

NATIONAL VICTORIA

Auditor lashes State Trustees

By Josh Gordon

9 February 2012 – 3:00am

THE personal finances and legal affairs of thousands of Victorians who are unable to manage their own affairs because of a disability, mental illness or injury have been placed at risk by shoddy record-keeping by the trustees appointed to look after them.

A report by Victorian Auditor-General Des Pearson has found that the State Trustees - which administers the personal affairs of more than 10,000 vulnerable Victorians - cannot show that it is acting in the best interests of the clients it represents.

The Public Trust Office of Victoria was set up in 1939, partly to protect the interests of Victorians with disabilities. It became independent of government in 1987 and was made into a company in 1994 by the former Kennett government in a bid to make it more efficient.

But the Audit Office probe into the administration of about \$422 million of cash managed on behalf of clients found it could not demonstrate whether it was fulfilling its legal obligations to act in the best interests of clients.

"State Trustees has a well-documented history of many of its procedures being outdated, unused, inadequate or non-existent," the report said.

"Flawed implementation, ineffective oversight, and a failure to regularly and systematically test how effective controls are in practice, limit the assurance it can provide ... about organisational compliance and performance."

It said regular contact with clients was crucial. But it said after an initial mandatory visit within the first 65 days of being assigned a client, staff visited only 5 per cent of ongoing clients each year.

"Poor record-keeping of communication with clients means State Trustees cannot demonstrate it is effectively engaging with clients."

The report found that staff were dealing with unsustainable caseloads of up to 400 clients each, with the system further hampered by a high turnover of case managers.

Greens MP Colleen Hartland said the report clearly demonstrated that the Baillieu government needed to reconsider its "razor gang" job cuts in the public service.

"We are talking about people who are considered to be unable to manage their own financial and legal affairs, some of the most vulnerable people in our community," Ms Hartland said.

"Clearly excessive caseloads and high staff turnover are affecting the quality of services clients of State Trustees receive."

State Trustees managing director Tony Fitzgerald said the organisation was in negotiation with the Department of Human Services. "Commitment to changes in our client engagement strategy is dependent on the appropriate funding arrangements being agreed upon," he said.

A government spokeswoman said State Trustees had accepted all the recommendations of the Auditor-General and work had begun to tackle some of the review's findings.
