





**PUBLIC TRUSTEE
AND GUARDIAN**

**ANNUAL REPORT
2016-17**



CONTACTING THE PUBLIC TRUSTEE AND GUARDIAN

Enquiries about this publication should be directed to:

Public Trustee and Guardian	Andrew Taylor
Office Address	Ground Floor 221 London Circuit CANBERRA CITY ACT 2601
Postal Address	PO Box 221 CIVIC SQUARE ACT 2608
Telephone	(02) 6207 9800
Facsimile	(02) 6207 9811
Web	www.ptg.act.gov.au
Email	ptg@act.gov.au
Hours	9.00am – 4.30pm Mon–Fri

This Annual Report is published on the Public Trustee and Guardian (PTG) website at www.ptg.act.gov.au.

© Copyright Public Trustee and Guardian for the ACT
All rights reserved. Apart from any use as permitted under the *Copyright Act 1968*, no part of this publication may be produced, stored in a retrieval system or transmitted, in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without written permission of the publisher.

Produced for PTG by –
Erica Bossell Graphic Design

ENGLISH	If you need interpreting help, telephone:
ARABIC	إذا احتجت لمساعدة في الترجمة الشفوية ، إتصل برقم الهاتف :
CHINESE	如果你需要传译员的帮助，请打电话：
CROATIAN	Ako trebate pomoć tumača telefonirajte:
GREEK	Αν χρειάζεστε διερμηνέα τηλεφωνήστε στο
ITALIAN	Se avete bisogno di un interprete, telefonate al numero:
PERSIAN	اگر به ترجمه شفاهی احتیاج دارید به این شماره تلفن کنید:
PORTUGUESE	Se você precisar da ajuda de um intérprete, telefone:
SERBIAN	Ako vam je potrebna pomoć prevodioca telefoniрајте:
SPANISH	Si necesita la asistencia de un intérprete, llame al:
TURKISH	Tercümana ihtiyacınız varsa lütfen telefon ediniz:
VIETNAMESE	Nếu bạn cần một người thông-ngôn hãy gọi điện-thoại:

TRANSLATING AND INTERPRETING SERVICE

131 450

Canberra and District - 24 hours a day, 7 days a week

CONTENTS

A. TRANSMITTAL CERTIFICATE	1
TRANSMITTAL CERTIFICATE	2
PUBLIC TRUSTEE AND GUARDIAN FOREWORD	3
B. ORGANISATION OVERVIEW AND PERFORMANCE	7
B.1 ORGANISATIONAL OVERVIEW	8
Key Performance Indicators	12
B.2 PERFORMANCE ANALYSIS	20
B.3 SCRUTINY	40
B.4 RISK MANAGEMENT	44
B.5 INTERNAL AUDIT	46
B.6 FRAUD PREVENTION	47
B.7 WORK HEALTH AND SAFETY	49
B.8 HUMAN RESOURCE MANAGEMENT	51
B.9 ECOLOGICALLY SUSTAINABLE DEVELOPMENT	56
C. FINANCIAL MANAGEMENT REPORTING	59
C.1 FINANCIAL MANAGEMENT ANALYSIS	60
C.2 FINANCIAL STATEMENTS	70
C.3 CAPITAL WORKS	70
C.4 ASSET MANAGEMENT	70
C.5 GOVERNMENT CONTRACTING	71
C.6 STATEMENT OF PERFORMANCE	72
D. NOTICES OF NON COMPLIANCE	73
PART 4 – DIRECTORATE AND PUBLIC BODY SPECIFIC ANNUAL REPORT REQUIREMENTS	75
PART 5 – WHOLE OF GOVERNMENT ANNUAL REPORTING	79
N. COMMUNITY ENGAGEMENT AND SUPPORT	81
O. JUSTICE AND COMMUNITY SAFETY	87
O.1 BUSHFIRE RISK MANAGEMENT	88
O.2 FREEDOM OF INFORMATION	88
O.3 HUMAN RIGHTS	90

O.4	LEGAL SERVICES DIRECTIONS	91
P.	PUBLIC SECTOR STANDARDS AND WORKFORCE PROFILE	93
P.1	CULTURE AND BEHAVIOUR	94
P.2	PUBLIC INTEREST DISCLOSURE	94
P.3	WORKFORCE PROFILE	94
Q.	TERRITORY RECORDS	97
	ANNEXURE – FINANCIAL STATEMENTS	99
	ANNEXURE – INSERTED REPORTS	123
	PUBLIC TRUSTEE AND GUARDIAN INVESTMENT BOARD	124
	OFFICIAL VISITORS BOARD	128
	INDEXES AND GLOSSARIES	135
	ALPHABETICAL INDEX	136
	GLOSSARY OF ABBREVIATIONS AND ACRONYMS	138
	GLOSSARY OF TECHNICAL TERMS	139

[illegible]

TRANSMITTAL CERTIFICATE



PUBLIC TRUSTEE AND GUARDIAN

ABN 45 801 644 305

When Replying
Please Quote: AJT

Telephone: (02) 6207 9800
Facsimile: (02) 6207 9811

5 October 2017

Mr Gordon Ramsay MLA
Attorney General
ACT Legislative Assembly
London Circuit
CANBERRA ACT 2601

Dear Attorney General

I am pleased to present the Annual Report for the Public Trustee and Guardian for the ACT for the year ended 30 June 2017.

This Report has been prepared under Section 7(2) of the *Annual Reports (Government Agencies) Act 2004* and in accordance with the requirements under the Annual Report Directions. It has been prepared in conformity with other legislation applicable to the preparation of the Annual Report by the Public Trustee and Guardian for the ACT.

I certify that the attached Annual Report and the information provided for whole of government reporting, is an honest and accurate account and that all material information on the operations of the Public Trustee and Guardian for the ACT has been included for the period 1 July 2016 to 30 June 2017.

I also hereby certify that fraud prevention has been managed in accordance with Public Sector Management Standards, Part 2.

S.13 of the *Annual Reports (Government Agencies) Act 2004* requires that you cause a copy of the Report to be laid before the Legislative Assembly within 15 weeks of the end of the reporting year.

Yours sincerely

Andrew Taylor
Public Trustee and Guardian

**WILLS • ESTATES • TRUSTS • GUARDIANSHIP • FINANCIAL MANAGEMENT •
POWERS OF ATTORNEY**

PO Box 221 Civic Square ACT 2608
221 London Circuit Canberra ACT 2601
Web: www.ptg.act.gov.au Email: ptg@act.gov.au

PUBLIC TRUSTEE AND GUARDIAN FOREWORD



I am pleased to present the 2016–17 Annual Report for the Public Trustee and Guardian for the ACT (PTG).

This report deals with PTG's first full year of operation following its establishment on 1 April 2016. PTG is an independent Territory Authority incorporating the functions of the former Public Trustee for the ACT and the Guardianship function of the former Public Advocate of the ACT.

In his foreword to a book published during the year *The Creation of Trust*, by Craig Dent, CEO State Trustees Victoria, The Hon Peter Garrett AM encapsulated the evolving role of a Public Trustee (and Guardian).

It is the Public Trustee (and Guardian) that has the role of helping the less well-off and incapacitated manage the complexities of decision-making in a world where financial security is paramount. Likewise it is the Public Trustee (and Guardian) who acts – past the grave as it were – for those who die without leaving a will, and without anyone able to act on their behalf.....intended to secure the interests of every person irrespective of means or capacity – with its strong emphasis on universal human rights.

In an increasingly complex world where people live longer and where there is a legitimate expectation that the state will exercise a duty of care for the needs of the less fortunate, the Public Trustee (and Guardian) must evolve and discharge its responsibilities on a wider scale than ever before.

In preparing this report it is also useful to reflect on the words of the former Attorney-General, Mr Simon Corbell MLA, in his announcement on 9 February 2016 of the government's intention to establish the Public Trustee and Guardian:

The Public Guardian functions will be merged into the Public Trustee, to deliver joined up management services for vulnerable Canberrans and a more holistic perspective to inform decisions about how best to protect a vulnerable person's wishes and their best interests.

The restructure will allow as much funding as possible to be directed to front-line service delivery to support the most vulnerable people in our community rather than towards the management and administration of the rights protection offices.

This Bill represents an opportunity for renewal and reinvigoration of these important rights protection services. Consolidating the offices will future proof these agencies to deal with increased demand but will also open up new ways of serving the Canberra community:

The aims and intent of the restructure as envisaged by Government have shaped the administration of PTG during the reported year.

PTG's establishment, shortly before the commencement of the reporting year, offered a timely opportunity to address a number of legacy issues that commonly arise during the merger of different business units into new agencies.

These issues included:

- Vision, mission, values and culture
- Efficient and effective organisational structure
- Modern and aligned business processes
- Job design and classifications that reflect actual responsibilities
- IT infrastructure
- Accommodation.

These are being addressed through the Business Transformation Project. A number of strategic imperatives are driving the requirement for change.

These include:

- Establishing a productive and sustainable merged agency
- Identifying efficiencies in organisational structure and business processes
- Identifying opportunities to provide sustainability
- Identifying and mitigating risks to sustainability e.g. workloads
- Establishing and developing a strong business and workforce culture
- Ensuring classifications address job design, responsibilities, succession planning
- Further development of key areas e.g. Taxation, Property
- Ensuring IT infrastructure is optimised
- Establishing Guardianship and Management as separate, cooperative units.

PTG expects that the bulk of the Business Transformation Project will be completed within 2017–18.

In the 2017 Justice and Community Safety Directorate (JACS) Director-General Awards, PTG received an award for Business Partnership recognising the commitment and successful delivery on the Government's vision for joined up guardianship and management services for vulnerable Canberrans. PTG was also recognised as a finalist in the 2017 ACT Public Service Awards.

This recognition is a pleasing indicator of PTG's early success in achieving the Government's aims and is an important acknowledgement of the difficult, but valued work, that PTG undertakes in people's lives.

Before the Standing Committee on Justice and Community Safety on 7 March 2017, I was specifically asked how PTG had reduced the number of persons (from 240 to 160) it was appointed to represent as Guardian under orders of the ACT Civil and Administrative Tribunal (ACAT). My response was subsequently misreported in the media as "ACT Guardian Office slashes the number of people it looks after."

The reality is that the social intention behind the Guardianship scheme, as a form of substitute decision-making, is that PTG may only be appointed as Guardian as a last resort and that the appointment of an individual is to be the default.

The *Public Trustee and Guardian Act 1985* provides that, where PTG is appointed as Guardian or Manager of last resort, the Public Trustee and Guardian, must endeavour to find a suitable person (individual) to be appointed as Guardian or Manager.

Upon assuming the role of Guardianship, the Public Trustee and Guardian examined and reconciled the numbers of persons it was appointed as Guardian for and through a review process in ACAT, the numbers were reduced by 40%.

Feedback from clients through our continuous rolling customer survey reflects a satisfaction index of 91%.

PTG published two editions of its newsletter, *Going Public*, in September 2016 (Guardianship) and in April 2017 (Taxation). The August 2017 edition will highlight Investment/Funds Management.

PTG had a strong community outreach agenda during the year, presenting to 16 community groups; attending a range of events, such as Seniors Week Expo; and offering free forums during Seniors and Wills Weeks.

I acknowledge the leadership and support of the Director-General, JACS, Deputy Director-General JACS (Justice), members of PTG's Investment Board, members of the Official Visitors Board, members of the GreaterGood Board, PTG's independent Internal Audit Committee Chair, Roger Broughton, and ministerial staff.

As Public Trustee and Guardian I have the privilege and satisfaction of working with a group of people whose determination, compassion and energy are fundamental to good outcomes in our community.

Andrew Taylor
PUBLIC TRUSTEE AND GUARDIAN





B ORGANISATION OVERVIEW AND PERFORMANCE



B.1 ORGANISATIONAL OVERVIEW

VISION, MISSION AND VALUES

VISION

- Protection and support of rights, choices, security and justice for all persons in the ACT community.

MISSION

Safeguard, manage and uphold the personal, legal and financial interests of clients by:

- Building and fostering trust in the delivery of our services
- Connecting with clients, the community and stakeholders in service delivery
- Promoting our products/services and those of the ACT Civil and Administrative Tribunal
- Providing a respectful and professional service within a human rights framework.

VALUES

- Excellence: we foster a culture of excellence in the delivery of our services.
- Openness: we demonstrate honesty, integrity, compassion and inclusion when delivering our services.
- Innovation: we challenge ourselves to seek new and improved work practices.
- Collaboration: we work through interaction and support in partnerships.
- Teamwork: we work together with respect, valuing staff expertise, professionalism and commitment.

ROLE, FUNCTIONS AND SERVICES

Established under the *Public Trustee and Guardian Act 1985*, PTG is an independent statutory office responsible for:

- Acting as Manager/Guardian under appointment by the ACT Civil and Administrative Tribunal (ACAT)
- Making wills (where PTG is appointed as executor)
- Administering deceased estates under will or intestacy
- Drafting, and acting as attorney, under Enduring Power of Attorney (EPA)
- Acting as trustee for trusts created in wills, deeds and court orders for families, infants and people with disabilities
- Examining accounts maintained by external managers on behalf of people with impaired decision-making ability
- Administering the ACT Official Visitor Scheme.

PTG acts as agent for the Territory in the provision of the following services:

- Receiving, managing and disposing of assets forfeited under the *Confiscation of Criminal Assets Act 2003*
- Administering moneys declared unclaimed under the *Unclaimed Money Act 1950*
- *Legal Practitioners Act 2006* and *Agents Act 2003* including receiving moneys, processing claims and investing funds
- Investing moneys held in specified government trust funds.

ORGANISATIONAL STRUCTURE, ENVIRONMENT AND PLANNING FRAMEWORK

Structure

The Public Trustee and Guardian is a Senior Executive in the Justice and Community Safety Directorate (JACS).

Each of PTG's four business units – Guardianship, Financial Management Services, Wills/Estates/Trusts and Finance – is headed by a Deputy Public Trustee and Guardian.

An Office Services Unit provides governance, HR, training and facilities management support to the office. During the year, the Investment/Funds Management Unit was merged with the Finance Unit.

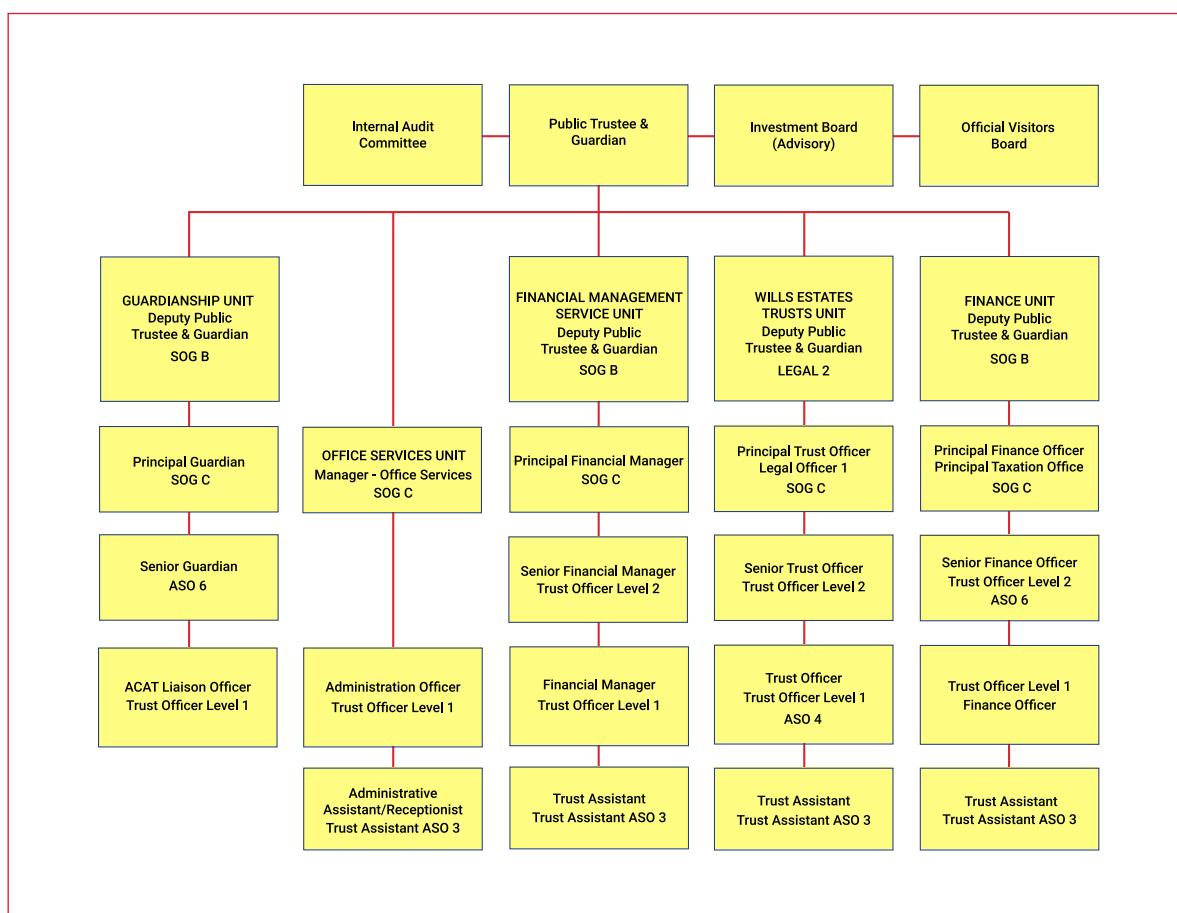
PTG's Investment Board is a statutory board established under the *Public Trustee and Guardian Act 1985* to provide investment advice to the Public Trustee and Guardian. The Board comprises the Public Trustee and Guardian as ex officio Senior Member and at least two external members appointed by the Minister on an honorary basis. Three members are currently appointed with a fourth in the course of appointment. During the reported year, the appointments of Christine Goode and Tom Babic expired, Dr Jill Charker was appointed and Patrick McAuliffe was reappointed.

PTG's (Internal) Audit Committee comprises a number of business unit representatives and is independently chaired by Mr Roger Broughton, former Executive Director, Investment and Economics, ACT Chief Minister Treasury and Economic Development Directorate. The committee operates under a charter and is assisted by an external contract auditor.

PTG entered into a memorandum of understanding (MOU) with the Director-General, JACS in 2016 to define roles and responsibilities between PTG and JACS, having regard to the statutory independence of the office of the PTG.

PTG's administrative structure is set out in the organisation chart below.

Organisation Chart



PTG prepares a business plan each financial year. This business plan provides a strategic outlook over the financial year.

Organisational Environment

PTG is a corporation sole with perpetual succession. Under s. 55 of the *Financial Management Act 1996*, the Public Trustee and Guardian has some responsibilities as Chief Executive Officer of a Territory Authority.

The Public Trustee and Guardian is responsible for PTG's governance and has responsibility for the following Boards:

- Senior Member, Public Trustee and Guardian Investment Board in respect to investment/fund management matters
- Chair, Official Visitors Board, responsible for providing administrative support to Official Visitors
- Trustee, GreaterGood–The Capital Region Community Foundation Board.

The Public Trustee and Guardian reports to the Deputy Director-General-Justice JACS and has financial management responsibilities to ACT Treasury, Chief Minister, Treasury and Economic Development Directorate (CMTEDD). In respect to statutory

trust activities, estate administration, management and guardianship, PTG has autonomy and independence.

PTG prepares its own annual report under the *Annual Reports (Government Agencies) Directions 2017*.

PTG delivers services across a broader and more diverse suite of responsibilities than its peer state/territory agencies. These include guardianship, unclaimed money, uncollected goods, management of government trust funds, confiscated criminal assets, GreaterGood (The Capital Region Community Foundation) as well as administration of the ACT Official Visitor Scheme.

PTG has a strong organisational relationship with a number of JACS agencies and works closely with JACS in matters of common interest, including policy and legislative development.

Planning Framework and Direction Setting

PTG's Senior Leadership Group meets fortnightly and is the strategic planning body. PTG's Personal Achievement and Development Plans (PADP) are closely aligned with business plan strategies and set the direction for the staff learning and development program.

During 2016–17 PTG's Business Transformation Project commenced a review of the structure of the office as well as a review of all positions and classifications under the guidance of an external facilitator.

PTG has had a strong staff succession plan, which has resulted in the development of well-qualified staff capable of competing for advancement.

As a member of the JACS Executive Communication Forum (JEC), PTG participates in the strategic planning and management of the JACS Directorate along with other JACS agency heads. PTG is well-represented in JACS activities including the JACS Reconciliation Action Plan Working Group.

As Senior Member of PTG's Investment Board, the Public Trustee and Guardian is responsible for overseeing investment strategy as well as establishing and reviewing policy in respect to funds management. During the reported year a comprehensive 5-year review of investment strategy was conducted by PricewaterhouseCoopers (PwC).

The Public Trustee and Guardian is trustee for GreaterGood, a community charitable foundation, and is responsible for the administration and development of the foundation, appointment of board members and strategic direction.

As Chair of the ACT Official Visitors Board, the Public Trustee and Guardian, along with board members, is responsible for the appointment, training and administration of the Official Visitor Scheme. This ensures ongoing oversight and reporting to the Attorney-General in respect to corrections, mental health, disability, homelessness and children and young people. Strategically, PTG relies upon advice from operational directorates

in identifying areas of increased demand. At the close of the year PTG had partnered with JACS Legislation Policy and Projects to review the Official Visitor Scheme.

Summary of Performance

A significant indicator of PTG's performance is the performance of its investment common funds. This is covered more fully under "Funds Management" in Section B.2 of this report.

PTG's performance is measured by its Strategic and Accountability Indicators. These indicators were modified following agreement by the Treasurer and Attorney-General in the lead up to the 2016–17 budget estimates process.

Revenue

Total revenue for the period ending 30 June 2017 was \$7,345,009. This is \$363,009 higher than the 2016–17 budget estimate of \$6,982,000 and an increase of \$998,987 compared to the 2015–16 year. The increase in income is due to higher income from management fees resulting from increased investment funds and higher commissions resulting from higher numbers/value of real estate sales.

Expenses

Total expenses for the period ending 30 June 2017 were \$6,782,608 of which \$5,136,376, or 74% was employee-related (including superannuation) and 24% related to supplies and services. Total expenses were \$132,608 higher than the 2016–17 original budget estimate of \$6,650,000 for the corresponding period. By comparison, actual expenses for 2015–16 were \$5,988,803.

PERFORMANCE INDICATORS

Key Performance Indicators

Performance of the PTG is measured by the increase in volume of new business, which includes PTG's ability to meet agreed standards and provide professional and efficient services to the ACT community.

Indicator	Original Target 2016–17	Actual Outcome 2016–17	Variance %	Notes
Number of current guardianship orders made under the <i>Guardianship and Management of Property Act 1991</i> (GMPA) by ACAT	515	198	(62)	1
Number of current financial management orders made under the GMPA by ACAT	515	473	(8)	2

Indicator	Original Target 2016–17	Actual Outcome 2016–17	Variance %	Notes
Number of active financial management accounts under EPA	51	37	(27)	3
Number of responses to community call outs following death	3	17	467	4
Number of welfare funerals arranged	5	17	240	5
Number of examinations of accounts provided from external managers under the GMPA	496	568	15	6
Number of deceased estate administrations completed < \$100,000	41	24	(41)	7
Number of deceased estate administrations completed > \$100,000	43	45	5	
Number of trusts held under legal disability < \$100,000	345	340	(1)	
Number of trusts held under legal disability > \$100,000	56	59	5	
Wills	630	549	(13)	8
Enduring Power of Attorney	220	209	(5)	
Percentage of expenditure over total income	88%	92%	5	

The above Statement of Performance should be read in conjunction with the accompanying notes.

Notes – Explanation of material variance (+/-5%)

1. The target of 515 for 2016–17 was an error in the budget. The correct figure should have been 150. The increase relates to ongoing reviews of existing orders under which PTG was appointed as Guardian as well as new appointments where a willing, capable and proximate individual was unable to be found.
2. The number of persons for whom PTG was appointed as Manager during 2016-17 were less than anticipated due to a strong working relationship with ACAT under which appointments of PTG are only made as a last resort and individuals are identified to take the place of PTG on hearing and review.
3. The number of active EPAs is lower than expected. This is due to a number of factors including:
 - A higher than expected number of EPAs being revoked
 - A higher than expected number of EPAs being replaced with an Order appointing an individual or the PTG as Manager by ACAT
 - The death of the person appointing PTG as Attorney
 - A lower than expected number of persons who EPA were activated through loss of capacity to make decisions.

4. The number of callouts is entirely reactive to ACT Policing contacting PTG. There were more than expected callouts in 2016–17.
5. This is dependent upon the person's (or their family's) ability to pay for their own funeral. A higher than expected number of welfare funerals were arranged by PTG in 2016–17.
6. The ratio of appointments of individuals to PTG as Manager has changed over the last year from 50:50 to 60:40. This results in an increase in Managers appointed externally providing for an increase in the number of client financial records presented for examination. Therefore a higher than expected number of examinations were performed in 2016–17.
7. Estates in this category have decreased due to the number of estates having a value of \$100,000 or less being administered by the PTG is less than expected. This resulted in lower than expected actual number of estates completed in 2016–17.
8. The lower than expected number of wills prepared results from PTG's higher pricing charges over the past two years that provided for a higher cost where PTG was not appointed as immediate executor and increasing the seniors subsidy threshold to 65 years and above for a free will.

Assessment of Community Engagement

PTG has significantly increased its community engagement through its public presentations/forums program. At 31 March 2017, PTG had presented at 16 community forums, reaching 948 persons across its Will/Estates/Financial Management and Guardianship responsibilities.

PTG's continuous customer survey helps to measure customer satisfaction, identify unhappy customers and find potential advocates for our business.

The survey is printed on a reply-paid post basis. The survey was re-designed at the beginning of the reported year to include feedback about our Guardianship services.

Clients are surveyed about a range of issues, including:

- Contact/accessibility
- Responsiveness
- Respect/Dignity
- Knowledge of subject
- Professionalism.

Respondents were also asked whether they would recommend PTG to others in the community.

The Public Trustee and Guardian responds to any survey response where the level of service has been found to fall short of expectations or includes a complaint.

During the reported year 131 clients responded to our survey with 91% of clients reporting that PTG met or exceeded their expectations, against 89% reported for the same period last year. Of all clients surveyed, 57% responded that PTG exceeded their expectations, 33% felt that PTG met their expectations, 7% did not provide a rating and 2% of respondents found PTG below expectation.

Assessment of Performance Against 2016–17 Objectives

PTG pools client funds for investment through its common funds operated under the *Public Trustee and Guardian Act 1985* and currently administers the Cash Common Fund, Australian Equities Common Fund, Australian Fixed Interest Common Fund, Australian Listed Property Trust Common Fund and International Equities Common Fund. At the time of this report, the PTG Investment Board was considering recommendations from PTG's asset/markets consultant PwC to amend its investment strategy.

