



# ACCS

ANNUAL REPORT

2016/17



**ACCS**

Accident Compensation  
Conciliation Service

The Hon. Robin Scott MP  
Minister for Finance  
1 Macarthur Street  
EAST MELBOURNE VIC 3002

Dear Minister

I am pleased to submit for your presentation to the Victorian Parliament, the 2016-2017 Annual Report of the Accident Compensation Conciliation Service in accordance with section 46 of the *Financial Management Act 1994*.

Yours sincerely



Anita Kaminski  
Senior Conciliation Officer



## Introduction from the Senior Conciliation Officer

The Victorian Government amended the *Workplace Injury Rehabilitation and Compensation Act 2013* last year to enhance the operation of the Accident Compensation Conciliation Service (ACCS) by making it a statutory authority governed by a board of directors, effective from 11 October 2017.

The new ACCS Statutory Authority is forward looking, designed to strengthen the efficiency, effectiveness and capability of the ACCS to meet existing and emerging needs and deliver high quality services, while responding to an identified requirement to improve performance and functionality.

The ACCS is a crucial part of the Victorian workers' compensation system, and there is a public interest in ensuring that it operates effectively. Operating as a statutory authority responsible for its own staff and services reinforces the independence and integrity of the ACCS. The new organisational structure will give the ACCS a stronger governance framework, and create more clarity around roles and reporting, while ensuring the organisation is agile and resourced according to service demands.

The new Board is facilitating cultural reform and continuous improvement which will enable the ACCS to identify what is possible to deliver improved conciliation services over time. The changes will enable the ACCS to cement its independence and shape a stronger, more cohesive organisation that builds on the excellent service provided to the community over the past two decades.

This year's Annual Report service statistics and financial statements provide an overview of the ACCS from 1 July 2016 to 30 June 2017 and the period 1 July 2017 to 10 October 2017, the period prior to becoming a statutory authority. I am pleased to report that throughout this period of significant change, ACCS Conciliation Officers and staff have continued to provide consistent and high standards of service to our stakeholders.

The Annual Client Survey, carried out by an independent research firm, demonstrates the professionalism of everyone over the last year. In responding to the survey, workers, employers, WorkSafe agents and self-insurers rated the ACCS service as good or very good in 87 percent, 84 percent and 92 percent of responses respectively. These results are in line with the 2015-2016 results.

There were 12,693 incoming requests for conciliation which is 21.2 percent down from the previous year. Time to disposal has reduced with 83 percent of all disputes finalised within 90 days compared with 84.2 percent in 2015-2016. The resolution rate was 61.1 percent compared to 63.4 percent in 2015-2016 which is consistent with results over the last 3 years. The Early Resolution Program (ERP) is now in its fourth year and continues to provide early resolution where appropriate to ensure that statutory objectives are achieved expeditiously.

The ACCS operating budget for 2016-17 period was \$19.260m compared to \$15.565m in the previous year. The 2016-17 financial year was extended by the Minister to cover period 1 July 2016 to 10 October 2017, being the date immediately before the commencement of section 15 of the *Compensation Legislation Amendment Act 2016*.

Other Highlights in the past financial include:

- a Cost Benefit Analysis (CBA) of the ACCS concluded that the ACCS performs a key role in the Victorian insurance system. The value of this role is demonstrated by this CBA. The high Net Present Value and Benefit Cost Ratio demonstrate the substantial economic value of the ACCS. Sensitivity analysis indicates that this conclusion is robust. The CBA of the service based on the 2014-2015 financial year estimates a \$3.00 benefit to the Victorian Community for every \$ of cost. The report concludes 'The ACCS improves the quality of life and productivity of Victorian workers and is an excellent use of Victorian resources'
- the commencement of two key strategic initiatives for the coming years: the development of flexible conciliation practices to more suitably address the particular needs of the growing number of mental injury claimants, and taking a leadership role in a national agenda for the professional recognition of Conciliators
- the office was successfully relocated in April 2017 to new premises at 215 Spring Street
- the appointment of the inaugural board of directors in March 2017

I wish to acknowledge the achievements this year of everyone at the ACCS and I congratulate Conciliation Officers and staff on this result. I also thank members of the ACCS Board for their efforts to prepare us for the new ACCS Statutory Authority and the challenges ahead.

## About the ACCS

The Accident Compensation Conciliation Service (ACCS) is an independent body corporate under the *Accident Compensation Act 1985* and the *Workplace Injury Rehabilitation and Compensation Act 2013*.

The function of the ACCS is to provide conciliation services to assist the parties to resolve disputes for the purposes of the *Accident Compensation Act 1985* and the *Workplace Injury Rehabilitation and Compensation Act 2013*. It is a key part of the Victorian workplace compensation scheme and, in most disputes, is a compulsory step before proceedings can be taken in court.

The ACCS operates independently of WorkSafe, WorkSafe agents, self-insurers, employees, employers, solicitors and unions.

Conciliation facilitates the resolution of disputes by involving all parties - workers, employers and WorkSafe agents or self-insurers - in an informal, non-adversarial process to pursue an agreement that is fair and mutually acceptable. No fee is charged.

The Ministerial Guidelines under the *Accident Compensation Act 1985* and the *Workplace Injury Rehabilitation and Compensation Act 2013* state in part that conciliation should:

- assist the parties to achieve durable resolutions and agreements wherever possible
- be even handed and fair, and address matters on their merits
- maximise flexibility and informality
- facilitate early return to work opportunities
- enhance on-going employee/employer employment relationships
- be prompt and timely in the conduct of conciliation processes and in dealings with the parties and
- reduce cost implications for the parties and the scheme and ensure that matters do not unnecessarily proceed to the Courts.

The ACCS continues to be effective in assisting parties to resolve disputes, with the table on page 5 setting out details of outcomes. In addition to matters resolved at conciliation, some unresolved matters do not proceed further because the conciliation process allows each party to fully appreciate the other's position. Most matters which do not resolve at conciliation do not proceed to court.

The ACCS is committed to the conciliation of disputes in an economical and prompt manner. While most matters are dealt with at a conference, early intervention by the ACCS assists parties to address the matters in dispute. More than 47percent of disputes are disposed of without the need for a conference.

The ACCS values ongoing and constructive communication with stakeholders.

## How does the ACCS work?

Requests for conciliation are usually lodged with the ACCS by the worker regarding a dispute with the employer, WorkSafe agent or self-insurer.

The ACCS offers a non-adversarial environment that brings all parties involved with a workplace compensation dispute together to try to resolve the dispute. Conciliation assists those parties to:

- identify the issues relevant to the dispute
- develop potential resolution options
- consider alternatives and consequences
- endeavour to reach an agreement.

Some examples of the types of disputes dealt with by the ACCS are:

- claims that are rejected
- claims in which weekly payments are reduced, altered or terminated
- lump sum compensation
- payment of medical and like expenses
- return to work and rehabilitation matters.

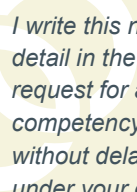
Each matter is assigned to a Conciliation Officer who acts as an independent third party in a dispute. In the majority of matters, parties attend a conference. Employees and employers are entitled to have an assistant with them. Legal practitioners can only attend if all parties consent. Professional interpreters are provided by the ACCS, if required.

The ACCS facilitates the exchange of relevant information between parties to assist in the conciliation of the dispute.

In the main, Conciliation Officers play a facilitative rather than a determinative role regarding the dispute and its resolution. They facilitate the conciliation, provide information about workplace compensation legislation, may make recommendations for the terms and any associated consequences of agreement, and may actively encourage participants to reach an agreement.

Where a matter cannot be resolved by agreement between parties, Conciliation Officers have the power to make recommendations, refer a medical question to a Medical Panel, or issue an Outcome Certificate allowing the parties to proceed to court. In limited circumstances, Conciliation Officers also have the power to make a direction.

