints assessed as within jurisdiction



## ADDING VALUE

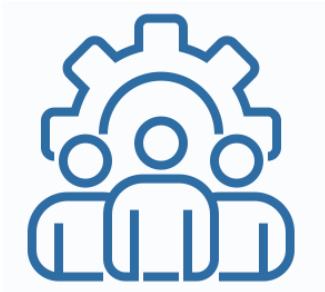


**29** Informal resolution and investigation techniques to resolve complaints

**152** IOSS recommendations made to Councils this financial year

**100%** IOSS recommendations accepted by Councils

**5** Number of Shared Service forums hosted to encourage collaboration, improvement and share knowledge at our member Councils



## ACCOUNTABILITY

**12** Reports to quarterly Council Audit Risk and Improvement Committee meetings.



Regular briefings to each member Council's Executive Team.



Ongoing liaison with other government agencies including ICAC, NSW Ombudsman, OLG and ongoing participation with the Internal Ombudsman Network



Continued recognition of the role and work of the IOSS as reflected in advice being sought from other Councils.

## INNOVATION



Continuous improvement of the IOSS case management, and reporting system.



## About this Report

Our sixth Annual Report provides a comprehensive account of the Internal Ombudsman Shared Service (IOSS) performance throughout the 2022-2023 financial year, as well as outlining the plan for the year ahead.

The IOSS strives to be a leader in transparency and accountability and this Annual Report, helps us deliver on this commitment by being a source of information for IOSS member Councils, their communities and stakeholders: including, ratepayers, residents, businesses, community and interest groups, news media, Council staff, and Councillors.

This Annual Report is made up of four parts:



Enquiries about this report should be directed to the Internal Ombudsman, Internal Ombudsman Shared Service. Contact details can be found on page 46 of this report.

# Case Study

## Fraud and corruption prevention strategies with the use of personal reward cards

Part of the value of the IOSS is that learnings from one member council can be incorporated to the other member councils.

The IOSS had previously investigated a matter at one of the member councils which found that personal rewards cards had been deliberately linked to a number of Council accounts resulting in personal benefits to Council staff.

The *Model Code of Conduct for Local Councils in NSW* sets out that Council officials must not personally benefit from reward points programs when purchasing on behalf of the council. This is important to ensure the integrity of Council officials as they are expected to perform their official duties in a matter that serves the public interest and the public interest alone. Accepting gifts and benefits that are used by the Council official alone is regarded as a private benefit.

The IOSS therefore conducted a small audit of the other member Councils to identify if there were similar concerns.

Of the transactions reviewed, the IOSS found that there were a small number of transactions identified as having personal reward cards linked to the purchase; and that there were a number of transactions identified as having incomplete supporting documentation making it difficult to identify if any personal reward cards were utilised in the purchase. We were not able to identify the specific staff involved in the transactions due to the method used when making the purchase. However, given the low purchase amount, the likely derived benefit would have been very low.

Recommendations were made to improve:

1. awareness activities to ensure staff are reminded of their obligations in relation to gifts and benefits and deriving a personal benefit when making purchases for Council accounts, via both training and periodic communication to staff.
2. internal processes to ensure, where possible, staff utilise Council accounts for Council purchases.
3. internal processes to ensure adequate supporting documentation is attached to Council purchases and that record keeping is maintained.
4. oversight activities, including a regular audit of Council purchases is conducted to ensure staff are adhering to their obligations and record keeping requirements.



# Part 1: About Us

## Who we are

The Internal Ombudsman Shared Service (IOSS) was established on 31 July 2017, and operates between City of Parramatta, Cumberland City and Inner West Councils. On 1 July 2023, the IOSS commenced its seventh year of operation.

The service is headed by the Internal Ombudsman, who is supported by the Assistant Internal Ombudsman and Complaint Assessment and Administration Officer.

## IOSS team

### **Elizabeth Renneberg** **Internal Ombudsman**

Elizabeth has been with the IOSS since January 2020. Elizabeth has previously worked across a number of federal government agencies and has experience in interpreting and applying administrative law, corruption prevention measures, capacity building, complaints handling, internal and external investigations and senior management roles.

Elizabeth is passionate about improving the administrative conduct of the member Councils and continues to bolster the proactive, preventative measures undertaken by the IOSS.

### **Josh Jongma** **Acting Internal Ombudsman**

Josh joined the IOSS in July 2023 to backfill the position of Internal Ombudsman while Elizabeth is on leave. Josh has worked in Local Government for nearly a decade in variety of roles including Governance, Strategy and Legal departments. While trained as a Solicitor, he has a passion for

Local Government due to the significant impact it has on people's lives.

### **Sarah Labone** **Assistant Internal Ombudsman**

Sarah has been with the IOSS since January 2018. Sarah has previously worked across a number of local government agencies and private sector companies in New South Wales, Victoria and London, United Kingdom and has a broad range of experiences with previous roles encompassing Investigations, Insurance and Enterprise Risk, Project Management, Finance, Business Planning and Customer Service.

Sarah's experience allows her to understand the operations of local government and is passionate about identifying process improvements as part of any investigation to assist the member Councils to improve their administrative conduct, decision making, transparency, accountability and service delivery to their communities.

### **Finbarr Cahalane** **Complaint Assessment and Administration Officer**

Finbarr joined the IOSS in May 2023. Prior to this, Finbarr had a range of experiences with previous roles encompassing Complaints Handling, Investigations and Customer Service.

Finbarr's experience in complaint handling allows him to identify and understand complaints from the community and where they sit within the IOSS. Finbarr is known for producing high-quality analysis of complaints and his capacity to identify improvements and trends that assist the IOSS and Councils.





## What we do

The Internal Ombudsman Shared Service is an independent ear for all member Council stakeholders, including residents and ratepayers, general public, local businesses, Council staff and Councillors.

We investigate complaints, provide probity advice and make recommendations for improvements, regarding, good administrative processes, unethical behaviour, corrupt conduct, misconduct and maladministration. The Internal Ombudsman also provides member Councils with an education service targeting improvement in administrative processes and decision making, adherence to the Model Code of Conduct, and fraud and corruption prevention and public interest disclosure awareness across all council services.

The IOSS operates under a Governance Charter which sets out the IOSS' jurisdiction and governs how the IOSS works.

The work of the IOSS is overseen by the IOSS Management Committee and is comprised of the General Managers of the Cumberland City and Inner West Councils and the Chief Executive Officer of City of Parramatta Council. The IOSS Management Committee is governed by a Terms of Reference and an Agreement.

## Our work in action

To undertake our broad role within the community we operate through a 'Triple Governance Track' model. This model has three approaches: Investigation, Prevention and Education. Using this model, the IOSS assists member Councils to identify areas for improvement in each Council's administrative conduct and decision making and to assist in high standards of probity and governance. This includes: the delivery of services to each Council community;

ensuring they are acting fairly, with integrity and in their communities' best interests and in accordance with each Council's Code of Conduct; and working to improve each Council's complaint handling systems. We also aim to promote best practice in the member Council operations.

**Prevention:** assisting in policy review, undertaking projects/reviews of Council practices, and providing ad-hoc advice on probity matters particularly to staff, Councillors or Council delegates.

**Education:** development and delivery of tailored training programs, bespoke to each business area in relation to good governance, ethical decision-making, administrative conduct, and fraud and corruption and public interest disclosure awareness across all member Council areas including addressing any matters arising from investigation outcomes or as identified as a result of other training programs conducted.

**Investigation:** of complaints within our jurisdiction and in accordance with each Council's Complaint Handling Policy with the view to making any recommendations for improvement. The IOSS may also instigate its own motion investigations on matters without first receiving a complaint, as well as any matters that are considered systemic, reflect a pattern of conduct, and/or are serious and significant.

All operations of the IOSS are underpinned by the principles of procedural fairness, accountability and transparency. The IOSS is committed to providing effective, efficient, responsive and high-quality services.

The operation of the IOSS reflects the commitment of each member Council in operating to a high standard of ethical conduct and decision making; administrative conduct; corporate governance; and being corruption free.

## Measuring Complexity

Current measures of utilisation do not speak to time or complexity of activities undertaken for each member Council. To address this in the 2023/24 year, additional data will be collected on time spent on each matter. Each matter will be marked for 'complexity' at the opening of a matter, and then reviewed at the close of the matter.

## Other functions

Each member Council has delegated the Internal Ombudsman and Assistant Internal

Ombudsman to the function of Code of Conduct Complaints Coordinator in accordance with the Model Code of Conduct for Local Councils in NSW in addition to the function of the Public Interest Disclosures Coordinator under the *Public Interests Disclosures Disclosure Act 1994* (NSW).

The IOSS sits on Cumberland City Council's Child Protection triage team which handles allegations against staff in relation to child protection matters.

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## Complaint handling and investigation

### We can investigate:

- Council administrative processes
- failures to follow Council's Code of Conduct, policies or procedures
- Council's lack of attention to matters, or review of Council's complaint handling procedures
- allegations of poor administration, maladministration, corruption, or other alleged improper conduct by Council or Council Officials
- anonymous complaints where sufficient details are provided
- matters referred by the Management Committee
- matters on our "own-motion" upon approval from the Management Committee.

