

Annual Report
Of

Office of the Complaints Commissioner

For the 2012/2013 Financial Year

Annual Report 2012–2013

Eighth Annual Report of the Office of the Complaints Commissioner of the Cayman Islands addressing the Fiscal Year July 2012–June 2013



Office of the Complaints Commissioner



Office of the Complaints Commissioner

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***Aim of the Office*: To investigate in a fair and independent manner complaints against government to ascertain whether injustice has been caused by improper, unreasonable, or inadequate government administrative conduct, and to ascertain the inequitable or unreasonable nature or operation of any enactment or rule of law.**

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17 October 2014

By Hand

The Honourable Julianna O'Connor-Connolly
Speaker of the Legislative Assembly
Legislative Assembly
George Town
Grand Cayman.

Dear Madam Speaker,

Re: Annual Report 2012-13

I am pleased to submit my Annual Report for the period of 1 July 2012 to 30 June 2013, pursuant to section 20 (1) of the Complaints Commissioner Law (2006 Revision).

Additional copies have been delivered to the Clerk of our Financial Oversight Committee, Ms. LeSanneo McLaughlin for distribution.

The Chairman of our Financial Oversight Committee, Mr. Ezzard Miller, has been asked to introduce the Annual Report.

Yours sincerely,

Nicola Williams (Ms.)
Complaints Commissioner

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1.Executive Summary

The fiscal year 2012/2013 showed continued awareness by the community of the presence of the Office of the Complaints Commissioner (OCC), with complainants seeking redress for maladministration committed by government entities.

In August 2012 in keeping with its strategic commitment to have highly trained and knowledgeable staff, the Commissioner invited Mr. Nick Joseph, who was at that time Senior Partner at Appleby Cayman, to provide an intensive training course on the Immigration Law, with particular reference to the Human Rights implications on the rights of Caymanian children born to non-Caymanian parents.

The OCC also continues to monitor the work of the Internal Complaints Processes of 74 government entities in order to encourage better public service.

We considered 29 enquiries, received 99 complaints, and completed 94 investigations with findings by the end of the fiscal year. The decline in enquires and complaints was attributed to the fact that almost all government entities have Internal Complaints Processes [ICPs] which are working fairly well, therefore many issues are now being resolved via the ICP, and there is no need for them to be addressed by the OCC. If a complainant feels that their complaint has not been handled in a fair manner by the ICP Manager, then the OCC will conduct an investigation into the matter.

There were 26 recommendations brought forward from 2011-12, along with 17 recommendations made during the fiscal year which were monitored. A total of 23 recommendations were complied with during the year and no recommendations were withdrawn by Special Report to the Legislative Assembly.

We are happy to note that local confidence in the work of the office continues to grow, and during the 2012-13 Fiscal Year, 72.50% of complaints received were from Caymanians and Caymanian owned companies.

It is noted that George Town residents file more complaints than residents in other districts, and more complaints were filed by men than by women. Our Investigators continued to visit Cayman Brac and Little Cayman to address complaints from the sister islands ensuring that they are not overlooked.

In June 2012, the Office of the Complaints Commission completed an Own Motions Investigation entitled, "Danger: Construction at Work" and submitted it to the Legislative Assembly for tabling. It was an investigation into the ability of the Department of Labour and Pensions (DLP), formerly the Department of Employment Relations (DER) – to effectively and properly oversee, inspect and ensure health and safety at work for those involved in the construction industry, as mandated under the Law and Regulations. The Report was tabled in the Legislative Assembly in July 2012.

Based on the findings, recommendations were made so that corrective action could be taken by the Entity. The objective of the Office of the Complaints Commissioner is to foster good public administration within Cayman government agencies, ensuring that the principles and practices of public administration are sensitive and responsive to the interests of members of the public.

The recommendations may address a specific action causing an injustice and may address laws, regulations or rules that lead to an unjust result.

At the time of this Report the recommendations are being monitored in accordance with the parameters established by the Complaints Commissioner Law (2006 Revision).

In January 2013 the Office of the Complaints Commissioner began an Own Motion Investigation in order to ascertain whether there are adequate protections or protective measures for Reporters of Wrongdoing ("Whistleblowers") within the Cayman Islands Government. At the time of this Report the Investigation continues.

The OCC's budget for the 2012-13 year of $695,000 was again reduced from the precious years budgets, so we were even more prudent in our spending.

2.Commissioner's Message



Complaints Commissioner,
Ms. Nicola Williams

This is the fourth Annual Report published since my appointment as Complaints Commissioner. Despite reductions to both staffing and resources, the 12/13 year was an active and fruitful one for us, particularly in the areas of:

- Reports
- Training
- OCC outreach (local and international)
- OCC publications
- Staffing and interns; and
- Internal Complaints Process (ICP) set up by the OCC to assist complaints officers employed by government.

Reports - On 1 August 2012 "Danger: Construction At Work", the report of our Own Motion Investigation (OMI) into Health and Safety practices in the construction industry was published in June 2012, laid before the Legislative Assembly in July 2012 and released to the public on 1 August 2012. 13 Recommendations were made, including one concerning the protection of whistleblowers in this area (Recommendation 13). A similar whistleblowing recommendation had been made in the our OMI report on Pensions published in September 2010, and in part led, on 5 April 2013, to the formal launch of our substantive OMI into the treatment of whistleblowers in the Cayman Islands Civil and Public Service.

Training - Since my appointment as Commissioner, I have always been committed to training for all my staff at least annually, and this year was no exception. In August 2012, all staff received training on the Immigration Laws and Regulations from Nick Joseph, former partner at Appleby Cayman. The annual staff training for 2013 took place in June 2013, when all staff received specialist Human Rights training from Vaughan Carter, a former Deputy Chief Officer, now of Solomon Harris. OCC staff also receive specialist training where appropriate in their particular field; for this reason Sonji Myles, then an OCC investigator, became our third OCC accredited mediator upon successfully completing a course run by the London School of Mediation in November 2012.

Outreach: International - As the sole Complaints Commissioner in the Cayman Islands, the only appropriate training for me is by way of peer review from fellow Ombudsmen. For this reason I attended the world International Ombudsman Institute (IOI) conference in New Zealand in November 2012, and the Caribbean Ombudsman Association (CAROA) conference in Sint Maarten in May 2013. The IOI is the global body for Ombudsmen and their conference takes place every 4 years. The CAROA conference takes place every 2-3 years. I was also the Vice-President of CAROA during this time. To defray expenses, I presented papers at both conferences and took the place of the CAROA President who did not attend the IOI conference and who was absent for part of the CAROA conference. Also as part of our international outreach, in April 2013 the OCC hosted a visit from the Montserrat Commissions Secretariat in order to assist them in establishing their own Complaints Commission.

Outreach: Local - I feel it is very important that everyone who resides in the Cayman Islands should be aware of who we are as an organization, and what we do. As a consequence, in November 2012 for the third successive year the OCC had a presence at every Heritage Day throughout Cayman, and also had a stall at the Cayman Brac Agricultural Show in March 2013.

Publications – In September 2012 we published a new Information brochure, and in March 2013 we published a new, updated edition of the OCC Good Administration Handbook.

Staffing and Interns – the OCC would be nothing without its staff, and I have been blessed with an excellent team. As an example of that, Claudine Simons, our Intake Officer was the Chief Officers Choice for December 2012 for the Deputy Governor's Awards 2012-13. We also took on our first summer intern since my appointment, Sven Cornelssen, who proved to be a willing and valuable part of our team whilst he was with us.

ICP annual Seminar and Awards – last but certainly not least, on 27 March 2013 we held our annual Seminar for Internal Complaints Officers throughout the civil and public service. This provides an open forum for full and frank dialogue between the OCC and government complaints officers. In addition, it has a training component – this year on human rights as it impacts complaint handling. That evening H.E. Governor Taylor hosted the OCC Awards at Government House. Several civil servants, including Deputy Governor Franz Manderson, were in attendance when awards were presented to Jeannie Lewis of Immigration, and Tamara Ebanks, then of the Ministry of Community Affairs.

3.The Oversight Committee of the Legislative Assembly

The Office of the Complaints Commissioner is an independent office.

The Cayman Islands (Constitution) (Amendment) Order 1993 amended the Constitution of the Cayman Islands to establish the Office of the Complaints Commissioner. The Constitution, in section 49(N)(5), states, "In the exercise of his functions, the Complaints Commissioner shall not be subject to the direction or control of any other person or authority."

While the OCC is independent, it must also account for the manner in which it uses public funds. Section 45 (2) of the Public Finance and Management Law provides for the appointment of a financial oversight committee:

"45 (2) Unless the context otherwise required, Part IV shall apply in respect of the Office of the Complaints Commissioner as if –

(a) every reference to the Governor in Cabinet or a minister were a reference to the committee of the Legislative Assembly responsible for overseeing the performance of the Office of the Complaints Commissioner, or if no such committee exists, the Speaker; and

(b) every reference to a ministry were a reference to the Office of the Complaints Commissioner."