As well as having powers and responsibilities under the *Accident Compensation Act 1985* and the *Workplace Injury Rehabilitation and Compensation Act 2013*, Conciliation Officers work under Ministerial Guidelines and a Code of Conduct and Protocols developed by the Conciliation Service and approved by the Minister.



*I write this note to express my appreciation for your professional guidance and attention to detail in the assistance you afforded to me as part of the application process regarding my request for assistance from the ACCS. I found your telephone manner refreshing and your competency to be most reassuring. I also appreciated your willingness to act on the spot without delay and the ongoing updates you provided to me regarding the progress of my file under your own initiative. As a result, I have been left with a first class opinion of the service provided by the Operations Management Area of the ACCS.*

*Source: email from Worker*

## Statistical overview

Statistics are used by the ACCS as guides to identify trends, rather than as definitive indicators of performance. The ACCS monitors the nature and flow of requests for conciliation, coupled with current workloads to determine resource requirements.

The table below summarises the work of the ACCS\*

	2015-2016	2016-2017 (1 July 2017 – 10 October 2017)
New requests	16120	12693 (3874)
Re-opened matters**	1013	725 (158)
Disposals	19183	15270 (3906)
Cases in progress	2700	2237 (2714)

For 2016-2017 the number of requests for conciliation and re-opened matters decreased by 21.6 percent compared with 2015-2016. For 2016-2017 the number of disposals decreased by 20.4 percent and there was a decrease in cases in progress of 17.2 percent compared with 2015-2016.

\*The ACCS's workload consists of new requests for conciliation and re-opened matters. Disposals are those matters finalised by the ACCS (as detailed in the Outcomes table on page 5). Cases in progress include matters that are awaiting finalisation, those that have been scheduled for conference and those that have only recently been received.

\*\* Re-opened matters do not include files suspended while awaiting a Medical Panel outcome.

## Disputes lodged for conciliation

### Requests for conciliation categorised by the nature of the dispute

Nature of Dispute (New Requests and re-opened matters)	2015-2016		2016-2017 (1 July 2017 – 10 October 2017)	
	No.	%	No.	%
Medical and like expenses	7,118	41.5%	5,147 (1,535)	38.4% (38.1%)
Payment of weekly payments*	930	5.4%	856 (257)	6.4% (6.4%)
Rejection of claim	2,829	16.5%	2,490 (753)	18.6% (18.7%)
Terminations at 130 weeks of compensation	1,627	9.5%	1,354 (417)	10.1% (10.3%)
Other terminations**	2,637	15.4%	1,885 (593)	14.0% (14.7%)
Permanent impairment	1,007	5.9%	857 (256)	6.4% (6.3%)
Other***	984	5.7%	829 (221)	6.2% (5.5%)
<b>Total</b>	<b>17,132</b>	<b>100%</b>	<b>13,418 (4,032)</b>	<b>100% (100%)</b>

The nature of dispute as a percentage of total disputes have remained constant with a slight decrease in medical and like expenses and an increase in rejection of claim lodgements.

\*Payment of weekly payments – Relates to where a worker has not been paid weekly compensation benefits, there has not been a medical certificate provided, or provision of an invalid medical certificate, or the worker ceases to reside or is temporarily absent from Australia.

\*\*Other terminations – Relates to termination of weekly payments other than by expiration of the second entitlement period (104/130 weeks), Suspension of weekly payments, injury after retirement, termination having attained retirement age, imprisonment, no entitlement, termination of entitlement to weekly payments based on absence from Australia on a temporary or permanent basis unless able to satisfy the Authority or self-insurer the worker has no current work capacity and is likely to continue indefinitely to have no current work capacity.

\*\*\*Other – Covers a variety of different disputes ranging from, but not exclusive to, return to work issues, calculation of pre injury average weekly earnings, provision of certificates of capacity, indexation, access to information, recovery of payments, interest on weekly payments, fraud, indexation, FOI, lump sum settlements, failure to pay outstanding weekly payments.



Some Requests for Conciliation are referred to the Senior Conciliation Officer to consider whether they are able to be lodged. These include:

- requests not signed by the person making the request
- matters where there appears to be no current dispute
- the dispute has been previously conciliated
- the ACCS does not have jurisdiction
- lump sum compensation (S98/98A) disputes where the S104A conference form required by the Ministerial Directions has not been provided
- the request is outside the statutory period of 60 days of the employee receiving the decision they wish to contest. In the past year, 1,790 applications for late lodgement were allowed and between 1 July 2017 and 10 October 2017, 465 applications for late lodgement were allowed.

If further information is required in these matters, it is requested of applicants before a decision on lodgement is made. During the 2016-2017, 2,289 requests were referred to the Senior Conciliation Officer for review and in that period 1,973 requests were lodged for conciliation. Between 1 July 2017 and 10 October 2017, 545 requests were referred to the Senior Conciliation Officer and 127 were not lodged for conciliation.

## Outcomes

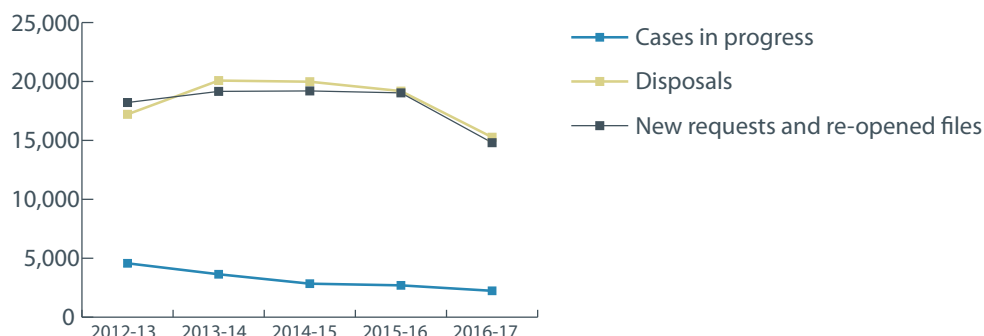
Outcomes	2015/2016			2016/2017 (1 July 2017 – 10 October 2017)		
	No.	% of total completed	% of outcomes	No.	% of total completed	% of outcomes
Resolved by agreement – no variation to original decision	827	5.0%	4.3%	624 (109)	4.7% (3.2%)	4.1% (2.8%)
Resolved by agreement – variation to original decision	6,098	36.9%	31.8%	4,735 (1,193)	35.6% (35%)	31% (30.5%)
Resolved by agreement to a recommendation	2,699	16.3%	14.1%	2,030 (532)	15.3% (15.6%)	13.3% (13.6%)
Withdrawn	826	5.0%	4.3%	726 (178)	5.5% (5.2%)	4.8% (4.6%)
Direction	45	0.3%	0.2%	17 (2)	0.1% (0.1%)	0.1% (0.1%)
<b>Resolved subtotal</b>	<b>10,495</b>	<b>63.4%</b>	<b>54.7%</b>	<b>8,132 (2,014)</b>	<b>61.1% (59.1%)</b>	<b>53.2% (51.6%)</b>
Unresolved	6,050	36.6%	31.5%	5172 (1,396)	38.9% (40.9%)	33.9% (35.7%)
<b>Total completed</b>	<b>16,545</b>	<b>100.0%</b>	<b>86.2%</b>	<b>13,304 (3,410)</b>	<b>100.0%</b>	<b>87.1% (87.0%)</b>
Not proceeding *	2,614		13.6%	1,951 (495)		12.8% (12.7%)
No jurisdiction	24		0.1%	15 (1)		0.1% (.03%)
<b>Total</b>	<b>19,183</b>		<b>100.0%</b>	<b>15,270 (3,906)</b>		<b>100.0%</b>

\*The category of 'Not Proceeding' is used for matters that have been suspended and may be finalised in the future. It includes matters referred to the Medical Panels with files being reopened after receipt of the Medical Panel Opinion.