### We can't investigate matters:

- that are not part of Council's functions or businesses of Council



- that have not firstly been reviewed or investigated in accordance with the member Council's relevant complaints handling policy/protocol
- that require initial referral to external agencies including the NSW Independent Commission Against Corruption (the ICAC), the NSW Office of Local Government, the NSW Ombudsman, or the NSW Police
- where adequate details of the complaint are not available to allow proper investigation
- that are frivolous, vexatious, or not made in good faith or are trivial in nature.

## How we action complaints

### Providing initial advice

People (including members of the public and Council officials) often contact us to obtain initial advice regarding their concerns, including the aspects to consider in proceeding with a formal complaint. When people contact us, our aim is to understand their concerns and see how we can help. To do this well, we ensure that people contacting the IOSS are given sufficient time to explain their problem and to feel heard. We also explain options, our role and what we may be able to help. It is important for the IOSS to remain objective and impartial; we do not advocate for Council or a complainant.

In all instances we endeavour to help by providing information so a person:

- understands the reasoning behind a decision
- obtains a response or action to a complaint or concern
- knows how to resolve a complaint directly with Council
- obtains informal resolution from the relevant Council to their enquiry
- has a complaint referred to Council for review and response

Our knowledge of the functions and policies of the member Councils enables us to provide the most appropriate assistance to the people who contact us.

### Referrals to Council

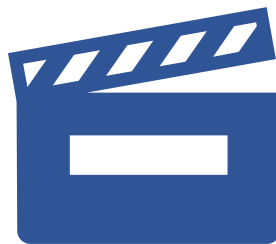
The IOSS triages complaints assessing the information provided to us and we then take appropriate action if it is within our jurisdiction.

If the complaint has not been reviewed by the member Council, we assist by referring it to the member Council's relevant Officer for coordinating a response to the complaint. Depending on the complexity of the matter and information obtained, we will often provide a summary of our assessment which includes the points that should be considered by the Council.

### Informal resolution and investigation

Often, we find that if a complaint has been reviewed by the member Council, we are able to resolve the complaint through preliminary enquiries and informal investigative processes made with relevant Council Officers. In some cases, the information we receive via this

method identifies no wrongdoing by Council however we are often able to better explain and provide further information to support the reasoning behind the decision, response or action to the complainant.



We may identify opportunities for process improvements by the relevant Council and we will make recommendations to the member Council as required.

### Formal investigation

When an investigation is completed, a final report is provided to the relevant General Manager or CEO of the member Council. The report will include the findings related to the investigation, including any relevant recommendations.

### Management of code of conduct complaints

All complaints about Councillors or the General Manager/CEO are managed via a separate process and in accordance with the Procedures for the

Administration of the Model Code of Conduct (Procedures).

The General Manager/CEO (in matters involving Councillors) or the Mayor/Lord Mayor (in matters involving the General Manager/CEO) considers the complaint to determine a course of action to undertake in line with the Procedures. These outline a range of options available to the decision maker, including taking no further action, dealing with the matter via alternative means (such as informal counselling or training), or a preliminary assessment by an independent Conduct Reviewer from Council's dedicated panel of conduct reviewers to assess whether the complaint should progress to a formal investigation, as outlined in the Procedures.

As noted within this report, the Internal Ombudsman is delegated the Code of Conduct Complaints Coordinator for each member Council, which means ensuring that the related administrative

functions of any matters referred from the General Manager/CEO or Mayor/Lord Mayor for preliminary assessment or formal investigation are undertaken, including coordination of the Conduct Reviewer, and in accordance with the Procedures. Timeframes for these processes are outlined in the Procedures.

### **Requests for review**

If the IOSS has investigated a complaint and a complainant is dissatisfied with the IOSS's written decision and reasons, a complaint can be made to an external government agency such as the NSW Ombudsman or the NSW Independent Commission Against Corruption (ICAC). The IOSS advises all complainants of this option. A complaint can be made to an external agency at any time, even if the IOSS is investigating a complaint, which is also in line with each member Council's complaint handling policy.

## **Case Study**

### **Effectiveness of Council committees**

Councils hold a range of advisory committees to engage with its residents and assist in meeting its objectives. These are made up of Council staff, and community members with their role being to provide advice and input to support Council's decision-making and actions with their strategic, delivery and operational plans. A terms of reference for each advisory committee is prepared by Council setting out the operation of the committee and associated activities of it.

A number of complaints were received by the IOSS in relation to the administrative practices by Council staff with the management of these meetings.

A number of recommendations were made for the development and implementation of an induction and training program, communication standard, communication guideline, service standard; review of the governance and secretariate support, terms of reference; and improvement of the administrative actions associated with meeting minutes.



# Our Vision, Purpose, Guarantee and Values



## Vision

To promote, good ethical conduct and behaviour, fair and reasoned decision making, responsive administrative processes, effective complaint handling practices and quality services.

## Purpose

To assist each member Council to improve their service delivery and meet their obligations to the public in a timely manner through investigating complaints and providing recommendations, policy review, developing and delivering effective and relevant education services and promotion of our service to staff and the community.

## Guarantee

We will consider each matter promptly and fairly, maintain confidentiality, provide clear and reasoned explanations for our decisions and always look to add value through our work.

## Values

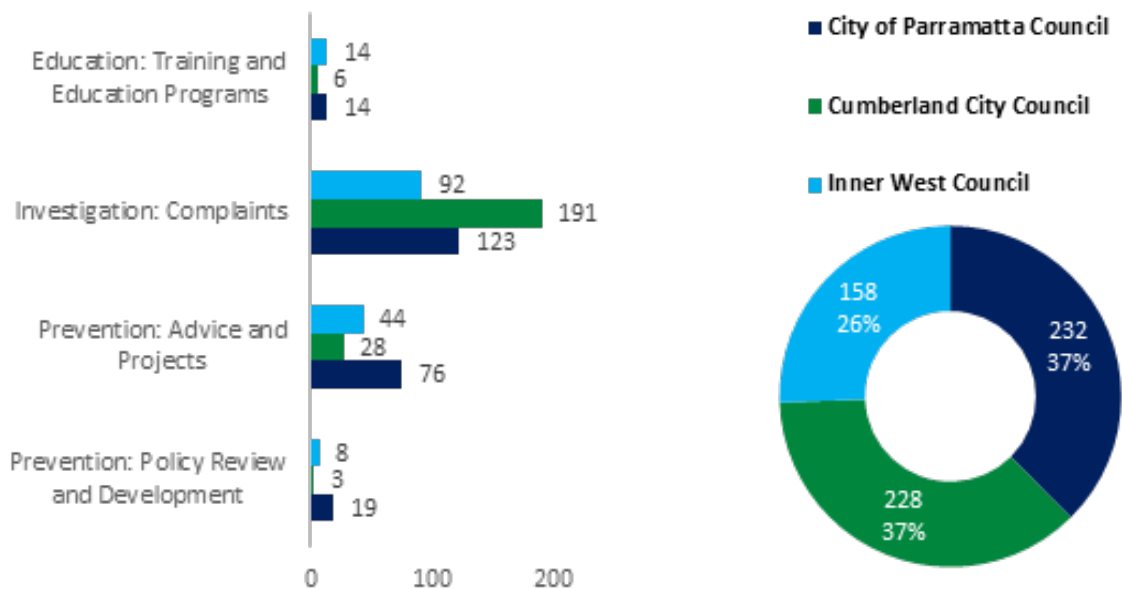
We will adhere to and uphold the values of each member Council. We will also act with:

### **Integrity - Impartiality - Fairness - Respect**

- |                     |  |
|---------------------|--|
| <b>Integrity</b>    | behaving lawfully, honestly and ethically, with good judgement and high professional standards |
| <b>Impartiality</b> | acting in a non-partisan manner  |
| <b>Fairness</b>     | providing procedural fairness, accountability and transparency                                 |
| <b>Respect</b>      | treating everyone with dignity and respect   |

# Part 2: Our Year in Review

## Work of the IOSS with each of the member Councils for the 2022-2023 Financial Year:



*\*The variations in each of the member Council's statistics may be due to population differences across the three Local Government Areas (LGA), demographics and geographic location/proximity. The quantity of activities shown in the graph does not represent time spent or complexity, as noted on page 13 of this report.*

In 2022-23 the IOSS undertook **618 activities** across the member Councils.

The volume of complaints and requests for probity advice received by the IOSS has significantly increased (complaints by 52%; advice by 78%) over the past twelve months. As part of these activities, the IOSS also continued prevention-related projects at the member Councils.

There has also been an increase in the volume of requests we have received for policy reviews (by 77%) which is expected following a local government election.

The IOSS continued to develop and deliver a number of bespoke training sessions to the member Councils, and this activity remained steady.



## Trends identified in matters received or investigated

We continue to receive a majority of complaints from the community about the timeliness and responsiveness to respond to the community about service requests raised with Council, decision making, and lack of action from Council officers in handling requests across the member Councils. We continue to provide advice to the relevant departments to ensure customer expectations are managed throughout the request. The IOSS notes that a number of customer experience strategies and system improvements are underway across the member Councils to improve this aspect, which the IOSS has provided advice to as required.

We also continue to receive requests for administrative reviews of compensation claims which increased during the reporting year following City of Parramatta and Inner West Councils including information about avenues of appeal in their responses to customers. A total of 37 reviews were completed which made up 9% of all complaints received. A number of internal process improvement recommendations to the member Councils were made as a result, and complaints resolved within a relatively short period of time.