Outlook and Priorities

- Implement the requirements of the *Public Trustee and Guardian Act 1985*, by establishing the Office of Public Trustee and Guardian. This will be achieved by organisational restructure, functional revision, accommodation changes and budgetary adjustments. A Business Transformation Project is underway with the assistance of an ACT contractor, Yellow Edge. As a result, a restructure of the office has resulted in the merger of two business units.
- Implement efficiencies through the merger. This will continue to be achieved through the absorption of the Guardianship function into existing administrative and governance structures. During the year common positions of ACT Civil and Administrative Tribunal (ACAT) delegate and Tribunal Liaison Officer were reached resulting in a lower number of senior staff attending ACAT hearings. A restructure of the office resulted in the merger of the Investment/Funds Management Unit with the Finance Unit.
- Raise awareness in the community of the role of the PTG, including developing and undertaking a range of presentations and information seminars that highlight the importance of estate planning, including a well-drafted will and EPA and what happens in the event of incapacity. This is being achieved through the new website, fact sheets, seminars, forums and newsletters. PTG has amended its website to include a "Start Making Your Will Now..." module along with a video and an online appointment request form. This has proven to be highly successful in attracting new Will clients.
- Promote efficiencies through new technologies. PTG recently implemented a major upgrade of its trust management business system. PTG's Business Transformation Strategy incorporates a program of ICT enhancements. These include reviewing the TAS Public Trustee's Client Management System for possible acquisition as well as the NSW Trustee and Guardian OWLS Will drafting software. PTG has also completed and implemented an Unclaimed Money claims and payments system through Access Canberra. An ICT Project Manager was engaged on 22 May 2017 to manage the completion of the ICT component of the Business Transformation Strategy.
- Participate in industry forums to identify and implement best practice. This will be achieved through close cooperation with state/territory Trustee and Guardian agencies as well as through membership of industry representative organisations such as the Australian Guardianship and Administration Council

(AGAC). PTG will also work closely with ACAT in establishing practice that achieves efficient processes under the *Guardianship and Management of Property Act 1991*. A new collaborative forum between PTG and ACAT has been implemented in order to identify and implement better practice. PTG is also working closely with peer state/territory agencies in a response to the NDIA on Transport Hub Funding.

INTERNAL ACCOUNTABILITY

Executive/Senior Leadership Group

During 2016–17, as part of PTG’s Business Transformation Project, the number of business units was rationalised by merging the Investment/Funds Management Unit with the Finance Unit. In the process, one position of Director/Deputy Public Trustee and Guardian (SOG B) was abolished. At the date of this report, the classification of PTG’s Director/Deputy Public Trustee and Guardian positions was being reviewed.

PTG’s Management Committee was re-named ‘PTG Senior Leadership Group’ to better reflect its role in establishing and reflecting ‘tone from the top’.



Gregory Burn, Kathryn Toy, Andrew Taylor (Public Trustee and Guardian), Joanne Thompson, Christina Thompson

ANDREW TAYLOR

Public Trustee and Guardian

Andrew Taylor is an Executive in the ACT Public Service and was appointed to the statutory office of PTG on 1 April 2016 following previous appointments as both Public Trustee for the ACT and as Public Advocate of the ACT. The statutory office of PTG has responsibilities as guardian and manager as well as a traditional trustee role in addition to administrative and financial responsibilities as an ACT Government Executive.

Mr Taylor is Senior Member of PTG's Investment Board, Trustee for GreaterGood (The Capital Region Community Foundation) and Chair of the Official Visitors Board.

Upon the incorporation of the Australian Guardianship and Administration Council during 2016–17 as a company limited by guarantee, the Public Trustee and Guardian assumed a role as an ex officio director of AGAC.

The Public Trustee and Guardian's executive responsibilities are to:

- Lead and improve service delivery
- Effectively allocate budget, planning and resources
- Deliver best practice policies, practices and procedures
- Ensure case management strategies meet the needs of clients and stakeholders
- Ensure a high performance culture
- Generate efficiencies.

CHRISTINA THOMPSON

Director, Guardianship (Deputy Public Trustee and Guardian)

Christina Thompson was appointed as Director, Guardianship Unit in 2016 and has completed her first full year in that capacity. Christina was previously employed with the Public Advocate of the ACT for over nine years during which she established the role of Senior Advocate, Mental Health and Forensic. As a Senior Psychologist with extensive clinical and forensic experience, Christina joined PTG following an eight-month secondment to ACT's Mental Health, Justice Health and Alcohol and Drug Services where she undertook a major service reform project.

JOANNE THOMPSON

Director, Finance (Deputy Public Trustee and Guardian)

Joanne Thompson was appointed as Director, Finance Unit in 2006 and has 26 years' experience with PTG and, prior to that, was employed in the superannuation industry. Joanne manages all PTG accounting functions including office management, government trust accounts, investment/funds management, taxation, property and has responsibility for financial reporting. She is also responsible for administering PTG's Cash Common Fund and to ensure maximum return on cash investments.

During the reported year, David Stenhouse and Callum Hughes managed the Investment/Funds Management Unit until its merger with the Finance Unit, abolishing the position of Director, Investment/Funds Management Unit. The merger of the two

units has now successfully been completed resulting in significant efficiencies and structural alignment for PTG.

KATHRYN TOY

Director, Financial Management Services (Deputy Public Trustee and Guardian)

Kathryn Toy was appointed as Director, Financial Management Services in 2014. Kathryn trained as a nurse at The Canberra Hospital and joined PTG from the private sector. She has extensive experience in business management, administration and financial management and has overall responsibility for the financial and property affairs of represented clients both under order of the ACAT and under EPA.

GREGORY BURN

Director, Wills/Estates/Trusts (Deputy Public Trustee and Guardian)

Gregory Burn was appointed as Director, Wills/Estates/Trusts Unit in 2015. Gregory was previously appointed as Senior Legal Officer – Wills at NSW Trustee and Guardian. Prior to that he was a sole practitioner in his own legal practice. Gregory has extensive experience in Wills and estates and is responsible for the preparation of Wills and Enduring Powers of Attorney, administration of deceased estates as executor or administrator and the administration of trusts including Confiscated Criminal Assets. Gregory is a Practising Solicitor in NSW and ACT.

REMUNERATION

Remuneration for the position of Public Trustee and Guardian is as an ACT Government Executive in accordance with a Determination of the ACT Remuneration Tribunal. PTG staff are remunerated under the *JACS Enterprise Agreement – Administrative & Related Classifications 2013–2017*, with the exception of two legal officers who are covered by the *ACT Public Sector Legal Professionals Enterprise Agreement 2013–17*.

PUBLIC TRUSTEE AND GUARDIAN INVESTMENT BOARD

PTG's Investment Board was established under the *Public Trustee and Guardian Act 1925* and advises the Public Trustee and Guardian on investment matters and strategy. The Board has no governance responsibilities and does not provide advice to the Minister.

A full report on meetings of PTG's Investment Board is provided as an annexure to this report.

The composition of the Board is established in accordance with the *Public Trustee and Guardian Act 1985* and comprised the following persons during the reported period:

- Andrew Taylor – Public Trustee and Guardian for the ACT (Senior Member)

- Thach Huynh – (Member)
- Patrick McAuliffe – (Member)
- Dr Jill Charker – (Member)
- Caroline Spencer – (Member).

PTG's Director, Finance Unit and Principal Investment Officer attend Board meetings.

INTERNAL AUDIT COMMITTEE

PTG's Internal Audit Committee, headed by independent Chair, Mr Roger Broughton, manages and reviews all aspects of risk to PTG. The Committee has representation by all business units. An external auditor undertakes audits on an ad hoc basis.

PUBLIC TRUSTEE AND GUARDIAN SENIOR LEADERSHIP GROUP

PTG's Senior Leadership Group is an internal governance forum focussing on:

- Overall governance responsibility
- Implementing PTG's strategic/business plans
- Resource management.

OFFICIAL VISITORS BOARD

The composition of the Official Visitors Board is determined by the *Official Visitor Act 2012*. At 30 June 2017, the Board comprised:

- Andrew Taylor – Public Trustee and Guardian for the ACT (ex officio Chair)
- Jodie Griffiths-Cook – Public Advocate of the ACT and Commissioner for Children and Young People, ACT Human Rights Commission (Member)
- Shannon Pickles – Official Visitor (Mental Health), nominated by official visitors as representative (Member)
- Narelle Hargreaves OAM – Official Visitor (Children and Young People/Disability) nominated by official visitors as representative (Member).

The Board is a representative panel whose function is to:

- Co-ordinate arrangements for the appointment of official visitors
- Arrange training for official visitors
- Facilitate interactions between official visitors
- Arrange for the provision of administrative assistance to official visitors
- Exercise any other function given to it under the Act or another Territory law.

The Board has no role in determining or overseeing the functions of official visitors. The Board meets concerns around independence and support while allowing official visitors to be largely self-determining.

A full report on the Official Visitors Board is provided as an annexure to this report.

B.2 PERFORMANCE ANALYSIS

PTG continues to be well placed to provide quality and value in services to the community in the medium to long term and will continue to provide its services at minimal cost. The Community Service Obligation (CSO) grant of \$503,000 (indexed annually) to assist the needy in the community to access our services continues to be highly subsidised by PTG's commercial undertakings. CSOs have traditionally been considered an essential service and are critically important in ensuring those services are provided to lower income and/or socially disadvantaged groups.

FUNDS MANAGEMENT

Funds Management/Investment continues to be the cornerstone of PTG's business undertakings. PTG currently operates five asset sector statutory common funds to accommodate varied client investment requirements. PTG's investment strategy provides investment clients with income, growth and security through diversification. During the reported year, PTG commissioned a scheduled 5-yearly review of its investment strategy through PTG's asset/markets consultant, PwC.

At 30 June 2017, PTG had funds under management of \$373,122M. Client funds are invested through PTG's common funds in accordance with the 'Prudent Person Investment Principle' under the *Trustee Act 1925*. PTG's investment strategy and risk profiles enable tailored investment portfolios providing clients potential for a mix of capital growth, income returns and tax effectiveness. Client (non-government) moneys held in these funds were \$193.32M in 2016–17 compared to \$173.28M in 2015–16. The *Public Trustee and Guardian Act 1985* permits PTG to take advantage of tax benefits accruing to trust clients by investing funds into superannuation where appropriate. PTG's investment strategy and risk profiles enable tailored investment portfolios providing clients potential for a mix of capital growth, income returns and tax effectiveness. Client (non-government) moneys held in these funds were \$179.8M in 2016–17 compared to \$180.6M in 2015–16.

Common Funds

Performance in the five asset sector Common Funds during the reported year is as follows:

Cash Common Fund

PTG's internally managed cash funds are invested in a range of bank and non-bank financial institution deposits, notes and bills of exchange. Interest returns vary with the market cash rate. At 30 June 2017, the interest rate was 1.55% (down from 1.90% at 30 June 2016) and the fund size was \$104.60M, up from \$79.92M held at the end of the previous year. The cash rate was reduced by the Reserve Bank of Australia in May 2016 and again in August 2016, as a result the rate being passed on to clients, has been decreasing over the year as long-term securities mature are subsequently invested at a lower rate.

Australian Equities Common Fund

An externally managed portfolio of Australian stocks. Funds under investment were \$34.41M compared to \$35.35M at 30 June 2016.

International Equities Common Fund

An externally managed portfolio of non-Australian stocks. The total of funds under investment was \$15.32M compared to \$15.95M at 30 June 2016.

Australian Fixed Interest Common Fund

An externally managed portfolio of corporate and government bonds and floating rate notes. The total of funds under investment was \$31.16M compared to \$33.34M at 30 June 2016.

Australian Listed Property Trust Common Fund

An externally managed property security fund invested in listed property trusts across retail, industrial and commercial sectors. The total of funds under investment was \$7.65M compared to \$8.72M at 30 June 2016.

The table below indicates comparative performance of the Australian equities, fixed Interest, listed property, international and cash common funds over time. (Figures reflect market conditions outside of the control of the Public Trustee and Guardian.)

Comparative Performance of Common Funds

Performance period to 30/06/17	3 Months	6 Months	1 Year	3 Years	5 Years	10 Years	Inception
Australian Equities Common Fund	-0.75	3.10	13.58	7.21	11.58	3.29	6.58
Fixed Interest Common Fund	0.80	1.70	-1.90	2.89	3.30	5.04	4.88
Listed Property Trusts Common Fund	-3.11	-3.52	-6.81	10.44	12.84	-1.23	4.63
International Equities Common Fund	11.17	22.10	24.74	12.64	16.72	N.A.	9.06
Cash Common Fund	0.39	0.80	1.70	2.02	2.50	3.74	4.06

INVESTMENT STRATEGY

Investment Strategy is guided by PTG's Investment Board. PTG's external asset/markets consultant, PwC, prepares annual reports and recommendations to the Board, in accordance with recommended objectives. The strategy is designed to maximise investment performance and overall return for a client's investment portfolio and is reviewed on a 5-yearly basis.

During the reported year PTG's Investment Board recommended that an external review be undertaken of PTG's internal management of its Cash Common Fund.

PwC was contracted to conduct the review and presented a report in February 2017. The recommendations contained in the review are currently being implemented.

PwC reported that the Cash Common Fund (before PTG fee adjustments) has performed well over the past seven years, outperforming the Bloomberg AusBond Bank Bill Index and other \$1 Unit Valuation funds in all quarters. PTG's Cash Common Fund has outperformed most of the enhanced cash products listed above over the 1, 3 and 5 year periods. The rolling return has started to fall in recent periods, which is likely to be due to the lower interest rate environment.

The cost incurred by PTG in running the Common Fund (around 0.04%) is also lower than would likely be paid for these funds (typically 0.10% or more). The level of risk and volatility of returns of these products are similar to the PTG Common Fund given the exposure to predominantly higher rated government or bank cash instruments and term deposits, with limited interest rate and credit risk.

A number of changes to the Cash Common Fund recommended by PwC designed to maintain performance and reduce risk have since been implemented including:

- Retain staggered maturity dates ensuring regular cash flows
- Allocation of up to 40% to any individual ADI rated 'AA' or above
- Maintaining a 25% maximum weighting to any individual ADI rated less than 'AA'
- Maintaining a minimum rating of 'BBB'
- Increase in the maximum duration from 180 days to 365 days as appropriate.

Objectives

PTG's investment objectives are particularly useful for:

- Setting investment strategy
- Giving clients some idea of what to expect from their investment
- Assessing the performance of the portfolio in achieving its investment goals.

The following issues are considered in setting investment objectives:

- Level of dependence upon investment income for day-to-day living expenses
- Risk of loss objectives reflecting the likelihood of the portfolio losing money in a year
- Targets for a total return reflecting both income and capital growth.

Risk Models

The Common Funds act as vehicles for the investment of client funds in asset allocations that reflect individual risk profiles. PTG operates four risk models where

clients with compatible risk profiles are grouped for investment in asset allocations designed to address their needs.

Growth Model Portfolio

The Growth Model seeks to achieve long-term returns in excess of inflation. Allocation to Australian Equities provides greater potential for growth, plus potential taxation benefits of franked dividends. Performance for the year after fees was 8.95%.

Balanced Model Portfolio

The Balanced Model seeks to provide a balance between return and volatility. It is suitable for medium term trusts, or those with a mix of income and capital needs for beneficiaries. Performance after fees for the year was 6.50%.

Conservative Model Portfolio

The Conservative Model seeks to provide income return with moderate volatility plus potential for some growth to protect the real value of the trust. It is suitable for trusts with income needs, short terms and conservative risk profiles. Performance return after fees for the reported year was 2.21%.

Capital Stable Model Portfolio

Accounts requiring capital stability are invested through the Cash Common Fund, providing market interest return on daily balances with funds available at call. The Cash Common Fund is suitable for cash balances and trusts of uncertain term. The fund returned an average of 1.70% during the year and closed at 1.55%.

Comparative Performance of Risk Models

Performance period to 30/06/17	3 Months	6 Months	1 Year	3 Years	5 Years	10 Years	Inception
Capital Secure Risk Profile	0.39	0.80	1.70	2.02	2.50	3.74	4.06
Conservative Risk Profile	-.08	1.29	2.21	4.56	6.08	4.39	5.60
Balanced Risk Profile	1.67	4.72	6.50	6.10	8.31	4.64	6.35
Growth Risk Profile	1.82	5.57	8.95	7.44	10.33	4.39	6.71

SERVICES TO GOVERNMENT

Government Trust Moneys

By instrument under the *Financial Management Act 1996*, all trust money and other non-public money managed by ACT Government directorates is required to be invested with PTG.

Government funds held at 30 June 2017 amounted to \$179,801,381.18 compared to \$180.6M at 30 June 2016 in respect to the following accounts:

- ACT Civil and Administrative Tribunal
- ACT Health
- ACT Health Ethics Committee
- ACT Procurement Solutions
- ACT Planning and Land Authority
- Agents Act Consumer Compensation
- Canberra Cemeteries
- Confiscated Assets Trust Fund
- Default Insurance Fund – Uninsured Employer Fund
- Default Insurance Fund – Collapsed Insurer Fund
- Motor Vehicle Dealers Compensation Fund
- Office of the Nominal Defendant of the ACT
- Residential Rental Bonds Trust Account
- Uncollected Goods Trust Account.

Funds held in these accounts are invested in a range of securities, including bank bills and financial institution deposits managed internally as well as through PTG's Australian Fixed Interest Index Common Fund. The circumstances of each account are reviewed regularly and investment strategies established according to individual risk profiles, objectives, income needs and relevant legislation.

These funds are not invested in Australian or International Equities and are not at risk of unethical investment.

Criminal Assets

The *Confiscation of Criminal Assets Act 2003* (COCA Act) authorises the confiscation of the proceeds of crime and other criminal assets. PTG's statutory role is limited to administering assets restrained under the Act. Forfeited assets are secured, sold and moneys realised are deposited into the Confiscated Assets Trust (CAT) Fund.

Under the COCA Act, the Minister must, at least once in each financial year, decide the amount of distributable funds available for payment from the CAT Fund.

PTG deposited moneys into the CAT Fund as follows:

- 27 July 2016 \$101,907.88
- 6 January 2017 \$307,306.78
- 27 June 2017 \$309,253.10

This represents a total of \$718,467.76, compared with \$317,752.84 in 2015–16.

Funds were derived from confiscated cash and the sale of four properties, 11 confiscated motor vehicles, a boat and a motorcycle. Variations in the amount deposited from one year to another reflect the number and value of forfeiture orders made in a year.

Uncollected Goods

The *Uncollected Goods Act 1996* provides for the surrender of goods, or proceeds of disposed goods, that were lost or abandoned in public places or on unleased Territory land.

At 30 June 2017, there was a total of \$1,250,364.91 in the Uncollected Goods Trust Account. The Uncollected Goods Trust Account is held by JACS and maintained by PTG. A separate account holding \$171,276.33 was held by PTG at 30 June 2016. The two accounts have now been merged.

Unclaimed Money

At 30 June 2017, PTG held \$32,775,830.92 in unclaimed money compared to \$30,852,753.33 at 30 June 2016.

During the reported year:

- 38 lodgements were received for a total of \$3,298,539.39 compared to 45 for a total of \$6,145,654.25 the previous year.
- 2,806 claims for a total of \$756,167.77 were received and paid compared to 2,239 for a total of \$1,427,508.78 for the previous year.
- The average claim for 2016–17 was \$269.48 compared to \$637.57 for 2015–16.
- 249 individual fees were charged for a total of \$18,153.09 compared to 351 individual fees for a total of \$25,230.00 for 2015–16.

Income of \$944,195.58 from the investment of unclaimed moneys was identified to be paid soon after PTG's 2016–17 end of year audit. It has been PTG practice in previous years to pay interest following the end of year audit but prior to the end of the next financial year. PTG's revised practice will be to pay the interest accrued in a financial year directly after audit. Accordingly, the following income from investment of unclaimed moneys will be transferred –

- 2015–16 financial year \$467,523.82
- 2016–17 financial year \$476,671.76

At 30 June 2017, no unclaimed estate money was paid to the Territory under Schedule 6, Part 6.2, Item 4 of the *Administration and Probate Act 1929*.

Cemeteries and Crematoria Trusts

PTG is trustee of the Perpetual Care Trusts under the *Cemeteries and Crematoria Act 2003* (the Act). The Perpetual Care Trusts are charitable trusts, kept in respect to each cemetery and crematorium, for the maintenance of grounds, monuments and infrastructure. Each cemetery or crematorium operator is required to deposit a specified percentage of their receipts into the fund to be held in trust and invested through the common funds.

At 30 June 2017, a total of \$7.63M in deposits was held compared to \$7.02M at 30 June 2016.

Deposits to Perpetual Care Trust

Cemetery/ Crematorium	Deposits to date (all) (\$)	Withdrawals to date (all) (\$)	Net Income to date (all) (\$)	Net Growth on Investments (\$)	Balance as at 30/06/2017 (\$)
Gungahlin Cemetery	3,872,405	3,871,834	20,809	(430)	20,949
Gungahlin Cemetery Reserve	1,318,043	113,401	127,078	97,729	1,429,449
Hall Cemetery	97,960	124,387	13,579	12,888	39
Hall Cemetery Reserve	273,158	-	20,836	4,389	298,384
Woden Cemetery	4,150,159	4,661,525	431,980	111,936	32,551
Woden Cemetery Reserve	4,325,565	-	379,567	313,763	5,018,895
Woden Mausoleum	481,578	258,801	22,645	-	245,422
Woden Mausoleum Reserve	996,258	427,869	74,981	66,009	709,378
Norwood Park Reserve	87,916	-	27,038	5,936	120,891

PRODUCTS AND SERVICES

Wills

During the reported year, 549 wills were completed, compared with 596 in the previous year. The variation resulted from a deliberate move to stem the cost of preparing

wills where PTG was not appointed as primary executor. Will preparation is a loss leader in economic terms with the true cost being recovered through the eventual administration of the estate. There is an appreciable cost associated with preparation of wills where PTG is not the ultimate executor. Will numbers have declined in the past two years resulting from a deliberate attempt to recover costs by charging a higher fee where PTG was not appointed as primary executor. PTG had also previously raised the seniors subsidy to age 65 and over, at which a free will is provided. This has been addressed in 2017–18 by establishing a policy that PTG will only prepare a Will where appointed as executor or as alternate executor to a spouse/partner. The seniors subsidy has been dropped back to 60 years and over.

Estates

Sixty-nine estates were finalised during the year with an estimated value of \$43,372,954.42, compared to 101 at \$34,817,214.60 for the previous year. During the reported period PTG finalised four matters under the Executor Assist service.

Whilst the number of completed estates is down on forecast and on the previous year, the number of estates on hand is significant indicating that whilst clearance rates were lower than expected, estates in this category are more complex and taxation issues are protracted. There were 135 estates on hand at 30 June 2017 suggesting that whilst completions are down, the number of persons appointing PTG as executor is not declining.

Trusts

PTG acts as trustee, manager or receiver of funds for those unable to manage their funds. The number of trusts administered during the year was 399 compared to 394 for the previous year. The value of trusts under administration at 30 June 2017 was \$88,449,870.38. This is entirely reflective of appointments made by the ACT Supreme and Magistrates Courts.

Enduring Powers of Attorney (EPA)

The number of EPAs under active management by PTG has decreased from 44 last year to 37 this year. There has been significant marketing of EPAs during the reported year through newspaper editorials and seminars. Declining numbers of appointments of PTG as attorney suggests people in the community are either appointing individuals to act as their attorney or, more likely, refraining from doing so altogether in favour of an order of the ACAT appointing a Guardian/Manager.

Financial Management

PTG undertakes a statutory role as Manager for financial and property matters under appointment by ACAT under the *Guardianship and Management of Property Act 1991*.

PTG's responsibilities as Manager include protecting the financial and property interests of adult persons in the community who have impaired decision-making ability or who lack the capacity to manage their own financial affairs.

PTG is generally appointed as Manager in approximately 40% of cases. At 30 June 2017, PTG was appointed as Manager for 473 persons compared with 484 persons at 30 June 2016. This is reflective of the consideration given by ACAT, at the time or making orders, to the concept of supported decision-making.

Section 19C of the *Public Trustee and Guardian Act 1985* provides that, where PTG is appointed as Guardian or Manager, the Public Trustee and Guardian must endeavour to find a suitable person (individual) to be appointed in their place. PTG works closely with ACAT to ensure that PTG is appointed as a last resort, preferring individuals wherever possible.

Taxation Services

PTG has been a registered tax agent since 1986, providing specialist taxation services incidental to estate, trust and individual income tax return activities.

PTG prepared and lodged 1,364 income tax returns in 2016–17 compared to 1,543 in 2015–16. Income tax returns are lodged with the Australian Taxation Office (ATO) substantially in electronic form, and in paper form where appropriate, throughout the financial year.

Revenue from Taxation Services has decreased by 12% from \$180,030.93 to \$157,664.97. The number of tax returns lodged in the 2016–17 financial year was lower due to a decrease in the number of deceased estates finalised (approx. 14.8%) and due to outsourcing tax returns to registered tax agents during extremely busy tax periods. The decrease was also due to PTG's application to the ATO for a Private Ruling in a number of returns as well as an increase in the number of complex tax matters on hand.

PTG outsourced a total of 95 returns for PTG clients to tax providers from PTG's panel of providers. These returns were largely in respect to deceased estate matters allowing the office to finalise a number of estate administrations.

Property Services

PTG completed 34 property settlements during 2016–17 compared to 30 in 2015–16. The total value of property conveyed was \$16,551,000.00 compared to \$15,570,629.00 in 2015–16. During the year, PTG had 65 properties under management and PTG's Property Officer made 42 property visits. PTG's property sales attract an average agent's commission of 1.72% using 15 different real estate firms. All real estate agents used are subject to PTG's Code of Conduct for Service Providers.

During the reported year, PTG expanded its Property Unit by the addition of a further position in advance of the planned move of all property management matters to the Property Unit, creating further separation in this activity between Trust Officers and client property matters.

Guardianship

Statistics

At 30 June 2017, there were 164 active appointments of PTG as Guardian by ACAT under the Guardianship and *Management of Property Act 1991* (this does not include EPA appointments). It is useful to note that, during the reporting period, of the 198 orders (both ACAT and EPA) appointing PTG as Guardian, approximately 83% of orders (ACAT and EPA) also appointed PTG as Financial Manager.

Responsibilities

PTG's responsibilities as Guardian include:

- representing the best interests of people with impaired decision-making ability where PTG is appointed as Guardian by ACAT under the *Guardianship and Management of Property Act 1991*
- finding a suitable person to be appointed as Guardian for a person with impaired decision-making ability, where appointed as Guardian, under s.19C of the *Public Trustee and Guardian Act 1985*.

Background to Merger

Guardianship became a function of PTG in November 2015. The aim of government was to achieve conjoined financial management/guardianship services for vulnerable Canberrans and a more holistic perspective to inform decisions about how best to protect a vulnerable person's wishes and their best interests.

PTG's Guardianship Unit is committed to building strong relationships with stakeholders, increasing public awareness of the role of guardianship and educating the community about the need for all people to prepare and maintain an up-to-date enduring power of attorney.

Progress Since Merger

There have been significant improvements to client experiences due to the co-location of the Financial Management Services Unit with the Guardianship Unit. Both units work closely to achieve a more streamlined interaction with mutual clients. For example, where previously a person was a client of the Public Advocate for guardianship services as well as the Public Trustee for financial management services, they would need to meet separately with each office. PTG conducts joint visits with both guardian and financial management staff attending a single meeting for the person. This is effective in terms of resources, but also represents a less intrusive and less restrictive experience for the person. Additionally, it reduces the barriers to collaboration and normalises decisions for the individual, in the same way that any other individual would make a decision about their lifestyle having due consideration to their finances (e.g. planning a holiday).

The success of the collaboration between the two units was recognised during the reporting period by the Guardianship Unit and Financial Management Services Unit winning the 2017 Director-General's Award for Business Partnership as well as recognition in the 2017 ACT Public Service Awards.

Since separation from the Public Advocate, the Guardianship Unit has faced several changes to the processes and practices under which statutory guardianship can be enacted. Most notably, and pleasingly, there is no longer any reference to best-interests decision-making in guardianship previously required under the now repealed *Public Advocate Act 2005* and not replicated in the *Public Trustee and Guardian Act 1985*. Additionally, the *Guardianship and Management of Property Act 1991* does not reference best interests. The removal of best interests is in keeping with the need for Australia to comply, as a signatory to the United Nations Convention on the Rights of Persons with Disabilities (UNCRPD). Article 12 requires that a person's rights, will and preferences be respected and the person's views and wishes be enacted, particularly through supported decision-making, instead of overriding the person's wishes in order to protect their 'best interests' with substitute decision-making.

Review of Guardianship Laws and Supported Decision-Making

In July 2016, the ACT Law Reform Advisory Council published a report on its review of the terms and operation of ACT's *Guardianship and Management of Property Act 1991*. The report recommended changes to ACT's substitute decision-making framework contained in the Act. PTG will continue to participate in this legislative reform and welcomes the opportunity to provide input into improvements in the way ACT supports people with impaired decision-making capacity.