The number of matters which can be resolved at conciliation will be affected by various factors outside the control of the ACCS, e.g. the quality of decisions of WorkSafe agents and self-insurers, the attitudes of the parties to court proceedings and other disputes the claimant may have before the courts. The resolution rate by itself should not be taken as a measure of the quality of conciliation.

## Five year trend

The graph below shows a reduction in numbers of disputes over the past two years, in particular the past 12 months, has shown a 21.6 percent reduction compared to 2015-2016.



## Time to disposal

During the time that a request is active at conciliation, work takes place before the conference, at the conference, and after the conference. As a result, 46 percent of disputes were disposed of without the need for a conference in 2016-2017 (49 percent 1 July 2017 to 10 October 2017). In many matters, the conciliation process is not completed until after the conference has been held, allowing for further activity following the conference, additional information, or time for either party to confer with their assistants and/or obtain legal advice. In 2016/2017, 83.1 percent of all disputes were concluded in 90 days or less compared to 84.2 percent previous year. From 1 July 2017 to 10 October 2017, 83.9 percent of all disputes were concluded in 90 days or less.

Time to disposal	2015/2016		2016/2017 (1 July 2017 – 10 October 2017)	
	No	%	No	%
28 days or less	5,644	29.4%	4307 (1053)	28.2% (26.9%)
Between 29 & 60 days	7,105	37.0%	5734 (1412)	37.6% (36.1%)
Between 61 & 90 days	3,408	17.8%	2646 (817)	17.3% (20.9%)
Over 90 days	3,026	15.8%	2583 (624)	16.9% (16.1%)
<b>Total</b>	<b>19,183</b>	<b>100.0%</b>	<b>15270 (3906)</b>	<b>100.0% (100.0%)</b>

Conciliation Officers referred 1,099 matters to the Medical Panels in 2016-2017 (1,390 in 2015-2016 and 368 between 1 July 2017 and 10 October 2017). Matters referred to the Medical Panels generally have a longer time to disposal, due to the time required for consultation with the parties prior to sending the final referral. Additional time is also required once the Opinion is received for the parties to review and confirm their position regarding the dispute. As previously noted, Medical Panel matters are suspended for the period they remain at the Panels. This period of suspension is not included in the time to disposal.



*Just a quick note to thank you for your work this morning. The service you provided was outstanding and very much appreciated.*

*Source: email from Support Person*



## Early Resolution Project

The Early Resolution Project (ERP) continues to deal with disputes that appear to be easily resolved without the need for a conciliation conference to be held. During 2016-2017, a total of 855 files were disposed in ERP. A further 1,120 files that had been referred to ERP were subsequently listed for conference. For the period 1 July 2017 to 10 October 2017, 507 files were referred to ERP and 312 listed for conference.

## Requests for medical reports

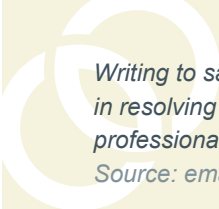
In the past year, pursuant to Section 289 of the *Workplace Injury Rehabilitation and Compensation Act 2013*, the ACCS requested 1413 medical reports and received 931. For the period 1 July 2017 to 10 October 2017, 394 medical reports were requested and 265 reports received.

## Regional disputes

While the majority of disputes originate within the Melbourne metropolitan region, 22 percent of disputes dealt with over 2016-2017 came from regional Victoria (also 22 percent, 1 July 2017 to 10 October 2017). In order to make the process of conciliation more accessible to those parties, Conciliation Officers undertake significant travel each month conducting conferences in regional Victoria.

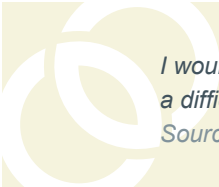
The ACCS holds conferences in the following locations:

Ballarat, Bendigo, Geelong, Traralgon, Mildura, Shepparton, Warrnambool and Wangaratta



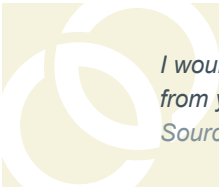
*Writing to say a big thank-you to you both and your team for your invaluable assistance in resolving my case last year. I would further like to add that I am impressed with the professionalism and willingness of the ACCS in the way that my case was handled.*

*Source: email from Worker*



*I would like to thank you for your assistance and manner you held your self during a difficult conference, the other day.*

*Source: email from Worker's Assistant*

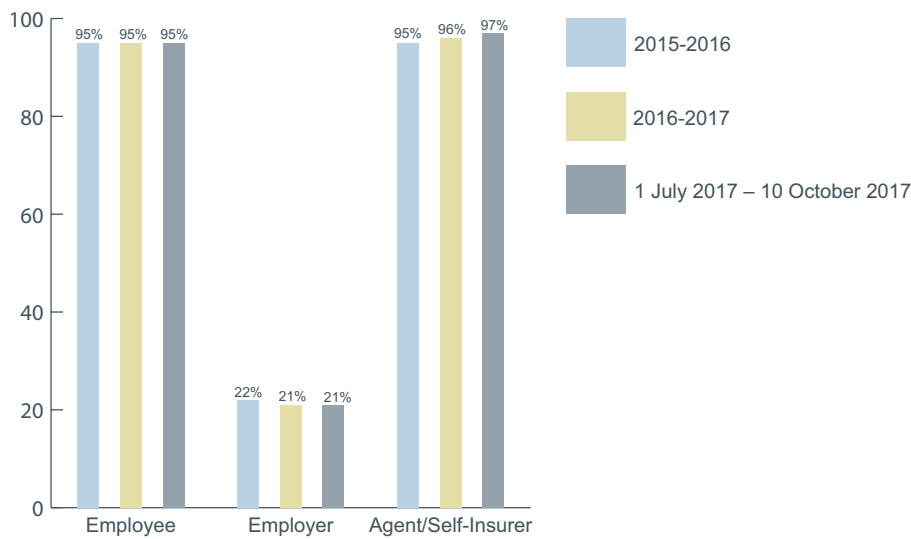


*I would sincerely like to thank you for your support and understanding and without that from you and many others, this process would have been far more difficult for me.*

*Source: email from Worker*

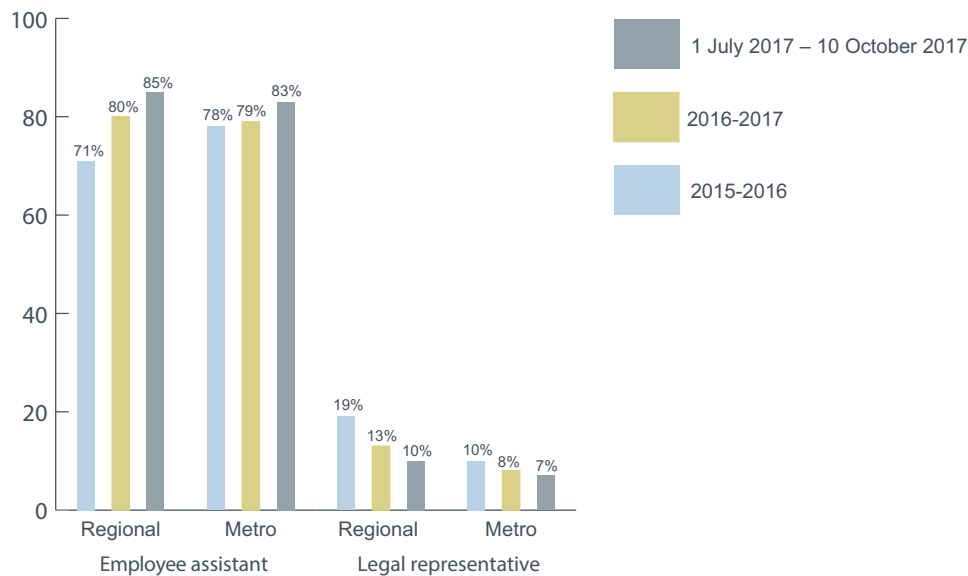
## Attendance at conferences

### Percentage of conferences attended by various parties



Attendance by parties at conferences has varied significantly over recent years. Attendance is affected by a number of factors. Each party is sent a notice to attend the conference and it is considered beneficial to attend the conference in person. In some matters, particularly those involving payment of expenses for medical reports by the WorkSafe agent or self-insurer, the worker and/or employer may not be needed to attend the conference. Attendance by employers appears also to depend on the nature of the dispute, for example, they attend more conferences about decisions to reject claims compared to other decisions.

