OmbudsmanSA

AUDIT SURVEY REPORT

Assessment of state agencies' complaints management systems

June 2018

Letter to the Legislative Council and the House of Assembly

To

The Honourable the President of the Legislative Council

To

The Honourable the Speaker of the House of Assembly

Pursuant to section 14A of the *Ombudsman Act 1972,* I present to Parliament my report on an audit survey *Assessment of state agencies' complaints management systems (CMS).*
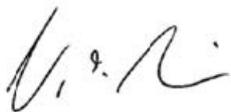
Wayne Lines
SA Ombudsman

29 June 2018

CONTENTS

Foreword

Until very recently complaints were seen by many government agencies as an indicator of failure and a negative for service delivery standards and reputation. They are now seen in government across Australia more as an integral part of performance management and customer satisfaction. Whilst the old mantra 'the customer is always right' doesn't strictly apply to people who are dissatisfied with services from a government agency, the recognition is now widespread that complaints have a valuable role to play in driving improvements to practices, procedures and systems in public administration.

As experience shows, the attitude of the general public who use government services will be strongly influenced by their perceptions of the fairness of the procedures used to handle complaints.

This report is a snapshot of the progress that each of 13 major departments have made in implementing recommendations from the Ombudsman SA 2014 audit of state government agencies' complaint handling.[1] My findings emphasise the important role of senior management in creating an environment that encourages feedback and complaints and enables complaints to be managed and resolved competently.

There are some pleasing outcomes in my findings from the survey - as well as some indicators of work yet to be done to make agency complaint management systems fully fit for purpose. I address these issues in the recommendations made in the body of the report.

Wayne Lines
SA Ombudsman

---

[1] Appendix 1 of this report records the five recommendations made in the 2014 Ombudsman SA audit.

Recommendations

The following recommendations are made in accordance with section14A of the Ombudsman Act. They are directed at achieving development in complaint handling practices and systems across South Australian government agencies. They aim to enable ongoing improvements in administrative processes and drive system reform and customer service excellence.

1.   Complaint handling compliance

RECOMMENDATION 1

That the state government review and reissue the Department of the Premier and Cabinet Circular *PC039 – Complaint Management in the South Australian Public Sector* by 31 October 2018 requiring all agencies to have in place a complaint management system that conforms to the principles of the Australian Standard on complaint management. The Circular should also include a requirement that business units with a direct customer service responsibility have a complaint handling procedure that conforms to the agency policy.

2.   Complaint handling policies and training initiatives

RECOMMENDATION 2

That all state government agencies report to Senior Management Council by 31 March 2019 with evidence demonstrating how their agency-wide complaint management policies and practices have provided:
- access to people from indigenous and culturally and linguistically diverse backgrounds
- access to disadvantaged and vulnerable people
- training for staff and managers dealing with frontline complaint management.

3.   Planning for complaint management performance

RECOMMENDATION 3

That all state government agencies draft or implement a Strategic Plan goal and associated strategies to deliver development and service improvements linked to the performance of their complaint management system. Further, that agencies report their goals, strategies and progress to Senior Management Council by 31 March 2019.

Background and Ombudsman Jurisdiction

1.   There are over 170 state government agencies in South Australia within the jurisdiction of the Ombudsman. As a result of a recommendation from the November 2014 Ombudsman SA **Audit of state government agencies' complaint handling** report, there is now a Department of Premier and Cabinet (**DPC**) Circular that requires state government agencies to have in place a Complaints Management System (**CMS**) which conforms to the 2014 *Australian Standard: Guidelines for Complaint Management in Organisations.*[2]

2.   I advised agencies in March 2016 that I intended to survey the operation of agency CMS in 2017-2018. In order to ensure full cooperation and to enable recommendations in a final report, I decided to conduct the review under the powers accorded to me in section 14A(1)of the *Ombudsman Act1972,* as follows:

      (1)   If the Ombudsman considers it to be in the public interest to do so, the Ombudsman may conduct a review of the administrative practices and procedures of an agency to which this Act applies.

3.   In August 2016, I was advised by DPC that a Working Group had been established under the auspices of the Senior Management Council (**SMC**) to be convened by Service SA. A key purpose of the Working Group is to lead an annual assessment of agency CMS through the Customer Quotient (**CQ**) Initiative.

4.   SMC has endorsed the Ombudsman SA Complaints Management Framework as part of the CQ Customer Satisfaction Initiative over a 5-year timeframe. The working group has developed a Measurement Survey instrument to enable agencies to report on the progress made in implementing the Ombudsman's Framework (or equivalent). SMC seeks to identify common performance measures for agency complaints management; profile good practice already in place and provide SMC with a more strategic overview of complaints management approaches and improvement plans across agencies. This action is consistent with Recommendation 5 from the 2014 Ombudsman SA audit report.[3]

5.   I proposed to conduct the review in collaboration with Services SA operating under the working group established through the auspices of the SMC.

Agency involvement

6.   By way of a survey questionnaire jointly devised by Services SA and me, I collected data about CMS arrangements and practices from 13 agencies in December 2017.[4] They are:
      - Attorney-General's Department (**AGD**)
      - Department for Child Protection (**DCP**)
      - Department for Communities and Social Inclusion (**DCSI**)
      - Department for Correctional Services (**DCS**)
      - Department for Education and Child Development (**DECD**)
      - Department of Environment and Natural Resources (**DEWNR**)
      - Department for Health and Ageing (**DHA**)
      - Department of Planning, Transport and Infrastructure (**DPTI**)

---

[2]   Once a circular has been approved by Cabinet it must be followed by all government departments. See Appendix 1 for an extract from *DPC Circular PC039 Complaint Management in the SA Public Sector*

[3]   See Appendix 2 for the full text of Recommendation 5.

[4]   See page 4 for an outline of the Machinery of Government changes announced in the *South Australian Government Gazette* dated 17 May 2018.

- Department of Primary Industries SA (**PIRSA**)
- Department of the Premier and Cabinet (**DPC**)
- Department of State Development (**DSD**)
- Department of Treasury and Finance (**DTF**)
- Environment Protection Authority (**EPA**).