These examples have demonstrated the strength of the IOSS as an independent resource but acting in partnership with the Councils as an internal support. The IOSS is able to provide an external view of processes but maintain the efficiency and reliability of an internal partner in reviews.

At City of Parramatta Council, the majority of complaints relate to administrative processes, including decision making, timeliness and lack of action within the planning and development, regulatory compliance and works and infrastructure areas (39% of all complaints).

At Cumberland City Council, the majority of complaints relate to the administrative processes, including decision making processes and the adequacy of reasoning provided, and timeliness and lack of action within the planning and development and regulatory compliance areas (16%).

The IOSS also has additional functions within the Cumberland City Council, including, participating in Council's Child Protection triage team for allegations against staff in relation to child protection matters. This is due to the higher amount of children services that Council provides to its community. This model continues to work well in quickly identifying and responding to child protection issues and implementing strategies to support and provide guidance to staff and Children's Centres.

At Inner West Council, the majority of complaints relate to the administrative processes, including decision making processes and the adequacy of reasoning provided, and timeliness and lack of action within the planning and development, public spaces and trees, and regulatory compliance areas (46%).

From the complaints received in 2022-23 the IOSS has identified the below key trends across member Councils.

<b>Trend</b>	<b>Detail</b>
<b>Administrative Decision Making</b>	A continuing trend were the adequacy of reasons given with decisions relating to services provided to the community, including refunds and community facility use. Requiring IOSS assistance in facilitating an enhanced response.
<b>Continued referral of serious complaints</b>	A continuing trend was the higher level of referred serious complaints to the IOSS for management and investigation.
<b>Customer Service</b>	The IOSS continues to receive complaints about the timeliness and responsiveness by Council Officers to respond to the community about service requests raised with Council.
<b>Planning and development</b>	A continuing trend were complaints about administrative conduct, decision making and delays in the development and planning process.
<b>Public Liability Claims</b>	A continuing trend were complaints about the administrative decision making in public liability claims. Once assessed most concerns are generally about the outcome of a claim, and decisions made by Council to decline liability under the <i>Civil Liability Act</i> .
<b>Public Spaces and Trees</b>	A number of complaints were received about the perceived lack of action and decision making by Council with its management of open spaces and trees affecting private properties.
<b>Regulatory Services</b>	A continuing trend were complaints about the enforcement and compliance actions of the Regulatory Services areas, particularly in relation to perceived lack of action, decision-making and adequacy of reasoning provided by Council.
<b>Works and Infrastructure</b>	A number of complaints were received about Council's actions to address flooding and drainage concerns from Council's assets/open spaces affecting their private properties.

# Case Study

## **Positive outcomes as a result of complaints made by the community - providing a positive customer experience to the community**

The IOSS currently undertakes reviews of community complaints only once Council has had the opportunity to respond if the customer remains dissatisfied with that response. This in line with each Council's Complaint Handling Policy and the IOSS Governance Charter. Occasionally there are times where the IOSS work with Council to facilitate a response to the customer if it has not yet been provided by Council, if appropriate.

Two particular complaints were received about Council's handling of a complaint and administrative actions in managing a tree removal application; and Council's handling of a complaint and administrative actions in managing requests received about building compliance, and administrative actions in managing a works approval notice.

Both complaints were initially received by the IOSS and referred to Council for initial response with a summary of key points for Council to cover within their response to the complainant, so that it addressed the complaint in its entirety.

In complaint 1, the IOSS found that Council's written response to the complainant did not consider or address the key points as outlined in the complaint. There was also a significant delay with Council's handling of the complaint, exacerbated by internal staff changes. It was also found that the advice provided about the process required for a tree removal application by Council officers to the complainant was correct, however that guidance on Council's website was difficult to interpret for a layperson. It was further found that Council's decision with the tree removal application was consistent with the relevant legislative provisions, however that there is limited guidance on Council's website about how Council considers Development Control Plans (DCP).

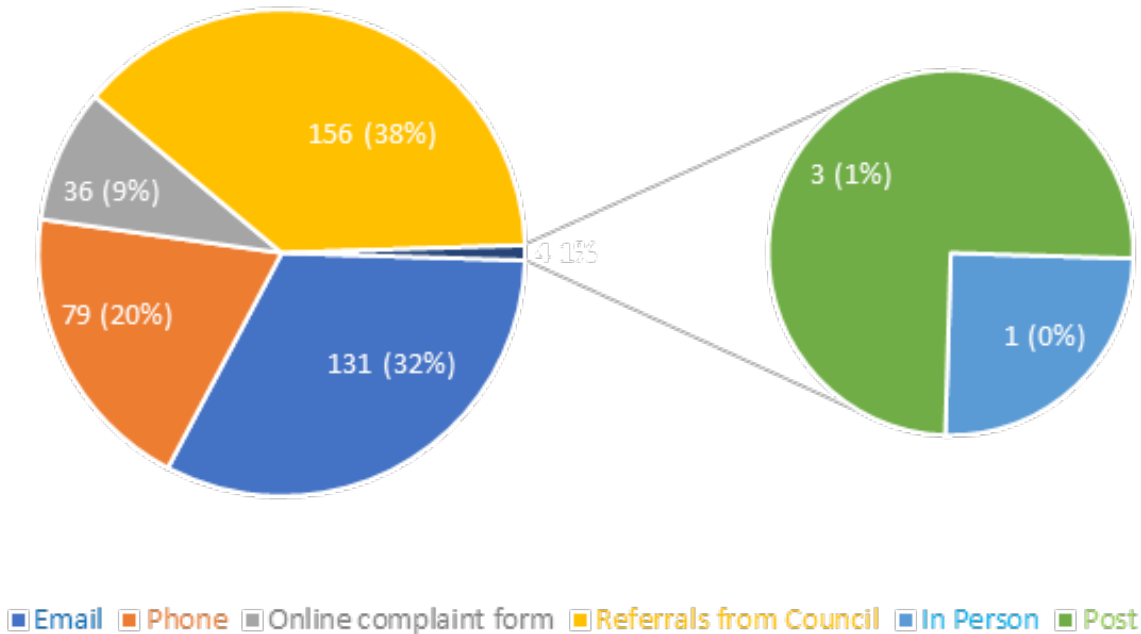
In complaint 2, the IOSS found that while the decisions made by Council Officers with the building compliance concerns and works approval notice was correct, Council's written response to the complainant only partially addressed the key points outlined in the complaint.

Five recommendations were made to improve:

1. Training - the relevant Council Officers involved in the complaint responses undertake training to ensure that customer responses address the aspects of the complaint and that they are in line with Council's Complaints Handling Policy.
2. Internal Processes - a system is in place to track complaint response timeframes to ensure that complaint response timeframes are met in line with Council's Complaints Handling Policy.
3. Internal Processes - a review of Council's internal processes with staff changeover is undertaken to ensure that outstanding service requests and complaints are appropriately allocated.
4. Information provided to the community - improvements to the relevant sections of Council's website to ensure information is easy to interpret and understand.
5. Information provided to the community - improvements to Council's website and/or acknowledgement packs to include information that clarifies how DCP's are applied in line with relevant legislation.

# Complaints facts and figures 2022-2023

## How we received complaints and who from



During 2022-2023 we received 406 complaints that related to a Council function and seven complaints that were not an IOSS or member Council matter. This is a significant increase of 52% on 2021-2022 and responding to complaints amounted to an average of 65% of the total activities undertaken by the IOSS during the reporting year which is consistent with the previous reporting period.

We have a range of ways we can be contacted including via, email, phone, online complaint form, referral, in person and by post.

The IOSS receives 52% of all complaints relating to a Council function by email and

phone, with email continuing to be the preferred method. This is a reduction compared to 2021-2022 where we received 75% via these methods. Instead, we have seen an increase in direct referrals of complaints from the member councils (38%, up from 16% in 2021-2022) which reflects staff awareness of the IOSS as an independent review mechanism.

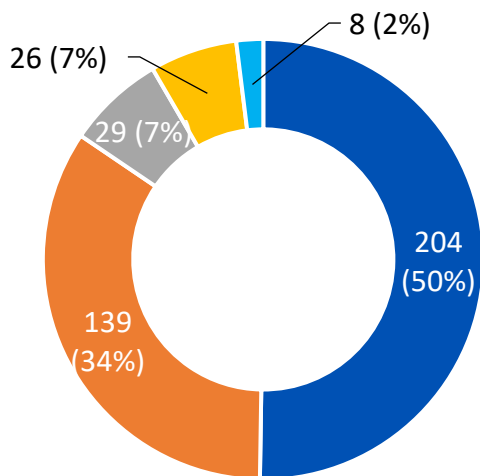
The IOSS continues to receive very low volumes of complaints either in person or post. However, utilisation of our online complaint form remains steady with 9% of complaints received via this method which reflects customers preferences to conduct business online.



50% (204) of complaints across the member Councils are received directly from the community. Despite it being a lower percentage of overall complaints in 22/23, this represents a 18% increase from compared to the previous year, which demonstrates a continued awareness of the role of the IOSS in the member Councils' communities.