### Percentage of conferences where an employee was accompanied by an assistant or legal representative.



The above graph shows the percentage of conferences where a worker was accompanied by an assistant or representative and provides a comparison between metropolitan and regional conferences.

## **Client and stakeholder service**

### **Strategic direction**

The ACCS is undertaking a significant cultural change process to support the successful transition to a statutory authority. A key focus initially will be further improving service delivery.

The Board, together with the Executive Leadership Team, will work together to develop a longer term strategic plan for the ACCS commencing 1 July 2018.

Underpinning any strategic plans for the ACCS is a commitment that we continue to:

- deliver consistent, fair and cost effective conciliations
- foster a corporate culture that is engaged, collaborative, service focused and professional
- maintain close and professional relations with ACCS stakeholders
- minimise the costs of disputation in the workers' compensation system for Victorians.

### **Training for stakeholders and other presentations**

The ACCS conducted several Workers Information Nights throughout 2016-2017. These sessions are designed to assist workers to better understand the conciliation process and how to prepare for conciliation conference. In short surveys conducted after the Workers Information Nights, participants provided positive feedback and noted that these sessions helped them to gain more knowledge regarding the role of Conciliation Officers and other parties involved in the conciliation process. The ACCS also provides information sessions and presentations to stakeholders and interested groups.

## **Feedback**

In addition to the Annual Client Survey, the ACCS uses a variety of other measures to assess and analyse the quality of the service it provides.

## **Complaints and compliments**

Complaints and compliments are monitored to ensure that there are no systemic issues raised. In 2016-2017, the ACCS registered 21 complaints (and between 1 July 2017 and 10 October 2017 there were four). These were generally complaints about individual matters. No systemic problems were identified.

Compliments are regularly received following a conference.

### **Regular meetings with key stakeholders**

- ACCS Users' Group
- Employer groups
- WorkSafe
- WorkSafe Agents and Self Insurer's Group
- WorkCover Assist and Union Assist
- Medical Panels

## Client survey

In support of our aim to deliver quality professional services to participants involved in the conciliation process, the ACCS has since 1994 regularly surveyed workers, employers, WorkSafe agents and self insurers. This annual client survey is conducted by an independent third party organization.

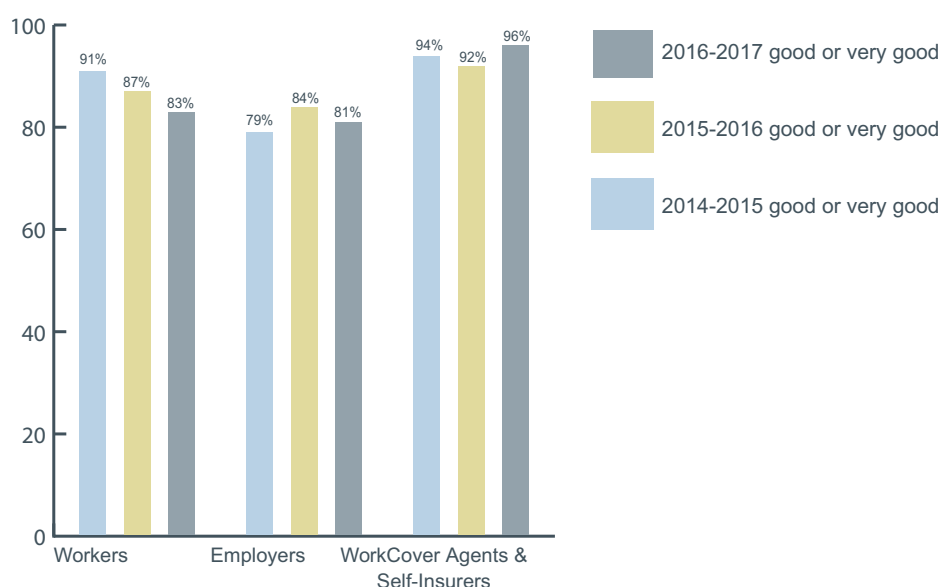
This has proved a useful tool to help monitor and improve our performance in service delivery to clients.

In 2016-2017 the survey obtained feedback from 201 workers, 200 employers and 50 WorkSafe Agents/Self-Insurers. The research was conducted employing programed questionnaires using Computer Assisted Telephone Interviewing (CATI) scripting software.

As part of the survey, the following question about overall perceptions of the service provided throughout the conciliation process is asked of workers, employers, WorkSafe agents and self-insurers:

*'Weighing up your entire conciliation experience and regardless of the outcome, how would you rate the service you received?'*

**The percentage of each group rating the service as 'good' or 'very good' were:**



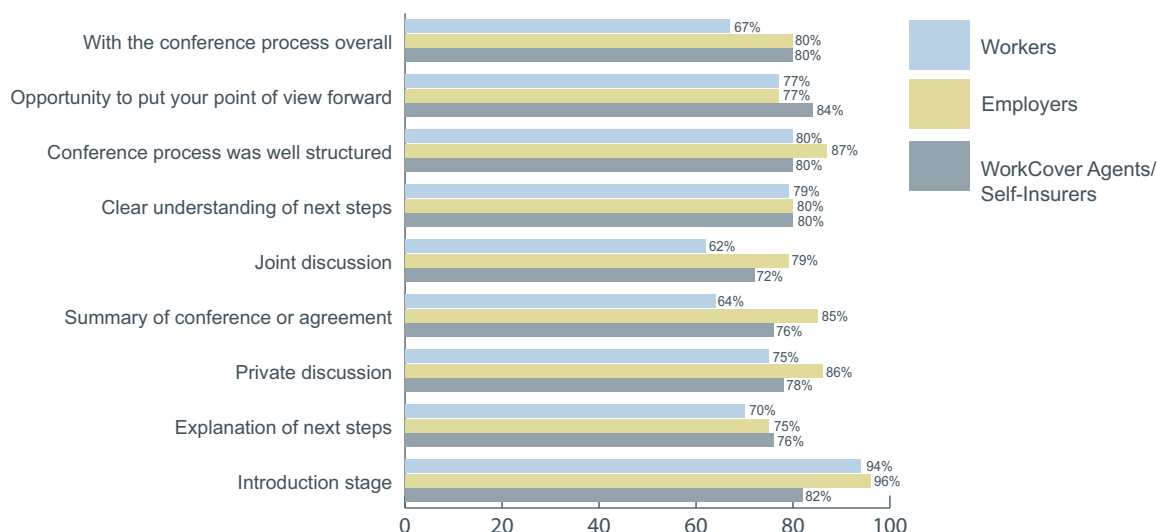
This shows that the percentage of all parties rating the service received as 'good' or 'very good' has reduced for workers and employers whilst increasing for agents and self-insurers during this survey period.

Each client group was also asked whether they agreed or disagreed that Conciliation was a valuable process. The percentage of each group that agreed was: 81 percent of Workers (88 percent in 2015-2016 and 89 percent in 2014-2015), 86 percent of Employers (92 percent in 2015-2016 and 84 percent in 2014-2015) and 96 percent of WorkSafe Agents/Self-Insurers (96 percent in 2015-2016 and 94 percent in 2014-2015).