7. My audit survey sought to review the operation of CMS in major state government agencies to assess:

    (i) the extent to which agencies have in place policies, practices and procedures established to ensure high standards of complaint handling for members of the public

    (ii) the extent to which the agencies have in place accessible public information to enable ready understanding and use of complaint handling mechanisms

    (iii) whether recommendations to agencies and SMC are needed to encourage complaint handling practices and systems improvement across state government.

8. I proposed to conduct the review in collaboration with Services SA operating under the working group established through the auspices of the SMC.

Machinery of Government changes

9. On 17 May 2018, after agencies had reported to me on their responses to the audit survey, Cabinet approved the gazettal of agency Machinery of Government changes.

10. Major changes include the creation of the Department for Human Services from the Department for Communities and Social Inclusion and the renaming of Education and Child Development to the Department for Education. The Department for Health and Ageing has been renamed as the Department for Health and Wellbeing.

11. Where appropriate to the findings of this review, the complaint handling approaches of the new agency structural divisions are referred to in the context of their 2017 central agency structure.

Provisional report and agency responses

12. I released a copy of my provisional report to the agencies on 9 May 2018 seeking comment. Agencies were also asked to correct errors of fact or misinterpretations in the text. They were also invited to give feedback and comment on the provisional recommendations.

13. All 13 agencies responded to my provisional report. Most agencies indicated that they had work underway to build on and strengthen existing complaint management practices. The CQ Initiative, currently in progress as a major project of the SMC, was recognised as an important tool across government to support complaint management system improvements.

14. Ten of the 13 agencies indicated their explicit support for my provisional recommendations. No agency rejected the recommendations. Aside from the minor timing amendment to Recommendation 3 outlined below, I have decided to make final recommendations in this report as per the foreshadowed recommendations.

15. Some other issues raised in agency responses are noteworthy. One agency suggested that Recommendations 2 and 3 be amended to substitute the Office for the Public Sector for SMC as the appropriate agency to receive reports on revised

complaint handling policies and procedures and on setting Strategic Planning goals. I have considered this proposal. However, I have come to the conclusion that SMC, as the key strategic management agency of government, is best placed to oversee implementation of my recommendations. This work, of course, also compliments the CQ Initiative directly commissioned and auspiced by SMC.

16. Another proposal to amend Recommendation 3 was also considered. This referred to an agency Strategic Plan with an existing goal to 'Support our staff and strive to constantly improve our business and services to the community'. It was put to me that the explicit statement requiring agencies to 'implement a Strategic Plan goal and associated strategies to deliver development and service improvements linked to the performance of their complaint management system' - could perhaps be incorporated into the current generic business improvement objective. In my view, this is a reasonable proposition, but not one I could support in the context of this report. I consider that a clear planning goal relevant to an agency CMS is required to allow maximum visibility for the achievement of the objective - namely service delivery improvements linked directly to complaints.

17. The Department of Premier and Cabinet has advised me that whilst it is supportive of my three recommendations, they believe finalisation of the review and revision of *PC039 - Complaint Management in the South Australian Public Sector* cannot be completed by the proposed July 2018 deadline. DPC has suggested 31 October as the preferred completion date. I have accepted this advice and amended Recommendation 3 accordingly.

18. Some typographical and data entry errors were pointed out, along with some updated information on one complaints management policy directive. I have made relevant corrections in this report.

Key outcomes from section 1 of the survey

19. The seven audit survey questions put to agencies for my assessment purposes were as follows:
    1. Is the agency compliant with *DPC Circular PC013 – Annual Reporting Requirements* to incorporate annual reporting of complaints from members of the public?
    2. List all sub-agencies or business units with their own complaint handling policy/procedure
    3. Overall, what do you think your agency does well in its complaint handling?
    4. What do you think could be improved?
    5. Are there any major obstacles to achieving improvements?
    6. Is there any aspect of your complaint management that you consider to be best practice or particularly innovative that could be more broadly adopted across government?
    7. Is there a regular report on complaint handling issues and outcomes to Senior Executive?

20. Question 1 required a declaration of compliance with government policy. All agencies responded 'yes' and reported full compliance with DPC Circular PC013. The Circular requires agencies to 'indicate the extent and main features of consumer complaints and any services improved or changes as a result of complaints or consumer suggestions made.'

21. Table 1 summarises the complaint handling information published by 12 of the 13 agencies in their 2016-2017 Annual Reports. It records numbers of complaints received from members of the public.[5]

Table 1

DEPARTMENT	COMPLAINTS TO AGENCY	QUALITY OF SERVICE	TOTAL
Planning, Transport & Infrastructure	10,105	787	10,892
Health & Ageing	4,617	4,490	9,107
Environment, Water & Natural Resources	7	5	12
State Development	3	29	32
Child Protection	N/A	N/A	N/A
Primary Industries and Regions	19	7	26
Environment Protection Authority	4	N/A	4
Communities & Social Inclusion	90	155	245
Education & Child Development	2,963	340	3,303
Correctional Services	813	N/A	813
Premier & Cabinet	104	379	483
Treasury & Finance	127	5	132
Attorney-General	84	200	284

---

[5] The exception is DCP. Data is not available for the 2016-2017 Annual Report as the agency became a standalone department for the first time in November 2016. Reporting commenced in July 2017 and will be reported in the 2017-18 Annual Report.

Table 2

COMPLAINTS ABOUT QUALITY OF SERVICE

Complaints about quality of service to departments can be broken down into 3 major sub-categories.