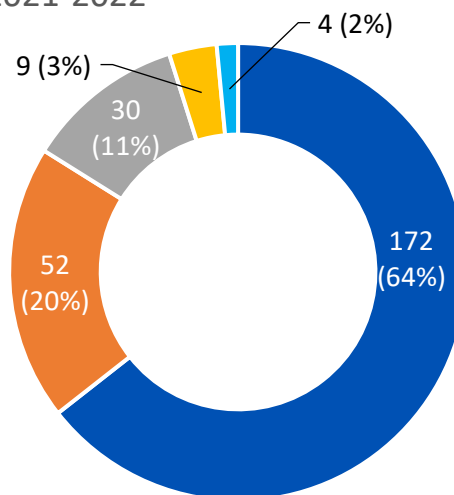
The remaining 50% (202) are referred by staff either from the community or in relation to Council Officials, raised by staff themselves, or from a statutory body.

2022-2023



- Community
- General Manager/CEO
- Council Employee (Complaint)

2021-2022



- Council Employee (Referral)
- Statutory Body (Referral)

## Case Study

### Preventing fraud and corruption in development application processes

Part of the value of the IOSS is that we are able to undertake other proactive activities that arise from investigations.

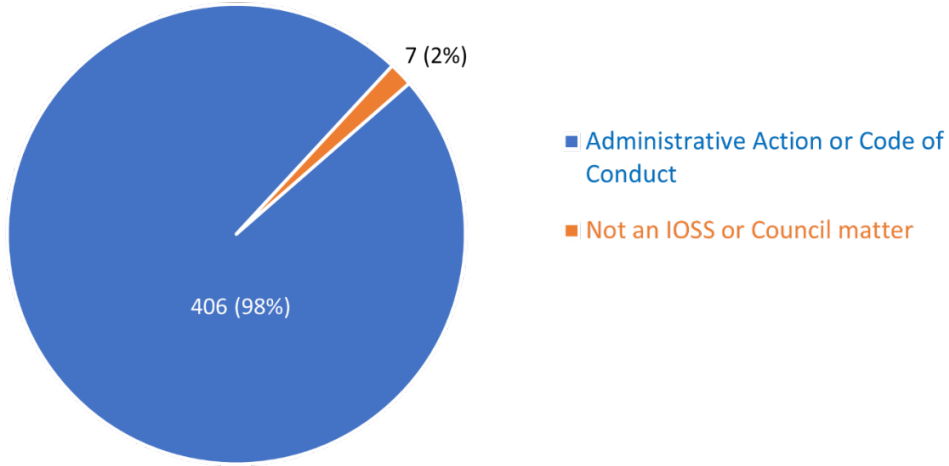
The IOSS previously investigated a matter about an alleged bribe made by an external person towards a Council officer involved in a development application. The IOSS recommended that a small audit be undertaken to identify if any other development applications received by Council had the involvement of the same external person and assess whether there were any concerns. The review included assessing whether there were any corruption risks related to the process.

While there were no concerns identified with other development applications received by Council that had the involvement of the external person, there were possible corruption risks identified with the application process.

A number of recommendations were made to enhance Council's corruption prevention strategies in this process, including in relation to ensuring record keeping is maintained, review of internal processes and service standards, establishing and reviewing oversight and auditing mechanisms, providing awareness to external stakeholders which sets out Council's expectations for dealings between Council staff and those parties, and a review of Council's Fraud Control Plan to focus on any outcomes where individuals have the ability to exercise unilateral control over key decisions and where information can be obscured or manipulated (such as in instances where discretion is used).

## How we managed the complaints received

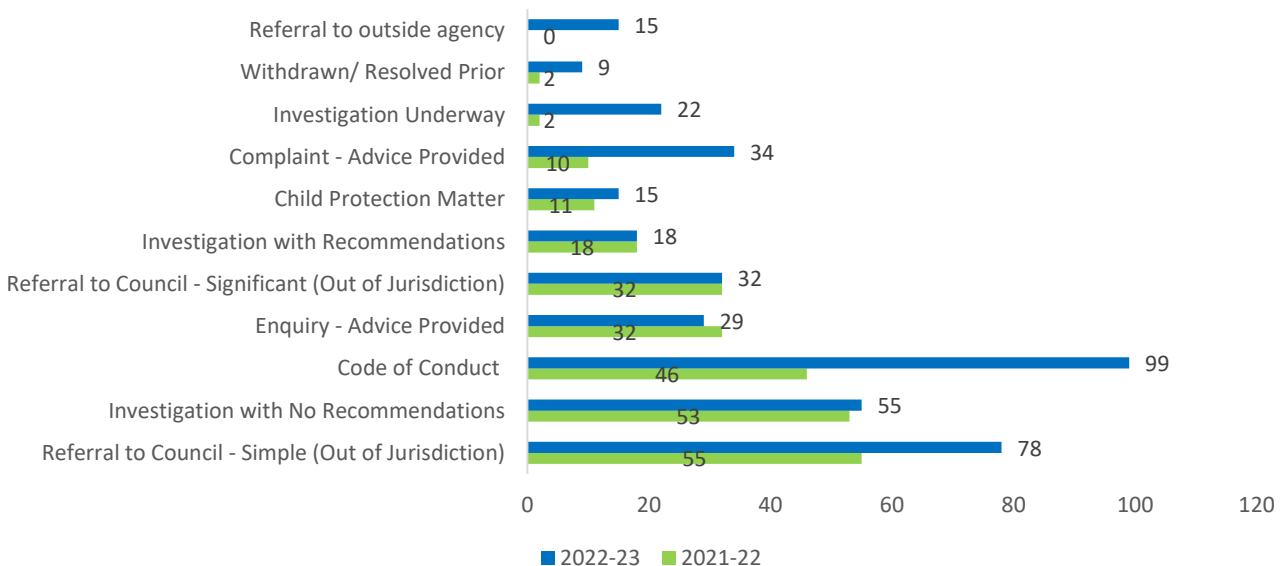
How we managed a complaint depended on the nature of the complaint and our jurisdiction (the types of complaints we can investigate and when).



406 complaints related to matters which concerned an administrative action of a member Council or a code of conduct complaint. Only seven complaints were not IOSS or Council matters and were not handled. The IOSS did not investigate all 406 complaints.

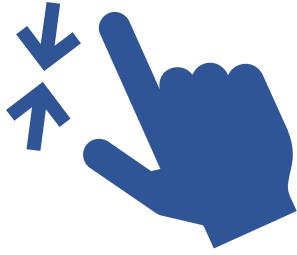
The graph below shows how we managed the complaints we received and compares it to the previous year.

HOW COMPLAINTS WERE HANDLED 2021-22 COMPARED TO 2022-23



*\*15 matters (4%) were referred to an outside agency due to mandatory statutory referral requirements and is a new category of data collection and so no comparison is available to the previous year.*





Across the member Councils, the IOSS received 243 complaints within jurisdiction (60% of total complaints). Compared to the amount within jurisdiction the previous year (140) this represents an increase from 54% to 60% and represents awareness of the jurisdiction in which the IOSS can investigate a matter. The IOSS received 110 complaints (27%) which were not in jurisdiction. Broadly, this means Council had not yet had the opportunity to consider the matter or was currently managing the matter, and, less frequently, insufficient information was provided despite attempts by the IOSS to follow-up, the complaint was withdrawn, it was out of time, or the issue was resolved prior to considering. While there were a number of complaints out of jurisdiction there was still considerable work undertaken by the IOSS in establishing the status of such complaints and how best to assist with a response. Complaints out of jurisdiction can frustrate a community member initially but the IOSS is generally able to provide guidance on the appropriate process to satisfy the complainant. These complaints also provide additional data on where the community is experiencing particular issues with a IOSS member Council's decisions or an issue with their services.

The volume of complaints in and outside jurisdiction is consistent with other complaint handling agencies who report an average of around 30% of complaints not within jurisdiction, therefore the volume of matters out of jurisdiction, 27%, is less than the industry average.

Following advice provided by the IOSS, 29 matters (7%) did not progress to a complaint and were classes as enquiries. This reflects the abilities of the IOSS staff to be able to provide advice and resolve matters from the outset. Nine complaints (2%) were either withdrawn, had insufficient information to proceed with the complaint, or were resolved prior to commencing the investigation. The remaining 15 were referred to an external statutory body.

Of the 110 complaints not in jurisdiction, 78 were referred to member Councils following a simple process, or the IOSS directing a complainant to the relevant Council. Of the remaining, 32 complaints were referred to member Councils and needed substantial work from the IOSS, including liaising with relevant areas and obtaining agreements of those areas to handle a complaint.

There were 99 complaints that were handled in the Councillor Code of Conduct Complaint Process. These include complaints resolved at the outset by the GM/CEO by alternative means, and matters determined by the GM/CEO to be referred to independent conduct reviewers or any relevant statutory body.

There were 15 complaints that were handled under child protection processes. These include complaints assessed or investigated by the IOSS and referred to any relevant statutory body. The IOSS handled 34 complaints by providing advice to Council or the complainant.

Lastly, 95 complaints were investigated by the IOSS in some form. Of these 55 complaints which went to investigation resulted in no recommendations and 18 complaints investigated resulted in recommendations being made regarding an administrative action, process, practise, or decision making. At the end of the financial year, 22 investigations remained on hand.