*We just wanted to drop you a line and thank you for your kindness and compassion on Tuesday at Conciliation, we can see why they have someone like yourself in the job you seem very caring and understanding very suited to your role.*

*Source: email from Worker and support person*

The percentage of each client group that agreed with statements about the conduct of the conference is indicated in the table below.



Base: Respondents that attended a conference

A copy of the Client Survey is available on the ACCS website.

## Cost benefit analysis

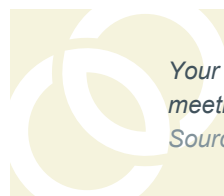
The ACCS is a major contributor to Victorian community wellbeing, especially for workers injured at work and we believe we can contribute even more. In December 2015 the ACCS decided to commission an independent Cost Benefit Analysis (CBA) to assess the range of economic costs and benefits associated with its work.

The financial, social and personal benefits that flow from resolving compensation scheme disputes through conciliation rather than judicial processes are significant. The ACCS process acts as a circuit-breaker in the complex workers' compensation system by bringing people to roundtable discussions and reaching durable resolutions before they escalate into costly legal disputes.

The ACCS CBA is consistent with the Victorian Government guidelines for economic evaluation of investment proposals which specify that a CBA should measure the impact on the overall level of welfare in society. The CBA of the service based on the 2014–2015 financial year estimates a \$3.00 benefit to the Victorian community for every \$1.00 of cost.

The independent assessment found that by investing in the ACCS, the Victorian Government reduces the payments it makes for the courts, spends less on healthcare and provides better outcomes to injured workers. Over 80 percentage of the ACCS cases were completed within 90 days of lodgement.

The ACCS also improves the productivity of injured workers and their families. By reducing delays and facilitating more respectful treatment of injured workers the ACCS process can assist faster returns to work along with better health outcomes. Improved productivity can also extend to the injured workers' families through reducing stress, freeing carers' time and better educational outcomes for injured workers' children.



*Your expertise is remarkable. Thank you for the professional way in which you chaired the meeting yesterday. It was a relief to make real progress. I am indeed grateful.*

*Source: email from Worker*

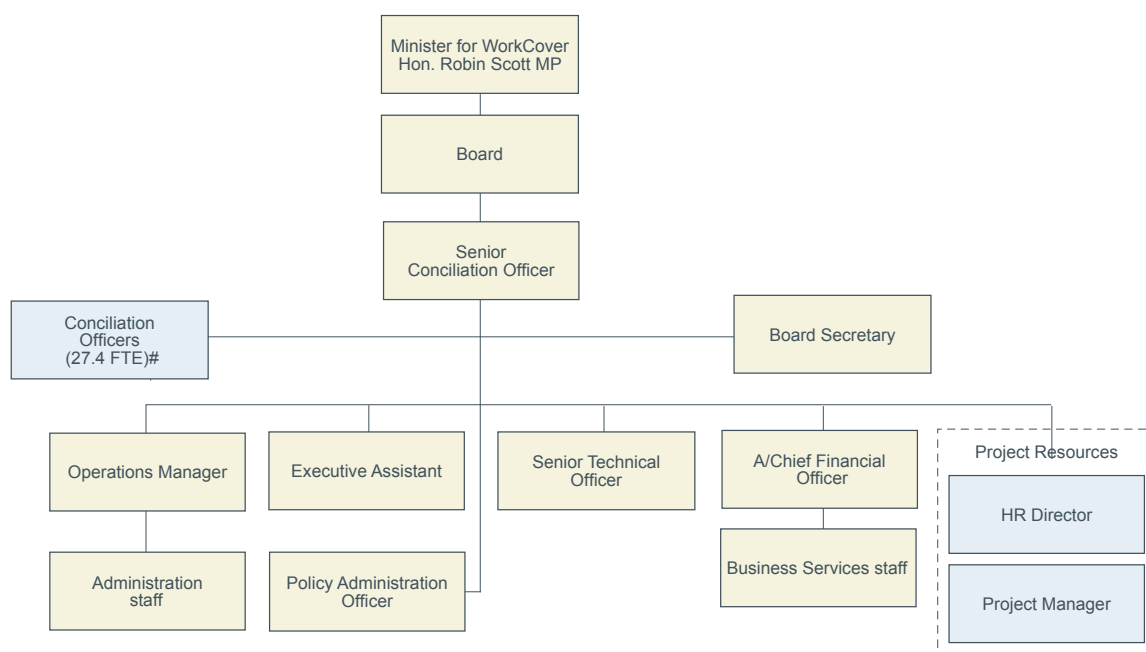
## The organisation

For the reporting period the ACCS is an independent body corporate established under the *Accident Compensation Act 1985* and the *Workplace Injury Rehabilitation and Compensation Act 2013*. The funding of the ACCS annual budget, as approved by the Minister is provided by the Victorian WorkCover Authority. From 11 October 2017 the ACCS will become a statutory authority governed by a board of directors.

The Governor in Council appoints a Senior Conciliation Officer and other Conciliation Officers. The Senior Conciliation Officer exercises the powers and duties in accordance with the *Accident Compensation Act 1985* and the *Workplace Injury Rehabilitation and Compensation Act 2013* and observes guidelines issued by the Minister.

The Acting Chief Financial Officer is responsible for financial services, information technology and management of the corporate services of the organisation. The Operations Manager is responsible for the management and oversight of the operations of the ACCS with a particular focus on delivery of efficient and effective administrative support to the Conciliation Officers. The Human Resources Director is a new position, identified to support the people and change management initiatives required to enact the transition to a statutory authority. The Project Manager provides project management support for this transition and is a time limited role.

### Current organisational structure



### Board information

Directors	
Julie Ligeti, Board Chair	Commenced 23 March 2017
Meriel O'Sullivan, Deputy Chair and Chair Remuneration Committee	Commenced 23 March 2017
Kelly Humphreys, Chair Risk Audit and Finance Committee	Commenced 23 March 2017
Tali Bernard	Commenced 23 March 2017
Iain Findlay	Commenced 23 March 2017
Michael Mitchell	Commenced 23 March 2017 Resigned 16 November 2017
Felicity Blair	Commenced 23 March 2017 Resigned 15 September 2017
Adrian Fitzpatrick	Commenced 10 October 2017



## Workforce information

Position	2015-2016			2016-2017 (1 July 2017 – 10 October 2017)		
	Male	Female	Total	Male	Female	Total
Conciliation Officer	13	23	36	11 (10)	22 (22)	33 (32)
Administrative staff	13	33	46	10 (12)	36 (37)	46 (49)
<b>Total</b>	26	56	82	21 (22)	58 (59)	79 (81)
Position	Full time	Part time	FTE*	Full time	Part time	FTE*
Conciliation Officer	22	14	31.6	20 (19)	13 (13)	28.6 (27.8)
Administrative staff	41	5	43.8	40 (43)	6 (6)	43.6 (46.4)
<b>Total</b>	63	19	75.4	60 (62)	19 (19)	72.2 (74.2)

\*Full time equivalent

## Developing our staff

The ACCS provides training and development opportunities to administration staff and Conciliation Officers to enhance their skills and share their knowledge with colleagues.

Conciliation Officers attended key industry workshops and conferences including the Council of Australasian Tribunals annual conference and the National Mediation conference. A key focus for administration staff and Conciliation Officers was developing a greater understanding of the impact of mental health and managing mental health disputes. More than 30 Conciliation Officers and staff attended Conferencing and a Restorative Approach seminar.

Administration staff attended a range of tailored development programs relating to supervision, policy updates, conflict management and human resources as well as programs designed to improve knowledge and understanding of the workers' compensation scheme and relevant legislation.