DEPARTMENT	SERVICE QUALITY	BEHAVIOUR OF STAFF	ACCESS/ PROCEDURES/ PROCESSES	TOTAL SERVICE QUALITY COMPLAINTS
Planning, Transport & Infrastructure	547	72	73	787 [6]
Health & Ageing	1903	203	2,061	4,167 *
Environment, Water & Natural Resources	3	1	1	4
State Development	8	-	21	29
Child Protection	N/A	N/A	N/A	N/A
Primary Industries and Regions	9	-	-	9
Environment Protection Authority	N/A	N/A	N/A	N/A
Communities & Social Inclusion	66	58	38	193 *
Education & Child Development	111	109	-	340 *
Correctional Services	N/A	N/A	32	32
Premier & Cabinet	86	66	227	379
Treasury & Finance	5	-	-	5
Attorney-General	118	17	65	200

---

[6] Statistics provided by DPTI were split into two sections: complaints about services offered and complaints about quality. Complaints about quality included an 'other' section. However, 'other' was not deemed to be a major sub-category. The 'other' category comprised of 95 complaints which takes the shortfall from the sub-total of 692 to the total of 787. The vast bulk of complaints (over 9000) were about public transport services.

* DHA, DCSI and DECD included a further category listed as 'complaints about communication'. DHA recorded 2370; DCSI 31 and DECD 120 complaints. Whilst only these three departments provided statistics, it is evidently a significant issue, particularly for DHA, with 'communications complaints' accounting for almost 50% of their total complaints about quality.

Summary of compliance data

22. In response to Question 1, all agencies provided me with data on numbers and types of complaints published in their Annual Reports. As the tables above show, the numbers vary enormously across departments. In part, this reflects the obvious bias towards public facing services delivered in areas such as health, housing, transport, education and child protection. However, I have also noted the very low numbers of complaints reported by EPA and DEWNR and to some extent, by DSD and PIRSA[7]. It may be true that these departments have a much smaller direct exposure to the public. However, it may also be that these agencies have had less direct pressure on them to prioritise access to and management of complaints from members of the public. This goes to the issue of a complaint valuing culture.

23. I note that seven of the 13 agencies responding to the Ombudsman SA survey provided evidence of their compliance with the second branch of the annual reporting Circular – namely '*any services improved or changes as a result of complaints or consumer suggestions made'.* Notwithstanding, I am aware that most agencies have included this information, however brief, in their published annual reports. DCSI, for example, has included information on improvements made in four areas of complaint management *viz:* delays in processing screening applications; delays in access to equipment through the NDIS; accessibility of internet site and delays in payment of some concessions. AGD have reported, *inter alia,* on apologies given to complainants; enhancements made to the Bonds Online system to improve efficiency and Fines Enforcement notice changes to adopt clear and concise language.[8]

Agency sub-agencies and business units

24. Question 2 addressed the arrangements within agencies for separate policies/procedures catering for particular business operations and client groups. Two large agencies, DSD and DCSI listed several sub-agencies with their own complaint handling policy/procedure and noted that other units 'used the departmental complaints management procedure'. DCP; PIRSA; EPA; DHA[9] and DEWNR all reported using a single agency procedure. DECD listed their Education Complaints Unit (ECU) and all school sites; DPC listed Service SA and Shared Services SA; DTF listed five units – two with complaint procedures; DPTI listed three units with a procedure but reported only on transport and 'other areas' in their Annual Report. DCS has a Local Operating Procedure at each of the nine prison sites.

Agency good practice in complaint handling

25. Question 3 sought feedback from agencies on what each considers it does well in complaints management. While all agencies provided me with details of their best practice examples, I record here a brief summary of each agency's feedback on their strengths as they see them.

AGD
AGD reported that it commissioned PricewaterhouseCoopers (**PwC**) to conduct a review of its customer feedback and complaint management practices in 2017. PwC reported that AGD 'does particularly well in meeting the principles of accessible channels for customers to make complaints and provide feedback'.

---

7 PIRSA notes that relatively low complaint numbers may also reflect its close working relationship with industry.

8 DECD (now the Department for Education) publishes its Annual Report by calendar year to align with the school year. It has not yet published a report for 2017. The 2016 report notes that complaints data was used in 2016 'to help inform policy developments in regards to religious activities on school grounds, gender diversity and the administration of medication…'

9 DHA uses national health complaints categories and subcategories, which are outlined in the *SA Health Consumer Feedback and Complaints Management Policy Directive, Guideline and Toolkit.*

DCP

DCP has committed to developing a centralised system for receiving and resolving complaints, including informal mediation or escalation to the Executive where appropriate. The complaints unit is established in the Office of the Chief Executive.

DSD

DSD ensures that all divisions understand the importance of responding to and recording complaints received. The data informs the regular report provided to the Chief Executive (**CE**) and is used to respond to specific Key Performance Indicators (**KPI's**) in the CE's Performance Agreement.

DCSI

DCSI reports its stated commitment to best practice complaints management; there is a good complaint welcoming culture across the department. A recent survey of staff and managers found confidence and a positive outlook in skills, knowledge and support received to manage complaints in agency divisions. Staff report feeling confident to manage and respond to complaints.

DECD

DECD has a detailed 3-level complaints policy and procedure that is published on DECD and all school and children's centre websites. The ECU leads complaints management for all sites centrally. The agency has a formal internal review process for complainants not satisfied with outcomes at either Tier 1 or 2. Complaint Management training has been initiated and implemented for DECD staff on an E-learning platform.

DCS

DCS has in place a dedicated Standard Operating Procedure (**SOP-096**) *Prisoner Enquiries and Complaint Resolution Process* providing multiple avenues for prisoners to be able to make a complaint to prison authorities and the department.

DPC

Service SA and Shared Services SA both use case management approaches in response to customer preferences for managing complaints. Shared Services SA has developed an online reporting dashboard for its leadership group showing numbers by operational area, root cause overview and complaint closure data.

DTF

DTF reports that the five units within the department: CTP Insurance Regulator; Lifetime Support Authority; RevenueSA; SA Government Financing Authority and SuperSA all have different procedures for handling complaints, but rapid response, person-centred approaches and senior executive review are all features of the complaint handling methods used across the agency.

EPA

The EPA reports its good practices as timely responses to complainants, high-level coordination and confidential handling of complaints. The agency requires clear guidance on escalation of complaints to more senior levels and to person(s) deemed to be independent to the area of the complaint.