In 2013, the ACT Disability, Aged and Carer Advocacy Service (ADACAS), an independent, not-for-profit, advocacy organisation undertook a trial of supported decision-making in the ACT. In response to the movement towards supported decision-making, PTG has undertaken skills training with ADACAS, as well as partnering with ADACAS to deliver presentations and training to community members and families regarding supportive and substitute decision-making. In the new reporting period, PTG will again partner with ADACAS to provide forums for private guardians and attorneys appointed under an EPA, to inform them of their role and how they can better empower the people they represent through supportive decision-making.

Mental Health Act 2015 and Guardianship

On 1 March 2016 the ACT enacted new mental health legislation, specifically to increase the opportunity for people with mental illness and their family/carers to be involved in decisions about their treatment, care and support. The Act increased the ability for people to retain control over their treatment and care through the following new provisions:

- Enshrining Advanced Consent Directions and Advanced Agreements in legislation, providing a means for people to identify how they want to be treated (or not) in the event that they become unwell

- Enabling an individual to nominate, in writing, a person who they authorise to make decisions or provide consent on their behalf should they be unable to do so due to their mental illness
- Increasing the importance on ACAT to ascertain a person's capacity to make their own decisions and greater thresholds for creating a mental health order
- Empowering a Guardian to provide substitute-consent to treatment for mental illness. This means that a person who is already under guardianship, or who is willing and compliant but does not have the capacity to provide informed consent, can be supported by a Guardian, rather than having a mental health order imposed.

This last point has ramifications for the work of PTG's Guardians as this is not an area where Guardians have previously had authority. During 2016–17, PTG has seen an increase in the number of mental health consumers being appointed as Guardian in order to provide consent for mental health treatment (please see graphs depicting the Profile of Guardianship Clients, below).

Unfortunately, this has led to an increase in people with mental illness being placed under guardianship, for no other reason, with little chance of getting off the order, due to the long-term nature of mental health treatment. PTG will isolate decision-making statistics in the new reporting period to identify the number of mental health-related decisions made.

National Disability Insurance Scheme (NDIS)

The National Disability Insurance Scheme (NDIS) presents both challenges and positive experiences for PTG's guardianship clients. Throughout the reporting period, PTG experienced significant delays of up to nine months in the process of applying for NDIS plans and funding approval. The lengthy delays were often seen during gaps between planning meetings and the plans being approved. When plans await approval, funding is not available and no (or limited) services/supports can be provided. There is a noticeable deterioration in client mental health and an increase in feelings of isolation and distress during the delay periods.

In one situation, PTG requested an urgent review due to a risk of homelessness for a young client. The risk of homelessness arose due to one service provider no longer offering accommodation and a new service provider being ready and able to take the client immediately, however the NDIA had locked the funding to the first provider. During the delay, the individual required hospitalisation which was unnecessarily extended due to the lack of alternate accommodation. Despite frequent requests from PTG for the review to be conducted urgently, it took almost two months for the National Disability Insurance Authority (NDIA) to review the plan and unlock the funding so the client could move into the new accommodation.

It was also evident in several cases, that funding provided through NDIS has been significantly reduced upon transition from Disability ACT (DACT), or during NDIS plan reviews. This includes clients not being able to live alone and receive 24/7 care (as previously funded with DACT). The NDIA adopted a policy that people living alone will not receive 24/7 support, even when this was previously provided in the former

arrangement. It is evident, through discussion with other peer Public Guardians, that this policy is being inconsistently applied throughout Australia despite it being a national scheme. As a result, in the ACT, clients have been forced into living with others, often in group home settings. This has been extremely distressing and traumatic for many clients and is a great concern for PTG. Discussions between PTG and NDIA indicate there are some innovative ways in which the allocated funding can be maximised and gaps in service provision lessened, allowing for individuals to remain in their own home. PTG is hoping to see more of this innovation in the new reporting period.

In some situations, PTG has seen a positive improvement in clients' lives when they receive formal supports or agencies involved in their lives through the NDIS. This is pleasing and PTG hopes to see the NDIS achieve more of the initial promise of more choice and control to people living with disability in the new reporting period.

Number of Appointments of PTG as Guardian and Emergency Guardian

Section 13(1)(h) of the *Public Trustee and Guardian Act 1985* and s. 9(1) of the *Guardianship and Management of Property Act 1991* enables the Public Trustee and Guardian (PTG) to act as Guardian for individuals with impaired decision-making ability. Pursuant to ss. 7 and 8 of the *Guardianship and Management of Property Act 1991*, PTG is appointed as Guardian by the ACT Civil and Administrative Tribunal (ACAT) when there is no-one else willing or suitable to take on this role, or if the willing parties are in conflict about the needs and interests of the person requiring guardianship. Substitute decisions made by a Guardian primarily relate to complex, domain-specific health and personal welfare matters such as: where a person lives and who they live with; the medical treatment they receive; the nature of the supports to be provided; and instructions in legal matters.

Section 67(1)(a) and (1)(b) of the *Guardianship and Management of Property Act 1991* enable PTG to be appointed as Emergency Guardian and/or Manager by ACAT. An emergency appointment is made when an urgent decision is required on behalf of an individual with impaired decision-making capacity and where there is no legally appointed substitute decision-maker already in place (either by an EPA, appointment of a Health Attorney or an existing guardianship order). Only PTG can be appointed as an Emergency Guardian. PTG will generally not make decisions under an Emergency Order that have long-term implications for the protected person, such as a decision about an individual's permanent accommodation.

All Guardians, whether family members or PTG, have a statutory responsibility to comply with the decision-making principles as set out in s. 4 of the *Guardianship and Management of Property Act 1991*. These include:

- Giving effect to the protected person's wishes as far as they can be ascertained
- Promoting the interests of the protected person
- Interfering with the protected person's life to the smallest extent necessary
- Encouraging the protected person to live and participate in the community as far as possible.

During the reporting period, PTG acted as Guardian for a total of 199 individuals (Guardian for 195 individuals and Emergency Guardian for 4 individuals). This figure consists of both new appointments by ACAT and ongoing appointments which are carried over from the previous reporting period (see table Guardianship Appointments).

Guardianship Appointments (PTG began operations on 1 April 2016)

Statutory Guardianship	Number	% Change	
2016–17	198	+40.1%	against previous reporting period
		-2.93%	against last full financial year (2014–15)
2015–16 (to 31 March 2016)	142	-20.5%	(however, not a full financial year)
2014–15	205	-5.9%	
2013–14	218	-1%	
2012–13	221	-12%	
2011–12	252	+9%	
2010–11	232	+30%	
2009–10	178	+21%	

The matters for which PTG is appointed Guardian of last resort are typically complex and involve working with some of the most vulnerable members of the community who may be socially isolated and/or experiencing conflict within their family. The appointment of a Guardian is determined solely by ACAT.

In line with the statutory principle of least restrictive approach, the Guardianship Unit continues to regularly review the PTGs appointment as Guardian and actively seeks, wherever possible, to either find an alternative Guardian (i.e. a family member) or to have the order revoked on the basis that no decisions have been made in the previous 12 months or the client has regained capacity. During the reporting period, the appointment of PTG as Guardian ceased for 28 individuals for the reasons set out in the following table (Reasons PTG's Appointment as Guardian Ceased.)

Reasons PTG's Appointment as Guardian Ceased

Reason for Cessation	Number of People
Client deceased	14 people
Client regained capacity	1 person
No decisions made, order revoked at the request of PTG	5 people
Matter resolved so order no longer required	3 people
Client relocated to another jurisdiction	0 people
Alternative guardian appointed	1 person
Emergency order ended (and no longer term order made)	4 people

Profile of Substitute Decisions made by PTG

During the reporting period, PTG was required to make substitute decisions on behalf of guardianship clients. Care and support decisions (e.g. access to in-home support packages, care in residential aged care facilities or matters relating to the NDIS) constituted 48% of all decisions. PTG suspects that the majority of decisions were actually NDIS related and will separate out these statistics in the new reporting period. Decisions about medical and dental treatment accounted for 12% of all decisions made, continuing to show the positive impact Health Attorney provisions has on reducing guardianship appointments (see the table below: Guardianship Decisions Made).

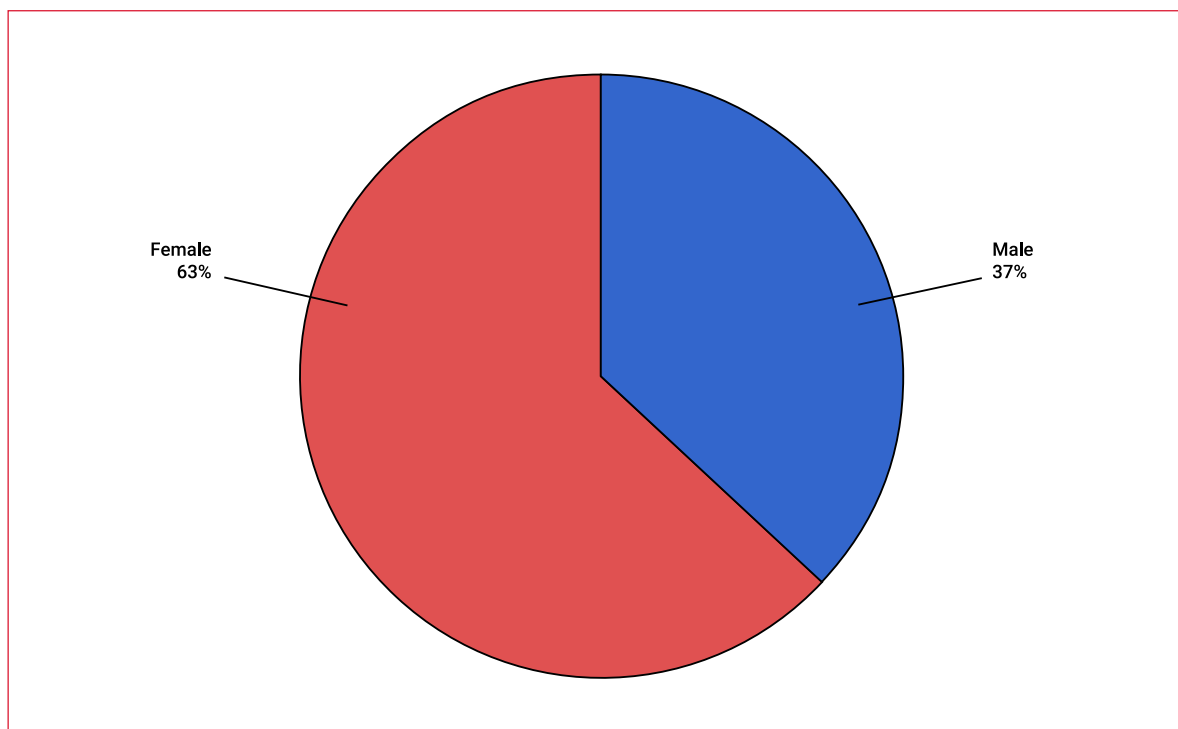
Guardianship Decisions Made

Decision Type	% of Total
Referral to Aged Care Assessment Team	0.33%
Medical and dental	12.0%
Care and support	48.0%
Exchange of information	17.0%
Accommodation	17.0%
Social	1.0%
Legal	1.0%
Training	1.0%
Employment	2.0%

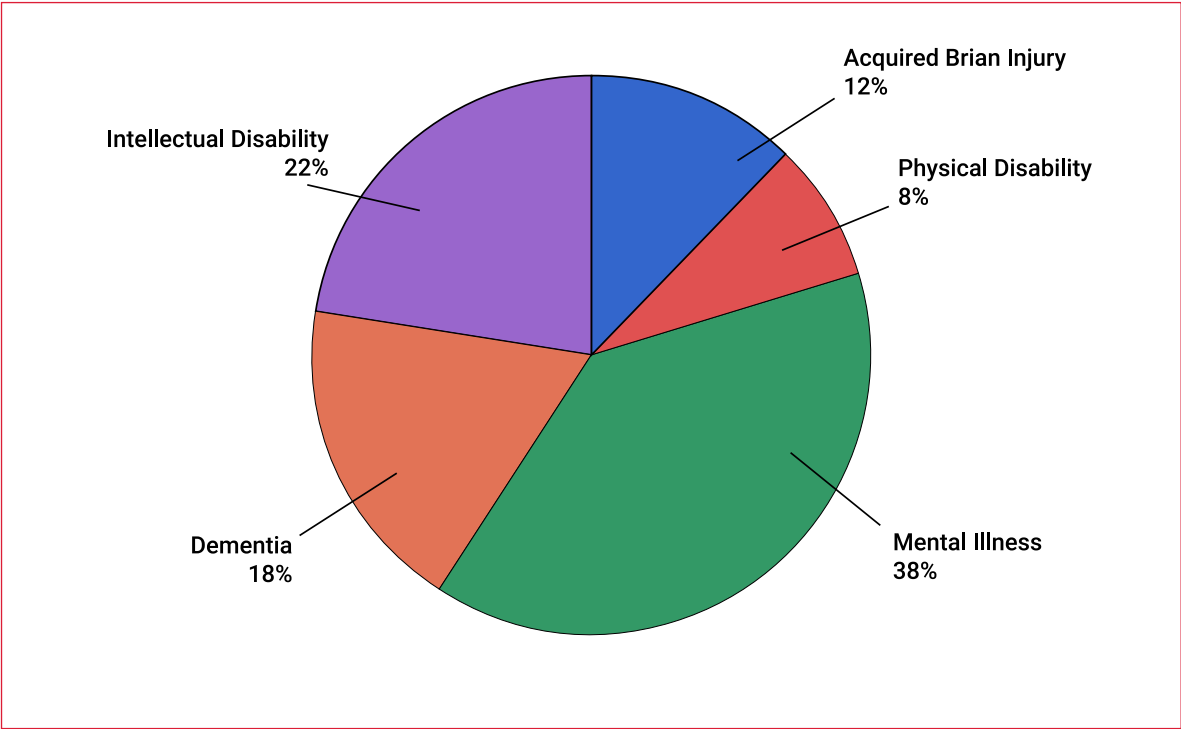
Profile of Guardianship clients

During reporting period, 63% of Guardianship clients were female (as depicted in the graph, Gender Profile of Guardianship Clients), aged between 66 and 80 years (see graph, Age Profile of Guardianship Clients), almost half of whom (43%) had a co-morbidity, most frequently mental illness and intellectual disability (see graphs, Primary Diagnosis, Secondary Diagnosis and Primary and Secondary Diagnosis).

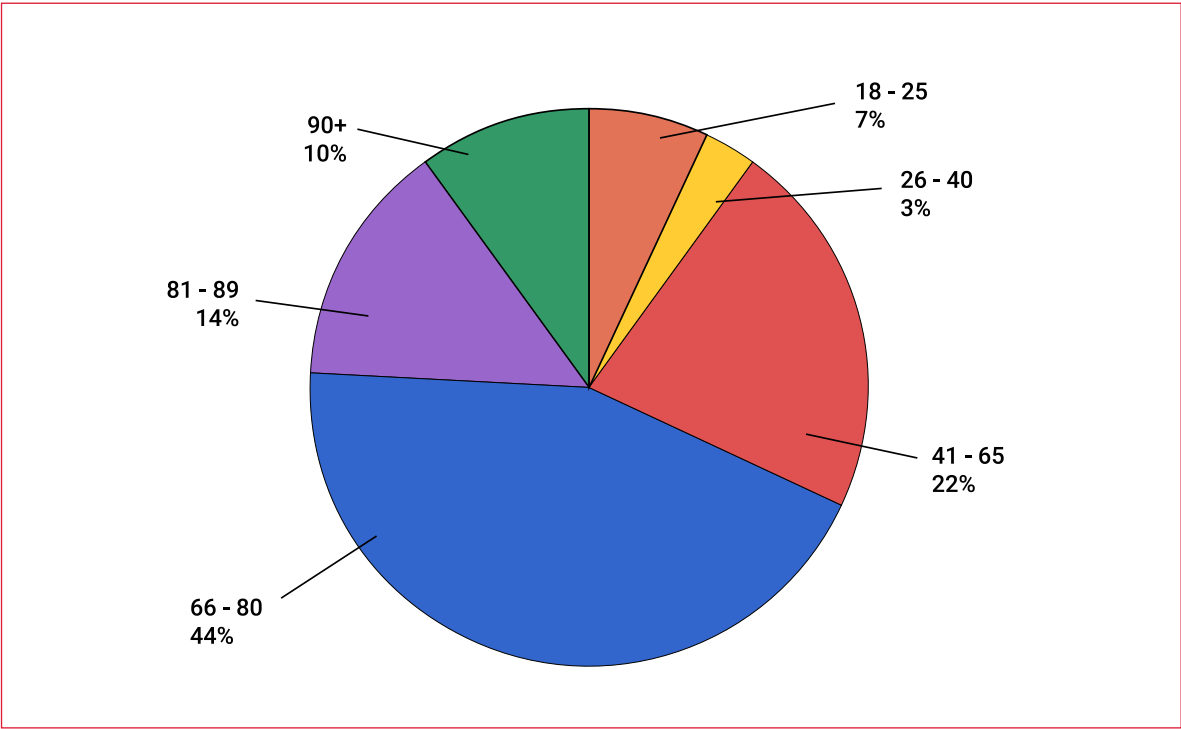
Gender Profile of Guardianship Clients



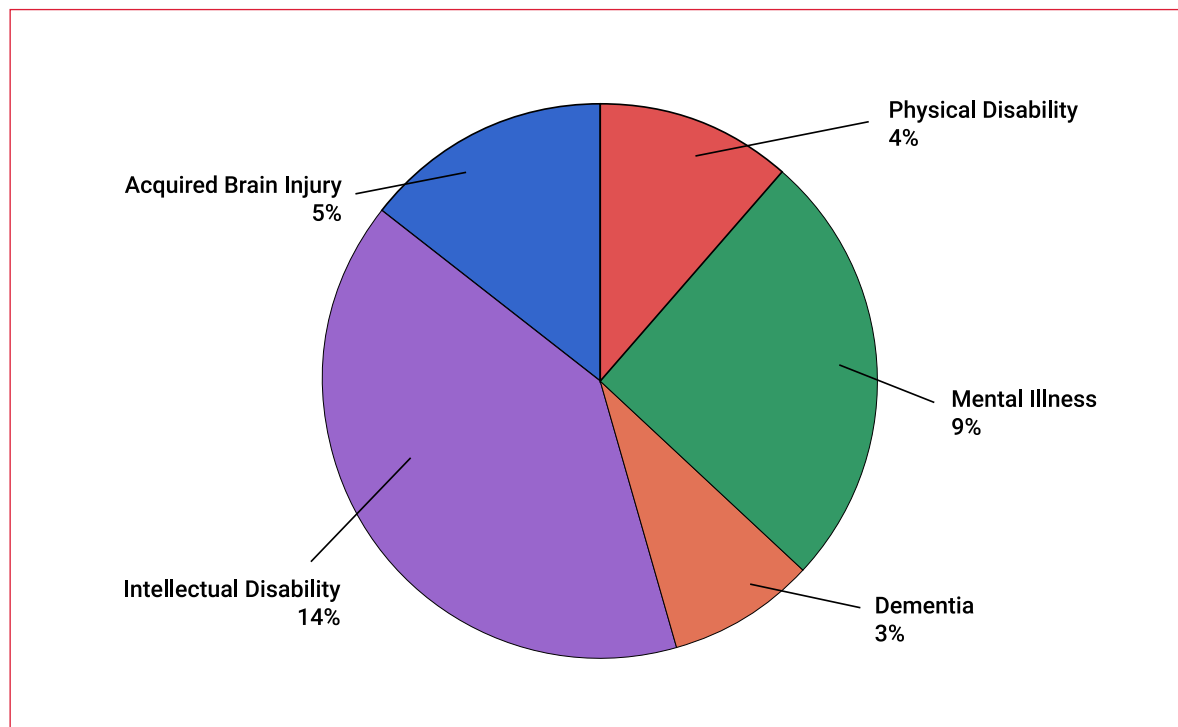
Primary Diagnosis



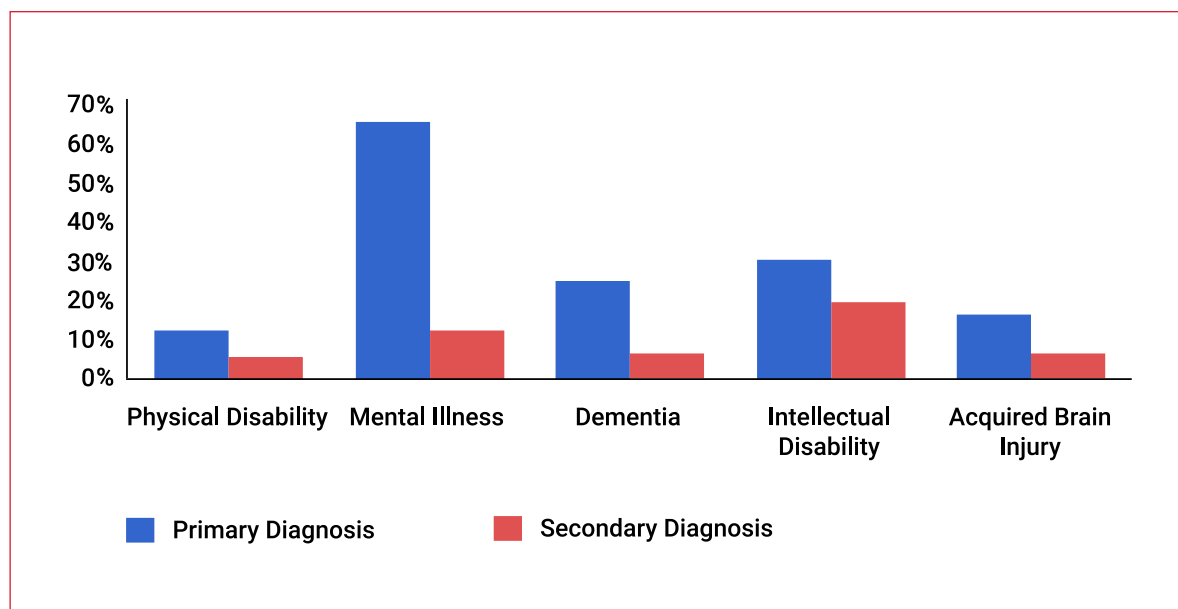
Age Profile of Guardianship Clients



Secondary Diagnosis



Primary and Secondary Diagnoses



PTG as Guardianship Attorney under an Enduring Power of Attorney

Pursuant to ss.13 and 14 of the *Powers of Attorney Act 2006*, PTG can be appointed as attorney for personal care and health care matters, when requested by an individual. During this reporting period, PTG was required to act under an EPA for

seven individuals as a consequence of them being deemed to have impaired decision-making ability. The Guardianship Unit provides similar support and service to these clients as for guardianship clients.

PTG continues to contact those individuals for whom PTG is appointed Attorney on an annual basis to ensure there are no significant changes to their circumstances.

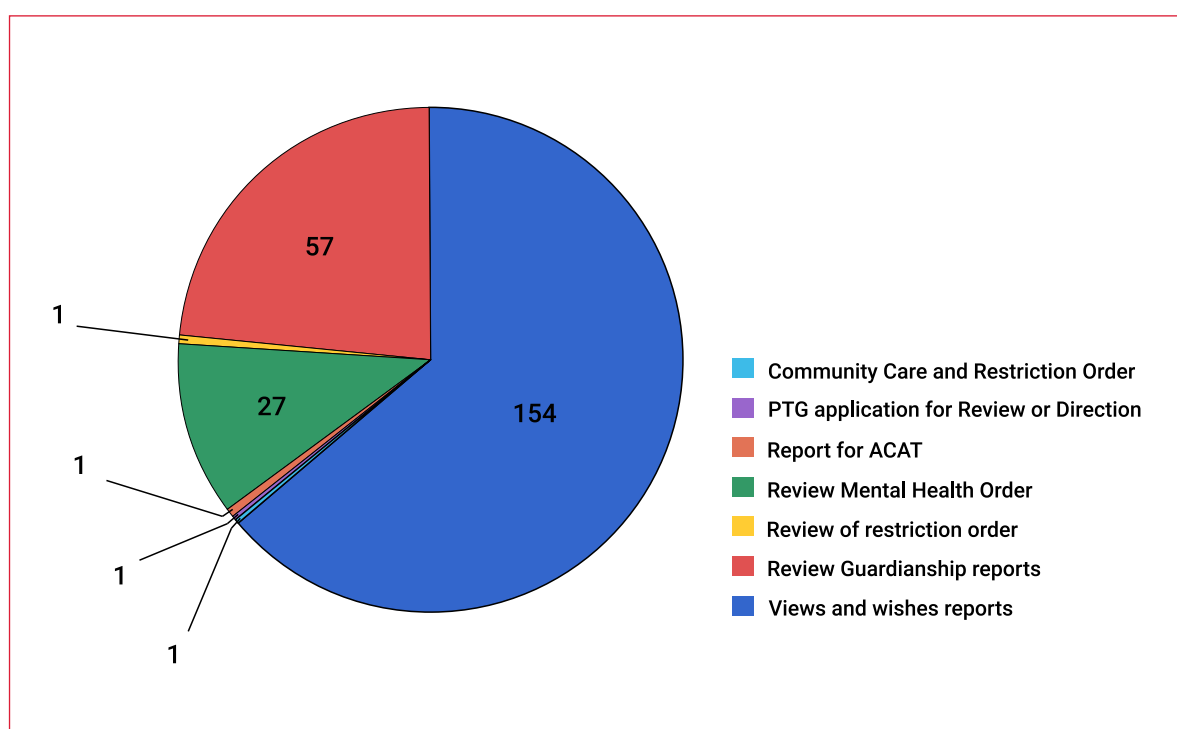
Reports for the ACT Civil and Administrative Tribunal

Section 24A of the *Public Trustee and Guardian Act 1985* requires that PTG reports to the ACT Civil and Administrative Tribunal (ACAT) on a matter before ACAT when requested by ACAT. The views and wishes of the person who is the subject of an application are of paramount importance and form the basis of the majority of reports requested by ACAT. PTG visits the person to discuss the nature and implications of the application and what is involved in having a Guardian/Manager appointed. It is not always possible to ascertain an individual's views and wishes, due to the degree of their impairment.

Particularly complex applications before ACAT may require PTG to provide a comprehensive report of the circumstances surrounding the application. This is also the case for applications for a Prescribed Medical Procedure (e.g. contraception, hysterectomy, sterilisation, or termination) and applications for Directions and Reviews.

During the reporting period PTG submitted a total of 242 reports to ACAT (see graph, Number and Type of Reports PTG provided to ACAT).

Number and Types of Reports PTG Provided to ACAT



Represent people appearing before ACAT

Section 19B(1)(a) of the *Public Trustee and Guardian Act 1985* requires that PTG represents people with a disability before Guardianship Hearings. In line with this PTG attends all ACAT hearings for guardianship and management applications.

A key role of PTG is to ensure that the views and wishes of the individual who is subject to an application are heard and considered. PTG may also assist in providing additional information to ACAT. In preparing for attendance at these hearings, PTG reviews all material submitted to ACAT in relation to applications. PTG's attendance at these hearings is time intensive, requiring at least one full Senior Guardian day per week. Increasingly, ACAT schedules additional hearing days to consider urgent or more complex matters.

In response to a recommendation from ACAT, during the reporting period, PTG trialled the role of ACAT Delegate. Previously two representatives from PTG attended all ACAT hearings, one from Financial Management Services Unit (FMSU) and one from the Guardianship Unit. ACAT raised the option of only one PTG representative attending hearings and the Guardianship Unit has assumed the role of ACAT Delegate due to the greater complexity of health, welfare and legal decisions.

In 2016–17, the Delegate attended a total of 745 hearings at ACAT for new applications and reviews of existing orders.