## Summary of recommendations provided for investigations conducted

If an investigation from the IOSS finds that there has been an act or omission by a Council Official contrary to a policy or procedure and/ or good administrative conduct, the Internal Ombudsman can recommend that specific appropriate action be taken. The IOSS cannot change any operational decisions made by Council or Council officers.

When issuing an investigation report, the IOSS may recommend to the relevant General Manager or Chief Executive Officer or as appropriate to the Mayor, or the Chair of the relevant member Council's Audit, Risk and Improvement Committee that:

- a) The matter be referred to the General Manager or Chief Executive Officer for further consideration
- b) An omission or delay be rectified
- c) A decision or recommendation by an employee or employees of the Council be revoked or varied
- d) Reasons be given by an employee or employees of the Council for a decision.
- e) A practice or procedure be altered
- f) A statute, regulation or by law be reconsidered
- g) The Council pay compensation to a complainant
- h) The Council provide a particular service



- i) The Council pay compensation to a complainant
- j) The Council provide a particular service
- k) The Council amend, or not impose, a charge or condition in relation to a particular service, application or consent
- l) The Council make an appropriate correction, deletion or addition to a record; or
- m) Such other steps are taken as the Internal Ombudsman Shared Service considers reasonable and just.

It is the General Manager or Chief Executive Officer's responsibility to address recommendations made by the Internal Ombudsman and ensure implementation within the Council. Each member Council is required to record each recommendation made by the Internal Ombudsman, take appropriate action, and record what action has been taken by Council. This is currently reported via each Council's ARIC. The Internal Ombudsman has the right to request information regarding Council's action on previous report recommendations.

During the reporting period, the IOSS made 152 recommendations as the result of investigations from 29 matters at the member Councils during the reporting period. Some themes are set out on the following pages.

	<b>2022/23 Recommendations</b>	<b>Recommendations Accepted</b>
<b>City of Parramatta Council</b>	33	33
<b>Cumberland City Council</b>	43	43
<b>Inner West Council</b>	76	76
<b>Totals</b>	<b>152</b>	<b>152</b>

## Creating a Culture of Customer Service

A detailed analysis of all IOSS complaints was undertaken and a significant volume of matters could be attributed to Council's customer service. This doesn't mean call centre staff, but generally related to subject matter experts following initial contact with community members. Concurrently to the analysis of IOSS matters, the member Councils have developed customer service strategies in response to community feedback. The IOSS has been collaborating to improve the culture of delivery in Council services to improve customer-centricity.

This means contributing to standardising responses, service level agreements and improving consistency in the way staff interact with customers. It has been noted that significant uplift in satisfaction can be achieved by acknowledgement of communication and providing the customer with an outline of next steps.

## Improving the understanding of Council's Code of Conduct obligations

Council staff have an obligation to adhere to their Council's Code of Conduct. Most of the provisions in the Code of Conduct are generally considered by staff members to be the normal practice of an employee with integrity. It is likely that instinctively, staff will know obvious breaches when they see it, such as bullying, seeking personal gain or a misuse of Council resources. However, several challenging areas arise when it comes to daily interactions with community members and Councillors and in knowing how to navigate an ethical issue or where to report concerns if something incorrect arises. In one member Council, the entire workforce is being delivered in person Code of Conduct Training sessions to ensure the staff understand their obligations. The other two-member Councils have had this offered and are likely to adopt this in some form coming into a Council election year.

## Record Keeping System Improvements

The IOSS reviews complaints from the community that have been dealt with by Council and considers the administrative processes that need to be improved. Several matters have arisen where members of the public complain about a conversation they had with Council staff, particularly about planning or engineering matters. It is most often clear that Council Staff acted appropriately however outcomes from complaint reviews at all the member Councils have demonstrated the continual need for Council staff to be vigilant in taking notes when they have conversations with community members and how this need is heightened where technical advice is provided.

## Handling Noise Complaints

Noise complaints are a wicked problem for Council to deal with. The complexities arise in identifying the source (development, traffic, events etc.) and complexities in managing the source. Different parts of Council often must collaborate to provide support to the complainant and managing expectations about resolutions. This can require highly skilled staff in customer service, local knowledge of the area and regulatory knowledge of noise matter.

The IOSS has supported one member Council to improve website content and provide additional training to customer service staff who can manage these complaints at the outset. These highly skilled customer service teams can use this knowledge to improve complainant satisfaction.

## Improving Privacy Management

Council Officers are receiving an exponentially increasing amount of e-mail correspondence. The correspondence comes from a variety of sources including internal, community, business, and other government agencies. Handling of correspondence is often a challenge and the ability to share information has also become significantly quicker and simpler (as simple as the 'forward' button). An accepted recommendation following a complaint created the need for toolbox talks to outdoor staff at a member Council on the 'Information Protection Principles', by the IOSS providing appropriate training to staff on the sharing of information and considerations prior to sharing information.

## Policy Review Processes

Policy reviews are a constant activity of Council to ensure that the systems within Council's are the highest quality, meet the relevant standards and match community expectations. The IOSS made policy implementation recommendations at all three Councils. Of particular focus, was the mechanisms for when policies are updated and clarity with ownership. Significant effort has been undertaken within Council staff to align language relating to policy documents but in the community, there is reasonable confusion around the definitions of policies, procedures, guidelines, and strategies.

Community consultation on policy documents is generally a challenge due to the subject specific nature of policies, and the limited buy-in that exists from the broader community. Councils have had to consider if the engagement they are doing is meaningful and gathers a reasonable view of across the community when making decisions on amendments.

Another common issue with policies is internet copies on Council and other websites that can often hold out of date documentation. The member Councils are actively working towards consolidating their internet presence and improving mechanisms to remove old documents.



## Improving the timeliness of responses

The IOSS can make recommendations regarding additional steps that Council should take following a complaint. A review of a matter at a member Council discovered that over 50% of responses from one department were longer than the service level agreement (SLA), despite staff thinking that a high level of service was being provided. The IOSS made a recommendation that Council should conduct a further review and implement changes to internal processes to expediate the decision making to meet the SLA. This was accepted and staff are working to uncover process improvements to strengthen their operations.

## Case Study

### Investigating allegations of misconduct and abuse of power by Council Officers

Council officers hold positions of trust within the communities they serve. The IOSS received allegations of conduct that could bring our member Councils and this trust into disrepute; therefore, these were investigated.

The IOSS reviewed a number of different matters across our member Councils which included the potential misconduct of Council officers in relation to failing to declare secondary employment, misusing position to obtain personal benefits from contractors, unauthorised Council-paid contract work, procurement guidelines and practices not being followed, failing to declare conflicts of interest, and being unduly influenced in the management of projects.

The IOSS assisted various staff with some of these matters to raise concerns of wrongdoing through utilising the protections available under each Council's Public Interest Disclosure (PID) Policy. While staff were reticent to provide information initially, they approached the IOSS as they were concerned about conduct within their section being outside their understanding of Council's policies, procedures, and values. By the IOSS thoroughly explaining the protections available, the risk assessment process and the confidentiality guarantee under the PID Policy, staff came forward to report serious concerns.

As part of these matters, we interviewed relevant Council officers and the complainants. We also reviewed all available system records and relevant information. This resulted in investigative action identifying poor adherence to processes and Council took effective disciplinary action to address the concerns.

A number of recommendations were made to strengthen controls and apply preventative measures including in relation to; regular audits to identify any issues of concerns; system enhancements to be able to improve approval processes; awareness and training activities to staff to remind them of their obligations; establishing clear processes and approval systems for adding contractors to internal systems including reviewing access controls; establishing a formal process for reporting and escalating issues of concerns; processes for notifying staff about new policies and procedures including associated internal processes; development and review of key policies, guidelines and procedures and associated disclosure forms; record keeping; communication channels with suppliers to raise concerns; and tightening arrangements in relation to procurement activities.



# Prevention



## Policy review and development

Across 2022-23 the IOSS contributed to the review and development of 30 different policies across our member Councils. Our role here is important as we bring our significant experience in good governance and improvement to ensure these policies best support the work of the member Councils.

### City of Parramatta Council

- Car Parking Policy and Procedure
- Corporate Credit Card Policy
- Councillor Expenses and Facilities Policy
- Councillor and Staff Interaction Policy
- Criminal History Record Check Procedure
- Disclosure Hotline Protocol
- Fraud and Corruption Prevention Awareness online training module
- Grievance and Dispute Handling Procedure
- Internal Audit Report - use of Council credit cards

- Local Order Policy
- Lobbying Policy
- Managing Conflicts of Interest with Council-Related Developments
- Petty Cash Policy
- Privacy Management Plan and Policy
- Procurement Guidelines
- Procurement Policy
- Proposed process for management of matters raised with the CEO regarding Councillor social media posts
- Workplace Bullying and Harassment Policy
- Workplace Bullying and Harassment Procedure

### Cumberland City Council

- Child Protection Policy
- Child Protection Process Flow Chart
- Media Policy

### Inner West Council

- Complaints Process
- Conflict of Interest Declaration Forum
- Fraud and Corruption Control Policy
- Fraud and Corruption Control Procedure
- Gifts and Benefits Declaration Form
- Gifts, Benefits and Hospitality Guideline
- HSR Guide for Supervisors and Managers
- Secondary Employment Form

## Probity advice

Probity advice is an important part of the IOSS' function and as our members independent ear, we hear from all areas of Council across a range of issues. Over 2022-23 the IOSS gave member Councils 139 pieces of advice.