The members of the committee are Mr. Cline Glidden, Jr. (Chairman), Mr. Alden McLaughlin, Jr. (Deputy Chairman), Mr. Ezzard Miller, Mr. Arden McLean and Mr. Dwayne Seymour.

4.Introduction of Staff

The Office of the Complaints Commissioner is challenging and stressful however, due to the unique impact the office makes on the community, it is a very rewarding place to work.

The post of Administrative and Investigative Officer, which was vacant since the retirement of Mrs. Netha Ebanks in February 2012, was filled in June 2012 by Mrs. Bridgette Lazzari-von Gerhardt who has been with the Complaints Commission since its inception in December 2005. At that time, Mrs. Lazzari-von Gerhardt handled all administrative issues, and has since also worked closely with both previous Administrative Officers. Currently, Mrs. Lazzari-von Gerhardt also continues to carry out the role related to her former post of Executive Assistant, until this post can be filled sometime in the near future.

Complaints Commissioner: Ms. Nicola Williams

Administrative and Investigative Officer: Mrs. Bridgette Lazzari-von Gerhardt

Investigators: Mrs. Julie Faulknor-Grant, and Mr. Sonji Myles

Executive Assistant to the Commissioner: Mrs. Bridgette Lazzari-von Gerhardt

Intake Officer: Mrs. Claudine Simons

5.Training

The Commissioner strongly believes that it is vital for the OCC to have well-trained staff - particularly in light of the specialized work the office carries out - and she ensures that her staff receive training on a regular basis in order to provide the best service possible to the community.

Further to this, the OCC assist by offering training to other Ombudsman Offices within the Caribbean who are seeking guidance in the establishment of their office. The OCC also assists in nurturing future local leaders by offering summer internships to Caymanian students.

This not only allows the OCC Staff to develop, but also allows the OCC to contribute to the development of human resources locally and within our region.

Training of OCC Staff Members

In October 2012 OCC Administrative & Investigative Officer, Bridgette Lazzari-von Gerhardt and Investigator, Sonji Myles attended webinar training entitled, "Writing for Social Media" offered by Government Information Services. Mr. Myles (who reports directly to Mrs. Lazzari-von Gerhardt), is responsible for maintaining the OCC Web-site, and Facebook page. Both staff members found the webinar training informative and educational.

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In August 2012 the Commissioner invited Mr. Nick Joseph, at that time Senior Partner at Appleby Cayman, to the OCC to provide an intensive training course on the Immigration Law, with particular reference to the Human Rights implications on the rights of Caymanian children born to non-Caymanian parents.

This excellent training, as well as the accompanying comprehensive and detailed materials, was very well received by the staff. The Commissioner wholeheartedly endorsed this course, which was of great benefit to the OCC when dealing with matters in this subject area, particularly once the Bill of Rights became effective in November 2012.



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In November 2012 under the auspices of the London School of Mediation, OCC Investigator Sonji Myles participated in a course and successfully passed the examination to become an Accredited Mediator.

Mr. Myles is now qualified to conduct mediation training with focus on arriving at resolutions for existing disputes. The mediator is responsible for guiding a structured but flexible process to assist the participants reach a mutually agreeable resolution. Sonji is the second staff member of the OCC to become an accredited mediator, following Investigator, Julie Faulknor-Grant.

In June 2013 OCC Staff Members received Human Rights training which was tailored for Ombudsman work, from Juris Consulting's, Mr. Vaughan Carter.



Mr. Carter delivered training sessions on human rights and the Cayman Islands Bill of Rights, Freedoms and Responsibilities over a four day period. The training covered:

- The history of human rights and international human rights law;
- The development of human rights in the Cayman Islands;
- The relevance of the European Convention on Human Rights;
- The deficiencies of the historical arrangements for the protection of human rights in the Cayman Islands;
- The rights and the mechanisms for their protection in the Cayman Islands Bill of Rights Freedoms and Responsibilities;
- The different categorizations of rights contained in the Cayman Islands Bill of Rights, Freedoms and Responsibilities;
- Human Rights and good administration; and
- Human Rights and the Office of the Complaints Commissioner.

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In September 2013 Mrs. Bridgette Lazzari-von Gerhardt continued a Legal Studies course at the University College of the Cayman Islands. The Course is offered through the Chartered Institute of Legal Executives in the United Kingdom. This Course is the 2nd stage, towards her qualifying as a Paralegal.

Mrs. Lazzari-von Gerhardt has continued her studies while working full time at the OCC, covering two posts, and has completed the first stage of her studies with distinction.

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Training conducted by Commissioner & OCC Staff Members

As one of the leading Ombudsman's Offices in the Caribbean, the Complaints Commissioner's Office of the Cayman Islands plays an important 'big sister' role in assisting with the establishment of fellow Ombudsman Offices in the Caribbean. The Commissioner served as Vice-President to the Caribbean Ombudsman Association (CAROA) 2010 – 12, and the OCC is happy to assist when given the opportunity.

In April 2013, a delegate from the Constitution and Commissions Secretariat of Monserrat – Senior Commissions Analyst, Mrs. Shivonne White visited Grand Cayman. Given the fact that the Monserrat Secretariat handles all complaints against their government entities, they requested the OCC's assistance in overseeing the various functions, individual roles, and policies and procedures governing the OCC.



Mrs. White stated that she was very impressed with the organization of the OCC. She inquired the feasibility of the OCC assisting them in the near future with the organization of their office. The Commissioner consented to do so, as we have in the past, also assisted the Complaints Commissioner of the British Virgin Islands in the establishment of their office.

In June 2013, the OCC assisted the Monserrat Secretariat by proving them with templates for our Annual Complaints Registers, Recommendations Registers, Monthly Reports, Annual Reports, and Quarterly Statistical Reports in an effort to assist them with the setting up of their office. These templates were all developed by the OCC.

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Nurturing Future Local Leaders

In July 2012 Mr. Sven Cornelssen, a young recent Cayman Law School graduate was granted a Summer Internship for two months with the OCC prior to leaving the Island to pursue his Legal Professional Course in the United Kingdom.

Mr. Cornelssen, a young Caymanian made the following statement in regarding his time with the OCC:

" I have found my two month internship at the Office of the Complaints Commissioner ("OCC") to be a very engaging and educational experience. My position at the OCC allowed me gain insights into both the

administrative law which an Ombudsman strives to enforce, as well as the day-to-day practices involved in the running of the Office.

As a part of my internship I produced a working draft update of the OCC's booklet- 'Good Administration and Your Rights'. This task involved researching up-to-date laws and also provisions of the Cayman Islands Constitution which had a bearing on the Ombudsman's duties. Due to the fact that the Bill of Rights, Freedoms, and Responsibilities would not come into effect until months after completing my draft and because the last draft of this publication was produced before the 2009 Constitution was in effect, a number of legal questions remained to be addressed. Among these was the impact of human rights, which would come into effect in the near future with the Bill of Rights in November 2012. This made the work both very engaging and also exciting.

In addition I also had the opportunity give support to investigators at the OCC during the course of their investigations. This work was very interesting to me since it gave me insights into the investigative background of the OCC's work which is most critical to the success of an Ombudsman. Another task was establishing a legal library for the OCC which involved organizing books, laws, and other materials, as well as ordering new titles for the benefit of the Office.

A definite highlight of my experience with the OCC was being included in the team's immigration law training sessions. This training allowed me to gain new insights into the area of Caymanian immigration law. A topic of particular interest to me was the impact which human rights would have on Caymanian immigration law with the advent of the Bill of Rights, which is due to take effect in the near future.
Overall I found the internship to be a very well balanced in terms of day-to-day support for the OCC team and working on engaging projects such as the draft publication which provided educational insights. I am thankful to have had the opportunity to work with the Office of the Complaints Commissioner."

6.Translation Services

On the basis of broad cultural diversity in the Cayman Islands, it was anticipated that the OCC would better serve the public by being able to assist in languages other than English. Currently the Executive Assistant, Mrs. Lazzari-von Gerhardt, is bi-lingual and speaks Spanish fluently which assists clients in that language.

The OCC has contracted translation services with All Languages Ltd for services in 50 other languages.

7.Role and Function of the Office of the Complaints Commissioner

7.1 Role

The Office of the Complaints Commissioner exists to safeguard the community in its dealings with government agencies. The OCC has three major statutory roles:

- *Complaint investigation:* the investigation and review of the administrative actions of Cayman government officials and agencies, upon receipt of complaints from members of the public, groups, and organisations.
- *Own motion investigation:* the investigation, on the initiative or "own motion" of the Commissioner (Ombudsman), of the administrative actions of Cayman government agencies – often arising from insights gained from handling individual complaints.

- *Complaint monitoring:* the monitoring of the administrative actions of Cayman government officials and agencies, upon receipt of our recommendations.