PIRSA

PIRSA identifies its use of the Australian Standard benchmark. In particular, it notes a continuous cycle of complaints review and improvement through accurate record keeping. The agency updated its complaints procedures in 2017 to include a statement on apologies and liability.PIRSA has a valuing complaints culture.

DPTI

DPTI noted its strengths as timely responses to complainants; recording and tracking of complaints (for public transport) and a structured capture of complaints data within agency Frontline Services. DPTI reports 80% response compliance with KPI's for enquiries, online complaints and responses.

DHA

DHA reports that Consumer Advisory Services are available in all Local Health Networks (**LHNs**) to assist complainants, along with the provision of consumer information material. DHA notes that consumer feedback is reported publicly and emphasises efforts made to connect with community, Seniors and CALD groups.

DEWNR

DEWNR reports that their staff is open to complaints and has a well-developed customer focused ethos. The agency notes that it provides detailed and reasoned responses to resolve issues with complainants.

Ombudsman comment

26. In summary, my December 2017 audit survey revealed that most agencies have made good progress on their CMS since the original Ombudsman SA audit survey questionnaire was returned in December 2013. Reported strengths are stronger complaint valuing cultures within agencies; a more consistent application of complaint handling policies and procedures to enable complaints and evidence of a more robust range of appropriate responses to complaints. The inclusion of evidence of services improved or changed as a result of complaints has revealed outcomes of substance.[10]

27. Overall, I observe some gaps in agency CMS operation. Agency responses lacked evidence of adherence to the Australian Standard; provided little evidence of attempts to improve access for vulnerable and disadvantaged groups and of consistent, transparent recording, reporting and investigation methods. Few agencies reported training initiatives associated with their CMS work and there was relatively little feedback on customer satisfaction with complaint handling processes and timeliness.

Agency CMS improvements required

28. Question 4 sought feedback from agencies on what each considered it could improve about its CMS. I record here a brief summary of each agency's feedback on their priorities for improvement as they have reported them.

AGD

AGD reported that investigation and closure of complaints is the area that requires most improvement.

DCP

DCP, as a new department, has experienced high volumes of complaints as systems were being set up. Responsiveness and efficiency were compromised in the early months. Lessons from this will shape complaint unit development.

---

[10] NOTE: Section 2 of this report documents summary outcomes from the SMC endorsed CQ Initiative survey where the focus of the agency assessments was the level of maturity of agency CMS and an emphasis on KPI's and system improvement.

DSD

DSD has developed a new Service Excellence Framework. It aims to enhance the transparency and responsiveness of the agency's complaint handling process.

DCSI

DCSI's Office of the CE has undertaken a comprehensive review of complaints and feedback to identify what is working well and what needs improvement. As part of this, the Ombudsman SA Complaint Management Self-Assessment Framework has been completed to identify compliance.

DECD

DECD is exploring an electronic complaints management system for corporate office to better record and report on complaints data.

DCS

DCS has recently rolled out the KEX electronic kiosk in some prisons. KEX would ideally direct complainants to the appropriate person and then escalate the complaint if not addressed in time. The current Prisoner Complaints and Advice Line (**PCAL**) is centrally located and reliant on prison staff. This can cause delays.

DPC

DPC is using the Ombudsman SA Complaint Management Self-Assessment Framework to assess its CMS, beginning with key customer facing businesses. Assessment will seek to elicit feedback from customers on their complaints experience – aiming to improve the complaints experience.

DTF

DTF has identified that the new unit CTPIR could make improvements by reporting against their own service levels; LSA and RevenueSA could improve by providing better training and feedback to staff managing complaints and SAFA could improve the timeliness of responses from agencies.

EPA

The EPA website does not offer clear direction on how to submit a complaint. Complaints process is currently limited to internal review only; there is no option for independent review. The EPA has a limited level of reporting requirements in the agency complaints policy.

PIRSA

PIRSA seeks to increase accessibility to CALD groups and use of the national Translating and Interpreter Service. Currently there are few complaints handled by PIRSA but training in difficult conversations could help customer experience.

DPTI

DPTI is about to appoint a Chief Customer Officer to organise a single complaint system (CMS) across all divisions and enhance customer experience. Two systems are in place now – CRM for public transport and KNet for the remainder of areas.

DHA

DHA aims to provide better complaints access for disadvantaged and vulnerable groups, e.g. CALD, ATSI.

DEWNR

DEWNR aims for cultural improvement, i.e. improved commitment and attitude to complaints received. Facilitation and accessibility to meet diverse needs and training and support and upskilling for staff is needed. An agency wide software

system for recording and tracking complaint data and training for unreasonable complainant conduct (**UCC**) are priorities.

Ombudsman comment

29. In summary, I found agencies to be forthright and open about identification of their CMS challenges and the remedies they envisioned for improvements. Recurring weaknesses were revealed as first response complaint management protocols, record keeping and reporting practices and poor feedback mechanisms to elicit consumer input about their complaints experience. Senior level feedback to staff on complaint handling practices and training support were also identified as areas for general improvement.

30. While only two agencies identified access for individuals from known vulnerable groups and responses to UCC as areas for improved performance, I am aware these are areas that require significant attention. In the case of UCC, I consider many agencies working with customers in sensitive areas of service delivery have experienced a rise in persistent and sometimes unreasonable complaint conduct. Public housing, child protection and some areas of education services are all featuring in my own complaint statistics as areas where there are pressures from these types of complaints. The preferred response is better training and systems improvement to ensure complex and emotionally charged matters are not allowed to escalate unnecessarily before a resolution is found.

Obstacles to achieving CMS improvements

31. Question 5 asked agencies what they saw as major obstacles to achieving improvements in complaints management. Agency reports identified, *inter alia,* the following obstacles:

    - Disparate complaint recording systems and no simple aggregated report or analysis of complaint activity within agencies.

    - Inadequate record keeping practices. At present many agency complaints units do not have an ICT system to automate complaint processing and data capture.

    - Implementation of major workforce and structural changes e.g. roll-out of Commonwealth aged care reforms and NDIS. Some transfers of responsibility and wind-down of existing services present significant complaint management challenges. RiskMan is now outdated and not fit for purpose.