	<b>City of Parramatta Council</b>	<b>Cumberland City Council</b>	<b>Inner West Council</b>	<b>Totals</b>
<b>Internal Processes</b>	20	1	7	28
<b>Code of Conduct</b>	16	5	6	27
<b>Guidance on complaints</b>	9	2	5	16
<b>Recruitment</b>	5	2	5	12
<b>Probity</b>	0	3	7	10
<b>Corrupt Conduct (including Fraud)</b>	3	1	4	8
<b>Code of Conduct Staff</b>	4	1	1	6
<b>Bullying and Harassment</b>	4	2	0	6
<b>Child Protection</b>	2	3	0	5
<b>Staff Grievances</b>	0	2	3	5
<b>Public Interest Disclosure</b>	2	1	1	4
<b>Unethical Behavior</b>	2	1	1	4
<b>Procurement practices</b>	3	0	0	3
<b>Maladministration</b>	2	0	0	2
<b>Administrative Conduct</b>	1	0	0	1
<b>Misconduct</b>	0	0	1	1
<b>Decision Making</b>	0	0	1	1
<b>Totals</b>	<b>73</b>	<b>24</b>	<b>42</b>	<b>139</b>

## Environmental scans

The IOSS conducts environmental scans reviewing reports of other government agencies for findings and improvements which may support member Councils. We provided advice accordingly, including:

- Advice regarding summary of changes and key impacts arising from the new *Public Interest Disclosures Act 2022*
- Advice regarding the status of projects being completed by the Office of Local Government which have implications for Councils (implementation of recommendations from ICAC investigation reports, NSW Audit Office reports, Lobbying Guidelines, Risk Management and Internal Audit Framework Regulations and Guidelines, and Misconduct Review).

- Advice regarding fraud and corruption prevention activities in human resource and staff administration, including recruitment processes, utilising leave provisions, and protecting privacy from data collected - arising from ICAC's Annual Report and the Australian Commission for Law Enforcement Integrity as part of the UN's International Anti-Corruption Day.



## Prevention projects

Over 2022-23 the IOSS also worked on nine prevention-related projects across the member Councils and made recommendations as relevant. This reflects the value-add of the IOSS work. These projects are categorised and tabulated below.

	<b>City of Parramatta Council</b>	<b>Cumberland City Council</b>	<b>Inner West Council</b>	<b>Totals</b>
<b>Administrative Conduct</b>	1	1	1	3
<b>Corrupt Conduct (including Fraud)</b>	1	1	0	2
<b>Decision Making</b>	0	0	1	1
<b>Internal Processes</b>	1	0	0	1
<b>Probity</b>	0	1	0	1
<b>Training</b>	0	1	0	1
<b>Totals</b>	<b>3</b>	<b>4</b>	<b>2</b>	<b>9</b>



## Advice from finalised matters

Sharing the learnings from completed matters across the member Councils is an important part of the IOSS's Prevention role. Opportunities to pass on learnings in the form of advice from one Council to another arises at the completion of investigation or training sessions. Sharing learnings in this way helps Councils in the shared service

better tackle emerging issues, building off the knowledge and experiences of member Councils. This demonstrates the value of the shared service.

The IOSS also provides proactive advice to Councils regarding recommendations made to another Council following an investigation, as appropriate.

### THEME OF PROACTIVE ADVICE

### DETAIL

<b>Identifying Potential Risks</b>	Addressing risks with usage of external applications on Council owned devices
<b>Adherence to the Code of Conduct - Conflict of Interest</b>	Ensuring conflicts of interest are appropriately managed at Local Planning Panels
<b>Improve systems</b>	Implementing financial controls and an audit process in libraries
<b>Improve processes</b>	Ensuring employees understand obligations with regards to appropriate usage of Council facilities

## Case Study

### Improving compensation claim processes to contribute to a positive customer experience the community

The IOSS continues to undertake administrative reviews of our member Council's determination of compensation claims, as requested by customers, with a total of 37 reviews completed by the IOSS during the reporting year. It is important to note that the IOSS cannot overturn a Council decision, however if appropriate the IOSS is able to make a recommendation to Council to reconsider their decision, as well as improvements to Council processes.

In NSW, Councils rely on the *Civil Liability Act 2002* (the Act), which allows agencies to not be held liable for vehicle damage in cases where they had no prior knowledge of the poor road condition, or in which they are aware but undertook repairs in a reasonable timeframe according to its resources.

In one matter reviewed, the community member contacted the IOSS due to a lack of response from Council with their compensation claim. Council subsequently provided a response to the claim and finalised the matter. While it was found that Council's decision was correct and in line with the Act, the IOSS identified improvements to the overall process to ensure effective management of claims, to ease the pressure being experienced by staff and to improve the customer experience to the community.

Recommendations were made to improve investigation processes, internal liaison between Council departments, timeliness and responsiveness, communication and responses to customers, customer service, systems and records management and accountability.

# Education

## Training programs



An important area of our work is providing training and education to Council staff and Councillors. This helps promote awareness and adherence to, the Code of Conduct, complaint management best practise, fraud and corruption prevention, good governance strategies and improved administrative practice. We also provide training on the roles and responsibilities outlined in the *Public Interest Disclosure Act*.

In 2022-23, the IOSS delivered 34 education and training sessions across the member Councils.

Educating new staff about the role of the IOSS, and the Public Interest Disclosure regime still forms the majority of our training activity and is critical in ensuring staff understand our role and their obligations. This is a short and engaging session and was delivered face to face as part of each Council's induction program and in two standalone sessions. The induction program was also refreshed to include a focus on legislative compliance and administrative decision making to ensure awareness by staff of their legislative compliance obligations.

Delivering Fraud and Corruption Prevention awareness training to staff is the next largest activity. This was a tailored two and a half hour training over six sessions delivered to staff with procurement responsibilities with topical examples relevant to the areas.

The IOSS also delivered workplace investigation training to those with human resource responsibilities. This was conducted with representatives from the member Councils attending the sessions together, allowing for the sharing of ideas and challenges in the workplace investigation space.

The focus of the IOSS training activities have been on high-risk areas, and areas where we can achieve the greatest impact. These include areas which have high portions of complaints.

### **Fraud and Corruption Awareness**

For the Fraud and Corruption Awareness training sessions delivered to staff at Inner West Council, 148 staff attended. We collect information about the quality of training and responses stated:

- 99% agreed or strongly agreed our training improved their confidence in understanding fraud and corruption.
- 98% agreed or strongly agreed the content presented in the workshops was appropriate and engaging.
- 100% were satisfied with the facilitator's knowledge of the subject matter.
- 96% would recommend our training to their colleagues.
- 100% stated that they knew who to approach if they had any further questions.

### **Public Interest Disclosure Training**

Arising from the legislative changes to the *Public Interest Disclosure Act*, training will be organised for Disclosure Officers across the member Councils. This will be delivered in combined workshops across the member Councils. The IOSS will also liaise with the member Councils to ensure training and awareness activities required for other staff is delivered as a result of the changes to the Act.

The training we delivered is categorised and tabulated below.

	<b>City of Parramatta Council</b>	<b>Cumberland City Council</b>	<b>Inner West Council</b>	<b>Totals</b>
<b>Staff Induction</b>	10	1	3	14
<b>Fraud and Corruption Awareness</b>	0	0	6	6
<b>Investigations Training - General Principles and Scoping</b>	1	1	1	3
<b>Investigations Training - Planning and Drafting Allegations</b>	1	1	1	3
<b>Councillor Briefing - IOSS Annual Report</b>	1	1	1	3
<b>IOSS/PID Awareness</b>	1	1	0	2
<b>Code of Conduct</b>	0	0	1	1
<b>Governance Training to Committee members</b>	0	1	0	1
<b>ICAC Briefing to Councillors</b>	0	0	1	1
<b>Totals</b>	<b>14</b>	<b>6</b>	<b>14</b>	<b>34</b>



## Briefings

Briefing Council staff and Councillors is an important aspect of raising awareness of the IOSS and our role. This year the IOSS conducted:

- Briefings about the work of the IOSS to the elected Councillors
- Coordinating and participating in a corruption prevention briefing to Inner West Councillors.
- Participating in a governance briefing to committee members at Cumberland City Council



- Regular meetings/briefings with the Councils' Executive Teams.

The IOSS also met with new senior staff across the Councils, including Directors and Senior Managers to discuss the work of the IOSS, trends for their respective areas, priorities and to plan any prevention and education activities.

## Promotion

### Connecting with our communities



The below promotion activities have been undertaken by the IOSS to assist in promoting the IOSS to staff and the community:

The Annual Report 2021-22 was made available on each Council's website and staff intranet in January 2023 and included within relevant community and staff publications, included in the table below.

Information about the IOSS and its activities for the 2021-2 financial year was included in each member Councils' annual report.