Training has been delivered face-to-face and on-line, on demand with 306 days of training delivered in 2016-2017.

## Health and safety

The health, safety and wellbeing of staff and visitors is a priority for the ACCS. We seek to proactively identify and manage potential hazards and stressors in the workplace. To mitigate risks we upskill administration staff and Conciliation Officers and implement safe work systems.

In 2016-17 the ACCS dedicated 73.5 days to OHS training.

In the 2016-2017 period there were 27 reported incidents for the year per 100 full-time equivalent staff members, and one WorkCover standard claims for the year per 100 full-time equivalent staff member.

The average cost per claim for the year is \$1,546.

## Publications and information

The ACCS continues to work to make information available in effective formats for the public. All publications are available free of charge either online on our website at [www.conciliation.vic.gov.au](http://www.conciliation.vic.gov.au), or by contacting the ACCS.

The following publications and information about the ACCS are available to the public:

- Request for Conciliation form
- Resolving workers compensation disputes – the conciliation process booklet\*
- Resolving workers compensation disputes – the conciliation process DVD\*\*
- Annual report
- Client Survey report
- Code of Conduct and Protocols
- Privacy Policy
- Procedures under the *Protected Disclosures Act*.
- Complaints process.

\* Available in the following languages: English, Arabic, Croatian, Greek, Italian, Macedonian, Mandarin, Polish, Serbian, Spanish, Turkish and Vietnamese.

\*\* Available in the following languages: English, Arabic, Croatian, Greek, Italian, Macedonian, Serbian, and Vietnamese. The English version includes closed captions for use by hearing impaired people.

## Culturally diverse injured workers

The injured workers of the ACCS are culturally and linguistically diverse. For example in 2016-2017, 10.2 percent of people who requested conciliation indicated that they would need an interpreter.

Consequently, the ACCS seeks to maintain awareness of workers with culturally diverse backgrounds and their experiences of conciliation. In 2016-2017 we attended to the needs of such workers in a range of ways, including the following.

### Through our publications

Our Request for Conciliation form is often the first contact point between the ACCS and injured workers. This form includes a section asking the client to nominate whether an interpreter is needed.

Once a Request for Conciliation form has been received, we provide a DVD and booklet that is designed to familiarise workers and employers with the conciliation process and to help these parties prepare for and participate in this. Both are produced in multiple languages and highlight the availability of free interpreter services.

The Request for Conciliation form and booklet advise injured workers in numerous languages how to contact the ACCS through a telephone interpreter service.

In 2016-2017, the booklet was available in 13 languages and the DVD was available in 11 languages.

### Through language services

To help ensure that people from diverse language backgrounds have appropriate access to conciliation, a free interpreter service is available to our injured workers. This is available through the provision of professional interpreter services at conciliation conferences as well as through telephone communications.

### Through client surveying

The independent research company who were engaged to carry out the Annual Client Survey employ multi-lingual survey staff to ensure that people from diverse language backgrounds can participate effectively in the survey.

The ACCS will continue to maintain its focus on providing appropriate service in relation to our diverse client base.

## Information and Communication Technology expenditure

Details of Information and Communication Technology (ICT) expenditure for the 2016-2017 reporting period, ACCS had a total ICT expenditure of \$1,510,664 with the details shown below.

Business As Usual (BAU) ICT expenditure	Non-Business As Usual (non-BAU) ICT expenditure (Total = operational expenditure and capital expenditure)	Operational expenditure	Capital expenditure
1,263,664	\$247,000	\$247,000	-

*Just wanted to thank you for the way my conciliation was conducted yesterday. I was extremely anxious leading up to the conciliation as I wasn't sure who from my company would be there. You were extremely patient and eased my nervousness, made it a pleasant environment from what I thought otherwise. Once again thank you for making it comfortable for me and I really appreciate you for doing so.*

*Source: email from Worker*

## Details of individual consultancies valued at \$10,000 or greater

Consultant	Purpose of consultancy	Start date	End date	Total approved project fee ( excl. GST)	Expenditure 2016-2017 ( excl. GST)
CPR Communications	Stakeholder Engagement & Communications Plan	16/8/2017	25/08/2017	\$18,440	\$18,440
David Caple & Associates	OHS Projects – ACCS formation	27/04/2017	30/09/2017	\$31,500	\$31,500
Integrity Governance	Strategic Planning for ACCS	13/04/2016	1/11/2016	\$26,670	\$17,920
KPMG	Board Establishment	1/04/2016	20/4/2017	\$44,775	\$44,775
KPMG	Due Diligence	1/04/2016	20/4/2017	\$42,788	\$42,788
KPMG	Transition Project Review	1/08/2017	30/09/2017	\$22,996	\$22,996
Mercer Consulting	Workforce Planning & Analytics	13/02/2017	7/04/2017	\$23,500	\$23,500
Pitcher Partners	IT Strategic Review	1/06/2016	21/08/2016	\$34,106	\$7,158
Risk Logic	Business Continuity Planning Services	14/01/2016	30/09/2016	\$28,250	\$7,063
Risk Logic	Business Continuity Maintenance Services	27/06/2017	27/06/2018	\$25,000	\$25,000

\*excluding GST

In 2016-2017, the Accident Compensation Conciliation Service engaged three consultancies where the total fees payable to the consultants were less than \$10,000, with a total expenditure of \$10,200 (excl. GST).

## Risk Management

### Compliance with the Victorian Government Risk Management Framework

I, Anita Kaminski, am the Senior Conciliation Officer of the Accident Compensation Conciliation Service. The Accident Compensation Conciliation Service is a body corporate with the Senior Conciliation Officer as its sole member. Under the *Financial Management Act 1994*, the Senior Conciliation Officer assumes the roles and responsibilities of the Responsible Body and the Accountable Officer.

On this basis, I certify that the Accident Compensation Conciliation Service has complied with the Ministerial Standing Direction 4.5.5 – Risk Management Framework and Processes.



Anita Kaminski  
Senior Conciliation Officer  
Accident Compensation Conciliation Service

Date signed: 29 November 2017

# ACCIDENT COMPENSATION CONCILIATION SERVICE

## 2016-2017 FINANCIAL REPORT

Comprehensive Operating Statement

Balance Sheet

Statement of Changes in Equity

Cash Flow Statement

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- 2 Summary of Significant Accounting Policies
- 3 Operating Costs
- 4 Remuneration of Auditors
- 5 Commitments
- 6 Responsible Persons
- 7 Related Parties
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- 9 Contingent Assets and Contingent Liabilities
- 10 Events after the Reporting Period

Statement by Senior Conciliation Officer and Acting Chief Financial Officer

Auditor-General's Report

## Comprehensive Operating Statement for the Period Ended 10 October 2017

		1 July 2016 - 10 October 2017 \$000s	1 July 2015 - 30 June 2016 \$000s
	Note		
<b>Revenue</b>			
Funding from WorkSafe Victoria	2(b)	19,260	15,565
<b>TOTAL REVENUE</b>		<b>19,260</b>	<b>15,565</b>
<b>Expenses</b>			
Operating costs	3	(19,260)	(15,565)
<b>TOTAL EXPENSES</b>		<b>(19,260)</b>	<b>(15,565)</b>
<b>Net result</b>		<b>-</b>	<b>-</b>
Other comprehensive income		-	-
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>-</b>	<b>-</b>

The comprehensive operating statement should be read in conjunction with the accompanying notes to the financial statements.