    - Management difficulties with internal investigations in response to oversight agencies and problems with internal (complaint handling) processes.

    - Legislative restrictions can present obstacles to complaint resolution, as can delays in obtaining information from third parties and in balancing the volume of complaints with staff levels.

    - The diverse nature of some agencies' functions and areas of responsibility may require funding for a single system that supports all business units.

    - Ensuring access for vulnerable people to have an opportunity to complain and exercise their right to provide comment and feedback.

- The scope of some agency operations across the state militates against using 'off the shelf' software for the CMS. A standard reporting template is needed for business managers to use across agency networks and branches.

Ombudsman comment

32. Overall, the reports from agencies indicated a lack of internal co-ordination and systems integration, primarily in departments with multiple business units or a range of offices across the state. Poor data capture and difficulties with ICT capability also provided challenges, as did new service delivery demands from changes to Commonwealth programs to be delivered by the State Government. Some pressures were deemed to be outside agency control, such as legislative restrictions and staffing and resource constraints. In my view, some of these matters may reasonably be addressed by prioritising CMS initiatives in the context of annual budget setting and program reform submissions to government.

CMS best practice examples

33. Question 6 sought feedback on 'any aspect of your CMS that you consider to be best practice or particularly innovative…'. Six of the 13 agencies involved in the survey responded with examples they considered to be best practice. They are:

DCP
DCP considers that locating the Complaint Unit in the Office of the CE is a signal about the priority given by the agency to complaints.

DPC
DPC lead development and implementation of the across government online complaints form on sa.gov.au. 400 complaints were triaged for action between April and December 2017.

DTF
The agency Lifetime Support Authority's person-centred approach is considered best practice. Super SA prioritises complaints according to urgency and ensures complainants are kept informed of the status of their complaint.

PIRSA
PIRSA uses divisional and whole of agency reports to improve services through the identification of trends, issues and areas of development for the future.

DPTI
The Complaints Records Management (CRM) system for public transport provides for good work practices and consistency. CRM provides data that assists with a history of complaints and trends in complaints.

DHA
DHA nominated the case study of the Northern Adelaide Local Health Network Division of Medicine, Nursing Department. The CMS approach uses proactive engagement with patients to prevent dissatisfaction and look for solutions.

Ombudsman comment

34. Agencies were less forthcoming with examples of best practice initiatives than with commentary on existing strengths and identification of system improvements needed. Those agencies reporting best practice examples cited developed experience with senior level monitoring of complaints, whole of agency reporting practices and a desire for consistency and people-

centred approaches. I note that these elements are consistent with the Across Government Complaints Management Assessment Report (**AGCMAR**) descriptors of the more mature CMS agencies (see Section 2 summary). The relevant indicators in that report are a dedicated complaints and customer experience model with agency leadership and profile at a Senior Executive level and a clear, regularly tested understanding of agency customer needs.

Reporting on complaints to agency Senior Executives

35.   Question 7 asked agencies if they provided a regular report on complaints to their Senior Executive. In the Ombudsman SA 2014 audit report seven of the 12 agencies audited reported that they had some form of protocol in place for reporting to senior management on complaint handling initiatives. Some of these were on an 'as needed' basis - or for complaints regarded as serious or likely to attract media attention. Others identified sub-agencies that had a reporting to Executive protocol – but no central agency Senior Executive reporting. Only three agencies advised in 2014 that they had a central senior reporting protocol in place.

36.   By contrast, this survey has revealed that 10 of the 13 agencies have some form of protocol in place for reporting to Senior Executive at central agency level at least twice yearly. Some provide monthly reports, others quarterly and a few conduct six monthly reviews. The remaining three agencies in the survey have indicated that they are in the process of introducing at least half yearly reporting.

Ombudsman comment

37.   Given the currency of the *DPC Circular PC013 - Annual Reporting Requirements* it seems clear that SMC and the Executive arm of government are actively encouraging agency senior executives to monitor and review agency CMS trends and outcomes. Whilst this can be done at the division management level for operational matters, it is desirable that senior executives are across complex complaints and sensitive matters – as well as trends in numbers and types of complaints. Complaints with systemic or policy implications should be reviewed at this level for both accountability and system improvement reasons. Senior executives also need to maintain an awareness of the pressures on front line services and the resource requirements for adequate complaints management and training.

38.   On this point, I note that Commissioner Lander made reference to the development of a 'culture of secrecy' that he found to have existed at the Oakden Older Person's Mental Health Service. The Commissioner drew attention to an undesirable practice of containing complaints 'in-house' that kept complaints and recommendations for remedial action from becoming known at the most senior levels of decision-making.[11]

39.   As identified above, a complaint valuing culture in agencies is reflected in senior level ownership and monitoring of complaints which will go some way towards safeguarding against the 'in-house' practice that developed in the Oakden facility. In addition, agencies with a leadership team that identifies complaint handling outcomes as an agency performance indicator will likely place themselves at the cutting edge of improvement and development for SA Government services. Central agency reporting and complaints data collection will enable sound analytical approaches to planning for service, policy and program improvement. Evidence of this will be found in ongoing agency reports of services improved or changed as a result of complaint handling analysis and performance measurement. I am encouraged that agencies are beginning to identify these service improvements with clarity and purpose.[12]

---

[11]   See *Oakden - A Shameful Chapter in South Australia's History*, ICAC, 28 February 2018 - sections 13.6, 13.7.6 and 13.8.3 at pp.263 ff.
[12]   Senior level ownership of agency CMS requires management responsibility, performance management and monitoring and reporting on complaints data and data interpretation. The Australian Standard provides a useful guide for Continual Monitoring on page 50 at Appendix M. The information is reproduced in this report at Appendix 3.

Summary outcomes from Section 2 of the survey

Agency maturity

40. The survey instrument provided to agencies by Ombudsman SA and Services SA reflected elements of both the Ombudsman SA Complaint Management Framework (**the OSA Framework**) and the SMC CQ Initiative. In section 2 of the survey a range of responses were sought from agencies particular to the CQ Initiative.[13] The aim is to assist agencies in using customer insights to inform all parts of the service delivery experience – from better service, design and delivery through to improved service delivery and evaluation.