Community	Staff
IOSS information tent at Cumberland City Council's "Biggest Playgroup Event" in November 2022	The February 2023 edition of City of Parramatta Council's newsletter "Scoop"
The February 2023 edition of City of Parramatta Council's newsletter "ATParramatta E-NEWS"	The February 2023 edition of Cumberland City Council's newsletter "Communique"
The February 2023 edition of Inner West Council's online e-newsletter	The February 2023 weekly edition of Inner West Council's internal General Manager communications
The May 2023 "Salvation Army Employment Plus" expo for local organisations, attended by City of Parramatta Council to provide information about Council services (including IOSS brochures) which are useful to the local community	

## Adding Value: Shared Services

An important benefit of the IOSS working across three Councils is that we are able to bring together communities of practice. Across the last year we have continued this in the areas of human resources and industrial relations, and regulatory services, and have set up in the area of customer service and complaint management across member Councils to share knowledge and experience. This encourages Council officers and departments to work with their counterparts across the member Councils to share knowledge, challenges, learnings, best practice techniques and ideas to improve their work, and promote economies of scale.



### Human Resources and Industrial Relations Shared Services Forum

This is attended by relevant representatives for People and Culture sections at member Councils.

Two forums were held during the reporting period.

Topics of interest and discussed by the forum members included Council's working from home arrangements, use of external investigators, leadership capability framework, investigation outcome processes, retention of staff, reducing bullying and harassment strategies, people related processes, system learnings, career development programs, recruitment, and training opportunities.

Arising out of the forum, the IOSS delivered bespoke workplace investigations training to the forum members in a joint session which was based on ICAC's Factfinder Publication "A guide to conducting internal investigations" and the Local Government Workplace Investigations Guidelines.

### Regulatory Services Forum

This is attended by management representatives with responsibilities for building compliance, environmental health, parking, and other regulatory functions at member Councils.

One forum was held during the reporting period.

Topics of interest and discussed by the forum members included the use of discretion, system learnings, building culture, investigation skills following ICAC's Factfinder Publication "A guide to conducting internal investigations" and training opportunities.

The IOSS delivered a short training session to the forum on strategies in managing unreasonable complainant conduct.

### Governance Forum

This is attended by management representatives from governance and risk at member Councils.

One forum was held during the reporting period.

Topics of interest and discussed by the forum members included conflict of interests, managing delegations and compliance registers, councillor request guidelines, gifts and benefits guidelines for councillors, councillor professional development, system learnings, policy review processes, training opportunities and preparation for the legislative changes to the *Public Interest Disclosures Act*.

## Customer Service and Complaints Management Forum

This is attended by management representatives with responsibilities for customer service, transformation, business improvement and complaint handling.

The inaugural forum was held in April 2023.

This was a great opportunity as Customer Service is a priority for all member Councils and can be a challenging area. Topics of interest and discussed by the forum members included how to engage the organisation in cultural change in relation to a customer experience; benchmarking, systems for trends and tracking of complaints; best practice in customer service delivery, CEX strategy, and managing

complaints received from external agencies.

A guest speaker from the NSW Ombudsman also attended and provided information on:

- How Councils can work better with the NSW Ombudsman to facilitate better outcomes for complainants.
- Recent trends in complaints regarding Councils
- Implementing a system of dedicated contact points to ensure tracked/faster responses to the NSW Ombudsman.

The meeting was successful, with the next meeting to be held in the latter half of 2023.

## Case Study

### Improving information provided to the community with development applications

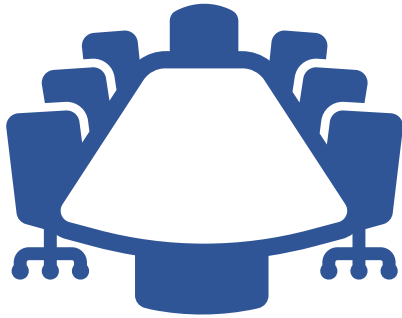
The administrative handling and decision making of development applications (DA) are one of the main categories that the IOSS receive enquiries and complaints about. As an elected representative to the community it serves, Councillors also receive enquiries from the community about the status of DA's.

The role of a Councillor does not include the determination of DA's however community expectations sometimes do not recognise this. It is challenging for elected members of Council when the community expect them to advocate on their behalf but in which they do not have decision making powers in the process.

The IOSS conducted a review of internal requests made by Councillors to Council staff about the status of DA's to identify if there were any risks or issues associated with these requests and to make any recommendations relating to the handling of these requests to mitigate any associated risk, and to improve the process of handling these requests. It included reviewing update requests, advocacy requests, assistance requests and meeting requests.

Recommendations were made to improve the DA processes to increase efficiency and also strengthen the integrity of decisions. These included training and record keeping; processes for how and when Council Staff can be contacted with regards to DA's; enhancing options for Councillors to obtain information about DA's; and developing and implementing resources for members of the public and Councillors to use that provides general information about the general DA process.

# Part 3: Management and Accountability



## Internal Ombudsman Shared Service Management Committee

The IOSS Management Committee (the Management Committee) is comprised of the two General Managers of Cumberland and Inner West Councils and the Chief Executive Officer of the City of Parramatta Council and conducts its business in accordance with a terms of reference. The Management Committee meets annually, and the Internal Ombudsman presents a performance report and summary of the IOSS's operations for the previous financial year.

The IOSS Governance Charter sets out the mandatory reporting requirements to be included in the performance report, which are: a summary of the matters received; a summary of the investigations conducted and their recommendations; education activities conducted; probity advice provided; promotion and media activities; issues identified for future review; trends identified in matters received or investigated; other performance indicators; financial performance; future directions; and, other procedural matters of note. The Internal Ombudsman also regularly attends

and provides a verbal report on the activities of the IOSS including any trends or issues identified to the Executive Team Meetings at the member Councils. These are important meetings which enhance the engagement of the IOSS and further understanding of the IOSS role.

## Audit, Risk and Improvement Committees

The Internal Ombudsman continues to attend the Audit, Risk and Improvement Committees (ARIC) for the member Councils. The Internal Ombudsman reports to the ARIC to advise of the work of the IOSS and escalate any concerns or issues which may be relevant to ARIC, including attendance at in-camera briefings as relevant. The benefit of attending such meetings is that some issues being considered by the IOSS may impact on the considerations of ARIC.

## Statutory Reporting

### Public Interest Disclosure statistics

In line with the *Public Interest Disclosures Act 1994* (PID Act) each Council is required to appoint a Public Interest Disclosures Coordinator. This role is responsible for the coordination and management of all Public Interest Disclosures received by the Council. Each member Council has delegated this function to the Internal Ombudsman and Assistant Internal Ombudsman.

The PID Act also outlines reporting obligations to be undertaken. Under section 6CA, public authorities are required to provide the NSW Ombudsman with statistical information every six months about their handling of PIDs, as well as information

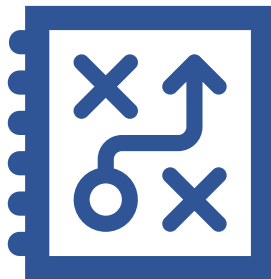
about staff awareness activities that have been undertaken during that period. This reporting has been completed for the six months periods ending December 2022 and June 2023 for each member Council.

A summary of PID information is also required be included in each Council's Annual Report. This information has been provided to each member Council for inclusion in their Annual Report for 2022-2023.

## Code of Conduct Complaints against Councillors statistics

In line with the *Procedures for the Administration of the Model Code of Conduct for Local Councils in NSW 2020* (Procedures), each Council is required to appoint a Complaints Coordinator. This role is responsible for the coordination of preliminary assessments and investigations undertaken by Conduct Reviewers in relation to complaints received against Councillors, as requested by the relevant General Manager, or against the General Manager, as requested by the relevant Mayor. Each member Council has delegated this function to the Internal Ombudsman and Assistant Internal Ombudsman.

The Procedures also outlines reporting obligations to be completed. Part 11 requires that Council's Complaints Coordinator must report annually to the Council and to the Office of Local Government on a range of complaint statistics within three months of the end of September. This reporting has been completed for the period ending September 2022 for each member Council.



## Corporate Governance Practices

### Risk Management and Business Continuity Planning

It is important that we identify and manage any potential events which could affect us achieving our objectives. The IOSS has a Risk Management Plan, which identifies key risks and mitigation strategies that apply to its operational and strategic work. Our Business Continuity Plan is one of the IOSS's key risk management strategies. It sets out our strategies for ensuring that the most critical work of the IOSS can continue to be done, or quickly resumed, in the event of a crisis. These plans form part of our risk register and is reviewed as part of our business planning process.

The IOSS regularly review of each plan with support from subject matter experts within the Councils to ensure we are operating with consideration to our key risk and mitigation strategies.

Work Health and Safety is regularly discussed amongst the IOSS team and reported monthly in line with our host Council's (Cumberland City Council) procedures.

### Privacy

We manage privacy in accordance with our host Council's (Cumberland City Council) Privacy Management Plan which addresses the requirements of both the *Privacy and Personal Information Protection Act 1998* (NSW) and the *Health Records and Information Privacy Act 2002* (NSW). Information about how we manage privacy is provided at the outset to all complainants.



## Financial Summary

Each member Council financially contributes equally to the IOSS, with Cumberland Council designated the host Council for the purposes of administrative and financial arrangements.