The complaints process and own motion investigation roles of the OCC are the more traditional roles that constitute the bulk of work for the office. The guiding principle in an investigation is whether the administrative action under investigation is unlawful, unreasonable, unjust, oppressive, improperly discriminatory, factually deficient or otherwise wrong. At the conclusion of the investigation, we can recommend that corrective action be taken by an agency. This occurs either specifically in an individual case or generally by a change to relevant legislation, administrative policies or procedures.

A key objective of the OCC is to foster good public administration within Cayman government agencies, ensuring that the principles and practices of public administration are sensitive and responsive to the interests of members of the public.

The OCC does not represent the complainant or the government administration. It conducts an independent review and makes objective reports to the parties or the Legislative Assembly. It can address complaints that occurred within the past twelve (12) months if the subject of the complaint is a government entity and if the complaint is not excluded by schedule 2 of the 2006 Complaints Commissioner Law (CCL).

The OCC has jurisdiction to consider decisions taken in the course of "maladministration" by a government entity. Government entities include a ministry, company, department, portfolio, statutory board or authority. Maladministration is defined in the CCL as "inefficient, bad or improper administration." This includes unreasonable conduct (for example, delay) or abuse of power or authority. Abuse of power or authority may include an action based on a mistake of law or fact; an action (whether based on practices or procedures)which is unreasonable, unjust, oppressive, or improperly discriminatory.

Examples of maladministration taken from the reports of the Parliamentary Ombudsman of the United Kingdom include bias, partiality, neglect, inattention, delay, abuse of power, incompetence, ineptitude, perversity, rudeness, unwillingness to treat the resident as a person with rights, refusal to answer reasonable questions, neglecting to inform a complainant about rights or entitlement including appeal routes, knowingly giving misleading or inadequate advice, offering no redress, faulty procedures, failure by management to adequately monitor compliance with procedures and failure to reduce the effects of rigid adherence to the letter of the law where that produces inequitable results.

The OCC also has jurisdiction to consider the inequitable or unreasonable nature or operation of any enactment or rule of law.

7.2 PRIMARY FUNCTIONS

The primary functions of the OCC are to investigate; to recommend; to report; and to monitor.

7.2.1 Investigate

A key objective of the OCC is to contribute to public discussion on administrative law and public administration and to foster good public administration that is accountable, lawful, fair, transparent and responsive. We pursue this objective in different ways – by looking in depth at an issue arising in a particular ministry/department/portfolio; drawing attention to problem areas across government administration; conducting own motion investigations; working jointly with ministries/departments/portfolios to devise solutions to the administrative problems that

arise within government; and making submissions to external reviews and enquiries that are examining issues in public administration.

The OCC will investigate complaints made in writing that fall within the scope of the CCL, and matters directed to it for investigation by resolution of the Legislative Assembly. The OCC may also, on its own initiative, investigate matters which, in the Commissioner's opinion, must be investigated in the public interest.

The purpose of the investigation is to ascertain whether "injustice" occurred as a result of maladministration.

The powers of investigation are the same as those of a Grand Court Judge, although the Commissioner is not bound by the rules of court and can set his/her own procedure within the confines of natural justice. These powers include the power to summon witnesses and receive confidential documents. Also, the Commissioner may order re-entry of a person removed from the Islands by the Immigration Department who is important to an ongoing investigation.

7.2.2 Recommend

The OCC may recommend action to be taken by an administrator when maladministration is found. The recommendations may address a specific action causing an injustice and may address laws, regulations or rules that lead to an unjust result. The OCC may recommend payment of compensation for the complainant who was wronged. In addition, the Commissioner may make such comments in relation to a case as she thinks fit, whether or not an injustice has occurred.

7.2.3 Report

The OCC must inform the head of a government entity of the result of an investigation if injustice is sustained as a result of actions taken by the entity, or serious misconduct is discovered. If there is no compliance by an administrator on a recommendation made by the OCC, the OCC must report this failure to the Legislative Assembly in the form of a Special Report. A Special Report must first go to the Governor, before being presented to the Legislative Assembly.

7.2.4 Monitor compliance

The OCC must monitor compliance by government entities regarding recommendations made by the Office.

7.3 Additional functions

The CCL authorises the OCC to organise the mediation of a complaint that is minor in nature, where the parties are willing to meet to attempt to resolve the problem. This can be an effective route where, for example, the member of the public must often interact with the same government officer. Mediation can help defuse tension or frustration and serve to begin a dialogue and open lines of communication.

To better perform the role and function stated in the CCL, the OCC, by implication, must inform the public service and the residents of the Islands of all aspects of the Office. Under the new Complaints Commissioner the OCC now has an active programme of public education and outreach to both public servants and members of the public, cutting across all socio-economic groups.

7.4 AREAS OUTSIDE THE JURISDICTION OF THE OCC (SCHEDULE 2)

1. International affairs – matters certified by the Governor to affect relations between the government and another country's government (or its international organisations).
2. Matters of national defence, external affairs and internal security (e.g., Emergency Powers Law).
3. Investigation of crime, or protection of the security of the Islands, by Police, Customs or Immigration.
4. The Governor's power of pardon.
5. Court proceedings, whether civil or criminal in nature.
6. Issues concerning the employment (e.g., hiring, promotion or firing) of government employees.
7. The Attorney General's powers of prosecution (e.g., beginning, overtaking or ending).
8. Legal advice given by the Attorney General to the government.
9. The Auditor General's actions (e.g., reviewing the government's accounts).
10. Matters under the Mutual Legal Assistance Treaties.
11. Contracts for services for government (but can investigate purchases of land).
12. Matters defined by the Constitution as outside of the authority of the court.
13. Any judicial function.

7.5 SCOPE OF ACTIVITIES

Receiving written complaints from the public and determining if they should be investigated.

Appointing mediators to resolve complaints regarding minor matters of maladministration.

Investigating written complaints from the public and reporting to the complainant and government entity on the results of the investigation.

Making recommendations for actions to be taken where injustice has occurred as a result of maladministration, monitoring compliance with these recommendations and, where adequate action is not taken, preparing a special report to the Legislative Assembly.

Referring to the relevant person or entity for their action any evidence of breach of duty, misconduct or criminal offence;

Ascertain the inequitable or unreasonable nature or operation of any enactment or rule of law.

Providing an Annual Report to the Legislative Assembly on the performance of his/her functions.

7.6 STRATEGIC OWNERSHIP GOALS

The key strategic ownership goals for the Office of the Complaints Commissioner in 2011-12 were as follows:

- The OCC will carry out fair, thorough and independent Investigations, where necessary

- The OCC will conduct Own Motion Investigations on matters of special public importance

- The OCC will set standards for, and monitor the effectiveness of internal complaints processes throughout the government

The OCC achieved all goals outlined in the 2012-13 Budget. There were no amendments to the Complaints Commissioner Law.

The OCC completed 94 complaint investigations in the fiscal year 2012-13.

An Own Motion Investigation was launched by the OCC in January 2014 in order to ascertain whether there are adequate protections or protective measures for Reporters of Wrongdoing ("Whistleblowers) within the Cayman Islands Government. The investigation continues at this time.

The OCC are also working on the Annual report for 2011-2012.

The Commissioner and her staff met with persons in districts on Grand Cayman, Cayman Brac and Little Cayman during each district's Heritage Day to increase public awareness. The Newsletter also continued to increase public awareness of the role of the Office of the Complaints Commissioner.

In house training is conducted annually for the staff at OCC in order to allow their professional development.

The Commissioner was elected as Vice-President of the Caribbean Ombudsman Association (CAROA) 2010-2012 on 4 November 2010 and continues to represent the Complaints Commission at the Ombudsmen Association meetings to enhance the OCC's visibility internationally.

The Commissioner is a member of the Anti-Corruption Commission [ACC] and she attended ACC meetings during the year.

8. Demographics

Attached as Appendix B is an indication of the demographics of the people served by the Office of the Complaints Commission. These are based on our investigations conducted during the 2012-13 Fiscal Year.

A total of (99) complaints were filed this Fiscal Year: the largest number of complainants who filed complaints, registering their residential district were from George Town (16 complaints), though an even larger number of complainants (43) did not register their residential district. Forty-nine (49) complaints were filed by male complainants, 44 complaints were filed by females, 3 married couples filed complaints, 1 complaint was filed by a local company, and 2 anonymous complaints were filed which did not specify the gender of the complainant.

The number of complaints filed (99) by persons seeking assistance from the OCC demonstrates the credibility of the office within the community. This office is committed to continuing to increase the visibility of the OCC to all socioeconomic groups in the Cayman Islands.

9. *Intake and Case Flow Process*

The basic intake process is depicted in a flow chart located

below at appendix C.

Appendix A

COMPLAINT RECEIVED

Is the Complaint within jurisdiction?

No-- Complainant advised where assistance may be obtained

Yes—

Attempts made by complainant to resolve complaint in other ways, including appeals?

No Complainant referred to appeal process

Yes—

Has informal review determined if evidence is sufficient for informal resolution or investigation?

No—Complaint closed by letter

Yes—

What happens when informal resolution is attempted with officer?