41. As part of the CQ Initiative, participating agencies needed to assess their CMS against the OSA Framework, or similar, to identify areas for improvement.

42. Those agencies using the OSA Framework could use an online tool to assess their CMS based on a 1-5 'maturity scale'. The tool asked agencies to assess each standard in the five different components outlined in the OSA Framework. These are:

> ➢ **Commitment:** Develop a culture that values complaints
> ➢ **Facilitation:** Make it easy for people to make complaints to the agency
> ➢ **Resourcing:** Appropriately train, empower and adequately resource staff managing complaints
> ➢ **Learning:** Analyse complaints and their outcomes to improve systems and processes
> ➢ **Guidance:** Develop policies and procedures to guide staff in the management of complaints.

43. The resulting matrix provided agencies with insights into which CMS areas needed improvement, with the maturity scale outlining what an improvement tool would look like in practice.

44. As noted, the draft AGCMAR Assessment Report averaged the scores to all standards in each element. Those figures are recorded in the following table. The table also indicates an average overall maturity score for each agency.

Table 3

Department	Commitment	Facilitation	Resources	Learning	Guidance	Average
DPC	3	3	3	3	3	3
AGD	4	4	3	2	4	3.4
DSD	3	3	2	3	3	2.8
DPTI	4	3	3	4	4	3.6
DHA	5	4	4	4	5	4.4
DCSI	4	5	3	3	4	3.8
DECD	4	4	3	3	5	3.8
DEWNR	3	3	2	3	4	3
DTF	4	3	4	4	4	3.8
PIRSA	4	4	3	4	4	3.8
Total	38	36	30	33	40	

---

[13] The CQ Initiative draws on the OSA Framework. ACGMS records that DCS underwent reviews during the time of this questionnaire and did not use the Framework. DCP and the EPA did not complete this part of the assessment.

45. The results show that only three agencies, DHA, DCSI and DECD reported the maximum score of five – but only in four of the total of 50 categories. Whilst this indicates probity and the application of a critical perspective in the agency self-assessments, it is also apparent that most agencies have work to do to improve their implementation of their CMS.

46. Noting the standards progress from simpler to more complex requirements, the maturity scale will aid agencies to build towards 4/5 ratings in future assessments.

47. Collectively the agencies had the following scores:
    - **Commitment:** 38 / 50
    - **Facilitation:** 36 / 50
    - **Resources**: 30 / 50
    - **Learning:** 33 / 50
    - **Guidance:** 40 / 50

48. Taken together across the 10 agencies participating in this part of the survey, the overall relative 'maturity' score is 177 from a maximum 250. This equates to a complaint handling systems score of approximately 70%.[14] In broad terms, South Australian government agencies are just over two-thirds of the way through to full development of their CMS. This is an encouraging result after three years of consistent effort.

49. Overall results showed the more mature agencies have:
    - Dedicated complaints and customer experience models with agency leadership
    - Regularly tested understanding of customer needs
    - Integrated complaints management into wider customer experience program
    - Regular training and upskilling for frontline staff
    - Investments in technology to keep clear records of complaints with trends analysed on a regular basis
    - KPI targets including the customers effort/experience process quality.

---

[14] It is noteworthy that agencies who rated themselves an average maturity of 3.8 or higher recorded some of the highest complaint numbers amongst the 13 agencies. Combined DPTI, DHA and DECD report over 23,000 complaints received.

Agency CMS implementation assessment

50. A further question sought a description of the status of the agency's implementation of their CMS assessment against the OSA Framework. The following is a breakdown of the progress information provided.[15]

Table 4

Department	Underway	Completed but no action plan	Completed with action plan	Action plan implemented
DPC			X	
AGD	X			
DSD			X	
DPTI		X		
DHA			X	
DCSI			X	
DECD		X		
DEWNR		X		
DTF		X		
DCP	X			
PIRSA		X		

51. The table shows two agencies have commenced their assessment but it is not yet completed. Five agencies have completed their assessments but do not have an action plan in place. A further four have both completed the assessment and the action plan. However, the key point of note is that no agency has yet completed implementation of the action plan for use within their agency.[16]

Improving Complaints Management Systems

52. Agencies reported a range of outcomes in detailing how their assessments have helped improve their CMS to date. They were asked to provide details on the issues being addressed and what changes had been put in place. Some notable responses included:

  ➢ Self-assessment identified areas that require implementation including:
  - consistent mechanisms to reward staff for good complaint handling
  - making complaint handling available in alternative languages
  - develop a standardised internal review mechanism
  - develop a suite of training tools and support resources for staff
  ➢ Currently writing a new training module for inductees and ongoing staff in regard to policies and procedures for handling complaints. This aims to improve our overall culture of acknowledging complaints as opportunities for review and improvement
  ➢ Implementing a dedicated Customer Services and Business Support Directorate

---

[15] DCS completed this question and provided a response as 'other'. However, no information was provided as to what this category entailed. Similarly, EPA did not provide a response.

[16] It is noteworthy that some agencies, such as DHA, incorporated their results where appropriate into existing continuous improvement CMS programs.

> ➢ Implementing the recommendations of our internal audit review will take us towards best practice [in complaint handling]
> ➢ Online complaint management training resource being uploaded to a professional learning link
> ➢ Assessments for frontline services and information management have led to:
>   - Introduction of feedback templates
>   - feedback quality tracking and raw data collection
>   - benchmarking service level turnarounds
>   - greater emphasis on first contact resolution
>   - improved internal communication on services provided to the public
> ➢ A 'Good Communication' video incorporated into [the training module], providing staff with an understanding of how successful communication builds positive, respectful and collaborate relationships. This includes taking into account people's culture, language skills and health literacy levels
> ➢ Reviewed, aligned and consolidated the complaints channels for customers (in person, over the phone, in writing, online and via social media). This improved consistency of the customer experience and this consistency is supported by the central team modeling better investigation practices.