### Our financial position as 30 June 2023

The net result for the year ended 30 June 2023 is a loss of \$22,997.00 which was a strategically pre-determined approach from the management committee to manage a surplus that had accumulated from the savings of previous years.

The below table provides a financial summary of the IOSS for the period 1 July 2022 to 30 June 2023.

<b>INTERNAL OMBUDSMAN SHARED SERVICE</b>		
<b>Financial Performance for the period to 30.06.2023</b>		
	<b>Budgeted \$</b>	<b>Actual \$</b>
<b>Income</b>		
City of Parramatta Council Contribution	246,000	246,000
Cumberland Council Contribution	246,000	246,000
Inner West Council Contribution	246,000	246,000
Subtotal	<b>738,000</b>	<b>738,000</b>
<b>Total Income</b>	<b>738,000</b>	<b>738,000</b>
<b>Expenses</b>		
Staff Costs		
Salary & On-Costs	565,500	624,075
Training & Conferences	8,000	9,943
IOSS Investigations	70,000	35,809
Consultants	10,000	0
Stationery and Office Supplies	4,500	511
Internal charges	90,659	90,659
Subtotal	<b>748,659</b>	<b>760,997</b>
<b>Total Expenditure</b>	<b>748,659</b>	<b>760,997</b>
<b>Net Loss</b>	<b>10,659</b>	<b>22,997</b>

## External Stakeholder Liaison and proactive awareness strategies

It is important for members of the IOSS to remain aware of strategies, legislation changes and information across the public sector to assist our investigation, prevention, and education activities.

The IOSS continues to engage with external agencies, including the NSW Ombudsman, Independent Commission Against Corruption (ICAC), Office of Local Government, and the NSW Audit Office regarding the work of the IOSS and ongoing liaison as required. We receive referral complaints to action and conduct reviews of their audit and investigation reports to inform the work of the IOSS. We use this engagement to continually source best practice procedures and processes to provide an improved service to our member Councils.

The IOSS continues to undertake training and development opportunities that are meaningful to our work, including by way of



the regular sessions delivered by the Corruption Prevention Network. This ensures the IOSS is equipped with relevant information to add value to our member Councils.

The IOSS attends and participates quarterly in the Internal Ombudsman Network (ION) with other Internal Ombudsmen across NSW Local Councils, being Central Coast Council; Lake Macquarie Council; Liverpool Council; Wollondilly Shire Council; and Wollongong City Council.

The ION meets to discuss matters of common interest and shared learnings, including code of conduct issues and training, and key challenges for an Internal Ombudsman within NSW Local Councils. In attendance at ION meetings are also representatives from the external government agencies, where information is both shared with the ION and the ION's views are sought on various topics.



# Case Study

## Dealing with anonymous complaints

An anonymous complaint was received in relation to alleged corrupt conduct.

Allegations are referred to the IOSS from external agencies, such as the Independent Commission Against Corruption, if the agency declines to investigate.

Allegations of this nature are particularly serious not only due to the corrupt nature of the conduct, but also the potential negative influence on Council Officials conduct by any observers to this type of conduct, as well as the risk of damaging Council's reputation.

The IOSS considers anonymous complaints where adequate detail is provided to allow the matter to be reviewed or investigated. In this case, while there was insufficient information included in the complaint to undertake an investigation, the allegations were thoroughly reviewed on the basis of the information received and assessed by the IOSS, initially conducting a preliminary assessment. It is noted that while some referrals can contain very serious allegations of wrongdoing or corruption, on occasion such as this matter, there is insufficient information to substantiate such information and so further action is unable to be undertaken. In addition, if allegations are made anonymously, there is no mechanism for further information to be obtained and for the IOSS to provide information regarding the investigation outcome to the complainant.

The IOSS has been actively promoting to all staff at the member Councils the avenues to raise a complaint, including as a public interest disclosure. As part of this process, we are highlighting how we deal with privacy and confidentiality when managing a complaint.

While allegations are often provided due to fear of reprisal action, continued IOSS reputational growth as an independent ear, improved reporting mechanisms and changes to the Public Interest Disclosure Act, coming into effect in late 2023, may also alleviate some concerns and see an increase in complaints with contact details included.





## Part 4:

# The Year Ahead

In addition to our work of prevention, education and investigation activities across the member Councils, we will also focus on delivering key initiatives to continue to add value to the member Councils and their communities.

### Strategic Planning to maximise the value of the IOSS

The IOSS 'triple track' governance approach is important to deliver effective service to the member councils, however it is noted that education and prevention have a cross over with the responsibility areas of various Council departments such as Governance, Risk and People and Culture. The IOSS is a small team and is well regarded due to high expertise, but this means that the IOSS also needs to be dynamic where investigations arise that draw significant resources but also allow for valuable contributions where investigations do not create significant workload. The IOSS will collaborate with the relevant Council departments to ensure that the strategic approach of the IOSS and member Council relating to education and prevention are delivering the best value for efforts.

A strategic plan exists but needs to be reviewed to outline the particular areas of approach within the triple track over the next 3 years and clearly define the contributions of the IOSS to the member councils to enable appropriate business planning. The delivery of education themes and prevention projects must be tailored to the particulars of each member Council. Investigations are generally in response to complaints and so it is noted

that this will not be highly detailed in the strategic plan.

### Preparation of the new PID Act 2022

The *Public Interest Disclosures Act* comes into effect from October 2023. The IOSS will co-ordinate with member Councils to prepare to ensure the appropriate training will be provided to the disclosures officers under the policy.

### 2024 Council Elections

Traditionally, Council elections coincide with a rise in the number of matters (investigations and advice) for the IOSS to handle. This has resource implications for the team and will be managed in accordance with the Governance Charter.

### Staff and Community Engagement

The IOSS will commence the development of a community engagement strategy to identify and plan for the IOSS to be promoted at the appropriate time and place for when community members may engage with the service. This may also target improvements to how tier 1 complaints get made to the IOSS and not Council.

The IOSS is generally not a necessary function of the day-to-day activities of the community or staff, meaning that traditional promotion such as pop-up stalls and events or branding are unlikely to yield significant benefit. It is appropriate that the IOSS community engagement planning takes an approach to be available to people just at the correct time. The contact the service has with

office-based staff is established and the reputation and trust in the IOSS from indoor teams is reflected in the volume and forms of engagement. There is a weakness in the awareness of the IOSS for outdoor staff, both in the low volume and types of complaints received (being mostly staff grievances), which can be explained by the primarily online communications methods of promoting the service over the pandemic. It is important that the IOSS increase the awareness of the purpose of the service within the outdoor work areas of the member councils.

### **Continuing to encourage collaboration and promote economies of scale between the member Councils**

In addition to the established shared service forums held regularly in Governance; Human

Resources and Industrial Relations; and Regulatory Services, the IOSS will continue to identify new opportunities for shared service forums in key areas of Council. This will include the continued growth of a forum for staff responsible for complaint handling practices; and other areas as identified.

### **Contributing to Customer Experience improvement initiatives**

The IOSS notes that the largest volume of complaints (not severity or resource consumption) arises from poor customer service or lack of action from Council. All member Councils have ongoing customer experience improvement plans or projects and the IOSS will engage with the relevant staff members to assist with reviewing processes, guidelines or providing analysis of the matters arising within the service.

# Internal Ombudsman Shared Service Governance Charter



## Contacting the Internal Ombudsman Shared Service

Anyone can make a complaint to the IOSS, and all complaints are assessed in accordance with our Governance Charter. There is no charge to lodge a complaint to the IOSS nor for your complaint to be considered.

IOSS staff are available in person, by telephone or email to discuss whether the IOSS is the correct entity to handle the complaint or the IOSS can refer matters appropriately.

Before making a complaint, the complainant should take reasonable steps to try and resolve the matter with the relevant Council first. If the matter is about administrative decision making, the complainant should request the Council review its processes before contacting the IOSS. We typically allow each Council six weeks to review and respond to a complaint, depending on the complexity of the matter.

The complainant can contact the IOSS after they have received a final response from Council or in the event the Council does not respond within six weeks.

While the IOSS is available on the phone or in person, where possible complaints should be made in writing and include full details of the matter/issue and any relevant documents. IOSS staff can assist where a person is not able to make a written complaint.

### Services available to assist you:

If you are a non-English speaking person, we can help you through the Translating and Interpreting Service (TIS) on 131 450. If other assistance is needed to communicate with the IOSS, this can be arranged by contacting us either by email, post, telephone or in person.



## IOSS Contacts

Phone: 02 8757 9044

9am to 5pm, Monday to Friday. Messages can be left on this service out of hours.

### City of Parramatta Council

Email: [internalombudsman@cityofparramatta.nsw.gov.au](mailto:internalombudsman@cityofparramatta.nsw.gov.au)

Online:



### Cumberland City Council

Email: [internalombudsman@cumberland.nsw.gov.au](mailto:internalombudsman@cumberland.nsw.gov.au)

Online:



### Inner West Council

Email: [internalombudsman@innerwest.nsw.gov.au](mailto:internalombudsman@innerwest.nsw.gov.au)

Online:



### In writing or in person by appointment:

The Internal Ombudsman Shared Service  
11 Northumberland Road  
Auburn NSW 2144

Internal Ombudsman Shared Service

Phone: 02 8757 9044

11 Northumberland Road  
Auburn NSW 2144

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