## Balance Sheet as at 10 October 2017

	10 October 2017 \$000s	30 June 2016 \$000s
<b>Current assets</b>	-	-
<b>Non-current assets</b>	-	-
<b>TOTAL ASSETS</b>	<b>-</b>	<b>-</b>
<b>Current liabilities</b>	-	-
<b>Non-current liabilities</b>	-	-
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>-</b>
<b>NET ASSETS</b>	<b>-</b>	<b>-</b>
<b>Equity</b>		
Accumulated Surplus	-	-
<b>TOTAL EQUITY</b>	<b>-</b>	<b>-</b>

The balance sheet should be read in conjunction with the accompanying notes to the financial statements.

## Statement of Changes in Equity for the Year Ended 10 October 2017

	1 July 2016 - 10 October 2017 \$000s	1 July 2015 - 30 June 2016 \$000s
Total equity at beginning of the period/year	-	-
Net result for the period/year	-	-
<b>TOTAL EQUITY AT END OF THE PERIOD/YEAR</b>	<b>-</b>	<b>-</b>

The statement of changes in equity should be read in conjunction with the accompanying notes to the financial statements.

## Cash Flow Statement for the Year Ended 30 June 2016

	1 July 2016 - 10 October 2017 \$000s	1 July 2015 - 30 June 2016 \$000s
<b>Cash Flows From Operating Activities</b>	-	-
<b>Cash Flows From Investing Activities</b>	-	-
<b>Cash Flows From Financing Activities</b>	-	-
<b>Net increase in cash held</b>	<b>-</b>	<b>-</b>
Cash at the beginning of the period/year	-	-
<b>CASH AT THE END OF THE PERIOD/YEAR</b>	<b>-</b>	<b>-</b>

The cash flow statement should be read in conjunction with the accompanying notes to the financial statements.

# Notes to the Financial Statements

## For the financial period ended 10 October 2017

### 1. ACCIDENT COMPENSATION CONCILIATION SERVICE

The Accident Compensation Conciliation Service ("Conciliation Service") was established on 1 July 2002 under the *Accident Compensation Act 1985*, which together with the *Accident Compensation (WorkCover Insurance) Act 1993*, were recast into the *Workplace Injury Rehabilitation and Compensation Act 2013* on 1 July 2014.

Pursuant to section 15 of the *Compensation Legislation Amendment Act 2016*, which came into operation on 11 October 2017, the Conciliation Service was wound up and the Accident Compensation Conciliation Service ("ACCS") was established as a statutory authority with a ministerially appointed board.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Statement of compliance

These general purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* and applicable Australian Accounting Standards (AAS) which include Interpretations, issued by the Australian Accounting Standards Board (AASB). For the purposes of preparing the financial statements the Victorian State Government has determined that the Conciliation Service is a not-for-profit entity. Where appropriate, those AAS paragraphs applicable to not-for-profit entities have been applied.

The audited annual financial statements were authorised for issue by the Senior Conciliation Officer on 29 November 2017.

#### Basis of accounting preparation and measurement

The Conciliation Service was a body corporate established by statute enacted by the Victorian State Parliament and domiciled in Australia.

These financial statements cover the Conciliation Service as an individual reporting entity for the period from 1 July 2016 to 10 October 2017. In accordance with the ministerial determination made by the Minister for Finance under section 6(1) of the *Financial Management Act 2016*, the financial period of the Conciliation Service was changed from 30 June 2017 to 10 October 2017 in line with the operative date of section 15 of the *Compensation Legislation Amendment Act 2016*.

Therefore, the current reporting period is 15 months and 10 days against a 12 month comparative.

The financial statements have been prepared on an accruals basis, and are based on historical costs and do not take into account changing money values. Historical cost is based on the fair values of the consideration given in exchange for assets.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

#### Going concern

The going concern assumption has been applied in the preparation of these financial statements as all property and rights of the Conciliation Service were vested in the ACCS, and all liabilities of the Conciliation Service were assumed by the ACCS from 11 October 2017. The ACCS is the successor in law of the Conciliation Service.

The ACCS continues to be funded by the Victorian WorkCover Authority (trading as WorkSafe Victoria) in accordance with section 536D of the *Workplace Injury Rehabilitation and Compensation Act 2013* (Note 2 (b)).

#### Australian Accounting Standards issued but not yet effective

The AASB has issued the following new or revised Australian Accounting Standards, which will be applicable to the ACCS:

AASB	Title	Operative Date
9	Financial Instruments	1 January 2018
2010-7	Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)	1 January 2016
16	Leases	1 January 2019
1058	Income of Not-for-Profit Entities	1 January 2019

These standards are not effective for the reporting period ended 10 October 2017 and have not been applied in preparing the Conciliation Service's financial statements. While the preliminary assessment has not identified any material impact arising from the adoption of AASB 9, it will continue to be monitored and assessed. The key changes introduced by AASB 16 include the recognition of most operating leases on balance sheet. The ACCS will apply these standards for the annual reporting periods beginning on or after the operative date set out above, where applicable.



## **Significant accounting policies**

The following significant accounting policies have been adopted in the preparation and presentation of the financial statements:

### **(a) Cash flow**

The Conciliation Service does not maintain bank accounts. Under funding arrangements made with WorkSafe Victoria, the Conciliation Service utilises WorkSafe's banking arrangements to facilitate its payments.

### **(b) Funding from Victorian WorkCover Authority**

The Conciliation Service is funded by WorkSafe Victoria in accordance with section 536D of the Workplace Injury Rehabilitation and Compensation Act 2013. Subject to and in accordance with the budget approved by the Minister for Finance, all operating costs of the Conciliation Service including obligations for employee and related costs are met through this funding arrangement.

Funding revenue is recognised to match the operating expenses as and when such expenses are incurred by the Conciliation Service.

### **(c) Operating leases**

The Conciliation Service has obligations under operating lease agreements for certain buildings, motor vehicles and office equipment. Operating lease payments are charged as an expense in the comprehensive operating statement on a straight line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

### **(d) Employee benefits**

Employee benefits comprise benefits accruing to employees in relation to salaries, annual leave and long service leave.

#### *Defined contribution superannuation plans*

Contributions to defined contribution superannuation plans are expensed when incurred.

#### *Defined benefit superannuation plans*

The amount charged to the comprehensive operating statement in respect of defined benefit plan superannuation represents the contributions made by the Conciliation Service to the superannuation plans in respect of the current services of current Conciliation Service employees. Superannuation contributions are made to the plans based on the relevant rules of each plan.

The Conciliation Service does not recognise any defined benefit liability in respect of the superannuation schemes because it has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due. The Department of Treasury and Finance administers and discloses the State's defined benefit liabilities in its financial report.

### **(e) Commitments**

Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual sources and are disclosed at their nominal value, inclusive of GST.

### **(f) Rounding**

Amounts have been rounded to the nearest thousand dollars, unless otherwise stated.

### **(g) Presentation and functional currencies**

The presentation currency of the Conciliation Service is the Australian dollar, which is also the functional currency of the Conciliation Service.

### **(h) Events after the reporting period**

Income or expenses arise from past transactions or other past events. Where the transactions result from an agreement between the Conciliation Service and other parties, the transactions are only recognised when the agreement is irrevocable at or before the end of the reporting period. Adjustments are made to amounts recognised in the financial statements for events which occur between the end of the reporting period and the date when the financial statements are authorised for issue, where those events provide information about conditions which existed at the reporting date. Note disclosure is made about events between the end of the reporting period and the date the financial statements are authorised for issue where the events relate to conditions which arose after the end of the reporting period that are considered to be of material interest.

<b>3 OPERATING COSTS</b>	<b>1 July 2016 - 10 October 2017</b>	<b>1 July 2015 - 30 June 2016</b>
	\$000s	\$000s
Staff and related	11,935	10,472
Occupancy and utilities	3,047	2,120
Asset rental expenses	653	701
Information technology	1,504	1,130
Marketing and communication	66	88
Professional services	1,254	378
Other expenses	801	676
	<b>19,260</b>	<b>15,565</b>
Operating costs include the following:		
Operating lease rentals		
Premises	1,529	1,132
Motor vehicles	119	118
Office equipment	49	41
	<b>1,697</b>	<b>1,291</b>
Employee benefit expense		
- Salaries and other employee benefits	10,718	9,445
- Post employment benefits (i)		
Defined contribution plans	889	788
Defined benefit plans	48	37
	<b>11,655</b>	<b>10,270</b>

Note: (i) Employee superannuation includes contributions paid under salary sacrifice arrangements.