Successful ---Closed file by letter

Not successful—investigation

INVESTIGATION

Maladministration identified?

No –Complaint closed by letter

Yes – Consider alternative Dispute Resolution? Yes or no.

Formal discussions, resolution?

No—Discussion with section head or head of department

Yes –Resolution and/or Report

RESOLUTION AND/OR REPORT

May include recommendations or comment.

10.*Case Examples*

The OCC deals with a diverse range of complex complaints where the results can differ widely. Below, we present a number of case studies reflecting that diversity and the very different outcomes that can occur. Other cases are discussed later in this report. Sometimes, government entities are found wanting and the OCC will offer recommendations to rectify the circumstances giving rise to the complaints and prevent future repetition. The OCC often finds that entities in question are not at fault but that the law or regulations are inadequate. And in many cases,

neither the office in question nor the procedures are at fault resulting in the OCC finding no maladministration.

It is also the policy of the OCC to allow government entities the first opportunity to resolve complaints first, allowing the entity an opportunity to identify areas where there are systemic issues which can then be corrected in order to improve the service to the public. Therefore, the OCC will inquire if the complainant has first lodged their complaint with the respective government entities Internal Processes Manager, and if this has not been done the OCC will return the complainant to the I.C.P. Manager prior taking the complaint. There are 74 government entities that presently have I.C.P. procedures in place, of which the majority appear to be functioning satisfactorily.

Investigations can involve a number of different entities and require the analysis of expert opinion and special reports. In maintaining confidentiality, some names and specific details of cases below have been omitted.

1. COMPLAINT FILED AGAINST THE IMMIGRATION DEPARTMENT FOR IGNORING A RECENT MATTER BY GRANTING THE COMPLAINANTS FORMER EMPLOYEE ANOTHER WORK PERMIT - C1115-12751

A complaint was filed against the Immigration Department regarding unfair treatment by the Immigration Board. The complainant alleges that she reported her former employee and cancelled her permit after she walked off the job without sufficient notice.

She further stated that she reported this incident to an Immigration Officer in Enforcement, and he assured the complainant that her ex-employee would not be granted another permit due to her behavior and on the grounds of her walking off the job without providing sufficient notice. She also allege that the officer had written a letter to the Board forbidding the employee another permit, yet the Board still granted her another permit, without trying to resolve the matter that was brought to them by the officer, hence the reason for lodging a complaint with this Office against the Board for failure to follow through as they were directed and neglecting to resolve the matter.

The OCC was unable to investigate this case at the time it was filed however, because the complainant failed to go through the Internal Complaints Process (ICP) for the Immigration Department, in order to give them the opportunity to resolve the matter. The complainant was then advised that if after completing the process without receiving a response from them, or should she feel she was not dealt with properly, she could return to the OCC where the case would be reviewed.

2. COMPLAINT FILED AGAINST THE PUBLIC SERVICE PENSIONS BOARD FOR LACK OF RESPONSE AND DELAY OF PENSIONS PAYMENT - C1213-12752

A complaint was filed against the Public Service Pensions Board for lack of response and delay of pension payment for the complainant. The complainant, a U.K. citizen and ex-Cayman Islands Government Employee, was rolled over on June 1, 2012 and was advised prior to leaving the island that funds in his government pension would be paid to him within 8-9 weeks. He alleges that 21 weeks later, he still had not received his funds. The complaint was resolved in favor of the complainant after OCC involvement.

3. COMPLAINT FILED AGAINST THE ROYAL CAYMAN ISLANDS POLICE SERVICE FOR FAILING TO LAUNCH A HOMICIDE INVESTIGAION - C1213-12758

A complaint was filed against the Royal Cayman Islands Police Service for failing to launch a homicide investigation of a Caymanian who was murdered in La Ceiba, Honduras. The complainant claims that the Royal Cayman Islands Police Service did not bother to inquire as to how this individual died.

The complainant was advised that the complaint was outside the OCC's Jurisdiction. Schedule two, paragraph three of the Complaints Commissioner Law (2006 Revision) states that matters not subject to investigation include:
"Action taken by or with the authority of the Commissioner of Police [. . .] for the purposes of investigating crime or of protecting the security of the Islands. . ."

4. COMPLAINT FILED AGAINST THE PRINCIPAL OF A LOCAL PRIMARY SCHOOL FOR ALLEGED COMMENTS/ACCUSATIONS MADE AGAINST A FORMER PTA REPRESENTATIVE - C1213-12829

A complaint was filed requesting the OCC to begin a formal investigation into a series of events which occurred when the complainant served as a PTA Representative at a local primary school. The complainant allege that at a meeting at the primary school he was accused by the Principal of taking inappropriate photos of children in the school, was rifling through a teacher's desk, and exposing himself to children on the campus.

A notice of investigation was sent to the Principal of the primary school, informing her of the investigation. The Principal responded confirming that she did raise some concerns with the complainant resulting from comments and questions of teachers about the complainant's behavior at the school.

However, the Principal had a different account for the events that took place. The Principal allege that the complainant was seen and spoken to by teachers and other members of staff about taking photos of students without prior parental consent, the

complainant was also seen by one staff member touching papers and reading information on a teacher's desk and several teachers noticed the complainant fixing his clothing in front of the classroom windows (which he sometimes used as a mirror).

However, after numerous meetings with the Principal and staff members, neither party agreed to have the case mediated in order for the complainant to ascertain the resolution that the he was seeking.

5. COMPLAINT FILED AGAINST COUNSELLING SERVICES FOR REFUSING TO FACILITATE THE BROTHER OF THE COMPLAINANT DUE TO HIS MEDICAL CONDITION - C1213-12833

A complaint was filed against the Department of Community Rehabilitation (DCR), commonly known as Caribbean Haven, for refusing to facilitate the brother of the complainant at their facility due to his medical condition.

The OCC was unable to investigate this case at the time it was filed however, because the complainant failed to go through the Internal Complaints Process (ICP) for the Department of Community Rehabilitation, in order to give them the opportunity to resolve the matter. The complainant was referred to the ICP Manager of the Department of Community Rehabilitation and was advised that if after completing the ICP process, should she not receive a response from them or feel she was not dealt with properly, she could return to the OCC where the case would be reviewed.

6. COMPLAINT FILED AGAINST THE DEPARTMENT OF LABOUR AND PENSIONS (DLP) FOR WRONGFUL INTERPRETATION OF THE LAW & THE IMMIGRATION DEPARTMENT FOR BREACH OF CONFIDENTIALITY - C0112-12735

Complaints were filed against the Department of Labour and Pensions regarding wrongful interpretation of the law and against the Immigration Department for breach of confidentiality which the complainant felt triggered this event.

The complainants requested the OCC to investigate their complaint against the Department of Labour and Pensions.

However, the OCC was unable to conduct an investigation at the time the complaint was filed in accordance with section 11(2) (a) & (b) of the Complaints Commissioner Law (2006 Revision), on the grounds that the Commissioner shall not conduct an investigation in respect of:

a) Any action in respect of which the person(s) aggrieved has or had a right of appeal, reference or review to before a tribunal constituted by or under any law.

In regards to the complaint against the DLP, under Section 74 of the Labour Law (2011 Revision), Labour Tribunals have been established for the purpose of hearing complaints from employers and employees until the complainant has exhausted this avenue. Due to the reasons listed above the OCC was unable to investigate this complaint.

As it pertains to the second complaint against the Immigration Department for breach of confidentiality, the OCC was unable to investigate this complaint at the time it was filed because the complainants failed to go through the Internal Complaints Process (ICP) for the said government entity, in order to give them the opportunity to resolve the matter. The complainants were referred to the ICP Manager and were advised should they not receive a response from them or feel they were not dealt with properly, they could return to the OCC where the case would be reviewed.

7. COMPLAINT FILED AGAINST THE MINISTRY OF EDUCATION AND NATIONAL ARCHIVE FOR NON-COMPLIANCE - C1213-12844

Complaints were filed against the Ministry of Education and the National Archive for non-compliance on the complainant's expired contract. The OCC was unable to investigate this complaint because even though the complaint involves a government entity, the allegations made in the complaint fall outside of the OCC's jurisdiction.

The Complaints Commissioner Law (2006 Revision), Second Schedule, Paragraph 6 states that matters not subject to investigation include:

"Action taken in respect of appointments or removals, pay discipline, or other personal matters in relation to-

(a) Service in any office or employment under the Government' or

(b) Service in any office or employment, or under any contract for services, in respect of which power to take action, or to determine or approve the action to be taken, in such matters is vested in the Government."

Consequently this complaint would have been better addressed via an Appeal to Civil Service Appeals Commission under section 54(1) of the Public Service Management Law (2009 Revision), now 2011 Revision.

The Commissioner noted that the thirty day period within which appeal should be filed has long expired, and as such, the complainant was advised to contact the Chief Officer of the Portfolio of the Civil Service for direction.