Comparative Table of Business Activity 2007–08 to 2016–17

Indicator	2007–08	2008–09	2009–10	2010–11	2011–12	2012–13	2013–14	2014–15	2015–16	2016–17
Guardianship Orders	-	-	-	-	-	-	-	-	142*	198
Financial Management Orders	442	432	458	473	481	486	501	509	484	473
Active EPA	69	68	67	61	56	53	48	52	44	37
Deceased Estates Admin <\$100,000	35	37	37	38	40	36	33	38	44	24
Deceased Estates Admin >\$100,000	40	33	47	63	68	55	47	62	57	45
Examinations of accounts	243	318	370	440	425	445	488	491	501	568
Trusts under legal disability <\$100,000	442	417	399	374	368	348	340	337	338	340

(*not full year)

Indicator	2007–08	2008–09	2009–10	2010–11	2011–12	2012–13	2013–14	2014–15	2015–16	2016–17
Trusts under legal disability >\$100,000	34	30	39	50	49	53	56	56	56	59
Wills	691	724	730	653	704	743	752	786	596	549
Enduring Power of Attorney	-	-	-	-	-	-	-	-	-	209*

(*not previously recorded)

Aboriginal and Torres Strait Islander Reporting

As requested in the Annual Report Hearings in respect to the 2015–16 Annual Report the following statistics were provided. PTG is only able to provide statistics on services provided to Aboriginal and Torres Strait Islander persons where the person identifies in that capacity. Difficulties exist where the source of the data provided to PTG does not identify that status.

Services provided to Aboriginal and Torres Strait Islander Persons

Service Provided	No of Persons
Wills	4 wills (no fee)
Estates	None identified
Financial Management Services	9 identified*
Guardianship	2 identified*
Trusts	None identified
Enduring Powers of Attorney	None identified
External Manager (Account Examination)	2 identified

*status not collected at source (ACAT).

B.3 SCRUTINY

OMBUDSMAN

During the year, ten approaches were made to the ACT Ombudsman. The Ombudsman finalised 9 complaints, of which, 2 were investigated. In both cases, the Ombudsman made no comment or recommendation when closing the investigation. The table below indicates the comparative number of approaches to the ACT Ombudsman between 2011 and 2017. The Ombudsman made no comment or recommendation in any of the matters reported in the past six years. Additionally at 1 April 2017, there had been no approaches to the ACT Ombudsman in respect to the provision of Wills, Estates, Powers of Attorney, Trusts, Unclaimed Money or Guardianship services.

Comparative Table of Approaches to the ACT Ombudsman

2011–12	2012–13	2013–14	2014–15	2015–16	2016–17
17	8	5	1	14	10

ACT AUDITOR-GENERAL

At 30 June 2016, on completion of the end of year audit, the Auditor-General reported the following -

Category	Previously Reported	Resolved	Partially Resolved	Not Resolved	New	Balance
Reporting	3	(1)	1	1	2	4
Governance	-	-	-	-	-	-
Internal controls	-	-	-	-	-	-
Fraud	-	-	-	-	-	-
Total	3	(1)	1	1	2	4

Previously Reported Audit Findings

Of the 3 previously reported audit findings, one was resolved, one was partially resolved and one was not resolved.

New audit findings

Two new audit findings were identified during the audits of the financial statements and review of the Public Trustee and Guardian's Statement of Performance.

1. *Variance explanations – financial statements*

The explanatory information included in the certified financial statements of the Public Trustee and Guardian submitted to the Audit Office on 26 July 2016 needed to be improved.

2. *Explanatory information – Statement of Performance*

The explanatory information included in the certified Statement of Performance submitted to the Audit Office on 10 August 2016 needed to be improved.

Auditor-General Report – Audit Management Report for the Year Ended 30 June 2016

Recommendation and Summary	Action	Status
<p>Resolved</p> <p>Since 2011–12, the Audit Office reported errors in the financial statements submitted. In 2015–16, PTG resolved this finding by ensuring that the financial statements were reviewed for errors before they were provided to the Audit Office.</p>	<p>PTG resolved this by ensuring the financial statements were reviewed before submission to the Audit Office.</p>	<p>Completed</p>
<p>Partially Resolved</p> <p>In 2011–12, the Audit Office first reported that:</p> <ul style="list-style-type: none"> An accounting system should be used to prepare the financial statements of the Trust Account and Funds The financial statements should be supported by clear and comprehensive work papers that are referenced to supporting data. <p>However, the processes used to prepare the financial statements of the Open and Gift Funds continue to be prone to errors because accounting transactions are not recorded in an accounting system.</p>	<p>The Public Trustee and Guardian partially resolved this audit finding by:</p> <ul style="list-style-type: none"> Providing adequate work papers to support the financial statements since 2012–13 Recording accounting transactions for the Trust Account in an accounting system throughout the year and used as a basis for preparing the Trust Account's financial statements in 2015–16. 	<p>Completed</p>
<p>Not Resolved</p> <p>In 2012–13, the Audit Office first reported that the explanations of variances between actual results from the budgeted and prior year results in the management discussion and analysis of the financial statements should be improved to provide readers with a better understanding of the Public Trustee's financial results.</p> <p>This audit finding was not resolved because explanations of variances included in the management discussion and analysis which accompanied the financial statements submitted for audit were poorly presented. In particular:</p> <ul style="list-style-type: none"> Explanations for variances between current and prior year results were not presented separately from explanations of variances between current year and budgeted results Some variance explanations were unclear or inconsistent with the information contained in the financial statements. 	<p>PTG has worked to improve:</p> <ul style="list-style-type: none"> Explanations for variances between current and prior year results <p>Variance</p> <ul style="list-style-type: none"> Clarify explanations and make consistent with the information contained in the financial statements. 	<p>Completed</p>

Auditor-General Report – Audit Management Report for the Year Ended 30 June 2016		
Recommendation and Summary	Action	Status
<p>New Audit Finding</p> <p>Two new audit findings were identified during the audits of the financial statements and review of the Public Trustee and Guardian's Statement of Performance:</p> <ul style="list-style-type: none"> Variance explanations – financial statements <p>The explanatory information included in the certified financial statements of the Public Trustee and Guardian submitted to the Audit Office on 26 July 2016 needed to be improved</p> <ul style="list-style-type: none"> Explanatory information – Statement of Performance <p>The explanatory information included in the certified Statement of Performance submitted to the Audit Office on 10 August 2016 needed to be improved.</p>	<p>PTG engaged the services of a former auditor at the ACT Auditor Office to check the financial statements prior to submission to the Audit Office.</p> <p>PTG's Audit Committee held a special meeting to consider and resolve these issues.</p> <p>PTG continued to engage Sara Palic and Associates to assist in improving its financial statements.</p>	Completed

LEGISLATIVE ASSEMBLY COMMITTEES

Budget Estimates Committee

Question Taken on Notice	Response
Mr Jeremy Hanson MLA requested that the Public Trustee and Guardian table a report on a follow-up review by KPMG on the progress of the implementation of recommendations in a report prepared by KPMG in 2014.	The report was provided to the committee.

Standing Committee on Justice and Community Safety – Inquiry into 2014–15 Annual Reports

The Standing Committee on Justice and Community Safety reviewed the Public Trustee and Guardian's Annual Report in its Annual Report Hearings for 2015–16. At the Public Trustee and Guardian's appearance before the Committee, the Public Trustee and Guardian was asked the following Questions Taken on Notice.

Question Taken on Notice	Response
1. Ms Giulia Jones MLA asked questions about the Official Visitor Scheme and whether the merger of Public Trustee and Guardianship functions had affected the scheme and also requested information about the Corrections Official Visitor Scheme and Dhulwa.	PTG responded that the merger has not affected the scheme and provided information about visits by Corrections Official Visitor and Dhulwa.

Question Taken on Notice	Response
2. Ms Bec Cody MLA asked how does the number of children and young people removed from homes due to domestic and family violence in 2015–16 compare with 2014–15.	The Public Advocate responded on behalf of PTG providing the statistics required.
3. Mr Jeremy Hanson MLA asked PTG to break down the number of self-funded products provided by PTG.	PTG provided the break-down of self-funded products and services.

B.4 RISK MANAGEMENT

PROCESS FOR DEVELOPING RISK MANAGEMENT PLAN

PTG has a mature Risk Register, which was established in 2010 in consultation with the Public Trustee and Guardian's Investment Board, and is monitored by PTG's Internal Audit Committee.

Approach to Identifying Areas of Significant Operational or Financial Risk

The strategy covers investment, financial, operational and administrative risk as well as workplace health and safety and addresses operational, tactical and strategic risk.

PTG's major risks have been identified through internal and external audits and through workshops facilitated by the JACS Directorate.

PTG collaborates with Public Trustees/Public Guardians/Public Advocates in other jurisdictions in the identification and treatment of risk.

All PTG staff are required to note and sign a Staff Code of Conduct on an annual basis.

All Service Providers are required to sign and note a Code of Conduct prior to their engagement.

A Conflict of Interest Declaration and Register were established during the reported year.

The recommendations made by KPMG in 2014 in a report following a review of controls in PTG's Financial Management Services Unit have been substantially implemented, or, in the case of ICT solutions, are in the process of Implementation. PTG engaged KPMG to undertake a further review of the implementation of the recommendations contained in KPMG's original Controls Review.

The further review found that PTG had undertaken the following to address the original Controls Report:

- Implementation of a Business Transformation Project looking at a range of areas, including, organisational structure responsibilities, work values, classifications, IT infrastructure, business process and accommodation.

This includes proposed changes around:

- Introduction of middle-level managers across PTG so managers can concentrate more on strategic direction, planning, and key risk areas
- Clear separation of roles between reception, front office (client dealings), and back office (records and processing), similar to a model used in NSW
- Enhancement of the newly formed Property Unit's area of responsibility
- Investment strategy
- Commencement of a stocktake and review of policies and procedures including a range of new policies aimed at dealing with fraud/risk.
- Engagement of an ICT Project Manager for 12 months to manage the finalisation of the enhancement to PTG's IT environment and system upgrades including the TACT system.
- Appointment of an independent, external Chair to PTG's Internal Audit Committee.
- Engagement of a former auditor from the ACT Auditor General to conduct ongoing audits including three audits during 2017 around new implemented payments module in TACT, taxation revenue, financial management and client audits.

The review noted that the following further changes are currently underway:

- Continual development of policies and procedures – an officer has been seconded to undertake a comprehensive review of all of PTG's policies and procedures over a 6-month period.
- An ICT Projects Officer has been engaged for a term to complete a number significant changes to PTG's ICT environment.

Arrangements in Place to Manage and Monitor Risks

PTG's Internal Audit Committee conducts rolling audits and checks of risks identified in the Register.

An external auditor has been engaged to undertake a range of audits identified by the Audit Committee.

At the date of this report the external auditor completed an audit of PTG's implementation of electronic payments module.

The Process for Identifying and Responding to Emerging Risk

PTG's Senior Leadership Group is the main internal forum for identifying, recording and addressing emerging risk. State/territory Public Trustees and Public Guardians meet every six months and exchange information about risk and risk mitigation.

B.5 INTERNAL AUDIT

INTERNAL AUDIT ARRANGEMENTS

The strategy covers all investment, financial, operational and administrative responsibilities as well as Workplace Health and Safety matters. The strategy forms the basis of PTG's Internal Audit Committee agenda.

Audit Committee Charter and Operations

PTG's Internal Audit Charter was last revised on 1 November 2016 and accepted by the committee.

Links with Risk Review Processes

The committee addresses and audits issues identified in PTG's Risk Register.

Membership of Internal Audit Committee

Membership of the Audit Committee consists of staff representatives of PTG's business units and is headed by an independent Chair, Mr Roger Broughton. Mr Broughton was formerly a member of the Public Trustee Investment Board. During that time he served as Executive Director, Investment and Economics at ACT Treasury.

The Board met on 4 occasions during 2016–17 with the following matters discussed :

- PTACT/PTG restructure
- Functional Review of PTG – Yellow Edge
- Financial Statements 2015–16
- Performance Audit – Credit Cards
- Internal Audit Committee Charter
- Engagement of external auditor for *ad hoc* audits
- Tax Compliance Review
- Work Health and Safety Issues and policies
- Financial Statements 2016–17
- PTG policies dealing with Staff Safety and Security and Receipt Books
- Review of Controls Report – KPMG
- KPMG Payments Review and recommendations

- Tax Compliance Audit and Review
- External audit of PTG's new payment system
- Audit Management Report 2016
- PTG Business Transformation
- Statement of Performance
- Electronic Client Statements
- Client Investment Policy
- PTG Fraud, Corruption and Risk Mitigation Policy and matrix
- PTG merged Business Continuity Plan.

RISK PROFILE MODELS ADDRESS CLIENT INVESTMENT NEEDS

The Public Trustee and Guardian is bound by the "Prudent Person Investment Principle" in the *Trustee Act 1925*. This principle requires that a trustee must only invest funds entrusted to them as would a person of prudence, i.e. with discretion, care and intelligence.

Accordingly, PTG ensures that investments are made in accordance with an appropriate risk profile. This involves an annual analysis of the circumstances and acceptable risk tolerance of each investment client.

Major risk investment categories applied are Growth, Balanced, Income Stable and Capital Secure. Funds are invested through sector common funds in tactical asset allocations, set in consultation with PTG's asset/markets consultant, PwC.

These risk profiles are subject to review as part of the recent review of PTG's Investment Strategy by KPMG and PTG's Investment Board.

B.6 FRAUD PREVENTION

RISK ASSESSMENTS CONDUCTED

PTG's Risk Register identifies risks and establishes appropriate controls and checks in compliance with ACTIA, ACT Government and JACS Directorate standards.

PTG upgraded its TACT trust-accounting system in accordance with a review of controls by KPMG conducted in September 2014. TACT was developed for use by the trustee industry and meets standards for client confidentiality and security control as well as compliance with risk controls contained in the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (C'ltth).

PTG is further updating the system to incorporate a Client Management System.

PTG's Investment Board advises the Public Trustee and Guardian in respect to investment and funds management risk. This advice covers issues such as

investment structure and strategy, asset consultant and fund manager supervision, investment review and financial governance matters.

During the reported year, a number of audits were conducted:

- Business Continuity Plan test
- Audit of implementation of TACT electronic payments module
- Review of status of KPMG Controls Report recommendations
- Cash Management
- Taxation Compliance Review.

PTG also conducted a review of client addresses held for mail-out of client statements.

PTG ensures that investments are made in accordance with an appropriate risk profile. This involves an annual analysis of the circumstances and acceptable risk tolerance of each investment client.

FRAUD CONTROL PLANS PREPARED/REVISED

PTG revised its Risk Register during the reported year. PTG re-engaged KPMG in May 2017 to consider two specific elements focussed at mitigating potential fraud risk within the PTG.

1. Reviewing the business process improvements implemented since the issuing of the KPMG Forensic report in relation to control issues surrounding the suspected fraud involving two former Public Trustee and Guardian Trust Officers.
2. The process for the reimbursement of expenses for services provided to protected persons by third parties who were not nominated service providers on the PTG's vendor master file. These concerns are associated with claims for reimbursements made against funds held in trust by the PTG on behalf of persons who are unable to manage their own affairs. The specific aspect of this process requiring review is where a claimant advises that they have expended money in relation to the person under PTG's supervision and are seeking to be reimbursed.
3. PTG commenced mail-out of client statements through an external service provider.

OTHER FRAUD PREVENTION STRATEGIES ADOPTED

PTG has established Codes of Conduct for its staff as well as for external service providers. The Codes reflect the trusted nature of the Public Trustee and Guardian's role in the community and inform expected standards and behaviours to be demonstrated when employed or engaged by PTG. PTG's Staff Code of Conduct incorporates ACT Public Service values and signature behaviours of respect, integrity, collaboration and innovation.

PTG has also established a Service Provider Code of Conduct for external service providers. The Code is published to PTG's website and must be completed and declared by all service providers prior to engagement by PTG.

A summary of controls and policies implemented/amended during the reported year is as follows:

- Safe Custody Policy
- Gifts and Inducements Policy
- Vehicle Use Policy
- Information Security Policy
- Execution of Agreements by PTG on behalf of Clients Policy
- Working Alone Policy
- Receipting Client Effects Policy
- Externally Prepared Enduring Powers of Attorney Policy
- Conflict of Interests Form/Policy/Register
- Appointment of Agents and Representatives of PTG Policy
- Dry Trusts and Dry Estates Policy
- Declaration/Claim for Payment Form/Policy.

FRAUD AWARENESS TRAINING

All PTG staff, including temporary staff and new starters, are required to read and note the PTG Staff Code of Conduct. This is repeated on an annual basis.

All PTG staff were provided with the following fraud/risk training:

- Commonwealth Bank (Cyber Fraud) – 14 December 2016
- KPMG – Fraud Awareness – 20 & 22 June 2017

FRAUD DETECTION STRATEGIES

As previously mentioned, PTG utilises TACTICS software as a means of simultaneously analysing disparate databases to detect irregularities in transactions with client financial records.

PTG has also appointed an external auditor to conduct mini-audits of issues identified in the PTG Fraud, Corruption and Risk Strategy.

B.7 WORK HEALTH AND SAFETY

WORK HEALTH AND SAFETY ACT 2011

PTG's Workplace Health & Safety and Injury Management Strategy is part of its risk management framework. The JACS Annual Report 2016–17 incorporates PTG's

statistics in respect to ss 171 and 172 of the *Work Health and Safety Act 2011*. During the year, PTG had two elected workplace health and safety representatives.

PROGRAMS INITIATED/IMPLEMENTED TO IMPROVE RETURN TO WORK PERFORMANCE

PTG does not have any employees on long-term sick/injury leave.

Under PTG's Workplace Health & Safety and Injury Management Strategy, the following initiatives were undertaken in 2016–17 in the interests of creating a safer workplace:

- Three-monthly check and test of duress alarms
- Ergonomic seating provided to suit the individual needs of staff as required
- Hazardous Chemicals Substance Register
- Regular workplace inspections to cover all areas of identified risk
- Influenza vaccine made available to PTG staff
- All electrical appliances tested and tagged
- Regular blood donations by several PTG staff
- First aid kits and receipt books for office and vehicles inspected and replenished as required
- Anti-smoking publicity material displayed on office noticeboards
- Protective clothing kits provided in office vehicles for site visits
- Fire safety audit & fire evacuations as required
- Smoke alarms and sprinklers tested
- Bullying and harassment training undertaken by all PTG staff
- Pest extermination for office premises and warehouse.

PTG's Incident Summary for 2016–17

Statutory Office	Section 38 Notifiable Incidents	Incidents Without Injury	Minor Injuries	Lost Time Injuries	Total All Incidents
Public Trustee and Guardian	0	4	0	1	5

During the year, no accidents or dangerous occurrences, requiring the giving of notices under ss. 38, 171 or 172 of the *Work Safety Act 2008*, were reported.

In July 2016, PTG's annual workers' compensation premium rate for 2016–17 was set at 1.62% (\$69,184) down from 1.84% for the previous period.

NATURE OF IMPROVEMENT, PROHIBITION, OR NON-DISTURBANCE NOTICE UNDER PART 10

Nil to report.

COMPLIANCE WITH IMPROVEMENT, PROHIBITION OR NON-DISTURBANCE NOTICE UNDER PART 10

Nil to report.

NATURE AND BRIEF DESCRIPTION OF ANY ENFORCEABLE UNDERTAKING UNDER PART 11

Nil to report.

FINDINGS OF A FAILURE TO COMPLY WITH A SAFETY DUTY UNDER PART 2 DIVISION 2.2, 2.3 OR 2.4

Nil to report.

INSTANCES OF A FAILURE TO ADDRESS ANY FINDING OF FAILING TO COMPLY WITH A SAFETY DUTY

Nil to report.

WORKER CONSULTATION ARRANGEMENTS

Nil to report.

NUMBER OF ELECTED HEALTH AND SAFETY REPRESENTATIVES

PTG has two trained Workplace Health and Safety representatives.

SERIOUS INJURY OR ILLNESS AND DANGEROUS INCIDENTS THAT REQUIRED NOTIFICATION TO THE REGULATOR IN ACCORDANCE WITH PART 3 SECTION 38 OF THE WORK HEALTH AND SAFETY ACT 2011

Nil to report.

B.8 HUMAN RESOURCE MANAGEMENT

Strategic Priorities during the reported year were:

- Identify training and development needs for all staff through the completion of Personal Achievement and Development Plans
- Ensure that management and staff are appropriately trained in Aboriginal and Torres Strait Islander Awareness issues
- Provide Workplace, Health and Safety training to all staff and to develop the Hazardous Chemicals Substance Register
- Train, Promote and engender the principles of Respect, Equity and Diversity (RED) among staff
- Develop mechanisms to attract and retain skilled and capable staff
- Develop a constructive organisational culture to support and motivate staff to fulfil their potential

- Strengthen qualifications and links with industry and professional associations
- Provide targeted, industry-based training and support for all staff.

LEARNING AND DEVELOPMENT DELIVERED IN KEY RESULT AREAS

PTG employs a number of staff with professional qualifications crucial to the delivery of services in key program areas, including general accounting, trust/taxation accounting, succession law, CPA, psychology and social science. PTG provides membership of professional organisations to these staff to enable them to access continuing professional education.

PTG is also providing study assistance to several staff undertaking tertiary study.

PTG provides targeted training at Diploma level through the University of Western Sydney to staff in trustee industry disciplines.

This study is linked to PTG's Trust Officer classification and Personal Achievement and Development Plans.

ENHANCING SKILL AND CAPABILITY

PTG has engaged the services of an ICT professional to manage the implementation of several ICT initiatives during 2016–16 and 2017–18, including:

- Replacement Will drafting software (acquisition of NSW OWLS system)
- Establishment of a Client Relationship Management (CRM) System (acquisition of TAS PT CMS)
- Electronic Payments System
- Replacement Unclaimed Money Online Claim System
- Upgrade of MYOB to new version
- Upgrade of Microsoft to v2013
- Rollout of EDRMS
- Replacement of PTG's Precedent/Letter database.

It is expected that these projects will be completed within 2017–18.

APPRENTICESHIPS AND TRAINEESHIPS

Not applicable.

TRAINING

The major part of PTG's learning is provided through on-the-job training/experience with around 30% coming from exposure to peers, coaches and mentors as well as formal education.

JACS provides training to PTG staff in whole of government skills, including HP Records Manager, Microsoft Office suite, anti-bullying and harassment, and cultural

awareness training. Other compulsory training provided through the Canberra Institute of Technology (CIT) includes:

- Aboriginal and Torres Strait Islander Cultural Awareness Training
- Respect, Equity and Diversity Training.

PTG is undertaking a comprehensive review of all PTG Practice/Policy/Procedure Manuals. A skilled PTG Officer has been seconded for 6 months to complete the task. The completed body of work will be titled "Knowledge Base" and will be published on PTG's Intranet site.

Continuing Legal, Accounting, Taxation and other professional education is provided to meet the demands of an increasingly complex environment and to complement our management of risk. Several staff members are receiving study assistance in the completion of their professional studies.

Formal industry training is presently sourced through a collaborative arrangement with the University of Western Sydney as well as the Financial Services Institute of Australasia. PTG is committed to the ACTPS Graduate Program.

During the reported year, PTG spent in the order of \$30,000 on external training. Additional training to a value of approximately \$20,000 was provided by the JACS Directorate to PTG, through peer training and under PTG's Training Wheels program.

The Training Wheels program is an outcome of PTG's Continuous Improvement Group which was formed as an outcome of the Whole of JACS Staff Survey. Under the program, PTG conducts regular training sessions on a range of subjects predominantly by staff within the office in their area of expertise. External presenters are also invited.

Learning and Development Provided to PTG Staff

Course/Training	Participants
Aboriginal & Torres Strait Islander Awareness	6
Behavioural de-escalation	3
Dealing with People in Difficult Situations	10
Decision Making Skills	1
Developing a Business Case	2
Elder Abuse	24
Enhanced Motivational Interviewing	3
Fraud and Cyber Awareness Training	24
Fraud and Ethics Awareness Training	3
Fraud Risk Management	40
From Specialist to Leader	2
Information Privacy Act Training	2

Course/Training	Participants
JACS Induction	6
Job Application and interview skills	3
Marketing yourself into a senior role	1
Mental Health in the Workplace	1
Microsoft Share Point 213 Advanced	1
MS SharePoint 2013 - (Advanced) Site Owner (Wizard)	1
RED Training	3
RED Training - Employees	1
Strategic Thinking in the Workplace	3
Writing for Government - Reports	1
Testamentary Trust master class	1
ACT Will and Estates conference	3
Estates and Estates planning	2
Tax 'Hot Spots II'	1
FBT Training	2
Tax Structures and asset protection	2
Tax Schools seminar	3
Continual Professional Development course	1
Intensive 2017 - Coping with the work	1
Every Day English course (CIT)	1
Full Circle Mentoring and debrief (Yellow Edge)	1
Bachelor of Laws 'Administrative Law' - Study Assistance	1
Staff Study reimbursement - (H&R Block Tax Course)	1
Personal study conducted through the University of Western Sydney:	
Develop Understanding of traditional Trustee Services	4
Advise Client in Estate Planning	1
Manage Work Priorities and Personal Development	2
Manage quality customer service	1
Administer a non-complex estate	1
Manage personal work	2
Preparing a Will	2
Lead and manage team effectiveness	3
Administering a Trust dealing with complex matters	1
Establish an EPA or financial administration orders	2

Course/Training	Participants
Advise clients on Trust structures	1

Special Employment Agreement (SEA), Australian Workplace Agreement (AWA) & Attraction and Retention Incentive (ARIN) arrangements

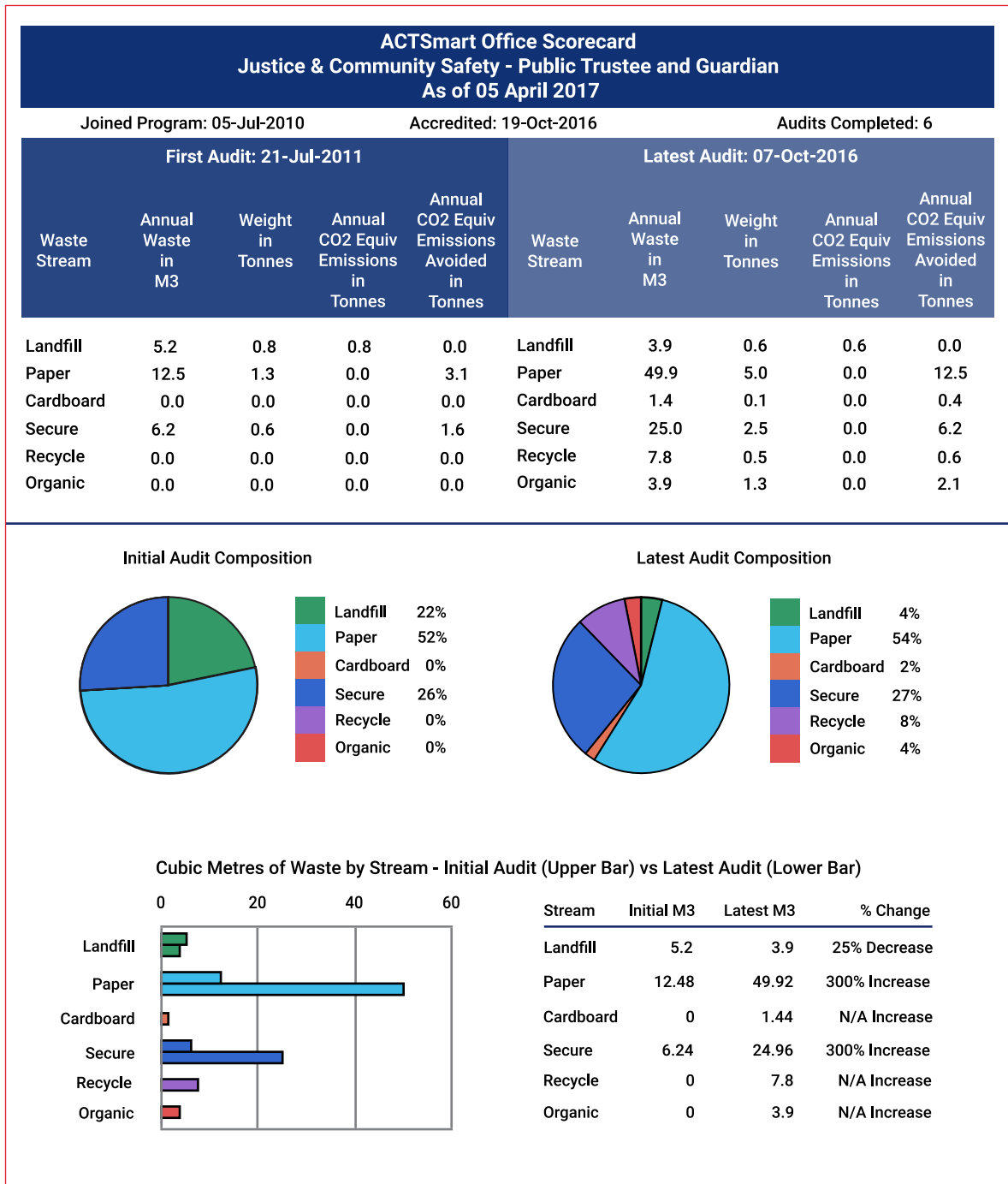
ARINs	
Number of ARINs as at 30 June 2017	Nil
Number of ARINs entered into during period	Nil
Number of ARINs terminated during period	1*
The number of ARINs providing for privately plated vehicles as at 30 June 2012	Nil
Number of ARINs for employees who have transferred from SEAs during period	Nil
Number of ARINs as at 30 June 2016	1
Number of ARINs terminated/lapsed (including formal termination and those that have lapsed due to staff departures)	1*

(* This employee retired and his last payment was made on 3 November 2016)

B.9 ECOLOGICALLY SUSTAINABLE DEVELOPMENT

Reported as part of the JACS Annual Report. PTG joined the ACTSmart Office Program on 5 July 2010 and was re-accredited on 19 October 2016.