<b>4 REMUNERATION OF AUDITORS</b>	<b>1 July 2016 - 10 October 2017</b>	<b>1 July 2015 - 30 June 2016</b>
	\$000s	\$000s
Victorian Auditor-General's Office -		
Audit of the Conciliation Service's financial statements	20	14
	<b>20</b>	<b>14</b>

## 5 COMMITMENTS

### Operating Leases

Future minimum lease payments under non-cancellable operating lease arrangements:

	<b>10 October 2017</b>	<b>30 June 2016</b>
	\$000s	\$000s
Due within one year	1,568	1,889
Due later than one year and less than five years	9,103	79
Due later than five years	12,983	-
<b>Total operating lease commitments (inclusive of GST) <sup>(i)</sup></b>	<b>23,654</b>	<b>1,968</b>

Note:

(i) The responsibility for ongoing lease commitments were transferred from the Conciliation Service to the ACCS from 11 October 2017.

## 6 RESPONSIBLE PERSONS

In accordance with the Directions of the Minister for Finance under the *Financial Management Act 1994*, the responsible persons who held office during the financial period were Robin Scott MP, Minister for Finance and the Senior Conciliation Officer, Ms Anita Kaminski.

The number of responsible persons of the Conciliation Service whose remuneration falls within the following income bands was:

<b>Income Bands</b>	<b>1 July 2016 - 10 October 2017</b>	<b>1 July 2015 - 30 June 2016</b>
<b>\$</b>		
40,000 - 49,999	-	1
230,000 - 239,999	-	1
320,000 - 329,999	1	-

The compensation detailed above excludes the salaries and benefits the Portfolio Minister receives. The Minister's remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968* and is reported within the Department of Parliamentary Services' Financial Report.

## 7 RELATED PARTIES

Key management personnel of the Conciliation Service comprises the responsible minister and the Senior Conciliation Officer. The remuneration of key management personnel, other than the responsible minister, is as follows:

	1 July 2016 - 10 October 2017
	\$000s
Short-term employee benefits	270
Post-employment benefits	42
Other long-term benefits	9
<b>Total remuneration</b>	<b>321</b>

Note:

- (i) No comparatives have been reported because this is the first year implementation of Financial Reporting Direction (FRD) 21C and remuneration in the prior year was determined in line with the basis and definition under FRD 21B.

There were no responsible person-related party transactions during the financial period.

## 8 REMUNERATION OF EXECUTIVES

	1 July 2016 - 10 October 2017	1 July 2015 - 30 June 2016
	\$000s	\$000s
<b>Total remuneration</b>	-	-
<b>Total number of executives</b>	-	-
<b>Total annualised employee equivalents</b>	-	-

The Conciliation Service had no executives during the financial period (2016: Nil).

## 9 CONTINGENT ASSETS AND CONTINGENT LIABILITIES

The Conciliation Service had no contingent assets or contingent liabilities at the reporting date (2016: Nil).

## 10 EVENTS AFTER THE REPORTING PERIOD

As disclosed in Note 1, the Conciliation Service was wound up on 10 October 2017 and the ACCS was established on 11 October 2017. All property and rights of the Conciliation Service were vested in the ACCS, and all liabilities of the Conciliation Service were assumed by the ACCS from 11 October 2017.

No other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Conciliation Service, the results of those operations, or the state of affairs of the Conciliation Service in future financial years.

## Statement by Senior Conciliation Officer and Acting Chief Financial Officer

The attached financial statements of the Accident Compensation Conciliation Service have been prepared in accordance with Standing Direction 5.2 of the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including Interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the period ended 10 October 2017 and the financial position of the Accident Compensation Conciliation Service as at 10 October 2017.

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

We authorise the attached financial statements for issue on 29 November 2017.



Anita Kaminski  
Senior Conciliation Officer



Tony Mastroianni  
Acting Chief Financial Officer

Dated at Melbourne this 29th Day of November 2017



Victorian Auditor-General's Office

# Independent Auditor's Report

## To the Senior Conciliation Officer of the Accident Compensation Conciliation Service

<b>Opinion</b>	<p>I have audited the financial report of the Accident Compensation Conciliation Service (the authority) which comprises the:</p> <ul style="list-style-type: none"><li>• balance sheet as at 10 October 2017</li><li>• comprehensive operating statement for the period then ended</li><li>• statement of changes in equity for the period then ended</li><li>• cash flow statement for the period then ended</li><li>• notes to the financial statements, including a summary of significant accounting policies</li><li>• statement by senior conciliation officer and acting chief financial officer.</li></ul> <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the authority as at 10 October 2017 and their financial performance and cash flows for the period 1 July 2016 to 10 October 2017 in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. My responsibilities under the Act are further described in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Australia. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Senior Conciliation Officer's responsibilities for the financial report</b>	<p>The Senior Conciliation Officer of the authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Senior Conciliation Officer determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Senior Conciliation Officer is responsible for assessing the authority's ability to continue as a going concern, and using the going concern basis of accounting unless it is inappropriate to do so.</p>

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

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

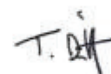
As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

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

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

---

MELBOURNE  
30 November 2017



Travis Derricott  
*as delegate for the Auditor-General of Victoria*

# Compliance Index To Disclosure Requirements 2016/2017

## Disclosure Index

The Annual Report of ACCS is prepared in accordance with all relevant Victorian legislations and pronouncements. This index has been prepared to facilitate identification of ACCS's compliance with statutory disclosure requirements.

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## Compliance Statements

### Freedom of Information Act 1982

The Accident Compensation Conciliation Service complies with the Freedom of Information Act 1982. The Senior Conciliation Officer and the Business Manager fulfil the responsibilities of Principal FOI Officer and FOI Officer respectively.

Requests for access to documents under FOI should be made in writing to the Senior Conciliation Officer or the Business Manager. ACCS encourages the informal release of routine conference documentation to conference parties without making a formal FOI request. Potential applicants should therefore first request release of such documentation from the relevant staff member. Contact details are on the back cover of this Report.

### Building Act 1993

The Accident Compensation Conciliation Service complies with the Building Act 1993 with respect to alterations and maintenance to its office accommodation which is subleased from Worksafe. ACCS is not aware of any material non-compliance with the building standards prescribed in the Act.

### Protected Disclosure Act 2012

The Accident Compensation Conciliation Service encourages the reporting of known or suspected incidences of improper conduct or detrimental actions. Procedures have been established to ensure that any matters disclosed are properly investigated and persons making disclosures are protected from reprisals.

Since the *Protected Disclosure Act 2012* came into effect, there have been no disclosures made to the Independent Broad-based Anti-corruption Commission (IBAC).

### Carers Recognition Act 2012

The ACCS has taken all practical measures to comply with its obligations under the *Carers Recognition Act 2012*. These include considering the carer relationships principles set out in the Act when adopting policies which affect staff in care relationships. Worksafe administration staff who are seconded to ACCS adhere to Worksafe policies on carers leave, flexible working hours, purchased leave and the ability to work from home which comply with the statement of principles in the Act.

### Availability of Other Information

To the extent applicable, the information required under Financial Reporting Direction 22H issued by the Minister for Finance under the *Financial Management Act 1994* has been prepared and is available on request (subject to the provisions of the *Freedom of Information Act*).

For information regarding this report, please contact the  
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