8. COMPLAINT FILED AGAINST THE DEPARTMENT OF ENVIRONMENTAL HEALTH (DEH) FOR NON-RESPONSE - C1213-12743

Complaints were filed against the DEH and the Postal Service for not-assistance with an on-going matter following a complaint that was made to them and also for non-response to a message that was left with both departments.

The complainant alleges that cheques were sent through the mail to the DEH to pay for outstanding garbage fees, which the department claimed they did not receive. Upon querying this with them, the complainant was advised that the postal address had been changed.

The complainant also made a few attempts to contact the Postmaster General pertaining to undelivered mail, but never received a response. The complainant felt that the responses from these government offices were extremely poor and some staff members were ill-mannered.

After the OCC began investigating the matter, a representative of the DEH informed the complainant that the payment was received and her account was up to date.

9. COMPLAINT FILED AGAINST THE HEALTH SERVICES AUTHORITY FOR NON-RESPONSE - C1213-12760

A complaint was filed against the Health Services Authority [HSA] in regards to their failure to acknowledge a complaint that was filed. The OCC corresponded with HSA representatives, in regards to this complaint, and as a result of this correspondence the HSA provided the complainant with a full response.

10. COMPLAINT FILED AGAINST THE PLANNING DEPARTMENT FOR FAILURE TO TAKE ACTION - C1213-12763

A complaint was filed against the Planning Department for failure to take action against the complainant's neighbors whom the complainant felt, had breached a certain building code which would result in some detriment to him.

The OCC wrote to and met wit, the Director of the Planning Department on several occasions regarding this complaint and as a result, the Planning Department served an enforcement notice on the complainant's neighbor. The Director also confirmed that the complainant's neighbor was in the process of demolishing the structure.

The OCC will follow-up to encourage the Planning Department to ensure that the complainant's neighbor complies with the order.

11. COMPLAINT FILED AGAINST THE PUBLIC SERVICE PENSIONS BOARD FOR REFUSING TO PAY FUNDS - C1213-12777

A complaint was filed against the Public Service Pensions Board. The complainant was an ex-employee of the National Roads Authority, and was laid off from work 4 years ago. The complainant had reached retirement age and decided that he wanted to get his pension so he could return home to Jamaica to retire. The complainant alledge that he went to the Public Service Pensions Board and was told by them he was unable to receive his pension.

The OCC was unable to investigate this case at the time it was filed however, because the complainant failed to go through the Internal Complaints Process (ICP) for the Public Service Pensions Board, in order to give them the opportunity to resolve the matter. The complainant was referred to the ICP Manager Trevor Gibbs and was advised that if after completing the ICP process, should he not receive a response from them or feel he was not dealt with properly, he could return to the OCC where the case would be reviewed.

12. COMPLAINT FILED AGAINST THE DEPARTMENT OF CHILDREN AND FAMILY SERVICES (DCFS) FOR DENYING HER HEALTH INSURANCE COVERAGE - C1213-12818

A complaint was filed against the Department of Children and Family Services for denying the complainant continued health insurance coverage that she had had previously for the past 5 years. The complainant suffers from epilepsy and migraines, and she was also recently diagnosed with a heart condition.

The OCC was unable to investigate this case at the time it was filed however, because the complainant failed to go through the Internal Complaints Process (ICP) for the Department of Children and Family Services, in order to give them the opportunity to resolve the matter. The complainant was referred to the ICP Manager and was advised that if after completing the ICP process, should she not receive a response from them or feel she was not dealt with properly, she could return to the OCC where the case would be reviewed.

The complainant returned to the OCC with proof that she had completed the ICP for the Department of Children and Family Services.

As a result of the above events, the OCC sent notification to the Department of Children and Family Services advising them that the OCC would be conducting an investigation into the complaint received in regards to the above subject.

The day post the notification of investigation, the complainant verbally contacted the OCC stating that she met with representatives from the DCFS and was informed that her Health Insurance would be renewed for another year. A formal response was received from the Director of the Children and Family Services to advise the OCC that after reviewing the complainants current status and documentation, a decision was made to further extend her indigent medical coverage for a year. She also stated that during the meeting, the complainant was counseled that she should not wait until her medical coverage has expired to seek renewal and it would be best if she contact the DCFS at least 3 months prior to the expiration date to allow her circumstances to be reviewed in order to determine if there was any further need for coverage.

13. COMPLAINT FILED AGAINST A ROYAL CAYMAN ISLANDS POLICE OFFICER FOR HIS DOG ATTACKING THE COMPLAINANT'S YOUNG CHILD - C1213-12851

A complaint was filed against a Royal Cayman Islands Police Officer regarding his dog attacking the complainant's young child. The complainant had filed a complaint with the RCIPS in regards to the matter but felt that her complaint was not being investigated.

Unfortunately, the matter was non-jurisdictional to the OCC as per *The Complaints Commissioner's Law (2006 Revision), Second Schedule*, section 6 states which states:

"Action taken in respect of appointments or removals, pay, discipline or other personal matters ..."

The complainant was referred to the Chief Officer who has responsibility for the Police Service.

14. COMPLAINT FILED AGAINST THE CAYMAN ISLANDS WITNESS PROTECTION PROGRAM - C1213-12820

A complaint was filed in regards to the Cayman Islands Witness Protection Program. The complainant is a witness in a case which resulted in an individual being placed in prison for life.

The OCC was unable to investigate this case because the OCC does not have jurisdiction over the courts. The complainant was advised to put her complaint in full details and attach any documentation regarding her complaint and send them to appropriate government officers.

11. Matters Arising from Written Complaints

11.1 Special Reports

The Complaints Commissioner Law (2006 Revision), section 18(3) states that, where the Commissioner has made a recommendation and he is of the opinion that inadequate action has been taken to carry out the recommendations, a special report must be laid before the Legislative Assembly.

No Special Reports was done during the 2012-2013 year, as the Commissioner received evidence that Government Entities were working to comply with Recommendations made by the OCC.

12. Own Motion Investigations

In June 2012, the Office of the Complaints Commission completed an Own Motion Investigation entitled, "***Danger: Construction at Work***" and submitted it to the Legislative Assembly for tabling. It was an investigation into the ability of the Department of Labour and Pensions (DLP), formerly the Department of Employment Relations (DER) – to effectively and properly oversee, inspect and ensure Health and Safety at work for those involved in the construction industry, as mandated under the Law and Regulations.

The Report was tabled in the Legislative Assembly in July 2012, and a detailed Report was made in our previous Annual Report for 2011 – 12.

Based on the findings, recommendations were made so that corrective action could be taken by the Entity. The objective of the Office of the Complaints Commissioner is to foster good public administration within Cayman government agencies, ensuring that the principles and practices of public administration are sensitive and responsive to the interests of members of the public. The recommendations may address a specific action causing an injustice and may address laws, regulations or rules that lead to an unjust result.

At the time of this Report the recommendations are being monitored in accordance with the parameters established by the Complaints Commissioner Law (2006 Revision).

In January 2013, the OCC began an Own Motion Investigation entitled, "***Let the Whistle Blow***" to ascertain whether there are adequate protections or protective measures for Reporters of Wrongdoing (also known as Whistleblowers) within the Cayman Islands Government – including, but not limited to, legislation; policy; and work culture custom and practice.

In 2013, the issue of whistleblowing was reported widely across the globe, but this is not a modern problem.

Whistleblowing was one of the matters examined and reported on in the 2008 Clifford Report. However, despite the recommendations in this area, there is still little or no protection for potential whistleblowers, or reporters of wrongdoing, who are employed by the Cayman Islands Government.

Whistleblowing recommendations have been made before by the OCC since the Office was established in 2004 – most recently in the OCC Report on Pensions (2010) and the Health and Safety in the Construction Industry (2012), both of which stated that the law should be changed to allow penalties for victimization in order to protect whistleblowers.

At the time of this report, the Own Motion Investigation continues.

13. *Complaint Resolution and Mediation*

The majority of enquiries to this office are handled by referring complainants to the internal complaints manager in the agency concerned. The OCC assists enquirers by helping them to clearly understand their complaint, explaining procedures that apply to their case, and making appointments for them at the relevant government entity. This is consistent with good dispute-resolution principles, which stress that an entity should generally be given the first opportunity to consider a complaint and resolve it. Many government entities now have internal complaints processes that can deal effectively with the majority of the complaints they receive. By handling complaints directly, entities are enabled to learn from their mistakes, to clarify any public misunderstanding about the entity's policies and practices, and to rebuild trust with the clients. Complaint referral is also often the most efficient means of addressing a person's complaint.

However, we have at our disposal another means to resolve disputes. The Complaints Commissioner's Law (CCL) authorises this office to organise the mediation of a complaint that is minor in nature, where the parties are willing to meet to attempt to resolve the problem. This can be an effective route where, for example, the member of the public must often interact with the same government officer. Mediation can help defuse tension or frustration, and can serve to begin a dialogue and open lines of communication.

The Complaints Commissioner's Law (2006 Revision) states the following:

S 12. (1) The Commissioner may decide to deal with a complaint by mediation under this section if he is of the opinion, having regard to all the circumstances of the case, that the subject matter of the complaint involves only minor maladministration.