Regular audits are undertaken to ensure that appropriate levels of material are recycled and deposited to landfill.



At the 2017 Actsmart Business Sustainability Awards held on 25 May 2017 PTG received a Highly Commended Award in the Waste Minimisation Category.

In all other respects, PTG reporting in this matter is regarded as part of the JACS Directorate.



Public Trustee and Guardian Andrew Taylor receiving Highly Commended Award from the Minister for Climate Change and Sustainability, Shane Rattenbury MLA



[illegible]

C.1 FINANCIAL MANAGEMENT ANALYSIS

GENERAL OVERVIEW

The following material is extracted from the Public Trustee and Guardian's Budget Papers for 2017–18.

Objectives

PTG's primary objective is the protection and support of rights, choices, security and justice for all persons in the ACT community.

PTG's services include:

- Acting as Guardian and/or Manager under appointment by ACAT
- Making wills where PTG is appointed as executor
- Administering deceased estates under will or intestacy
- Preparing, and acting as attorney under Enduring Powers of Attorney
- Acting as trustee for trusts created in wills, deeds, court orders and legislation
- Examining accounts maintained by external managers appointed by ACAT
- Administering the ACT Official Visitor Scheme as Chair, Official Visitors Board.

PTG also acts as agent for the Territory in the provision of the following services:

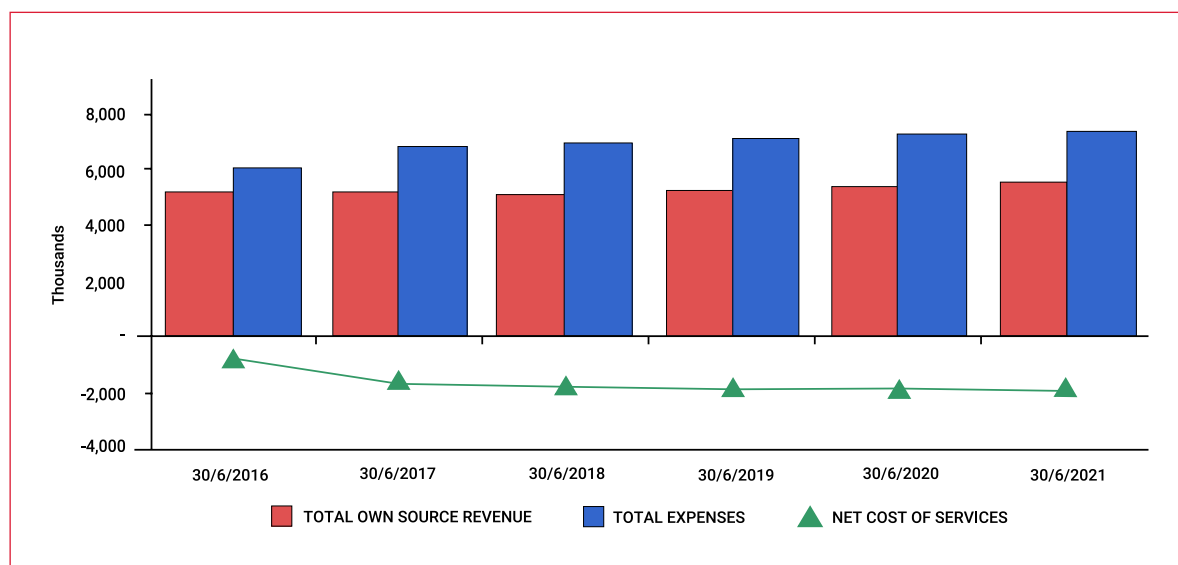
- Receiving, managing and disposing of assets forfeited under the *Confiscation of Criminal Assets Act 2003*
- Administering moneys declared unclaimed under the *Unclaimed Money Act 1950*, *Legal Profession Act 2006* and *Agents Act 2003*
- Investing moneys held in specified government trust funds as trustee.

FINANCIAL PERFORMANCE

The following financial information is based upon the audited actual figures for 2016–17, the audited Financial Statements for 2015–16 and 2016–17 budget estimates contained in the 2016–17 Budget Papers.

Operating Result

The operating surplus for the year ended 30 June 2017 is \$562,401. The result is higher than the budget estimate of \$332,000 and an increase of \$205,182 over the previous year.

Operating Result(*)

* This graph excludes Controlled Recurrent Payments (CRP)

The graph above reflects audited actual figures for 2015-16 and 2016-17 and estimated outcomes as shown in the 2016-17 Budget Papers.

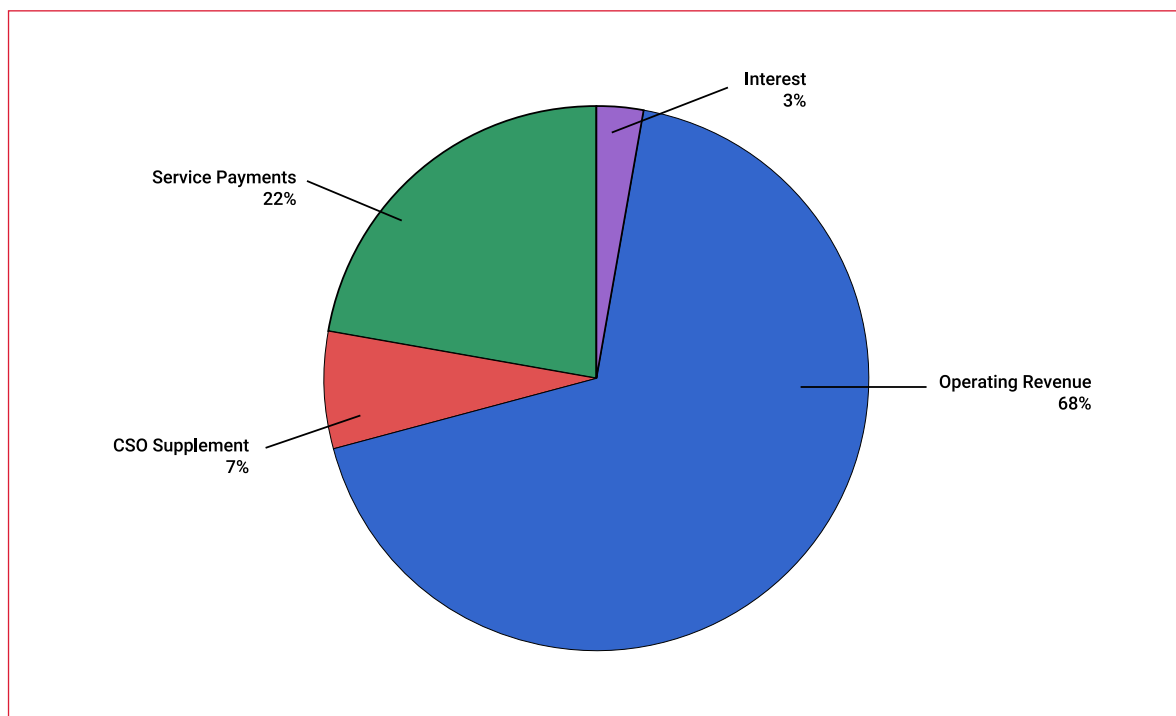
PTG recorded a higher than anticipated operating surplus of \$562,401 for 2016-17 compared to a budget of \$332,000. User charges exceeded budget.

Controlled Recurrent Payment (CRP) was higher due to a rollover of undisbursed appropriation under s.16B of the *Financial Management Act 1996*.

Expenses were higher than expected, predominantly due to higher employee expenses. These resulted from a higher number of employees and salary rates. There was also higher than anticipated expenditure on supplies and services as a result of expendable costs on the fit-out of part of level 9, 221 London Circuit and an increase in 'consultant' costs due to costs associated with an ongoing organisational review of PTG.

Total Revenue

Components of Revenue 2016–17



As illustrated in the chart above, PTG derived 68% of its revenue from fees and charges.

Total revenue for the period ended 30 June 2017 was \$7,345,009. This is \$363,009 higher than the 2016-17 budget estimate of \$6,982,000 and an increase of \$998,987 compared to the 2015-16 year.

Comparison to Budget

Revenue was \$363,009 higher than budget due to:

- Higher income from management fees associated with higher values of invested funds. These fees are calculated as a percentage commission based on the value of Common Funds, Superannuation, Cash Balances and Unclaimed Moneys received at period end (monthly, quarterly or yearly).
- Higher income commission. These fees are calculated as a percentage of income received. Whilst lower rates of interest were earned by PTG through its Cash Common Fund, this was offset by an increase in funds in the Cash Common Fund. PTG also received significantly higher returns from investment of funds in its other Common Funds.
- Overall higher CRP received. The Treasurer approved a rollover of undisbursed appropriation under s.16B *Financial Management Act 1996* during the year. This resulted from a review of Rights Protection Agencies implemented in April 2016 under which the Guardianship function was merged with the former Public

Trustee for the ACT to form PTG. CRP to cover the cost of the transfer was not received until January 2017.

This has been offset by:

- Lower income commission from funds invested in the JACS Trust Investment account due to a lower interest rate received and lower funds held. The higher the income received, the higher the commission and vice versa if income is lower.
- Less funds transferred from CRP's due to lower costs incurred by the Official Visitor Scheme.

Comparison to 2015–16 Actual Income

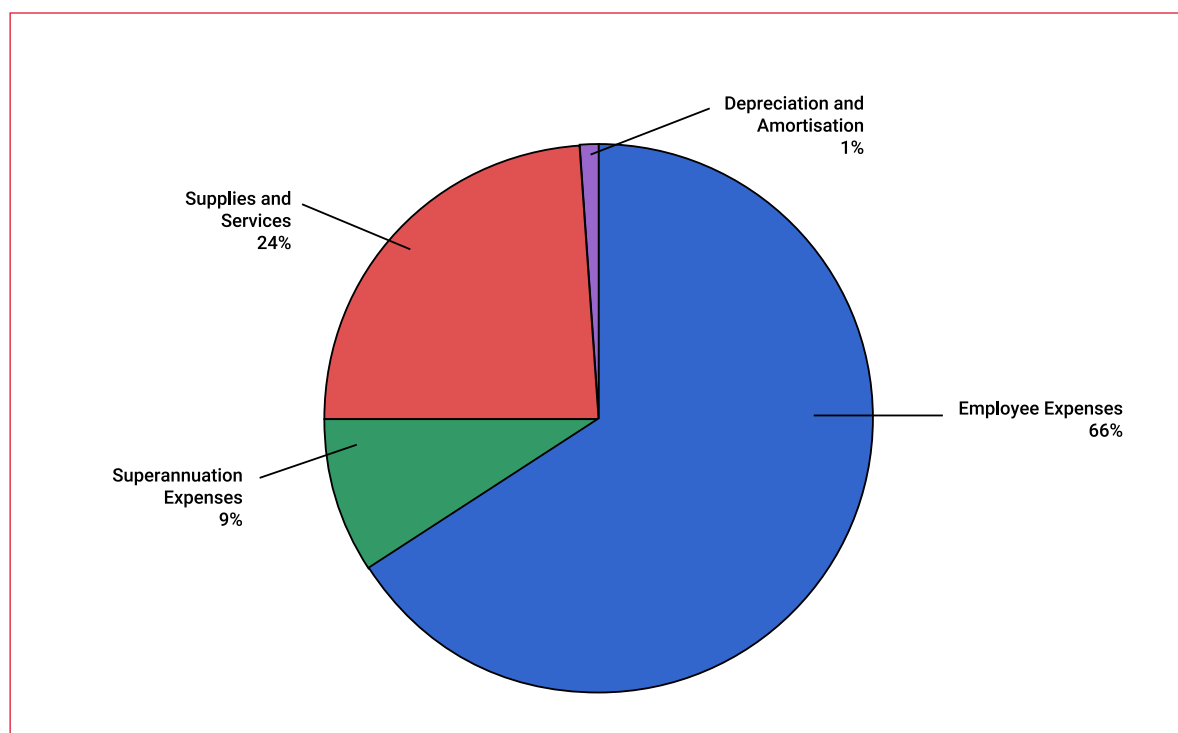
The increase in income compared to the prior year is attributable to:

- Increase in CRP representing a full year of funding received for the Guardianship function, as well as additional appropriation received under s.16B of the *Financial Management Act 1996*.

Total Expenses

PTG's business is the provision of estate, guardianship, financial management and trustee services. The main expenditure was for employee and administrative matters as shown in the chart 'Components of Expenses 2016–17' below.

Components of Expenses 2016–17



Total expenses for the year ended 30 June 2017 were \$6,782,608 of which \$5,136,376, or 76%, was employee-related (including superannuation) and 24% related to supplies and services. Total expenses are \$132,608 higher than the 2016-17 budget estimate of \$6,650,000. By comparison, actual expenses for the previous year were \$5,988,803.

EMPLOYEE EXPENSES

Comparison to Budget

Employee and superannuation expenses are \$172,376 higher than budget due to:

- Additional staff employed to accommodate higher than anticipated workload, client numbers and complexity of client portfolios.

Comparison to 2015-16 Actual Expenditure

In comparison from the previous period, the \$769,598 increase in employee expenses resulted from:

- An increase in staffing numbers to assist with workloads.
- An increase in staff to replace staff on long term leave.
- An increase in salary for Guardianship as a result of the Unit being under the PTG for a full year.
- Increased termination payments due to staff leaving PTG.

SUPPLIES AND SERVICES

Comparison to Budget

Supplies and services costs were consistent with the budget.

Comparison to 2015-16 Actual Expenditure

The \$176,844 increase in supplies and service expenses was due to:

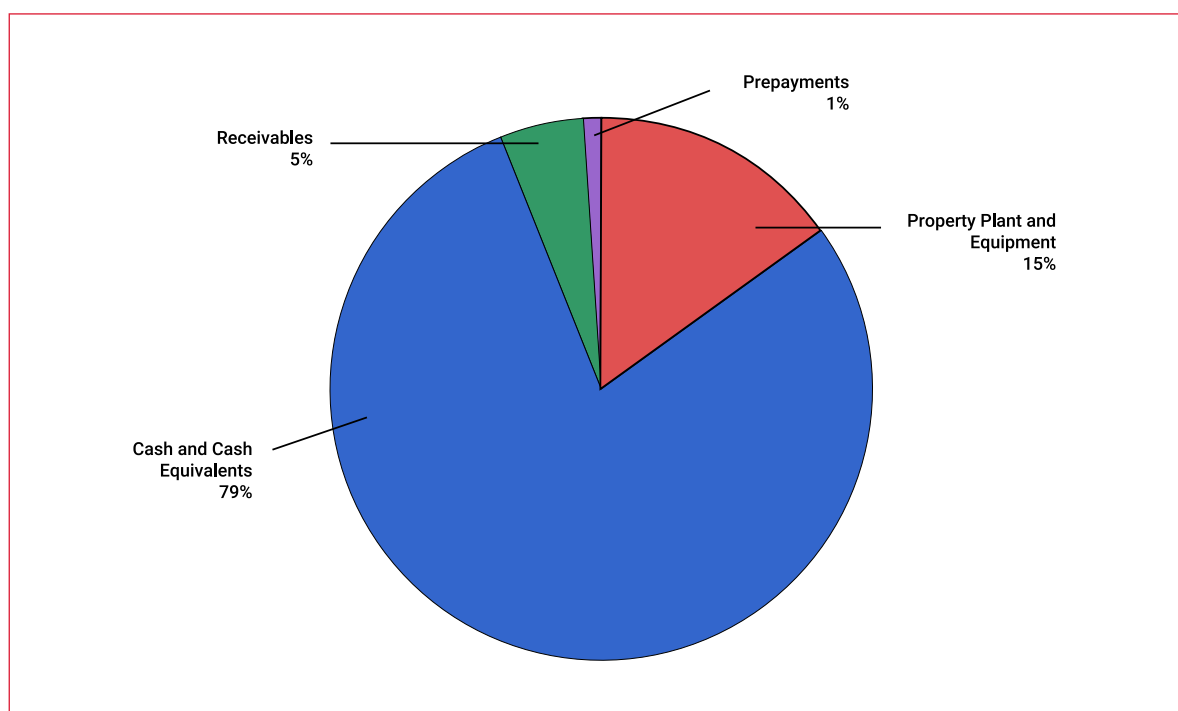
- Increased rental and property expenses associated with the new operating lease for 221 London Circuit. The PTG leased additional office space compared to the prior year.
- Consultant costs for a functional review of PTG.

FINANCIAL POSITION

Key indicators of the health of PTG's financial position include:

- The ability to sustain the existing asset base.
- The ability to pay debts falling due in the short term.
- Maintaining prudent levels of longer-term liabilities.

Components of Assets as at 30 June 2017



PTG reported a total asset base of \$9,065,137, of which \$7,202,400 (79%) of cash and cash equivalents is invested in term deposits with various financial institutions and/or held in demand deposit cash bank accounts (refer chart above). The remaining balance of assets at 30 June 2017, \$1,862,737 is made up of receivables of \$475,479, prepayments of \$19,318 and plant and equipment of \$1,367,940.

Comparison to Budget

Total assets are \$1,291,137 higher than the budget estimate of \$7,774,000. The higher amount of assets compared to budget is due to higher:

- Cash and cash equivalents resulting from higher than anticipated fees received.
- Plant and equipment due to purchase of the fit-out of level 9, 221 London Circuit and the higher value of PTG's assets at 30 June 2017 not anticipated in the budget.

This has been partially offset by lower:

- Receivables due to lower fees payable from PTG's trust account at end of the year.
- Other assets resulting from lower than anticipated number of invoices paid in advance at 30 June 2017.

Comparison to 2015–16 Actuals

Total assets were \$1,400,202 higher compared to 30 June 2016, the increase in assets is due to:

- Higher Cash and Cash Equivalents from an increase in fees received as a result of an increase in business.
- Increased Plant and Equipment due to the fit-out for level 9, 221 London Circuit and the revaluation of PTG's assets at 30 June 2017.

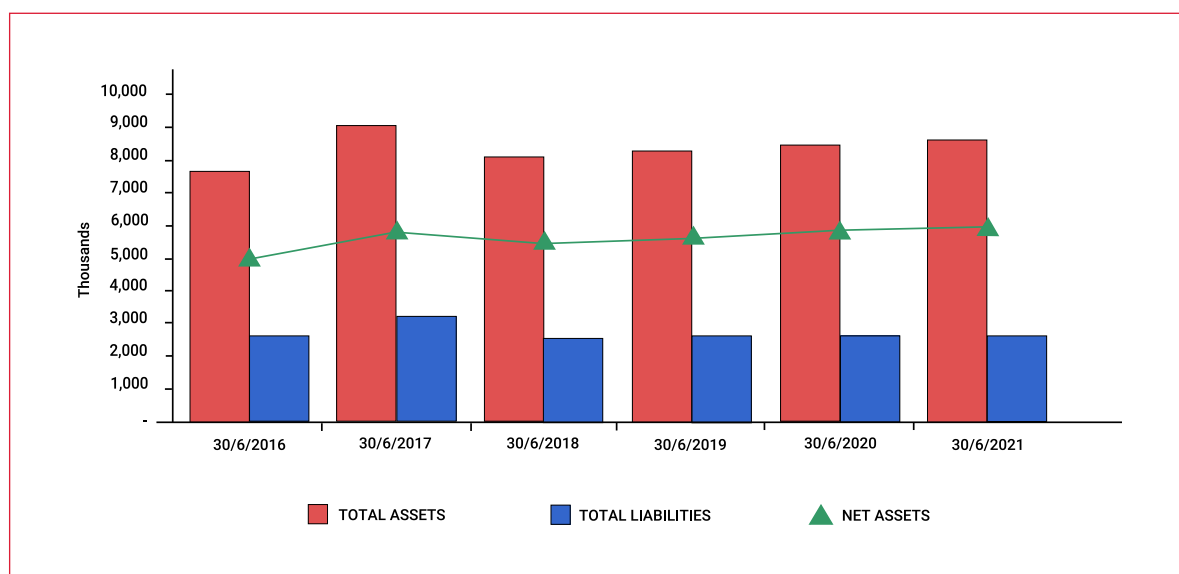
This has been partially offset by:

- Lower receivables from fees paid from PTG's trust account prior to year end.
- A decrease in other assets resulting from fewer number of invoices paid in advance at 30 June 2017 compared to the prior period.

Sustained Asset Base

The ability of PTG to sustain its asset base is indicated by the increase in net assets. The graph 'Summary Statement of Financial Position' below, illustrates PTG's ability to maintain a strong net asset position.

Summary Statement of Financial Position



The graph 'Summary Statement of Financial Position' shows the audited figures at 30 June 2016, actuals at 30 June 2017 and estimated outcomes as shown in the Budget Papers for 2016–17.

The net asset position continues to indicate an asset base capable of meeting the liabilities of PTG.

Liquidity

Liquidity is the ability to satisfy short-term debts as they fall due. A common indicator for liquidity is the current ratio, which compares the ability to fund short-term liabilities from short-term assets. A ratio of less than 1 to 1 may indicate a reliance on the next

financial year's operating revenue to meet short-term debts. The table 'Current Ratio' illustrates PTG's liquidity position.

Current Ratio

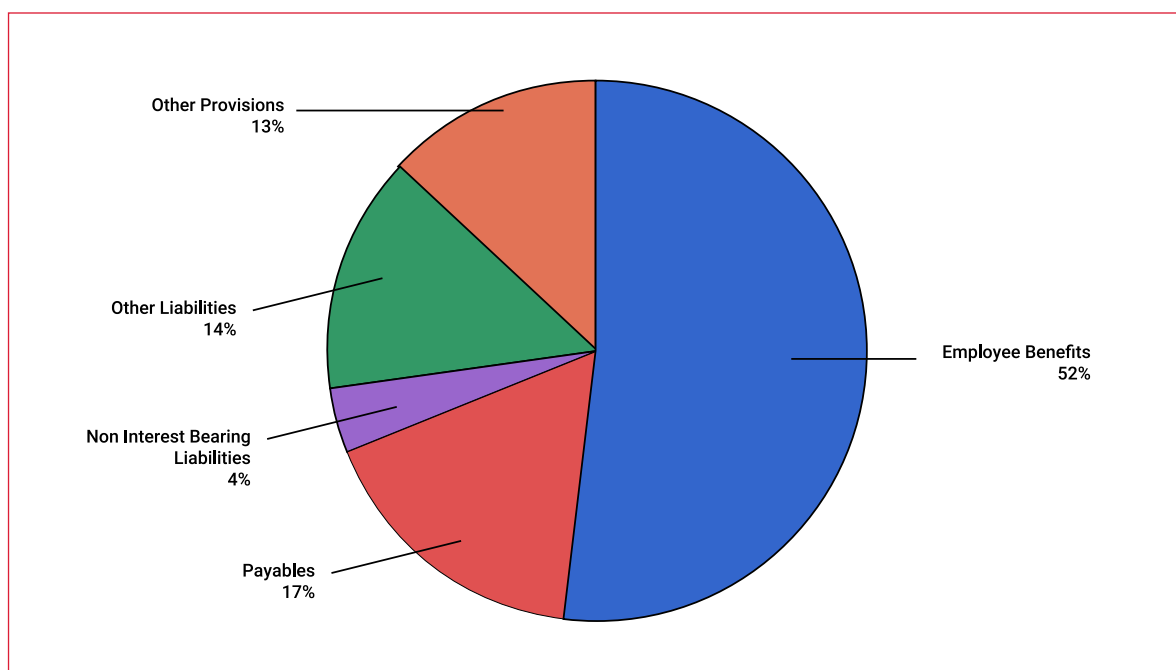
At 30 June	Prior Year Actual 2016 \$'000	Current Year Actual 2017 \$'000	Current Year Budget 2017 \$'000	Forward Year Budget 2018 \$'000	Forward Year Budget 2019 \$'000	Forward Year Budget 2020 \$'000	Forward Year Budget 2021 \$'000
Total Current Assets	7,580	7,696	7,500	8,022	8,226	8,422	8,587
Total Current Liabilities	2,321	2,379	2,074	2,281	2,275	2,272	2,260
Net Current Assets	5,259	5,317	5,426	5,741	5,951	6,150	6,327
Current Ratio	3.27:1	3.23:1	3.62:1	3.52:1	3.62:1	3.71:1	3.80:1

PTG's current ratio at 30 June 2017 is 3.23 to 1, marginally lower than the budgeted current ratio at 30 June 2017 of 3.62 to 1. This is due to higher than expected liabilities exceeding higher than expected assets. PTG anticipates current assets to remain relatively stable and will maintain a strong level of liquidity and be able to pay its current liabilities when due.

Liabilities

PTG's total liabilities at 30 June 2017 were \$3,217,301. This balance is \$909,301 higher than the budgeted figure of \$2,308,000 and higher than the actual balance at 30 June 2016 of \$2,577,635 by \$639,666.

Components of Liabilities



Comparison to Budget

Liabilities are \$909,301 higher compared to the 2016–17 budget due to higher:

- Payables due to higher than anticipated accrued expenses prior to year end and
- Other liabilities due to PTG receiving an accommodation fit-out lease incentive not anticipated in the budget. This lease incentive is recorded as a liability and received and amortised over the term of the operating lease (10 years).

This has been partially offset by lower:

- Employee benefits due to management of excess annual leave credits, long term staff ceasing their employment and having their balances paid out.

Comparison to 2015–16 Actual Liabilities

In comparison to the previous period, the increase of \$760,536 in liabilities was due to:

- Increases attributable to increased number of payable invoices that were not received from creditors prior to year end
- Other liabilities due to the accommodation lease incentive received in 2016–17 discussed previously and
- Other provisions for the dividend payable was higher as a result of an increase in the operating surplus in 2016–17.

Financial Strength

The financial assets to total liabilities ratio is an indicator of financial strength and reflects the ability to meet current and recognised future obligations from those assets capable of being converted to cash. Financial assets include cash, investments and receivables.