53. As part of the assessment Ombudsman SA and CQ offered five key performance indicators which could potentially to be used in the CMS action plans of participating SA agencies. These were:
1) reduction in repeat complaints
2) reduction in complaint escalation
3) first point of contact resolution increases
4) reduction in rework, and
5) testing of customer satisfaction with improvement of services.

54. Of the 13 agencies that submitted responses to the assessment only five reported the use of the standardised KPI's in the context of their action planning. Six others relied on their existing single KPI 'that complaints be resolved in fewer than 28 days' (the national standard), while two agencies did not respond to this part of the assessment. This is in addition to metrics required for annual reporting purposes.

55. The CQ Initiative has commenced work on developing common complaints categories to aid root cause analysis and improve the accuracy of reporting.

Key Themes from the Audit Survey

The OSA Framework provides agencies with a model to identify and build the essential components of a CMS. The Framework also provides a methodology for self-assessment to enable individual agency CMS to comply with the requirements of *DPC Circular 039*. It is designed to allow appropriate space for complaints management to be fit for purpose and relevant to agency business diversity.

Given the across-agency adoption of the OSA Framework and its broad use as an evaluation tool, it is possible to identify key themes from the audit survey that give an overall indication of agency CMS development progress.

1. Commitment: Develop a culture that values complaints

The guiding principles for appropriate culture and organisational commitment are people focus, responsiveness, objectivity and fairness and no detriment for complainants.

- Agency senior executives have prioritised effective complaint handling in the context of good administrative practice and improved customer service. Agencies want their business units to be more people and community focused.

- Survey responses received indicated that making a commitment to best practice complaints management has enabled agencies to develop a more positive outlook to complaint handling and helped staff to feel confident to manage and respond to complaints.

- Agencies now prioritise timely responses to complainants. Most agencies attempt to acknowledge a complaint within five working days. Having multiple complaint platforms available makes it easier for customers' concerns to be heard.

2. Facilitation: Make it easy for people to make complaints to the agency

The guiding principles for facilitating complaints are visibility and transparency, accessibility, supporting complainants, flexibility and acceptance of anonymous complaints.

- Agencies reported a need to improve access to complaint making mechanisms to customers. Some also acknowledged this involved refining the clarity and simplicity of information provided on how to make a complaint.

- The need for transparency and the ability to widely publicise information about how and where complaints can be made to the agency was a common theme. A requirement for complaint mechanisms to be more accessible to disadvantaged and vulnerable customers was reported.

3. Resourcing: Appropriately train, empower and adequately resource staff managing complaints

The guiding principles for equipping staff to manage complaints are training, recognition of good practice, appropriate delegations to staff and empowerment of staff.

- Most agencies indicated they are currently undertaking a review of their CMS. However, whilst reviews are occurring, agencies tend to be dissatisfied with resource constraints for complaint handling. Inadequate and outdated record keeping and ICT systems and practices were reported.

- Many agencies identified staff training as a priority but expressed some difficulty in identifying the necessary resources. Training in handling unreasonable complainant conduct has been cited as necessary for supporting front-line staff and equipping them to be adequately prepared for any situation.

4. Learning: Analyse complaints and their outcomes to improve systems and processes

The guiding principles for learning from complaints are sound record keeping, monitoring of trends, a continuous improvement outlook and integration of complaints data into agency business practice.

- Agencies are aware of the limitations of some existing electronic complaints management systems for recording and reporting purposes and are seeking upgrades to enable improved management oversight.

- Most agencies reported a range of practical outcomes in detailing how their assessments of complaint handling practices have helped improve their CMS to date.

- Use of standardised key performance indicators for complaint handling is not widespread across agencies - with a mix of methods used. Almost half of the survey group relied solely on the national standard complaint resolution benchmark of 28 days - as distinct from systems data reporting to monitor complaint performance.

5. Guidance: Develop policies and procedures to guide staff in the management of complaints

The guiding principles for the development of policies and procedures for the management of complaints are clarity of purpose and availability of direction to the public.

With regard to *DPC Circular 039* and the Australian/NZ Standard:

- All agencies have in place a CMS. However, there is less evidence to suggest that each CMS conforms to the principles in the Australian/New Zealand Standard: *Guidelines for Complaint Management in Organizations* (AS/NZS10002: 2014).

With regard to the *DPC Circular PC013* on agency annual reporting:

- All 13 agencies reported compliance with the policy directive.

- 12 agencies provided annual reports in the required format. One agency was unable to provide a report due to their short time of existence.

- 11 agencies published summaries of the complaints they received across departments. These were recorded by subject and/or issue.

DPC CIRCULAR 039 – COMPLAINT MANAGEMENT IN THE SOUTH AUSTRALIAN PUBLIC SECTOR (Extract)

Purpose

This Department of the Premier and Cabinet (DPC) Circular requires all South Australian public sector agencies to establish and maintain an effective complaint management system (CMS) that conforms to the principles in the Australian/New Zealand Standard: Guidelines for Complaint Management in Organizations (AS/NZS10002:2014).

Policy

All South Australian public sector agencies are required to:
- establish and maintain an effective CMS that is consistent with the principles in the Australian Standard

- ensure information on how to lodge a complaint is easily accessible to staff and the public on the agency website and at service locations

- inform complainants about their right to refer unresolved complaints to an appropriate external body such as the Ombudsman

- report the number and type of complaints received each year, as per section 3.22 of DPC Circular 13: Annual Reporting Requirements.

Adherence to the Australian Standard will ensure all agencies have in place a CMS that:

> - informs citizens about their right to complain about a service and what to expect if they make a complaint, including the resolution of their complaint
> - ensures complaints are handled in a fair, transparent and timely manner
> - monitors and evaluates the handling of complaints to inform service improvements.

The Australian Standard offers guidance on implementing consistent requirements for complaint handling. However, it is expected that each agency will develop and implement a CMS that is 'fit for purpose', and consistent with its governance, structure, culture and modes of service delivery.