(2) The Commissioner shall appoint, in accordance with section 8, such person as he thinks fit to be a mediator in any mediation.

(3) The Commissioner shall not participate in any mediation.

The OCC presently has two members of staff who are accredited Mediators. They are Investigator Julie Faulknor-Grant, and Investigator Sonji Myles.

14. *The Power of Recommendation*

In the event that an investigation results in a finding of maladministration and injustice, the OCC can make a recommendation under section 18(6)(a) of the CCL. Some recommendations made were referred to in the case summaries above and others are noted below. Recommendations are monitored to encourage compliance, and if reasonable progress towards compliance is not

made (in the case of recommendations arising from written complaints) a special report is made under section 18(3) to the Legislative Assembly. In the event that an investigation results in a finding of no maladministration or injustice, the OCC does not make a recommendation.

14.1 Recommendations complied with

The test for compliance is substantial, not exact, compliance.

The Number of recommendations complied with in 2012-2013 were 23.

In some situations, a long period of time lapses before a recommendation is complied with, i.e., amending legislation. In other situations, recommendations are seemingly ignored in spite of the pledge made on behalf of government by the Attorney General recorded in Appendix A. Here are some examples of recommendations made and complied with in the Fiscal Year 2012-13:

Example A: A Complaint against the Planning Department

On 29 November 2012, the Commissioner closed an investigation into a complaint against the Planning Department with the following recommendation:

"I recommend that the Planning Department acknowledge OCC findings to complainant in writing by 30 December 2012."

Compliance: The OCC received proof of substantial compliance on 2 January 2013 therefore monitoring of this recommendation has ceased.

Example B: A Complaint against the Cayman Turtle Farm

On 29 November 2012 the Commissioner closed an investigation into a complaint against the Cayman Turtle Farm with the following recommendation:

" I recommend that the Cayman Turtle Farm accept the alternative right of way proposed by the Complainant. Any claim that this would cause some detriment to the Turtle Farm and limit the use of their property should be considered a proportionate and minimal encroachment less significant to that already experienced by the Complainant."

Compliance: The OCC received proof of substantial compliance on 17 March 2013 therefore monitoring of this recommendation has ceased.

Example C: A Complaint against the Immigration Appeals Tribunal (Cabinet Office)

On 9 March 2012, the Commissioner closed an investigation into a complaint against the Immigration Appeals Tribunal with the following 2 recommendations:

"I recommend that the Entity develop clear policies and guidelines that address processing of appeals including those that would be considered "unusual" as well as the process for receiving payments. These policies should be implemented within 60 days of this letter."

And

"I further recommend that the Entity liaise with the Internal Audit office to obtain a copy of the most recent customer notice for the receipt of Official Government Receipts. The notice should be posted in the IAT offices where it can be seen by the public, and each member of the entity should be informed of the requirement to issue receipts. This notice should be posted within 10 days of this letter."

Compliance: The OCC received proof of substantial compliance on 30 April 2013 therefore monitoring of this recommendation has ceased.

Example C: Own Motion Investigation – National Pensions Office entitled, "Penny Pinching Pensions"

The OCC completed the investigation in September 2010 and made a total of 21 Recommendations to the National Pensions Office. Monitoring of the Recommendations began shortly afterwards. The following 10 Recommendations were complied within the Fiscal Year 2012-13:

1) ***LAW : 1***. *"As non-compliance (and the amount of monies outstanding as a result) has reached crisis point, in the immediate short-term, there should be at least one Crown Counsel with dedicated responsibility for prosecuting non-compliant employers and businesses to the exclusion of other legal work – moving from sole to primary responsibility in the medium term. In making this recommendation, I bear in mind the demands on the Government Legal Service who are already heavily tasked with other matters. The advantage of this is that the NPO or replacement regulatory body would have a named lawyer they could communicate with, and that Crown Counsel tasked with this responsibility would build up expertise and a body of knowledge in this area."*

2) **Public Education & Outreach: 7**. *"There must be more public education on pensions by the National Pensions Office."*

3) **9**. *"The Standard Operating Procedures Manual must be updated. It is currently over 2 years out of date, does not give clear and firm guidance and is completely inadequate for the task at hand considering the large number of non-compliant businesses. This should be done as soon as possible, both for the NPO to use unless and until it is replaced under the new government proposals, and also as an aid to the new regulatory body until their own manual is in place."*

4) **11**. *"The number of inspectors must be increased. I am encouraged to see movements in this direction; with a third Pension Inspector hired this summer (July 2010). However, this will not be enough. A Pension Inspector can have a caseload of as much as 260 files to manage (each file representing one company with one or several complaints, depending on the size of the company). Further, 72 monthly delinquency reports a year (one each month from the 6 Pension Administrators) have to be reviewed. In addition, Inspectors are expected to carry out on-site inspections of employers and pension plans to ensure that they are in compliance with the National Pensions law, and to assist in the maintenance of the complaints tracking system. As stated before staff at the National Pensions Office are largely willing and committed, but at present staffing levels they cannot cope with the volume of work."*

5) **12.** *"All approved Board Minutes to be formally signed, in accordance with best practice."*

6) **13.** *"In order to encourage employees and other members of the public to come forward with information on non-compliant employers, the NPO should set up a confidential "hot line". However, whatever information is obtained in this way must be independently verified."*

7) **16.** *"Because of the flagrant disregard some non-compliant employers have both for the National Pensions Office, the applicable legislation, and even payment plans agreed between them and the NPO, the NPO must move cases to prosecution much sooner than is the current practice. This would also reduce the outstanding amount of contributions due by the time the matter reaches court."*

8) **18.** *"I have seen a checklist provided by the Solicitor-General's Office outlining what would be required in a case file before it is fit for prosecution. This is a useful and helpful document – provided it remains up-to-date - and the NPO should follow it as standard practice."*

9) **Training:** ***21***. *Whether under the existing NPO or the new Government proposals, pensions inspectors carry out an important function, often dealing with large sums of money. Fully trained investigators would also assist in the better preparation of files sent to Crown Counsel for prosecution. They must all be fully trained in investigations and evidence gathering, and at least one inspector should have additional forensic accounting skills to lessen the time it takes to quantify outstanding amounts.*

Compliance: The OCC received proof of substantial compliance on 25 September 2012 therefore monitoring of these recommendations has ceased.

10) ***5.*** *"Fines – whether administrative, as proposed by the Government, or those imposed by the courts – must be set at levels that act as true deterrents."*

Compliance: The OCC received proof of substantial compliance on 27 February 2013 therefore monitoring of this recommendation has ceased.

Example D: Own Motion Investigation – Department of Labour & Pensions entitled, "Danger: Construction at Work".

The OCC completed the investigation in June 2012 and made a total of 13 Recommendations to the Department of Labour & Pensions. Monitoring of the Recommendations began shortly afterwards. The following 5 Recommendations are samples of 9 Recommendations which were complied within the Fiscal Year 2012-13:

1) **2.** *"Training should be brought and kept up to date. OSHA certification, or its equivalent, for Labour Inspectors is crucial, but training must also include instruction on the relevant ILO conventions, CARICOM Labour Laws and other international obligations. As of December 2011 there was far less awareness amongst existing DER staff of the importance and effect of these international laws and conventions, and their attendant obligations, than there should be. Ignorance would not be seen as an excuse."*

2) ***3.*** *"Better resources, equipment and transportation, including, but not limited to, oxygen meters, light meters, noise level meters and HD cameras. All of the above are essential professional tools enabling Labour Inspectors to properly conduct inspections and otherwise discharge their duties in this area."*

3) ***4.*** *"DLP must cooperate, and work more closely, with the Government Legal Department in a timely fashion, in particular with regard to the delivery of complete instructions and the collection of files. The Department should also be more proactive in looking for matters to prosecute where warranted."*

4) ***7.*** *"DLP must set up a better filing system and/or more comprehensive database. This would not only assist staff internally, but would also greatly assist in the preparation of files before they are referred on to the Government Legal Department."*

5) *Law – 8. "The following are specific legislative changes recommended by the OCC:*

- *The Director should have the power to close an entire worksite under S.65(6) of the 2007 Labour Law.*
- *All companies, no matter what size, must keep records, and Labour Inspectors should be able to go back more than 2 years when examining records.*
- *Increase current fine levels (separate from administrative fines) and other penalties to a level where they are a painful disincentive to compel employers to comply with the law. This concurs with Goolsarran's strongly held view that penalties have to be meaningful – "an incentive to keep the law, and a disincentive to break it".*
- *Charities and non-profit, non-commercial organizations should be covered by the Labour Laws and Regulations.*

- *Failure to appoint a Safety Officer should be an offence under the Labour Law and/or Labour Regulations."*

Compliance: The OCC received proof of substantial compliance on 29 November 2012 therefore monitoring of these recommendations has ceased.