Financial Assets to Total Liabilities Ratio

At 30 June	Prior Year Actual 2015-16 \$'000	Current Year Actual 2016-17 \$'000	Current Year Budget 2016-17 \$'000	Forward Year Budget 2017-18 \$'000	Forward Year Budget 2018-19 \$'000	Forward Year Budget 2019-20 \$'000	Forward Year Budget 2020-21 \$'000
Total Financial Assets	7,451	7,678	7,464	7,980	8,183	8,378	8,542
Total Liabilities	2,578	3,217	2,308	2,561	2,571	2,589	2,588
Net Financial Assets	4,873	4,461	5,156	5,419	5,612	5,799	5,954
Financial Assets to Liabilities Ratio	2.89:1	2.39:1	3.01:1	3.12:1	3.18:1	3.24:1	3.30:1

The ratio at 30 June 2017 as indicated in the table 'Financial Assets to Total Liabilities Ratio' is 2.39 to 1. The ratio of 2.39 to 1 is a decrease from 2.89 to 1 at 30 June 2016, due to an increase in liabilities resulting from the accommodation lease incentive liability. The ratio shows that PTG's liquidity is adequate to meet its financial obligations. With financial assets to total liabilities ratios well in excess of 1:1, PTG is well positioned to meet long-term liabilities.

PTG Historical Financial Performance (rolling 10-year period)

	2007-08	2008-09	2009-10	2010-11	2011-12
Approp.	\$631,000	\$643,000	\$655,000	\$669,000	\$682,000
Revenue	\$3,980,105	\$3,682,098	\$3,543,000	\$5,007,132	\$5,249,994
Expend.	\$3,408,548	\$3,799,612	\$3,896,000	\$3,830,580	\$4,495,960
Result	\$571,557	(\$117,514)	(\$87,276)	\$1,176,552	\$754,034
Dividend	\$285,778	Nil	Nil	\$588,276	\$377,017
Staff (FTE)	32	34	34	35	39

	2012–13	2013–14	2014–15	2015–16	2016–17
Approp.	695,000	706,000	706,000	\$624,001	\$1,643,250
Revenue	\$5,040,986	\$6,398,431	\$6,531,796	\$6,346,022	\$7,345,009
Expend.	\$4,733,881	\$6,182,022	\$5,822,685	\$5,988,803	\$6,782,608
Result	\$307,105	\$216,409	\$709,111	\$357,219	\$562,401
Dividend	\$153,553	\$108,205	\$354,556	\$178,609	\$281,200
Staff (FTE)	39	40	42.8	51	54

C.2 FINANCIAL STATEMENTS

(Refer ANNEXURE - FINANCIAL STATEMENTS)

C.3 CAPITAL WORKS

PTG acquired 402 square metres of office accommodation on level 9, 221 London Circuit Canberra City, essentially to accommodate the increased staff on the establishment of the merged office.

The acquisition, design and fit-out were managed by JACS Capital Works and Infrastructure, ACT Property Group and ICT Shared Services. Funding was provided through a lease incentive provided by the building owner, an injection of funds of \$100,000 by PTG as well as amortisation of \$109,000 over the term of the lease.

C.4 ASSET MANAGEMENT

NON-GOVERNMENT ASSETS

PTG manages significant non-government assets in its capacity as trustee. These assets are not reported, as they are not within the scope of this requirement.

GOVERNMENT ASSETS

As stated above, during 2016–17, PTG acquired a further 402 square metres of office accommodation on level 9, 221 London Circuit, Canberra City. No other significant assets were added to, or removed from, the PTG's corporate assets register.

VEHICLE

The only government asset directly managed is:

- Volkswagen Golf valued at \$14,500 by Ty Noble (FAPV CPV), Australian Valuation Solutions Pty Ltd. Vehicles are insured through AON Insurance.

WAREHOUSE

PTG has title to a unit title warehouse at 50–52 Grimwade Circuit, Mitchell. The asset is a trust asset and is unencumbered. The warehouse is used to store client effects relating to deceased estates and financial management clients. The warehouse may also be used to store confiscated criminal assets awaiting liquidation. Building insurance is sourced through the Units Plan Owners' Corporation.

The warehouse was inspected and valued in June 2016 by Herron Todd White at \$300,000. Revaluation is conducted on a three-yearly basis. The warehouse contains no hazardous materials.

OFFICE ACCOMMODATION AND EQUIPMENT

PTG employs 54 (52.1 FTEs) staff, accommodated on the Ground Floor and Level 9, 221 London Circuit, Canberra City. Total accommodation is 1023 square metres.

C.5 GOVERNMENT CONTRACTING

PROCUREMENT OVERVIEW

PTG did not undertake any procurement activities during the reported year.

GOVERNMENT PROCUREMENT SERVICES

PTG confirms that it has:

- Complied with the quotation and tender thresholds laid out in the *Government Procurement Regulation 2007*
- Ensured all contractors have complied with their employee and industrial relations obligations
- Partnered with Shared Services Procurement for all contracts which exceed \$200,000 in value for goods and services, or \$25,000 in value for works
- Submitted all relevant contracts for review by the Government Procurement Board consistent with the provisions of the *Government Procurement Regulation 2007*.

ADDITIONAL INFORMATION FOR PROCUREMENTS EXEMPTED FROM QUOTATION AND TENDER THRESHOLD REQUIREMENTS

Contracts in this category currently entered into and continuing include:

- Vanguard Investments Australia – Contract for the supply of fund management services in connection with PTG's Australian Equities Common Fund, International Equities Common Fund, Listed Property Common Fund and Australian Fixed Interest Common Fund. Accessed under existing contract with ACT Treasury. Fees are charged as an income commission

- Ultradata for use under licence and technical support of the TACT trust accounting business system. Annual Licence fees are in the order of \$109,661.28
- DPL – licence fees of \$27,985.34 for ongoing use of the Chameleon Wills
- Drafting Software
- Absolute Access Microsoft Access Specialists – \$475.00 for redevelopment of PTG's Customer Survey database
- ICT Shared Services – for Taxation Assistant software licence on an annual basis \$1,866.00
- MYOB Premier 19 – for Business Financial System (annual subscription) \$1,320.00
- Filemaker Pro – Guardianship Unit Business System – Annual Licence fee \$2,249.00.

SOCIAL PROCUREMENT

As PTG did not undertake any reportable procurement activities during the year, no social procurement outcomes are reported.

C.6 STATEMENT OF PERFORMANCE

Refer C.2 FINANCIAL STATEMENTS above and ANNEXURE – FINANCIAL STATEMENTS.

[illegible]

NOTICES OF NON COMPLIANCE

PART 4 – DIRECTORATE AND PUBLIC BODY SPECIFIC ANNUAL REPORT REQUIREMENTS



PART 4 – AGENCY SPECIFIC ANNUAL REPORT REQUIREMENTS

REPORT RELATES TO LEGISLATION – CONFISCATION OF CRIMINAL ASSETS ACT 2003 SECTIONS 102 AND 103

S.102 NOTICE OF SALE, MODIFICATION OR DESTRUCTION OF RESTRAINED PROPERTY BY PUBLIC TRUSTEE

The *Confiscation of Criminal Assets Act 2003* (COCA Act) authorises the confiscation of the proceeds of crime and other criminal assets. PTG's statutory role is limited to administering assets restrained under the Act. Forfeited assets are secured, sold and moneys realised are deposited into the Confiscated Assets Trust (CAT) Fund.

PTG deposited a total of \$718,467.76 into the CAT Fund, compared with \$317,752.84 in 2015–16.

The proceeds included funds from the sale of four properties.

Under s.102 (1) of the Act, PTG must give written notice of a proposed sale, modification or destruction of restrained property under s.10 to

- (a) the owner of the property (if known); and
- (b) anyone else PTG believes may have an interest in the property.

In accordance with the Act, notices were given to the owners of property and to anyone PTG believed had an interest in those properties.

S. 103 Emergency Modification or Destruction of Restrained Property

Section 103(1) of the Act applies if PTG considers that restrained property is a serious threat to public health or safety and places an onus upon PTG to notify specified persons in the event that assets are destroyed or disposed of.

In dealing with Confiscated Criminal Assets, PTG frequently authorises ACT Policing to take possession and dispose of certain assets that are deemed to be a serious threat to public health or safety.

These may include, but are not limited to:

- Hydroponic equipment commonly used for the production of marijuana
- Chemicals commonly used in the manufacture of illicit drugs and other drug paraphernalia
- Firearms and ammunition
- Modified vehicles.

Current practice involves a number of different means of disposal or remediation depending upon the nature of the asset. In certain cases, assets are immediately

destroyed. In other cases, with some level of remediation, the assets may be able to be disposed of by sale.

PTG also deals with unsafe residential or commercial buildings (asbestos, illegal works). Where a residential or commercial property has been found to be identified on the Asbestos Register maintained by ACT Government, the property is routinely dealt with in accordance with established processes in consultation with the ACT Asbestos Response Taskforce.

PTG has an arrangement with ACT Policing establishing an agreed means by which assets posing a serious threat to public health or safety may be seized and dealt with, without delivery to PTG.



[illegible]



[illegible]

COMMUNITY ENGAGEMENT ACTIVITIES

During the reported year, no formal community consultation was undertaken, however, PTG undertook the following community engagement activities:

Form of Community Engagement	Outcome
Seniors Week seminar – 20 & 22 March 2017	Community educated about PTG services including Substitute decision-making and wills
Life's Reflections – February 2017	\$4,000 sponsorship – engagement with seniors
Demonstrating the value of Workplace Giving in the Community	PTG established and administers JACS staff workplace-giving scheme 'JACS4GreaterGood' now has a corpus of \$173,000. The 2016 distribution of \$7,490 was shared by Lifeline ACT and RSPCA ACT at the annual JACS Trivia Night on 29 July 2016
Participation in the annual Canberra Retirement and Lifestyle Expo 29 April – 1 May 2016	PTG manned a stall providing information about PTG services
Addressed community groups on 16 occasions	Community educated about PTG services including Guardianship, Financial Management Services, wills, Estates and EPAs
Wills Week seminar – 25 & 26 October 2016	Community educated about PTG services including Substitute decision-making and wills
Client visits by Guardians	PTG conducted home visits for 70 guardianship clients
Conducted home/hospital/hospice visits to clients to prepare wills and Enduring Powers of Attorney	Mobility issues and social isolation is overcome in respect to wills and EPAs
Participated in joint government/industry succession law committee	Public and private sector practitioners informed about complex estate administration and trust issues
Participated in ACT Law Society Elder Law Committee.	Sharing information/experiences/ development of laws in Elder Law matters
ACT Inclusion Awards	Sponsored the ACT Inclusion Awards as a Supporting Partner – 14 December 2016
ACT Aged Care Forum	A free Public Aged Care Forum at Canberra Southern Cross Club – 30 August 2016
Salvation Army Flood Appeal (Cyclone Debbie)	GreaterGood donated \$10,000 to the Salvation Army Flood Appeal – 1 May 2017
Will it Your Way	Supported and promoted the 'Will it Your Way' Campaign to promote will-making among adults, particularly younger people
2017 Seniors Expo, Exhibition Park 23 March 2017	Community awareness of PTG services



Lieutenant-Colonel Samuel Pho, National Secretary, Salvation Army receiving a cheque for \$10,000 from the Larry King, Chair - GreaterGood and Andrew Taylor, Public Trustee and Guardian

PTG's Community Engagement program seeks to increase the number of people who are aware of the importance of having an up-to-date will and EPA and are willing to appoint the Public Trustee and Guardian as executor or attorney.

Under s. 91B of the *Public Trustee and Guardian Act 1985*, a function of PTG is to promote community discussion and provide community education and information, about the functions of the ACT Civil and Administrative Tribunal under the *Guardianship and Management of Property Act 1991*.

Through GreaterGood (The Capital Region Community Foundation), PTG seeks to maximise philanthropy provided to the ACT community.

During 2016–17 PTG continued to make significant progress towards these community activities through the following public awareness programs:

- PTG and GreaterGood websites
- Advertisements and editorials in the Canberra Times/Canberra Chronicle "Start Living" lift-out as well as for special promotions including Seniors Week and Wills Week
- Advertisements in the ACT Seniors Card Directory and Yellow Pages
- Brochures/fact sheets in Canberra Connect shopfronts.

PTG has published several newsletters in the reported period under the title "Going Public" and GreaterGood e-News.

PTG's video "Make it Happen, Make a Will" commissioned in 2015–16 aims to increase community awareness about wills as well as the number of will appointments. The video is now broadcast in all ACT Access Canberra shopfronts as well as on the PTG website. Still posters were printed of six screens from the video and have since been

placed strategically in the office, in retirement villages, nursing homes, hospitals and hospices.

PTG regularly accepts requests to make presentations at succession law events and at public forums.

Four PTG Fact Sheets have been translated into five non-English speaking languages and these have been published to PTG's website.

REPRESENTATION ON EXTERNAL FORUMS

PTG subscribes to a number of important forums, through which issues of community importance are discussed, negotiated and lobbied. These include:

Forum	Description
State/Territory Public Trustees' and Guardians'/ Advocates forums	PTG maintains a co-operative, working relationship with State/Territory Public Trustees and Public Guardians/Advocates through bi-annual meetings*. Public Trustees and Public Guardians/Advocates cooperate in the development of best practice, products and services, ICT solutions, leveraging value and price from suppliers (incl superannuation) and also in benchmarking. Public Trustees and Public Guardians also cooperate in responding to issues of national importance e.g. National Disability Insurance Scheme, Ageing and Disability matters etc.
Australian Guardianship and Administration Council (AGAC)	PTG is a member of AGAC, a national forum of agencies whose role is to protect adults who have a disability that impairs their capacity to make decisions and manage their affairs. Agencies include Public Trustees, Public Advocates, Public/ Adult Guardians, Protective Commissioners as well as Boards and Tribunals. AGAC meets bi-annually*. Two meetings were held in the reported period.
Financial Planners' Association ACT Chapter	PTG retains membership of the Financial Planners' Association.
Financial Services Institute of Australasia	PTG is a member of the Financial Services Institute of Australasia. A number of staff achieved qualifications in financial planning and management through the Institute.
COTA (ACT)	PTG is a member of the Council on the Ageing (COTA (ACT)). COTA (ACT) is the peak older person's organisation in Australia representing issues at territory and federal levels. COTA (ACT) has conduct of ACT Seniors Week activities as well as the ACT Seniors Card Directory through which PTG advertises.

Forum	Description
Law Society of the ACT succession planning committee	PTG is represented on these ACT Law Society joint industry/government forums on succession planning.
Law Society of the ACT	PTG maintains membership of the ACT Law Society. A number of PTG staff are practising solicitors and members of the Society. PTG staff access continuing legal education through the Society.
CPA Australia	Several PTACT staff members are registered as Associate Members of the CPA.

* meetings are arranged to coincide where possible.





JUSTICE AND COMMUNITY SAFETY



O.1 BUSHFIRE RISK MANAGEMENT

This section is not relevant to PTG's operations.

O.2 FREEDOM OF INFORMATION

STATEMENT UNDER S.7 FREEDOM OF INFORMATION ACT 1989

Functions and responsibilities:	<p>The Public Trustee and Guardian (PTG) for the ACT is an independent ACT government statutory office established to provide the following services to the ACT community:</p> <ul style="list-style-type: none"> • Acting as Manager and/or Guardian under appointment by the ACT Civil and Administrative Tribunal • Making Wills (where the Public Trustee and Guardian is appointed as executor) • Administering deceased estates under will or intestacy • Acting as attorney under Enduring Power of Attorney • Acting as trustee for trusts created in Wills, Deeds and Court Orders for families, infants and people with disabilities • Providing an annual examination of the accounts maintained by external managers on behalf of people with impaired decision-making ability • Acting as administrator for the ACT Official Visitor Scheme and Chairing the Official Visitor Board. <p>PTG also acts as agent for the Territory in the provision of the following services:</p> <ul style="list-style-type: none"> • Receiving, managing and disposing of assets forfeited under the <i>Confiscation of Criminal Assets Act 2003</i> • Administering moneys declared unclaimed under the <i>Unclaimed Money Act 1950</i>, <i>Legal Practitioners Act 2006</i> and <i>Agents Act 2003</i>, including receiving moneys, processing claims and investing funds • Investing moneys held in specified government trust funds.
---------------------------------	--

Location:	221 London Circuit, Canberra City
Postal address:	PO Box 221 Civic Square ACT 2608
Business hours:	9am to 4.30pm, Monday - Friday
Enquiries:	(02) 6207 9800
Fax:	(02) 6207 9811
Website:	http://www.ptg.act.gov.au/

STATEMENT UNDER S.8 FREEDOM OF INFORMATION ACT 1989

Document/s	Link/s (if available online)
Public Trustee and Guardian Practices and Procedures	Not available online
Fact Sheets on all Public Trustee and Guardian services	http://www.ptg.act.gov.au/publications
The Power to Choose (includes EPA Form and guidelines for completion) Form	https://www.ptg.act.gov.au/images/inf/power-to-choose.pdf
General Power of Attorney Form	https://www.ptg.act.gov.au/images/inf/publications/GPA_Form_v1.pdf
Health Direction Form	Under review
Application for an Emergency Management Order Form	https://www.ptg.act.gov.au/images/inf/publications/App_EMO1.pdf

Notes:

Relevant Legislation:

- *Public Trustee and Guardian Act 1985*
- *Administration and Probate Act 1929*
- *Cemeteries and Crematoria Act 2003*
- *Confiscation of Criminal Assets Act 2003*
- *Financial Management Act 1996*
- *Guardianship and Management of Property Act 1992*
- *Official Visitor Act 2012*
- *Powers of Attorney Act 2006*
- *Trustee Act 1925*
- *Unclaimed Moneys Act 1950*
- *Wills Act 1968*

Other documents:

- Annual reports for PTG and Public Advocate of the ACT (PAACT) for each year since establishment
- Practice and Induction Manuals
- Cases and Opinions
- PTG Business Plans
- Fraud, Corruption and Risk Mitigation Plan
- Workplace Health and Safety Risk Plan
- PTG Policies

- Status Reports
- Statements of Intent
- Management Discussion and Analyses (MDA)
- Statements of Intent
- Management Discussion and Analyses (MDA).

STATEMENT UNDER S. 79 FREEDOM OF INFORMATION ACT 1989

During the reported year, four approaches were made to PTG for access to records under the *Freedom of Information Act 1989*. PTG cooperates with the JACS Directorate to respond to FOI requests.

A Freedom of Information Statement is contained in the JACS Annual Report for 2016–17.

0.3 HUMAN RIGHTS

EDUCATION AND TRAINING

During part of the reported year, PTG had a former senior policy officer of the Human Rights Commission on staff. This officer provided human rights training to PTG staff in August 2016 and influenced a number of PTG's policies.

INFORMATION

PTG embraces ACT Public Service values and signature behaviours of respect, integrity, collaboration and innovation. Our Staff Code of Conduct establishes expected standards of behaviour for staff including:

- Treating members of the public and work colleagues with the highest level of courtesy and sensitivity to their rights
- Refraining from engaging in or condoning sexual harassment or discrimination on the basis of gender, transgender, marital status, pregnancy, sexual preference, disability, age, race, religion, political conviction or carer's responsibilities.

PTG has published National Standards Fact Sheets for Guardians and Financial Managers having regard to the United Nations Convention on the Rights of Persons with Disabilities.

LIAISON

PTG is a member of the Australian Guardianship and Administration Council (AGAC). Through AGAC, PTG continued to make representations to government in respect to a number of issues affecting personal rights, in particular through NDIA in respect to Transport Hub Funding.

REVIEWS

Through AGAC, PTG is apprised of and influences human rights issues relating to Guardianship, Administration and Public Trustee matters in other Australian and international jurisdictions. PTG continues to work with AGAC to remove legislative barriers caused by the failure of jurisdictions to recognise each other's EPAs.

During the year, PTG participated in reviews and/or recommended a number of changes to ACT legislation many of which affect human rights.

LITIGATION

The PTG is appointed as Financial Manager and Guardian by ACAT for persons with impaired decision-making ability. These appointments regularly require PTG to act as litigation guardian.

0.4 LEGAL SERVICES DIRECTIONS

The *Law Officers Act 2011* (the Act) was established to create the Offices of Attorney-General, Solicitor-General and the Government Solicitor. Under s. 15 of the Act, PTG is required to report on measures taken to ensure compliance with the *Law Officers (General) Legal Services Directions 2012* and *Model Litigant Guidelines 2010*.

COMPLIANCE WITH LEGAL SERVICES DIRECTIONS

The Directions cover issues such as:

- Outsourcing of legal work
- Use of in-house lawyers as approved by the Attorney-General.

PTG is a government-owned Territory authority. Some of PTG's functions and responsibilities are akin to those of a Trustee corporation or a legal practice in that the office acts as a consultant in respect to succession law matters and provides commercial legal services to the community including trust creation and administration, will drafting, EPA drafting and estate administration.

Unlike the ACT Government Solicitor (ACTGS), PTG exists to provide services to individual members of the ACT community. The ACTGS has agreed to the creation of two Legal Officer positions within PTG to employ appropriately qualified persons to satisfy its succession law responsibilities.

PTG does not undertake litigation in respect to government matters however litigation is undertaken on behalf of our guardian, financial management, trust and estate and clients. In that regard we may brief external practitioners in accordance with the Model Litigant Guidelines.

COMPLIANCE WITH MODEL LITIGANT GUIDELINES

Arrangements have been made through the PTG's Declaration by Service Providers to ensure that providers of legal services are aware of the *Law Officer (Model Litigant) Guidelines 2010* and apply them in the representation of PTG and its clients.

[illegible]

P.1 CULTURE AND BEHAVIOUR

Respect, Equity and Diversity (RED) training is mandatory for staff of the Public Trustee and Guardian. The Public Trustee and Guardian has maintained a Contact Officer since the commencement of the RED framework. The role of the RED Contact Officer during the reported year centred around:

- Promoting activities associated with RED at PTG
- Undertaking RED training
- Participating in RED networks
- Raising issues in a confidential manner
- Providing information
- Advocating RED issues in PTG forums.

PTG celebrated Harmony Day during the reported year.

P.2 PUBLIC INTEREST DISCLOSURE

Section 11 of the *Public Interest Disclosure Act 1994* requires PTG to establish and maintain procedures to facilitate disclosures about improper conduct or wrongdoing by the office.

PTG is subject to the JACS Public Interest Disclosure Policy. The policy seeks to provide assistance to people who seek to disclose matters under the Act. Persons interested in making a disclosure in respect to PTG may do so to the Executive Director – Governance JACS or, if unavailable, through the JACS Internal Audit Committee.

No public interest disclosures were made during 2016–17.

P.3 WORKFORCE PROFILE

OUR STAFFING PROFILE

FTE and Headcount by Gender

	Female	Male	Total
FTE by Gender	41.5	10.6	52.1
Headcount by Gender	43	11	54
% of Workforce	79.6%	20.4%	100.0%

Headcount by Classification

Classification Group	Female	Male	Total
Administrative Officers	35	6	41
Executive Officers	0	1	1
Legal Officers	0	2	2
Senior Officers	8	2	10
Total	43	11	54

Employment Category by Gender

Classification Group	Female	Male	Total
Administrative Officers	35	6	41
Executive Officers	0	1	1
Legal Officers	0	2	2
Senior Officers	8	2	10
Total	43	11	54

Average Length of Service by Gender

Gender	Female	Male	Total
Average years of service	7.9	10.1	8.3

Age Profile

Age Group	Female	Male	Total
Under 25	2	0	2
25–34	3	2	5
35–44	12	4	16
45–54	16	2	18
55 and over	10	3	13

FTE and Headcount Division

Branch/Division	FTE	Headcount
Public Trustee and Guardian	52.1	54
Total	52.1	54

Headcount by Diversity

Diversity Type	Headcount	% Total Staff
Aboriginal and/or Torres Strait Islander	1	1.9%
Culturally & Linguistically Diverse	11	20.4%
People with a disability	1	1.9%

Recruitment and Separation Rates by Classification Group

Classification Group	Recruitment Rate	Separation Rate
Administrative Officers	15.6%	15.6%
Legal Officers	0.0%	0.0%
Professional Officers	0.0%	0.0%
Senior Officers	0.0%	20.0%
Total	11.4%	16.0%

Recruitment and Separation Rates by Classification Group

Classification Group	Recruitment Rate	Separation Rate
Administrative Officers	15.6%	15.6%
Legal Officers	0.0%	0.0%
Professional Officers	0.0%	0.0%
Senior Officers	0.0%	20.0%
Total	11.4%	16.0%

Recruitment and Separation Rates – Executive

Classification Group	Recruitment Rate	Separation Rate
Executive Officers	0.0%	0.0%

The word cloud features a variety of legal terms related to trusts and estates. Prominent words include "TRUSTS", "FINANCIAL MANAGEMENT", "GUARDIANSHIP", "INVESTMENT", "RESPECT", "RIGHTS", "POWERS OF ATTORNEY", "WILLS", "ASSETS", "ESTATES", "CONFISCATED CRIMINAL ASSETS", "INNOVATION", "COLLABORATION", "UNCLAIMED MONEY", "FINANCIAL ASSETS", "OFFICIAL VISITORS SCHEME", and "PROTECTION". The words are arranged in different sizes, orientations, and colors (black, white, blue) against a dark background.

Q. TERRITORY RECORDS

PTG's Records Disposal Schedule is published on the ACT Legislation Register. A records management framework has been implemented in accordance with the schedule.

A declaration under s. 28 of the *Territory Records Act 2002* has been granted to prevent public access to PTG's client files including client files of the former Curator of Estates of Deceased Persons. The application was granted on 4 July 2008 (Exemption no 97).

The following table sets out details of PTG's Records Disposal Schedule

Records Disposal Schedule Name	Effective	Year and Notifiable Instrument No.
PTACT Records Disposal Schedule *	February 2006	NI 2006-30

* PTG is the statutory successor to the Public Trustee for the ACT (PTACT)

[illegible]



AUDITOR-GENERAL AN OFFICER
OF THE ACT LEGISLATIVE ASSEMBLY



REPORT OF FACTUAL FINDINGS PUBLIC TRUSTEE AND GUARDIAN

To the Members of the ACT Legislative Assembly

Review opinion

I am providing an **unqualified review opinion** on the statement of performance of the Public Trustee and Guardian for the year ended 30 June 2017.

During the review, no matters were identified which indicate that the results of the accountability indicators reported in the statement of performance are not fairly presented in accordance with the *Financial Management Act 1996*.

Basis for the review opinion

The review was conducted in accordance with the Australian Auditing Standards. I have complied with the requirements of the Accounting Professional and Ethical Standards 110 *Code of Ethics for Professional Accountants*.

I believe that sufficient evidence was obtained during the review to provide a basis for the review opinion.

Responsibility for preparing and fairly presenting the statement of performance

The Public Trustee and Guardian is responsible for:

- preparing and fairly presenting the statement of performance in accordance with the *Financial Management Act 1996* and *Financial Management (Statement of Performance Scrutiny) Guidelines 2017*; and
- determining the internal controls necessary for the preparation and fair presentation of the statement of performance so that the results of accountability indicators and accompanying information are free from material misstatements, whether due to error or fraud.

Responsibility for the review of the statement of performance

Under the *Financial Management Act 1996* and *Financial Management (Statement of Performance Scrutiny) Guidelines 2017*, the Auditor-General is responsible for issuing a report of factual findings on the statement of performance of the Public Trustee and Guardian.

As required by Australian Auditing Standards, the auditors:

- applied professional judgement and maintained scepticism;
- identified and assessed the risks of material misstatements due to error or fraud* and implemented procedures to address these risks so that sufficient evidence was obtained to form a review opinion; and
- reported the scope and timing of the review and any significant deficiencies in reporting practices identified during the review to the Public Trustee and Guardian.

(*The risk of not detecting material misstatements due to fraud is higher than the risk due to error, as fraud may involve collusion, forgery, intentional omissions or misrepresentations or the override of internal controls.)