Issue date: July 2015   Review date: July 2018

SUMMARY OF RECOMMENDATIONS – 2014 *Ombudsman SA audit of state government agencies' complaint handling.*

The following recommendations are made in the body of the report. They are directed at achieving change in complaint handling practices across agencies, and aim to:
- address administrative deficiencies
- guide agencies to implement changes that can improve their administrative processes
- achieve system reform in the area of public contact
- ensure compliance with the recognised Australian Standard
- improve the delivery of services
- improve the standard of public administration in South Australia.

Complaint handling standards and benchmarks

RECOMMENDATION 1

That the state government issue a Department of the Premier and Cabinet Circular requiring all agencies to have in place a complaint management system that conforms to the principles of the Australian Standard on Complaints Handling. The Circular could be modelled on the approach adopted by the Public Sector Commission of Western Australia (Circular Number 2009-27).

Complaint handling policies and procedures

RECOMMENDATION 2

That all state government agencies have an agency-wide complaints management policy in place by 31 March 2015. The policy should be:
- focussed on complaints from members of the public about the agency
- consistent with the current Australian Standard
- succinct and written in plain language
- accessible to people from non-English speaking backgrounds
- published on the agency website
- linked to sub-agency policies and procedures for particular services, where appropriate
- subject to 'fit for purpose' criteria relevant to the agency's business diversity.

Agencies should encourage their sub-agencies and reporting statutory authorities with a public interface to prepare their own complaint handling policy and/or procedure.

Public reporting standards for agency complaints

RECOMMENDATION 3

That the state government issue an update to the Department of the Premier and Cabinet Circular PC013 – Annual Reporting Requirements 2014 to incorporate annual reporting of complaints from members of the public. This should be included as a Mandatory Reporting Item in agency annual reports, and indicate the extent and main features of consumer complaints and any services improved or changed as a result of complaints or consumer suggestions made.

Making apologies count

RECOMMENDATION 4

That the state government consider amendment to the *Civil Liability Act 1936* to clarify that the provisions afford full legal protection to an apology made by any party. Ideally, the legislation should specifically provide that an apology does not constitute an admission of liability, and will not be relevant to a determination of fault or liability in connection with civil liability of any kind. Furthermore, the amendment should state that evidence of such an apology is not admissible in court as evidence of fault or liability. In conjunction with this, agencies should also consider creating policies regarding apologies.

Ongoing review of agency complaint handling systems

RECOMMENDATION 5

That, commencing by 1 July 2015, the Senior Management Council of agency Chief Executives conduct an annual assessment of agency complaint management systems. The assessment should ensure ongoing compliance with the Department of the Premier and Cabinet Circular on complaints management and annual reporting requirements. It should also be seen as an opportunity for agencies to share information and learning on significant complaint handling experiences and resource allocation issues.

APPENDIX M [Extract from AS/NZS 10002:2004]

CONTINUAL MONITORING

(Informative)

M1   GENERAL

This Appendix is a generic guide for effective and efficient continual monitoring of the complaint management process. The approach adopted should be appropriate to the type and size of the organization.

M2   MANAGEMENT RESPONSIBILITY

It is vital to ensure that those responsible for continual monitoring and reporting on the performance of the complaint management process and for taking corrective actions are competent for this role.

The following are some of the types of responsibilities that can be considered:

(a)   Senior management should

(i)   define the continual monitoring objectives

(ii)   define the continual monitoring responsibilities

(iii) conduct reviews of the continual monitoring process; and

(iv)   ensure that improvements are implemented.

(b)   The complaint handling management representative should

(i)   establish a process of performance monitoring, evaluation and reporting; and

(ii)   report to top management on the performance revealed during the complaint management process reviews, so that all necessary improvements can be made.

(c)   Other managers involved in the complaint should ensure that

(i)   adequate continual monitoring of the complaint management process is undertaken and recorded within their area of responsibility;

(ii)   corrective action is taken and recorded within their area of responsibility; and

(iii) adequate complaint management data are available for the top management review of the monitoring process within their area of responsibility.

M3   PERFORMANCE MEASUREMENT AND MONITORING

M3.1   General

The organization should assess and continually monitor the performance of the complaint management process using a set of predetermined criteria.

Organizational processes and products differ widely, as do the performance-monitoring criteria appropriate to them. Organizations should develop performance monitoring criteria relevant to their particular circumstances. Examples are given in Paragraph M3.2.

M3.2   Performance-monitoring criteria

Examples of criteria that may be considered and included when monitoring the performance of the complaint management process include

(a)   whether a complaint management policy and objectives have been established, maintained and made appropriately available;

(b)   staff perception of the top management commitment to complaint management;

(c)   whether responsibilities for complaint management have been appropriately assigned;

(d)   whether staff in contact with complainants are authorized to resolve a complaint on the spot;

(e)   whether discretionary limits concerning responses have been set for staff in contact with complainants

(f)   whether staff specialized in complaint management have been appointed;

(g)   the proportion of staff trained in complaint management who are in contact with complainants;

(h)   the effectiveness and efficiency of complaint management training;

(i)   the number of suggestions from staff to improve complaint management;

(j)   attitude of staff to complaint management;

(k)   frequency of complaint management audits or management reviews;

(l)   time taken to implement recommendations from complaint management audits or management reviews;

(m)   time taken to respond to complainants;

(n)   degree of complainant satisfaction; and

(o)   effectiveness and efficiency of the required corrective and preventive action processes, when appropriate.

M3.3   Monitoring data

The monitoring of data is important since it provided a direct indicator of complaint management performance. Monitoring data may include the number of proportions of

(a)   complaints received;

(b)   complaints resolved at the point at which they are made;

(c)   complaints incorrectly prioritized;

(d)   complaints acknowledged after agreed time;

(e)   complaints resolved after agreed time;

(f)   complaints referred to external methods of resolution;

(g)   repeat complaints or recurrent problems that have been complained about; and

(h)   improvements in procedures due to complaint.

Careful attention should be exercised in data interpretation because

(i)   objective data, such as response times, might show how well the process is working but might not provide information about complainant satisfaction; and

(ii)   an increase in the number of complaints after the introduction of a new complaint management process might reflect an effective process rather than a poor product.