14.2 *RECOMMENDATIONS MONITORED*

The OCC monitors all Recommendations made to government entities as a result of investigative findings related to complaints filed with the OCC, or Own Motions Investigations launched by the Complaints Commissioner. In July 2012 when the Fiscal Year began, the OCC were monitoring 26 Recommendations. In June 2013 at the end of the Fiscal Year, the OCC were still monitoring 23 Recommendations.

15. *Special Projects*

15.1 The Existence of Internal Complaints Processes in Government Entities in 2012-2013.

The OCC continues to monitor entities which have internal Complaint Processes in place.

The OCC held its Annual Internal Complaints Process (ICP) Seminar on 27 March 2013 to assess how the Internal Complaints Process was working throughout Government one year on. The purpose of the Seminar was to assist Civil Servants primarily dealing with internal complaints and allowed for an open forum where information, advice and best practices could be discussed.

Each year the OCC hosts its annual ICP Seminar with an open forum where ICP Managers can receive training and valuable information on how they can improve their service, in addition to giving them the opportunity to exchange and share information on how they feel their service/system may be improved.

The seminar was well attended, with the Deputy Governor, Mr. Franz Manderson also giving an introductory speech to all the attendees. In attendance was also special guest and presenter, Mr. Vaughan Carter of Juris Consulting who gave a presentation entitled, "International legal challenges – practical local solutions". The Presentation focused on managing internal complaints in the context of the Bill of Rights, Freedoms and Responsibilities and also explained the importance of the implementation of the Cayman Islands Bills of Rights, Freedoms and Responsibilities; and discueed how this could potentially impact the work of the ICP Managers as managers of their respective Internal Complaints Processes.



The Honorable Deputy Governor, Mr. Franz Manderson and Commissioner Williams at the opening of the 2nd Annual OCC ICP Seminar





His Excellency Governor Duncan Taylor, Commissioner Williams, and Mrs. Jeannie Lewis ICP Manager of the Immigration Department and winner of the 2013 OCC Award for Best Complaints Officer at the ICP Awards Reception at the Governor's Residence

The OCC Continues to monitor the work of Seventy-four (74) Government Entities on a quarterly basis. Each quarter an ICP Quarterly Report is submitted by the Entities. The OCC has witnessed a remarkable improvement in the handling of complaints by most ICP Managers.

15.2 Publications

Requests for information on the Small Claims Handbook continue on a weekly basis. The community is now more aware that this is an option in areas where they could not find a solution to getting funds owed to them. Several cases regarding landlords and labour issues are being taken to Small Claims Court to find redress. Cases where the Labour Tribunal award a settlement and the owner of the company refused to pay the funds were taken to small claims court also.

The OCC are presently revising and upgrading the latest version of the Small Claims Handbook. The revision is being done free of charge by a local Attorney-At-Law, Mr. Brett Basdeo of Maples and Calder.

16. *Performance Targets 2012–13*

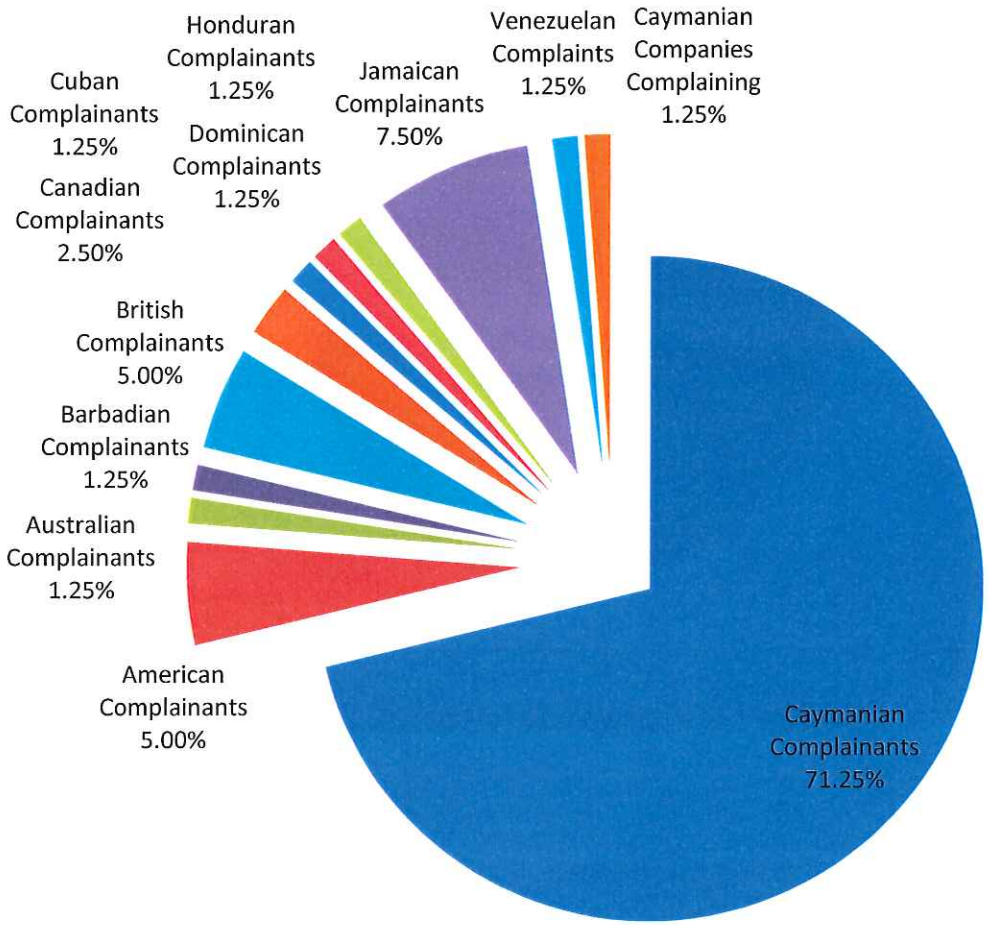
16. STATISTICS INDICATING IN DETAIL THE WORK COMPLETED ARE SET OUT IN APPENDIX B

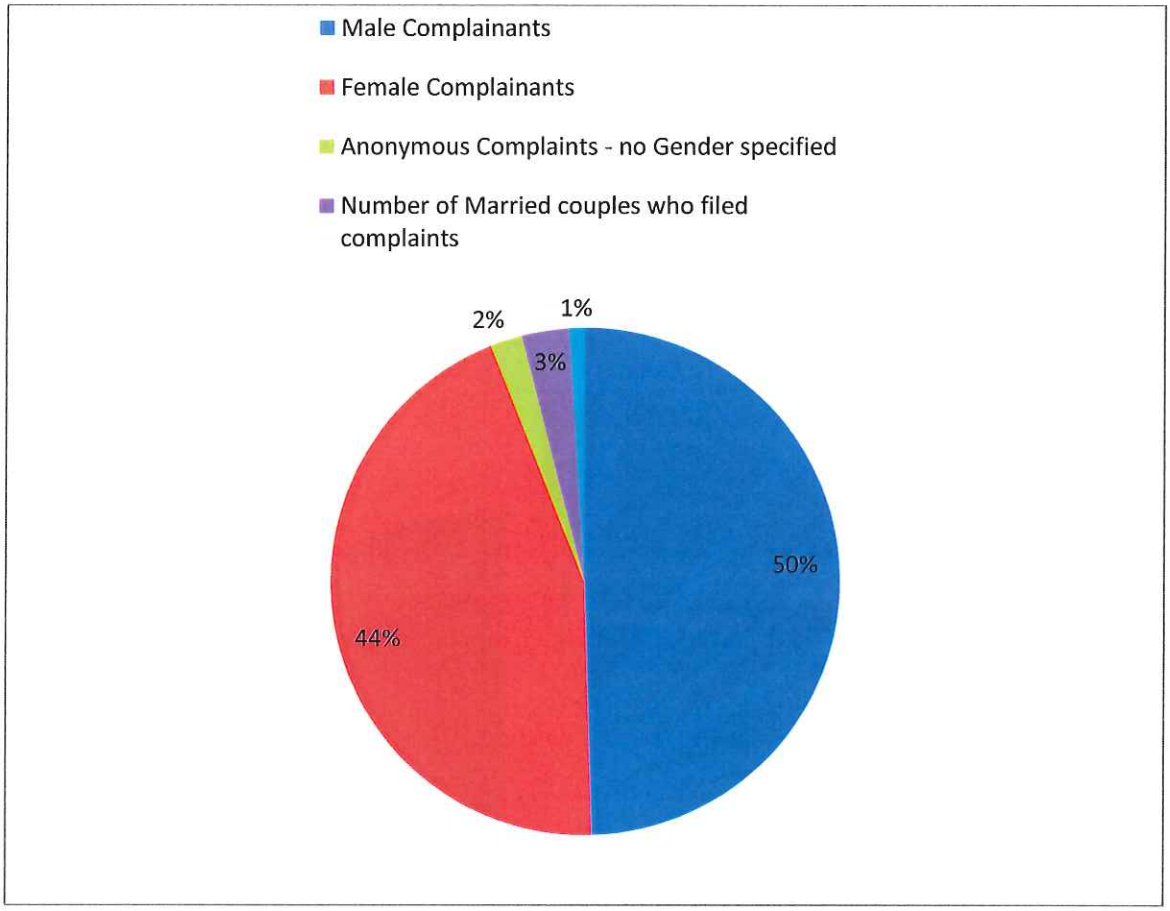
APPENDIX B

DEMOGRAPHICS OF THE VARIOUS NATIONALITIES OF COMPLAINANTS SERVED BY THE OCC DURING THE 2012-13 FISCAL YEAR.