Limitations on the scope of the review

The review was conducted in accordance with Australian Auditing Standards applicable to review engagements, to provide limited assurance that the results of the accountability indicators reported in the statement of performance have been fairly presented in accordance with the *Financial Management Act 1996*.

A review is primarily limited to making inquiries with representatives of the Public Trustee and Guardian, performing analytical and other review procedures and examining other available evidence. These review procedures do not provide all of the evidence that would be required in an audit, therefore, the level of assurance provided is less than that given in an audit. An audit has not been performed and no audit opinion is being expressed on the statement of performance.

This review does not provide assurance on the:

- relevance or appropriateness of the accountability indicators reported in the statement of performance or the related performance targets;
- accuracy of explanations provided for variations between actual and targeted performance due to the often subjective nature of such explanations;
- adequacy of controls implemented by the Public Trustee and Guardian; or
- integrity of reviewed statement of performance presented electronically or information hyperlinked to or from the statement of performance. Assurance can only be provided for the printed copy of the reviewed statement of performance.



Ajay Sharma
Acting Director, Financial Audits
15 September 2017

**Public Trustee and Guardian
Statement of Performance
For the Year Ended 30 June 2017**

Statement of Responsibility

In my opinion, the Statement of Performance is in agreement with Public Trustee and Guardian's records and fairly reflects the service performance of the Public Trustee and Guardian for the year ended 30 June 2017 and also fairly reflects the judgements exercised in preparing it.



Andrew Taylor
Public Trustee and Guardian

14 September 2017

**PUBLIC TRUSTEE AND GUARDIAN
STATEMENT OF PERFORMANCE
FOR THE YEAR ENDING 30 JUNE 2017**

Performance of the Public Trustee and Guardian (PTG) is measured by the increase in volume of new business, which includes PTG's ability to meet agreed standards and provide professional and efficient services to the ACT community.

INDICATOR	Original Target 2016-17	Actual Outcome 2016-17	Variance %	Notes
Number of current guardianship orders made under the <i>Guardianship and Management of Property Act 1991</i> (GMPA) by ACAT	515	198	(62)	1
Number of current financial management orders made under the GMPA by ACAT	515	473	(8)	2
Number of active financial management accounts under EPA	51	37	(27)	3
Number of responses to community call outs following death	3	17	467	4
Number of welfare funerals arranged	5	17	240	5
Number of examinations of accounts provided from external managers under the GMPA	496	568	15	6
Number of deceased estate administrations completed < \$100,000	41	24	(41)	7
Number of deceased estate administrations completed > \$100,000	43	45	5	
Number of trusts held under legal disability < \$100,000	345	340	(1)	
Number of trusts held under legal disability > \$100,000	56	59	5	
Wills	630	549	(13)	8
Enduring Power of Attorney	220	209	(5)	
Percentage of expenditure over total income	88%	92%	5	

The above Statement of Performance should be read in conjunction with the accompanying notes.

Notes – Explanation of material variance (+/-5%)

1. The target of 515 for 2016-17 was an error in the budget. The correct figure should have been 150. The increase relates to ongoing reviews of existing orders under which PTG was appointed as Guardian as well as new appointments where a willing, capable and proximate Guardian was unable to be found.

**PUBLIC TRUSTEE AND GUARDIAN
STATEMENT OF PERFORMANCE
FOR THE YEAR ENDING 30 JUNE 2017**

Notes – Explanation of material variance (+/-5%) - continued

2. The number of persons for whom PTG was appointed as Manager during 2016-17 were less than anticipated due to a strong working relationship with ACAT under which appointments of PTG are only made as a last resort and individuals are identified to take the place of PTG on hearing and review.
3. The number of active EPA's is lower than expected. This is due to a number of factors including –
 - A higher than expected number of EPA's being revoked;
 - A higher than expected number of EPA's being replaced with an Order appointing an individual or the PTG as Manager by ACAT;
 - The death of the person appointing PTG as Attorney; and
 - A lower than expected number of persons who EPA were activated through loss of capacity to make decisions.
4. The number of callouts is entirely reactive to ACT Policing contacting PTG. There were more than expected callouts in 2016-17.
5. This is dependent upon the person's (or their family's) ability to pay for their own funeral. A higher than expected number of welfare funerals were arranged by PTG in 2016-17.
6. The ratio of appointments of individuals to PTG as Manager has changed over the last year from 50:50 to 60:40. This results in an increase in Managers appointed externally providing for an increase in the number of client financial records presented for examination. Therefore a higher than expected number of examinations were performed in 2016-17.
7. Estates in this category have decreased due to the number of estates having a value of \$100,000 or less being administered by the PTG is less than expected. This resulted in lower than expected actual number of estates completed in 2016-17.
8. The lower than expected number of Wills prepared results from PTG's higher pricing charges over the past two years that provided for a higher cost where PTG was not appointed as immediate executor and increasing the Seniors subsidy threshold to 65 years and above for a free Will.

INDEPENDENT AUDIT REPORT

PUBLIC TRUSTEE AND GUARDIAN

To the Members of the ACT Legislative Assembly

Audit opinion

I am providing an **unqualified audit opinion** on the financial statements of the Public Trustee and Guardian for the year ended 30 June 2017. The financial statements comprise the operating statement, balance sheet, statement of changes in equity, cash flow statement, statement of appropriation and accompanying notes.

In my opinion, the financial statements:

- (i) are presented in accordance with the *Financial Management Act 1996*, Australian Accounting Standards and other mandatory financial reporting requirements in Australia; and
- (ii) present fairly the financial position of the Public Trustee and Guardian and results of its operations and cash flows.

Basis for the audit opinion

The audit was conducted in accordance with the Australian Auditing Standards. I have complied with the requirements of the Accounting Professional and Ethical Standards 110 *Code of Ethics for Professional Accountants*.

I believe that sufficient evidence was obtained during the audit to provide a basis for the audit opinion.

Responsibility for preparing and fairly presenting the financial statements

The Public Trustee and Guardian is responsible for:

- preparing and fairly presenting the financial statements in accordance with the *Financial Management Act 1996* and relevant Australian Accounting Standards;
- determining the internal controls necessary for the preparation and fair presentation of the financial statements so that they are free from material misstatements, whether due to error or fraud; and
- assessing the ability of the Public Trustee and Guardian to continue as a going concern and disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting in preparing the financial statements.

Responsibility for the audit of the financial statements

Under the *Financial Management Act 1996*, the Auditor-General is responsible for issuing an audit report that includes an independent audit opinion on the financial statements of the Public Trustee and Guardian.

As required by Australian Auditing Standards, the auditors:

- applied professional judgement and maintained scepticism;
- identified and assessed the risks of material misstatements due to error or fraud and implemented procedures to address these risks so that sufficient evidence was obtained to form an audit opinion. The risk of not detecting material misstatements due to fraud is higher than the risk due to error, as fraud may involve collusion, forgery, intentional omissions or misrepresentations or the override of internal controls;
- obtained an understanding of internal controls to design audit procedures for forming an audit opinion;
- evaluated accounting policies and estimates used to prepare the financial statements and disclosures made in the financial statements;
- evaluated the overall presentation and content of the financial statements, including whether they present the underlying transactions and events in a manner that achieves fair presentation;
- reported the scope and timing of the audit and any significant deficiencies in internal controls identified during the audit to the Public Trustee and Guardian; and
- assessed the going concern* basis of accounting used in the preparation of the financial statements.

(*Where the auditor concludes that a material uncertainty exists which cast significant doubt on the appropriateness of using the going concern basis of accounting, the auditor is required to draw attention in the audit report to the relevant disclosures in the financial statements or, if such disclosures are inadequate, the audit opinion is to be modified. The auditor's conclusions on the going concern basis of accounting are based on the audit evidence obtained up to the date of this audit report. However, future events or conditions may cause the entity to cease to continue as a going concern.)

Limitations on the scope of the audit

An audit provides a high level of assurance about whether the financial statements are free from material misstatements, whether due to fraud or error. However, an audit cannot provide a guarantee that no material misstatements exist due to the use of selective testing, limitations of internal control, persuasive rather than conclusive nature of audit evidence and use of professional judgement in gathering and evaluating evidence.

An audit does not provide assurance on the:

- reasonableness of budget information included in the financial statements;
- prudence of decisions made by the Public Trustee and Guardian;
- adequacy of controls implemented by the Public Trustee and Guardian; or
- integrity of audited financial statements presented electronically or information hyperlinked to or from the financial statements. Assurance can only be provided for the printed copy of the audited financial statements.

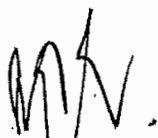


Ajay Sharma
Acting Director, Financial Audits
15 September 2017

**Public Trustee and Guardian
Financial Statements
For the Year Ended 30 June 2017**

Statement of Responsibility

In my opinion, the financial statements are in agreement with the Public Trustee and Guardian's accounts and records and fairly reflect the financial operations of the Public Trustee and Guardian for the year ended 30 June 2017 and the financial position of the Public Trustee and Guardian on that date.



Andrew Taylor
Public Trustee and Guardian

12 September 2017

**Public Trustee and Guardian
Financial Statements
For the Year Ended 30 June 2017**

Statement by the Chief Finance Officer

In my opinion, the financial statements have been prepared in accordance with generally accepted accounting principles, and are in agreement with the Public Trustee and Guardian's accounts and records and fairly reflect the financial operations of the Public Trustee and Guardian for the year ended 30 June 2017 and the financial position of the Public Trustee and Guardian on that date.



Joanne Thompson
Director Finance
Public Trustee and Guardian

12 September 2017

PUBLIC TRUSTEE AND GUARDIAN
OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2017

	Note No.	Actual 2017 \$	Original Budget 2017 \$	Actual 2016 \$
INCOME				
Controlled Recurrent Payments	4	2,146,250	2,105,000	1,120,001
User Charges	5	5,011,503	4,692,000	5,044,553
Interest		187,256	185,000	181,468
Total Income		7,345,009	6,982,000	6,346,022
EXPENSES				
Employee Expenses	6	4,489,832	4,386,000	3,842,783
Superannuation Expenses	7	646,544	578,000	523,995
Supplies and Services	8	1,596,976	1,578,000	1,420,132
Depreciation and Amortisation		49,256	108,000	201,893
Total Expenses		6,782,608	6,650,000	5,988,803
Operating Surplus		562,401	332,000	357,219
Other Comprehensive Income				
<i>Items not reclassified subsequently to profit or loss</i>				
Increase in the Asset Revaluation Surplus		479,335	-	-
Total Other Comprehensive Income		479,335	-	-
Total Comprehensive Income		1,041,736	332,000	357,219

The above Operating Statement should be read in conjunction with the accompanying notes.

PUBLIC TRUSTEE AND GUARDIAN

BALANCE SHEET
AT 30 JUNE 2017

	Note No.	Actual 2017 \$	Original Budget 2017 \$	Actual 2016 \$
CURRENT ASSETS				
Cash and Cash Equivalents	11	7,202,400	6,795,000	6,762,293
Receivables	12	475,479	669,000	776,543
Other Assets		17,776	36,000	40,819
Total Current Assets		7,695,655	7,500,000	7,579,655
NON-CURRENT ASSETS				
Plant and Equipment	13	1,367,940	270,000	83,783
Other Non-Current Assets		1,542	4,000	1,497
Total Non-Current Assets		1,369,482	274,000	85,280
Total Assets		9,065,137	7,774,000	7,664,935
CURRENT LIABILITIES				
Payables	14	543,232	264,000	550,353
Non-Interest Bearing Liabilities	15	13,933	-	-
Employee Benefits	16	1,493,867	1,644,000	1,591,679
Other Provisions	17	281,200	166,000	178,610
Other Liabilities	18	46,936	-	-
Total Current Liabilities		2,379,168	2,074,000	2,320,642
NON CURRENT LIABILITIES				
Non-Interest Bearing Liabilities	15	120,923	-	-
Employee Benefits	16	180,375	132,000	152,568
Other Provisions	17	129,300	102,000	104,425
Other Liabilities	18	407,535	-	-
Total Non-Current Liabilities		838,133	234,000	256,993
Total Liabilities		3,217,301	2,308,000	2,577,635
Net Assets		5,847,836	5,466,000	5,087,300
EQUITY				
Accumulated Funds		4,886,712	4,684,000	4,605,511
Asset Revaluation Surplus	19	961,124	782,000	481,789
Total Equity		5,847,836	5,466,000	5,087,300

The above Balance Sheet should be read in conjunction with the accompanying notes.

PUBLIC TRUSTEE AND GUARDIAN
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2017

	Accumulated Funds Actual 2017 \$	Asset Revaluation Surplus Actual 2017 \$	Total Equity Actual 2017 \$	Original Budget 2017 \$
Balance at 1 July 2016	4,605,511	481,789	5,087,300	5,300,000
Comprehensive Income				
Operating Surplus	562,401	-	562,401	332,000
Increase in the Asset Revaluation Surplus	-	479,335	479,335	-
Total Comprehensive Income	562,401	479,335	1,041,736	332,000
Transactions Involving Owners Affecting Accumulated Funds				
Dividend Approved	(281,200)	-	(281,200)	(166,000)
Total Transactions Involving Owners Affecting Accumulated Funds	(281,200)	-	(281,200)	(166,000)
Balance at 30 June 2017	4,886,712	961,124	5,847,836	5,466,000

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



AUDITOR-GENERAL AN OFFICER
OF THE ACT LEGISLATIVE ASSEMBLY 

INDEPENDENT AUDIT REPORT

PUBLIC TRUSTEE AND GUARDIAN TRUST ACCOUNT

To the Public Trustee and Guardian

Audit opinion

I am providing an **unqualified audit opinion** on the special purpose financial statements of the Public Trustee and Guardian Trust Account (the Trust Account) for the year ended 30 June 2017. The financial statements comprise operating statements for the Common Fund Interest Account and Guarantee and Reserve Account, balance sheet, statement of changes in equity, cash flow statement and accompanying notes.

In my opinion, the financial statements present fairly the financial position of the Trust Account and results of its operations and cash flows in accordance with the basis of preparation described in Note 2 - Appendix A of the financial statements.

Emphasis of matter

Without modifying the audit opinion, I draw attention to Note 2 – Appendix A of the financial statements which describes the basis of preparation. The Public Trustee and Guardian has determined that the basis of preparation is appropriate to meet its financial reporting requirements. As a result, these financial statements may not be suitable for another purpose.

Basis for the audit opinion

The audit was conducted in accordance with Australian Auditing Standards. I have complied with the requirements of the Accounting Professional and Ethical Standards 110 *Code of Ethics for Professional Accountants*.

I believe that sufficient evidence was obtained during the audit to provide a basis for the audit opinion.

Responsibility for preparing and fairly presenting the financial statements

The Public Trustee and Guardian is responsible for:

- preparing and fairly presenting the financial statements in accordance with relevant Australian Accounting Standards;
- determining the internal controls necessary for the preparation and fair presentation of financial statements so that they are free from material misstatements, whether due to error or fraud; and
- assessing the ability of the Trust Account to continue as a going concern and disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting in preparing the financial statements.

Responsibility for the audit of the financial statements

The Auditor-General is responsible for issuing an audit report that includes an independent audit opinion on the financial statements of the Trust Account.

As required by Australian Auditing Standards, the auditors:

- applied professional judgement and maintained scepticism;
- identified and assessed the risks of material misstatements due to error or fraud and implemented procedures to address these risks so that sufficient evidence was obtained to form an audit opinion. The risk of not detecting material misstatements due to fraud is higher than the risk due to error, as fraud may involve collusion, forgery, intentional omissions or misrepresentations or the override of internal controls;
- obtained an understanding of internal controls to design audit procedures for forming an audit opinion;
- evaluated accounting policies and estimates used to prepare the financial statements and disclosures made in the financial statements;
- evaluated the overall presentation and content of the financial statements, including whether they present the underlying transactions and events in a manner that achieves fair presentation;
- reported the scope and timing of the audit and any significant deficiencies in internal controls identified during the audit to the Public Trustee and Guardian; and
- assessed the going concern* basis of accounting used in the preparation of the financial statements.

(*Where the auditor concludes that a material uncertainty exists which cast significant doubt on the appropriateness of using the going concern basis of accounting, the auditor is required to draw attention in the audit report to the relevant disclosures in the financial statements or, if such disclosures are inadequate, the audit opinion is to be modified. The auditor's conclusions on the going concern basis of accounting are based on the audit evidence obtained up to the date of this audit report. However, future events or conditions may cause the entity to cease to continue as a going concern.)

Limitations on the scope of the audit

An audit provides a high level of assurance about whether the financial statements are free from material misstatements, whether due to fraud or error. However, an audit cannot provide a guarantee that no material misstatements exist due to the use of selective testing, limitations of internal control, persuasive rather than conclusive nature of audit evidence and use of professional judgement in gathering and evaluating evidence.

An audit does not provide assurance on the:

- prudence of decisions made by the Public Trustee and Guardian;
- adequacy of controls implemented by the Public Trustee and Guardian; or
- integrity of audited financial statements presented electronically or information hyperlinked to or from the financial statements. Assurance can only be provided for the printed copy of the audited financial statements.



Ajay Sharma
Acting Director, Financial Audits
19 September 2017

**PUBLIC TRUSTEE AND GUARDIAN TRUST ACCOUNT
SPECIAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

DECLARATION BY PUBLIC TRUSTEE AND GUARDIAN

The Public Trustee and Guardian declares that the Trust is not a reporting entity and that these special purpose financial statements are prepared in accordance with the accounting policies outlined in Note 2, Appendix A Basis of Preparation, to the financial statements.

I declare that:

1. the financial statements and notes, as set out on pages 2 to 15, present the Trust's financial position at 30 June 2017 and its performance for the year ended on that date in accordance with the accounting policies described in Note 2 to the financial statements; and
2. in the Public Trustee and Guardian's opinion there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

Public Trustee and Guardian

Andrew Taylor

Dated this 8th September 2017

PUBLIC TRUSTEE AND GUARDIAN TRUST ACCOUNT
OPERATING STATEMENT - COMMON FUND INTEREST ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2017

	2017 \$	2016 \$
INCOME		
Dividends	5,815,716	4,981,139
Interest	2,350,210	2,484,443
Management Fee Rebate	124,317	120,908
Total Income	<u>8,290,243</u>	<u>7,586,490</u>
EXPENSES		
Interest Distributed to Estates and Trusts	1,489,592	1,642,017
Dividend Distributed to Estates and Trusts	5,018,947	4,045,563
Bank Fees	25	10
Management Fees	1,826,204	1,761,794
Total Expenses	<u>8,334,768</u>	<u>7,449,384</u>
Operating (Deficit) / Surplus	<u>(44,525)</u>	<u>137,106</u>
Total Comprehensive (Deficit) / Income	<u>(44,525)</u>	<u>137,106</u>

The above Operating Statement should be read in conjunction with the accompanying notes.

PUBLIC TRUSTEE AND GUARDIAN TRUST ACCOUNT
OPERATING STATEMENT - GUARANTEE AND RESERVE ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2017

	2017 \$	2016 \$
INCOME		
Interest	59,343	64,580
Total Income	<u>59,343</u>	<u>64,580</u>
EXPENSES		
Consultancy Fees	20,500	112,432
Depreciation	15,000	14,500
Commission	2,951	3,414
Management Fees	22,450	23,180
Legal Costs	10,450	-
Information Technology Costs	35,398	-
Other Expenses	235	-
Total Expenses	<u>106,984</u>	<u>153,526</u>
Operating (Deficit)	<u>(47,641)</u>	<u>(88,946)</u>
Total Comprehensive (Deficit)	<u>(47,641)</u>	<u>(88,946)</u>

The above Operating Statement should be read in conjunction with the accompanying notes.

PUBLIC TRUSTEE AND GUARDIAN TRUST ACCOUNT

BALANCE SHEET
AT 30 JUNE 2017

	Note No.	2017 \$	2016 \$
Assets			
Current Assets			
Cash and Cash Equivalents	3	104,769,583	79,936,016
Receivables	4	3,574,686	3,094,404
Unrealised Assets	5	123,835,444	103,486,247
Prepayments		15,718	-
Total Current Assets		232,195,431	186,516,667
Non-Current Assets			
Investments	6	88,550,695	93,360,135
Property	7	285,000	300,000
Total Non-Current Assets		88,835,695	93,660,135
Total Assets		321,031,126	280,176,801
Liabilities			
Current Liabilities			
Trust Liabilities	8	9,415,861	6,180,334
Other Liabilities	9	32,263	9,999
Total Current Liabilities		9,448,124	6,190,333
Non-Current Liabilities			
Estates and Trusts Under Administration	10	309,101,527	271,412,827
Total Non-Current Liabilities		309,101,527	271,412,827
Total Liabilities		318,549,651	277,603,160
Net Assets		2,481,475	2,573,641
Equity			
Common Fund Interest Account		9,264	53,789
Guarantee and Reserve Account		2,101,183	2,148,824
Asset Revaluation Surplus	11	371,028	371,028
Total Equity		2,481,475	2,573,641

The above Balance Sheet should be read in conjunction with the accompanying notes.

PUBLIC TRUSTEE AND GUARDIAN TRUST ACCOUNT

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2017

	Asset Revaluation Surplus 2017 \$	Common Fund Interest Account 2017 \$	Guarantee and Reserve Account 2017 \$	Total 2017 \$
YEAR ENDED 30 JUNE 2017				
Balance at the Beginning of the Reporting Period	371,028	53,789	2,148,824	2,573,641
Comprehensive Income				
Common Fund Interest Account - Operating (Deficit)	-	(44,525)	-	(44,525)
Guarantee and Reserve Account - Operating (Deficit)	-	-	(47,641)	(47,641)
Total Comprehensive (Deficit)	-	(44,525)	(47,641)	(92,166)
Balance at the End of the Reporting Period	371,028	9,264	2,101,183	2,481,475

	Asset Revaluation Surplus 2016 \$	Common Fund Interest Account 2016 \$	Guarantee and Reserve Account 2016 \$	Total 2016 \$
YEAR ENDED 30 JUNE 2016				
Balance at the Beginning of the Reporting Period	316,778	(83,317)	2,237,770	2,471,231
Comprehensive Income				
Common Fund Interest Account - Operating Income	-	137,106	-	137,106
Guarantee and Reserve Account - Operating (Deficit)	-	-	(88,946)	(88,946)
Increase in Asset Revaluation Surplus	54,250	-	-	54,250
Total Comprehensive Income / (Deficit)	54,250	137,106	(88,946)	102,410
Balance at the End of the Reporting Period	371,028	53,789	2,148,824	2,573,641

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

PUBLIC TRUSTEE AND GUARDIAN TRUST ACCOUNT

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2017

	Note No.	2017 \$	2016 \$
Cash Flows from Operating Activities			
Receipts			
Interest		2,319,989	2,562,321
Dividends		5,440,763	3,151,433
Total Receipts from Operating Activities		7,760,752	5,713,754
Payments			
Management and Other Fees		1,874,152	1,915,902
Total Payments from Operating Activities		1,874,152	1,915,902
Net Cash Inflows Operating Activities	13(b)	5,886,600	3,797,852
Cash Flows from Investing Activities			
Receipts			
Proceeds from the Sale / Maturity of Investments		6,465,000	-
Return of Capital		40,246	-
Total Receipts from Investing Activities		6,505,246	-
Payments			
Purchase of Investments		-	7,276,000
Total Payments from Investing Activities		-	7,276,000
Net Cash Inflows / (Outflows) from Investing Activities		6,505,246	(7,276,000)
Cash Flows from Financing Activities			
Receipts			
Receipts from Trusts and Estates		77,169,277	72,835,898
Total Receipts from Financing Activities		77,169,277	72,835,898
Payments			
Payments to Trusts and Estates		64,727,556	72,885,592
Total Payments from Financing Activities		64,727,556	72,885,592
Net Cash Inflows / (Outflows) from Financing Activities		12,441,721	(49,694)
Net Increase / (Decrease) in Cash and Cash Equivalents		24,833,567	(3,527,842)
Cash and Cash Equivalents at Beginning of the Reporting Period		79,936,016	83,463,858
Cash and Cash Equivalents at End of the Reporting Period	13(a)	104,769,583	79,936,016

The above Cash Flow Statement should be read in conjunction with the accompanying notes.

PUBLIC TRUSTEE AND GUARDIAN TRUST ACCOUNT**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017****1. ACTIVITIES OF THE PUBLIC TRUSTEE AND GUARDIAN**

The functions of the Public Trustee and Guardian are defined in the *Public Trustee and Guardian Act 1985* and include the administration of deceased estates and trusts and the preparation of wills. The Public Trustee and Guardian also acts as Attorney under Enduring Power of Attorney and as Guardian and Manager under order of the ACT Civil and Administrative Tribunal. These financial statements show the value of trust, attorney and management funds under administration at 30 June 2017 and the results of these operations for the year ended 30 June 2017.

2. SIGNIFICANT ACCOUNTING POLICIES

Refer to the following appendices for the notes comprising significant accounting policies and other explanatory information.

Appendix A - Basis of Preparation of the Financial Statements

Appendix B - Significant Accounting Policies

PUBLIC TRUSTEE AND GUARDIAN TRUST ACCOUNT
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	2017 \$	2016 \$
3. CASH AND CASH EQUIVALENTS		
Cash at Bank - Common Fund	108,373	11,268
Cash at Bank - Guarantee and Reserve	54,210	9,748
Investments - Common Fund	102,487,000	77,715,000
Investments - Guarantee and Reserve	2,120,000	2,200,000
Total Cash and Cash Equivalents	<u>104,769,583</u>	<u>79,936,016</u>
4. RECEIVABLES		
CURRENT		
Interest Receivable (a)	620,651	531,087
Dividend Receivable (b)	2,874,338	2,499,385
Management Fee Rebates Receivable	30,594	31,375
Gifts Receivable	9,100	-
Reduced Input Tax Credits	40,003	32,557
Total Receivables	<u>3,574,686</u>	<u>3,094,404</u>

(a) Interest Receivable at 30 June 2017 has increased due to an increase in the value of funds invested and an increase in the period of time investments are made for.

(b) Dividends Receivable has increased due to higher dividends receivable on Australian and International Equity Fund investments at 30 June 2017.

PUBLIC TRUSTEE AND GUARDIAN TRUST ACCOUNT
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	2017 \$	2016 \$
5. UNREALISED ASSETS		
Properties at Cost:		
Real Estate	52,853,506	43,761,173
Total Properties at Cost	52,853,506	43,761,173
Unit Based Assets - at Fair Value:		
Shares	9,187,936	5,300,143
Superannuation Policies	388,574	374,842
Managed Funds	9,277	-
Property and Unit Trusts	86,616	89,430
Total Unit Based Assets - at Fair Value	9,672,403	5,764,415
Other Assets - at Cost:		
Nursing Home/Retirement Village Bonds	10,174,712	9,783,782
Superannuation Policies	42,789,792	38,074,589
Prepaid Funerals	144,780	158,237
Managed Funds	1,171,841	641,567
Investments	5,194,753	4,956,074
Personal Effects	1,833,657	346,410
Total Other Assets - at Cost	61,309,535	53,960,659
Total Unrealised Assets	123,835,444	103,486,247

Section 55 of the *Public Trustee and Guardian Act 1985* provides for the pooling of the credit balances of current accounts in a range of Common Funds for investment purposes.

The increase in unrealised assets is a result of an increase mainly in the number of clients owning real estate and shares at 30 June 2017.

6. INVESTMENTS		
Australian Equities Common Fund	34,408,904	35,345,352
Australian Fixed Interest Common Fund	31,163,761	33,340,494
Australian Listed Property Common Fund	7,654,422	8,719,750
International Equities Common Fund	15,323,608	15,954,539
Total Investments	88,550,695	93,360,135

[illegible]

PUBLIC TRUSTEE AND GUARDIAN INVESTMENT BOARD



PUBLIC TRUSTEE AND GUARDIAN

PUBLIC TRUSTEE AND GUARDIAN INVESTMENT BOARD

ANNUAL REPORT 2016-17

I am pleased to report on the activities of the Public Trustee and Guardian (PTG) Investment Board (the Board) for 2016-17.

THE BOARD

The Board was established under s.46 of the *Public Trustee and Guardian Act 1985* (the Act) to provide expertise to ensure best practice in financial and risk management on –

- investment strategies concerning moneys held in the common funds or otherwise available for investment;
- core financial areas related to the development and management of the common funds on behalf of PTG client investors;
- distribution of income; and
- aspects of policy and its implementation to ensure that it complies with the *Public Trustee and Guardian Act 1985* and the *Trustee Act 1925*.

MEMBERSHIP

S.48 of the Act requires that the Board be comprised of the Public Trustee and Guardian (Senior Member) and at least two other members appointed by the Minister for a term not longer than three years. Members are appointed on an honorary basis.

During the year, the Board consisted of the Public Trustee and Guardian and three members, including one member representing the Chief Minister, Treasury and Economic Development Directorate (CMTEDD) as follows –

- | | |
|---|-----------------------------------|
| → Mr Andrew Taylor | - <i>ex officio</i> Senior Member |
| → Mr Patrick McAuliffe (rep ACT Treasury) | - expires 2 March 2019 |
| → Dr Jill Charker | - expires 2 March 2019 |
| → Ms Caroline Spencer | - expires 22 August 2019 |

Mr Thach Huynh resigned AS Member of the Board on 27 July 2017. PTG is in the process of nominating a fourth member for appointment.

Mr Patrick McAuliffe is Director, Asset Liability Management, Economic and Financial Group, ACT Treasury, CMTEDD. He is responsible for leading the development and implementation of key investment policies and strategies for the ACT Government's financial investment portfolios.

Dr Jill Charker is currently appointed as Deputy Secretary, Corporate, C'wlth Dept. of Employment. Dr Charker was formerly Chief Operating Officer/Deputy Secretary Corporate Group at the (C'lth) Department of Immigration and Border Protection and, prior to that, CEO ComSuper. Dr Charker holds a PhD from Griffith University, a Class 1 Honours degree in psychology, an Executive Master's degree in Public Administration, is a graduate of the Australian Institute of Company Directors and a level-two qualified executive coach through the Institute of Executive Coaching and Leadership.

Ms Caroline Spencer is a Chartered Accountant and is the Managing Partner of a Canberra-based specialist public sector audit and governance practice firm, Vista Advisory. Ms Spencer has extensive corporate and public sector governance experience. Ms Spencer was appointed to lead the statutory review of the Auditor General for Western Australia and his office. She was awarded (ANU) Chancellor's Letters of Commendation in both 2002 and 2003 (while completing a Science degree) and holds a Bachelor of Business (University of Technology Sydney). Ms Spencer is a graduate of the Australian Institute of Company Directors, and is a Chartered Accountant, CPA, AGIA (Governance).

Mr Thach Huynh is a Director of Professional Financial Solutions with 18 year's experience advising superannuation funds, charities, government bodies and Public Trustees in actuarial and investment matters. Mr Huynh is a qualified actuary, has a degree in Economics (Actuarial Studies) from ANU and has completed a graduate diploma in financial planning. Mr Huynh resigned on 27 July 2017.

ASSET CONSULTANT

PTG appointed PricewaterhouseCoopers (PwC) in February 2011 to provide asset/markets consultancy services to the Board including quarterly reports. On the transition of management of PTG's Australian Equities Common Fund from active to passive fund management, the Board advised that a quarterly report was no longer necessary and that PwC should in future report on an annual basis with a 5-yearly strategy review. In that capacity, PwC was contracted to review PTG's Investment Strategy (including review of PTG's Cash Common Fund) in August 2016.

THE YEAR IN REVIEW

The returns from PTG's common funds once again supported the importance of investing in a diversified portfolio. Markets that had a soft or poor year in 2015/16 saw a resurgence in 2016/17 and vice-versa for last year's best performers. Australian Shares and International Shares generated strong distributions and capital growth over the last 12 months in contrast to the prior year, whereas Listed Property Trusts, Fixed Interest and Cash saw a year of lower returns from the previous year's highs. PTG and the Investment Board expect to see another year of mixed returns across the various markets but remain confident of the existing diversification policy of utilising the PTG products, the Conservative, Balanced and Growth Investment Funds, to achieve quality returns over designated time periods.

ATTENDANCE TABLE

Member	14 Sep 2016	7 Dec 2016	8 Mar 2017	31 May 2017
Mr Andrew Taylor (Subst. Joanne Thompson)	√ (Sub. Joanne Thompson)	√	√	√
Mr Patrick McAuliffe	√	√	√	√
Dr Jill Charker	-	√	-	√
Ms Caroline Spencer	√	√	√	√
Mr Thach Huynh*	√	-	√	-

*Resigned 27 July 2017

OUTCOMES

The Board considered a range of issues during the year including -

- Engagement of PwC, in the role of asset consultant, to undertake a scheduled review of PTG's Investment Strategy including a review of PTG's Cash Common Fund.
- Reconcile client vs investment information for comparative analysis in PTG's Report on Common Funds.
- Inclusion of days invested and average days in PTG's Report on Invested Funds – Cash Common Fund.
- Reduced Cash Common Fund rate paid to 1.8% - Sept Qtr.
- Terms of engagement of PwC for conduct of the Investment Strategy Review.
- Re-named Income Stable Risk Profile.
- Implementation strategy for the Investment Strategy Review.
- Review of PTG's Investments Chart.
- Investment Board Charter and agreed to circular resolutions.
- Amended Report on Common Funds Performance adding an indexation line.
- Reduced Cash Common Fund rate paid to 1.65% - Dec Qtr.
- Adopted of Vanguard's diversified 'bundled' funds in lieu of six separate asset specific common fund accounts.
- Amended PTG Investment Board Charter to the effect that circular resolutions only be made when increasing the rate paid on PTG's Cash Common Fund.
- Agreed to review PTG's Cash Common Fund every five years.
- Attendance by Independent Chair, PTG Internal Audit Committee at meeting on 31 May 2017.
- Reduced Cash Common Fund rate paid to 1.6% - March Qtr.
- Reduced Cash Common Fund rate paid to 1.55% - June Qtr.
- Considered a paper on the history of PTG's 1.1% capital commission fee.

LOOKING FORWARD

The focus for 2017-18 will be on -

- Finalising the implementation of the five-yearly review of PTG's Investment Strategy and PTG's management of its Cash Common Fund.
- Reviewing the adequacy or appropriateness of PTG's 1.1% Capital Commission.
- Settling PTG's Cash Common Fund Investment Policy.

- Sourcing and recommending the appointment of an appropriately skilled fourth member of the Board.

I record my thanks to Board members Patrick McAuliffe, Jill Charker, Caroline Spencer and Thach Huynh together with Deputy Public Trustee and Guardian/Finance Director Joanne Thompson and staff Callum Hughes, David Stenhouse and Stefan Dzwonnik, as well as PwC for their valuable advice and contribution to the Board during 2016/17.



Andrew Taylor
SENIOR MEMBER/
PUBLIC TRUSTEE AND GUARDIAN
21 September 2017

OFFICIAL VISITORS BOARD

OFFICIAL VISITOR SCHEME

OFFICIAL VISITORS BOARD ANNUAL REPORT 2016-17

I am pleased to report on the activities of the Official Visitors Board (the Board) for 2016-17.

THE BOARD

The Board was established under S.23A of the *Official Visitor Act 2012* (the Act) following amendments which came into effect on 1 September 2013.

The Board has no involvement in the day-to-day activities of Official Visitors (OVs), ensuring OV's are fully independent in the conduct of their responsibilities.

The Official Visitors (OV) Board has the following functions under the Act -

- arrange training for OVs;
- facilitate interaction between OVs;
- arrange for the provision of administrative assistance to OVs; and
- exercise any other function given to the Board under the Act, an Operational Act or another Territory law.

For the purposes of the Act, each of the following is an Operational Act -

- *Children and Young People Act 2008*;
- *Corrections Management Act 2007*;
- *Disability Services Act 1991*;
- *Housing Assistance Act 2007*; and
- *Mental Health (Treatment and Care) Act 1994*.

The Board is required to meet at least twice each year. During the reported year, the Board met on 22 February 2017 and delayed the second meeting to 26 July 2017 to meet with the Consultant on the review of the Official Visitor Scheme.

MEMBERSHIP

In accordance with S.23B of the Act, the Board comprises the following -

- the Public Trustee for the ACT (Chair);
- the Public Advocate of the ACT (Member);
- a Commissioner from the Human Rights Commission, as determined by the Commission; and,
- two OVs, chosen by the OVs as their representatives.

S.23B(2) of the Act appoints the Public Trustee as *ex officio* Chair of the Board.

The Human Rights Commission nominated the Public Advocate/Commissioner for Children and Young People as its representative on the Board.

During the year, Official Visitors chose Shannon Pickles and Narelle Hargreaves OAM as their representatives on the Board for the next three years.

Membership of the board and meeting attendances during the reported year was as follows -

MEMBER	NATURE OF APPOINTMENT	MEETING 22 FEB 2017	MEETING 22 JUL 2017
Mr Andrew Taylor	Public Trustee (Chair)	✓	✓
Jodie Griffiths-Cook	Public Advocate of the ACT/Children and Young People Commissioner	✓	✓
Judy Putt	OV for the purposes of the <i>Corrections Management Act 2007</i>	✓	-
Ms Narelle Hargreaves	OV for the purposes of the <i>Disability Services Act 1991</i> and the <i>Children and Young People Act 2008</i>	✓	✓
Mr Shannon Pickles	OV for the purposes of the <i>Mental Health (Treatment and Care) 1994 Act</i> and the <i>Corrections Management Act 2007</i> .	-	✓

PTACT staff member Stefan Dzwonnik attended meetings as Secretary/Finance Officer.

THE YEAR IN REVIEW

CALLS TO THE OFFICIAL VISITORS HOTLINE

During the reported year, calls were made to the Official Visitors Hotline 1800 150036 as follows -

Month	Calls
Jul-16	7
Aug-16	7
Sep-16	11
Oct-16	14
Nov-16	21
Dec-16	44
Jan-17	30
Feb-17	29
Mar-17	14
Apr-17	5
May-17	16
Jun-17	5
Total	203

Prior to each meeting of the Board, members are required to disclose any material interest in an issue to be considered at the meeting. Mr Shannon Pickles, a member of the Board and

an OV for the purposes of the *Corrections Management Act 2007* and the *Mental Health (Treatment and Care) Act 1994*, made a declaration of a potential Conflict of Interests between his role as Mental Health OV and his role as Operational Manager with Havelock House. The potential conflict was recorded in the Conflict of Interests Register. The Board noted the potential conflict and decided that Mr Pickles should abstain from any discussion in respect to Havelock House. Having regard to the role of the Board the declared conflict is not likely to arise.

MEETING – 22 FEBRUARY 2017

Administrative

Requirements of the *Official Visitor Act 2012* and the role of the Board. No conflicts of interest were notified by any Board Member.

Review of OV Scheme.

Draft Terms of Reference for the review were considered by the Board. The Board recommended inclusion of an overall rationale/purpose at the outset of the review. Board recommended that the consultant considers reviews of Visitor Schemes in other jurisdictions noting the NSW review was pragmatic.

The Board expressed a wish for more centralisation and streamlining, allowing for oversight items such as, but not limited to, advertising, nomination and appointments be done by the board and not multiple Operational Directorates. The Board noted Government's intention in the 2013 review that the Board should not have a role in the day to day visiting activities of OVs.

Restructure of ACT Rights Protection Agencies – Issues for PTG and OVs

AT advised the Board about the outcomes of the re-structure of ACT's Rights Protection agencies and the formation of the Public Trustee and Guardian (PTG).

Changes to OV Board. Section 23B.

The Board noted a resulting change in membership by the merger of the Office of Public Advocate with the Human Rights Commission [HRC]. Under the change, the Commission may nominate up to 2 representatives on the Board. HRC has nominated Jodie Griffiths-Cook, Public Advocate for the ACT and Children and Young People Commissioner as its representative on the Board.

Appointments schedule and new appointments

An appointments schedule indicating current appointments, terms and expiry dates was provided to the Board. The Board expressed its dissatisfaction with the current statutory appointments process and arrangements under which many appointments were made for rolling terms of 6 months rather than the intended 3 years. The workload created by these rolling appointments is considerable.

ACT Remuneration Tribunal Discussion paper on Review of fees for Part Time Public Office Holders

PTG confirmed that back pay rates as per New Determination No 12 of 2016 had been processed and that the Motor Vehicle allowance increase will take effect on 6 April 2017. The scheme is currently working within budget.

The Board confirmed that OVs are able to aggregate time taken on e-mails/reports/phone calls and other business over a month period. Board agreed to develop a plain English OV manual.

Board noted PTG's request to the Remuneration Tribunal to remove the annual rate for the Chair, Children and Young People OV as it was no longer relevant.

NSW OV Scheme - Training Day for Mental Health OVs

Board noted that its role is to provide training to OVs and access to the NSW Mental Health OV Scheme was highly appropriate. PTG would seek to access further training for its OVs through the August NSW Mental Health Symposium.

Legal advice on OV's assisting

Board noted advice from the ACT Government Solicitor confirming that S.18 of the *Official Visitor Act 2012* only allows an individual to assist an OV during their duties and not to act as a substitute for another OV. To resolve this and other concerns, Board proposed to recommend to the review that in lieu of the current structure, OVs could be sourced in accordance with a common set of selection criteria and appointed to a pool, from which they would undertake visits through a rostered arrangement.

Recommendation of a further OV for Corrections

Board noted PTG's recommendation to the Executive Director - Corrections that a further OV be appointed for the purposes of the *Corrections Management Act 2007* having regard to the volume of visits and the potential problem in the event of a resignation and the time taken to appoint a replacement.

OV Scheme Flyer /Suggestions, Feedback Form

A suggestions/feedback form has been printed on the reverse side of the OV Scheme flyer. When completed, the form could be provided directly to the OV or inserted into a submission box. PTG has acquired a suggestions box to trial.

The Board also raised the possibility of organising safety training to deal with drug or mental health clients. OVs may on occasions need to attend properties in pairs to minimise risk.

The Board noted that Operational Directorates should have awareness training about OVs.

MEETING – 26 JULY 2017

This meeting was held to specifically deal with the Review of the Official Visitor Scheme, following a request from the Review consultant, Ms Pam Jenkins.

Review of OV Scheme.

The review was initiated by the Minister responsible for the *Official Visitor Act 2012* and is being undertaken by JACS Legislation, Policy and Programs (LPP) and the Public Trustee and Guardian (PTG). The review is being funded jointly by LPP and PTG.

Legislation - prescription

Board noted that OV legislation was not prescriptive allowing different Official Visitors (OV) to have alternate approaches to the role. OVs may meet the principles in the legislation as they chose, allowing flexibility and discretionary power in the way OVs advocate. Board indicated that prescribing how OVs act would create more problems than not. OVs do not have a clear pathway in dealing with issues regarding breaches of national safeguards. However, it was noted that OVs are another cog in the system to deal with breaches. Board indicated that statement of functions would not necessarily create compliance burdens. Onus was not how to perform duties but what should be done. When the scheme

was enacted, the Minister responsible wanted to separate the scheme against the operational elements.

Consistency

Board noted that five different disciplines operate under the OV scheme. The OV's role under these separate Operational Acts should, fundamentally, be the same. OVs should operate as one scheme and not through multiple Operational Acts which results in inconsistency. OV objectives were the same but with some differences in each Operational Act. Further there was no performance framework for OVs.

Board – Appointments / resignation

A question was raised regarding OV Board's present effectiveness – what is presently working and what could make the Board more effective. Board raised issues regarding OV appointment and resignation. The manner in which part time holders are appointed is convoluted and time-consuming. Transition period from selecting to appointing an OV or reappointing an OV can take between two and three months. Selection is held back by the consultative process, with multiple parties/groups required to be consulted as well as Cabinet/Standing Committee processes. Board also noted that PTG finds it must follow up pending appointments with Operational Directorates, sometimes on a weekly basis to ensure appointments are made within time. Board recommended that the Board should progress appointments from nomination to appointment. Board queried whether appointments could be made to a panel in lieu of the current separated manner. This might result in pre-approved nominees, with pre-qualification and vetting. The Board could have a ready pool of people for appointment and recommend them for appointment in a timely manner. Another problem might be that an OV might identify a conflict of interest and need to resign immediately. However it takes between two to three months to fill the appointment. There is no minimum period for notice resignation. Further, OVs cannot 'act' in place of resigned OVs. A pool of OV's who have responsibilities across the five Operational Acts would alleviate these and other problems.

Board – Training

Board noted that it is in the best position to make the Training Day more meaningful to the work that OVs do. This can include mental health, disability areas as well as training in dealing with media. There should be greater consistency in training without losing the specific requirements of the individual role. Board recommended that training could be provided by Directorates regarding changes in the legislation as an overriding responsibility. Board suggested that the OV Board could meet with the Operational Directorates on a quarterly basis and be advised directly from the top.

Board – Promotion to customers

Board noted that the Act does not specifically attribute the role of promotion of the scheme to the Board and that the scheme is currently promoted by flyers, posters and the PTG website. Board noted that advising customers is a legislative requirement for Operational Directorates. Board noted that PTG provides greater independence for OVs than being placed with another agency.

Board - Funding

Board informed the review that current funding was by appropriation and split into administrative and OV remuneration/expense funding. Board noted that any increase in the Board's or PTG's responsibilities should be reflected in increased funding.

Board – Administration

Presently the OV scheme is administered part time by two PTG staff members. Board indicated a preference for having someone provide administration on a full time basis.

Authority

Board noted the lack of any authority to ensure that recommendations made by OVs are resolved or considered, other than through reports to Operational Directorates and the Minister responsible for the scheme.

Raising Profile within Directorates

Board recommended that OVs might visit Directorates more often to raise the profile of OVs. The OV scheme could be promoted at a higher level eg NDIS and Care Providers have not been apprised of the specifics of the ACT Scheme.

Official Visitor name

Board noted that the term "Official" in "Official Visitors" is a double-edged sword and may incite fear as well as authority. "Official" also implies "independence" which is important for the OV role. OVs can seek and receive advice from government but decisions still lie with the OVs.

Information - Privacy

Board noted that OVs be provided further training in relation to privacy.

Information – Records/Storage

Board noted uncertainty about the storage of information collected from duties as an OV.

Information – consistency in reporting

Board noted that consistency in reporting was an issue. Each OV approached reporting in a different manner.

Jurisdiction: NDIS

Discussion regarding NDIS. NDIS is a federal jurisdiction whereas OV is State based. (Notes incomplete).

Diversity

It was noted that generally OVs are composed of individuals that are retired. Focus should be made to increase diversity within roles. Legal qualifications as a pre-requisite for appointment was questioned however it was noted that Mental Health procedures are subject to legal processes requiring specific legal skills/background.

Dual visit requirements

Board noted that there may be an operational need to have dual OVs due to the challenging behaviour of some clients.

Other

It was noted that a wheelchair bound Official Visitor for Disability had experienced difficulties fulfilling the OV role.

FINANCIAL MATTERS

Funding for the administration of the OV scheme by PTG and the Board and for remuneration of OVs was provided as part of Government Payment for Outputs for the reported year.

Funding received for administrative purposes	- \$115,000
GPO - Official Visitors	- \$440,000
Total Funding received	- \$555,000
Expenditure by Public Trustee on administration	- \$115,000
Expenditure by Public Trustee on remuneration	- \$275,250
Net underspend by Public Trustee on remuneration	- \$164,750

APPOINTMENTS SCHEDULE

Appointment/reappointment of the following OVs was processed during the reported year -

- Di Lucas (Homelessness)
- Narelle Hargreaves (C&YP and Disability)
- Tracey Whetnall (Corrections and C&YP)
- Mary Durkin (Disability)
- Shannon Pickles (Corrections).

The Community Services Directorate advised that a further OV for the purposes of the *Children and Young People Act 2008* was being considered. A further OV appointment is also being considered for the purposes of the *Corrections Management Act 2007*, on the recommendation of the Board.

Revised Determination and Back-pay

Back pay in respect to Determination No 12 of 2016 of the Remuneration Tribunal was processed and the revised Motor Vehicle allowance under the JACS EBA took effect on 6 April 2017.

Training

The third OV Training Day was held in November 2016. The NSW Official Visitor Scheme did not hold its Mental Health Training Forum in 2016 as traditionally provided to Mental Health OVs, and has replaced it with an annual Mental Health Symposium.

LOOKING FORWARD

The Board will hold its fourth Annual OV Training Day in November 2017.

The Board will continue to play an active role in the review of the OV Scheme.

The Board will develop a secure web page as a resource for the OV's Manual, Code of Conduct, legislation links, forms etc.

I record my thanks to Board Members Jodie Griffiths-Cook, Judy Putt, Narelle Hargreaves OAM and Shannon Pickles as well as to Stefan Dzwonnik for administrative and financial support.



Andrew Taylor
CHAIR - OFFICIAL VISITORS BOARD
PUBLIC TRUSTEE AND GUARDIAN

27 September 2017

[illegible]

ALPHABETICAL INDEX

A

Aboriginal and Torres Strait Island Reporting – 40
 Asset Management – 70
 Auditor-General – 41, 42

B

Bushfire Risk Management – 88

C

Capital Region Community Foundation – 10, 11, 17, 83
 Capital Works – 70
 Community Engagement – 14, 83
 Criminal Assets – 9, 18, 24, 60, 76, 88, 89, 139

D

Deceased Estates – 39

E

Ecologically Sustainable Development – 56
 Enduring Powers of Attorney – 18, 27, 40, 49, 60, 139
 Estates – 9, 14, 18, 27, 39, 40, 49, 54, 82, 98

F

Fraud Prevention – 47, 48
 Freedom of Information – 88, 89, 90
 Funds Management – 5, 9, 12, 15, 16, 17, 20

G

Glossary of Abbreviations and Acronyms – 138
 Glossary of Technical Terms – 139
 Governance – 9, 10, 15, 18, 19, 48
 Government Contracting – 71
 Government Trust Moneys – 24
 Guardianship – 29–39

L

Learning and Development – 52
 Legislation – 12, 89, 98

M

Management Committee – 16
 Minister – 9, 10, 18, 24, 57
 Model Litigant Guidelines – 91

O

Official Visitors Board – 5, 10, 11, 17, 19, 60, 128
 Ombudsman – 40

P

Products and Services – 26
 Prudent Person Investment Principle – 20, 47

Public Interest Disclosure — 94
Public Trustee and Guardian Foreword — 3
Public Trustee Investment Board — 18, 46, 124

R

Records Management — 98
Risk Management — 44, 88

S

Staffing Profile — 94

T

Table of Contents — iii
Taxation Services — 28
Territory Records — 98
Trusts — 9, 18, 21, 26, 27, 39, 40, 49, 139

U

Unclaimed Moneys — 25

W

Wills — 5, 9, 13, 18, 26, 40, 72, 82, 83, 88, 89
Workplace Diversity — 140
Workplace Health and Safety — 44, 50

GLOSSARY OF ABBREVIATIONS AND ACRONYMS

ACAT	Australian Capital Territory Civil and Administrative Tribunal
AGAC	Australian Guardianship and Administration Council
AUSTRAC	Australian Transaction Reports and Analysis Centre
AWA	Australian Workplace Agreement
CAT	Confiscated Assets Trust Fund
COMMBIZ	Commonwealth Bank - Business
COTA	Council on the Ageing
CPA	Certified Practising Accountant
CSO	Community Service Obligations
EDRMS	Electronic Document and Records Management System
EPA	Enduring Power of Attorney
ESD	Ecologically Sustainable Development
FMA	<i>Financial Management Act 1996</i>
FTE	Full time equivalent
GFC	Global Financial Crisis
GST	An indirect broad based consumption tax
JACS	Justice and Community Safety Directorate
JEC	JACS Executive Committee
MDA	Management Discussion and Analysis
MOU	Memorandum of Understanding.
OH&S	Occupational Health and Safety
PAACT	Public Advocate of the ACT
PTACT	Public Trustee for the Australian Capital Territory
PTG	Public Trustee and Guardian
PwC	PricewaterhouseCoopers
QA	Quality Assurance
SOG	Senior Officer Grade
SBMP	Strategic Bushfire Management Plan
TACT	Trust Accounting (System)

GLOSSARY OF TECHNICAL TERMS

Attorney	A person appointed by another to act in his or her place or represent them.
Common Fund	A fund held by more than one person to enable a greater return on the shared investment.
Criminal Assets	Items of value obtained by illegal or criminal acts, forfeited under the <i>Confiscation of Criminal Assets Act 2003</i> .
CSO	Community Service Obligations. Those obligations to the community that the ACT Government purchases from the Public Trustee and Guardian and broadly include financial management services under order of ACAT, Enduring Powers of Attorney, Welfare Funerals, AFP call-outs, examination of external financial manager's accounts, deceased estates less than \$100,000 and Trusts less than \$100,000.
Current Ratio	The ratio of current assets to current liabilities.
Enduring Power of Attorney	A formal instrument by which one person empowers another to represent him/her, or act in his/her place for certain purposes.
Estate	The sum of the transmittable assets less the liabilities of a person, especially of a deceased, a bankrupt or beneficiary.
Executor	The person or company appointed by a Will to administer an estate in accordance with the terms.
Financial Manager	A person appointed under order of ACAT to make financial decisions in relation to a person's financial matters, or a matter affecting that person's property for persons where the person has impaired decision making ability and is incapable of managing those matters (e.g. bank accounts or property or shares).
Funds Manager	A person or organisation responsible for investing moneys on behalf of another.
Goods and Services Tax	An indirect broad based consumption tax built into the price of specified goods and services and collected at point of sale.
Guardian	A substitute decision-maker appointed under order of ACAT, to make decisions relating to the health and welfare of a person with impaired decision-making ability. A guardian is appointed for a specific time and with specific functions (e.g. where to live, what services they will receive and what medical treatment they should receive or as litigation guardian).

Investment Strategy	A plan distributing assets amongst various investments for future financial return or benefit.
Liquidity	Available cash or the capacity to obtain it on demand.
Long-Term Liability	Payment not required within 12 months or liabilities not classified as current.
Manager	A person appointed pursuant to the <i>Guardianship and Management of Property Act 1991</i> to manage the financial and property affairs of a represented person (i.e. having impaired decision-making ability).
Minor	A person under the age of legal majority ie under 18 yrs.
Procurement	Acquisition of goods, services and works by Territory entities.
Prudent Person Principle	A legal rule requiring investment advisers to only make investments for their clients' discretionary accounts that a "prudent person" would make.
Public Interest Disclosure	A report made under "whistleblower" legislation under which a person may confidentially report any corrupt, illegal or fraudulent acts in the public sector.
PTG Investment Board	A board established under s. 47 of the <i>Public Trustee and Guardian Act 1985</i> to advise the Public Trustee and Guardian on investment and related matters.
Risk Profile	An individual's sensitivity to volatility of investments.
Statement of Intent	A statement under s. 58 of the <i>Financial Management Act 1996</i> setting out the activities, objectives and performance criteria of the authority for the year and relating to the ownership by the government in a territory authority or entity.
Sustained Asset Base	Ability to sustain asset base indicated by changes in net assets.
Trustee	A person who holds property in trust for another.
Unclaimed Moneys	Moneys surrendered to the Public Trustee and Guardian on behalf of the Territory under the <i>Unclaimed Money Act 1950</i> .
Will	A written statement made by an individual, which provides for the disposition of property upon death.
Workplace Diversity	The bringing together of different races, genders, cultures, abilities, ages, sexual orientations, family structures, lifestyles & experienced backgrounds in the workplace.



PUBLIC TRUSTEE AND GUARDIAN

Ground Floor, 221 London Circuit,

Canberra City ACT 2601

PO Box 221, Civic Square ACT 2608

Tel (02) 6207 9800 • Fax (02) 6207 9811 • Email ptg@act.gov.au