Caymanian Complainants = 51	British Complainants = 4	Jamaican = 6
Caymanian Companies = 1	Canadian = 2	Venezuelan Complainants = 1
Americans = 4	Cubans = 1	Nationality Unknown = 19
Australians = 1	Dominicans = 1	Total = 99
Barbadians = 1	Hondurans = 1	

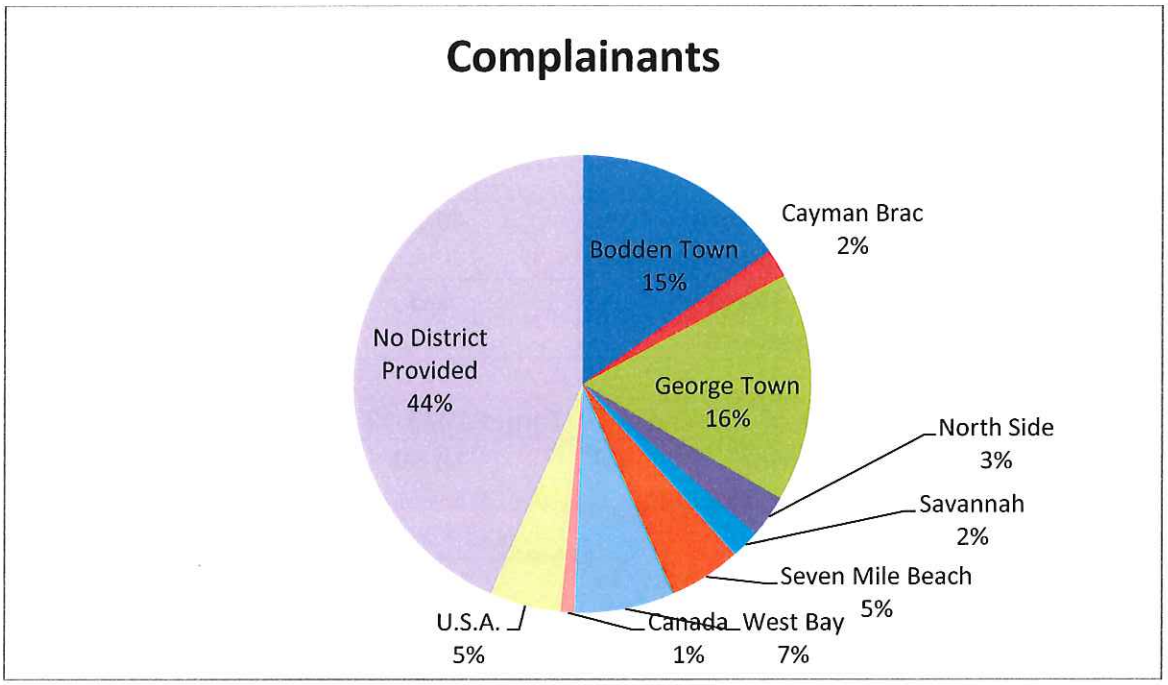
Complaints Commission
Chart of Nationalities of Complainants for
2012-13
regarding Written Complaints





Gender of Complaints for 2012-13

Residential Districts of Complainants for 2012-13



Summary of Performance

Output Performance

Sub-Output No. 1	Details of Sub-Output	Target 2011-12	Results 2012-13
1	Answers to enquiries made in office	200-400	29 [i]
2	Investigations of residents' complaints	40-50	99 [ii]
3	Public-interest investigations	1-3	1

Sub- Output	Details of Sub-Output	Target 2011-12	Results 2012-13
1	Monitoring of recommendations made	20-50	26
2	Special Reports to Legislative Assembly re: failure to comply with recommendations made or reporting misconduct	2-4	0 [iii]

[i] 29 enquiries were received for the Fiscal Year 2012-13 due to fact that all government entities have Internal Complaints Processes now which are up and running and being used by the public, therefore fewer enquiries are now coming into the OCC. The OCC now monitors 74 Internal Complaints Processes on a Quarterly Basis to ensure that enquiries and complaints filed with the government entities are being handled and resolved in a timely manner.

[ii] A total of 99 Complaints were filed by residents in the Fiscal Year 2012-13. Preliminary investigations reveal that some of these are premature as they may have not been filed with the government entity against whom the complaint has been filed. In this case the OCC will refer these premature to the ICPs first, allowing the entity an opportunity to resolve the complaint first. If complainants feel that the entity involved has not handled their investigation in a fair manner then they can come to the OCC.

[iii] No Special Report was done for the Fiscal Year 2012-13 as the OCC only prepares a Special Report if the Commissioner sees that a government entity is not trying to comply with Recommendations made to the entity. Recommendations are normally monitored for a year for compliance before a Special Report is prepared. During the

Fiscal Year 2012-13 the Commissioner saw that government entities were trying to comply with Recommendations made by the OCC therefore there were no reasons to warrant a Special Report.

Sub-Output No. 3	Details of Sub-Output	Target 2012-13	Result 2012-13
1	Number of Meetings attended to provide strategic advice	1-4	4
2	Number of Reports including Statistical Information	1-4	4

Sub-Output No. 4	Details of Sub-Output	Target 2012-13	Result 2012-13
1	Number of ACC Meetings attended	1-5	6
2	Number of ACC Investigations	1-5	Information not available
3	Statistical information on ACC Investigations	1-5	Information not available

Financial Statements of

The Office of the Complaints Commissioner Of the Cayman Islands

For year ended 30 June 2013

THE OFFICE OF THE COMPLAINTS COMMISSIONER OF THE CAYMAN ISLANDS
Financial Statements for the Year Ended 30 June 2013

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STATEMENT OF RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

These financial statements have been prepared by the Office of the Complaints Commissioner in accordance with the provisions of the Public Management and Finance Law (2012 Revision).

We accept responsibility for the accuracy and integrity of the financial information in these financial statements and their compliance with the Public Management and Finance Law (2012 Revision).

As Chief Officer I am responsible for establishing; and have established and maintain a system of internal controls designed to provide reasonable assurance that the transactions recorded in the financial statements are authorised by law, and properly record the financial transactions of the Office of the Complaints Commissioner.

As Chief Officer I am responsible for the preparation of Office of the Complaints Commissioner financial statements, representation and judgements made in these statements.

To the best of our knowledge we represent that these financial statements:

(a) Completely and reliably reflect the financial transactions of the Office of the Complaints Commissioner for the year ended 30 June 2013;

(b) Fairly reflect the financial position as at 30th June 2013 and performance for the year ended 30th June 2012;

(c) Comply with International Public Sector Accounting Standards as set out by International Public Sector Accounting Standards Board under the responsibility of the

International Federation of Accountants. Where guidance is not available, the financial statements comply with International Accounting Standards issued by the International Accounting Standards Committee or accounting practice that is generally accepted in the United Kingdom as appropriate for reporting in the public sector.

The Office of the Auditor General conducts an independent audit and expresses an opinion on the accompanying financial statements. The Office of the Auditor General has been provided access to all the information necessary to conduct an audit in accordance with International Standards of Auditing.

Nicola Williams

Chief Officer

October 30, 2013

Kim France

Chief Financial Officer

October 30, 2013

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CAYMAN ISLANDS

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Auditor General's Report

To the Members of the Legislative Assembly of the Cayman Islands

I have audited the accompanying financial statements of the Office of the Complaints Commissioner ("The Office") for the year ended 30 June 2013 which comprise the statement of financial position as at 30 June 2013, the statement of changes in equity, the statement of financial performance and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes in accordance with the provisions of Section 60(1)(a) of the Public Management and Finance Law (2012 Revision).

Management's Responsibilities for the Financial Statement
Management is responsible for the preparation and fair representation of these financial statements in accordance with International Public Sector Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend upon the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Office of the Complaints Commissioner as at June 30, 2013 and the results of its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards.



Alastair Swarbrick, MA (Hons), CPFA
Auditor General

Cayman Islands
October 31, 2013

OFFICE OF THE COMPLAINTS COMMISSIONER
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2013
(Expressed in Cayman Islands Dollars)

Prior Year Actual (As restated) CI$000		Note	Current Year Actual CI$000	Final/Original Budget CI$000	Variance (Original vs. Actual) CI$000
	Current Assets				
980	Cash and cash equivalents	2	1,055	156	(899)
57	Trade receivables	3	57	71	14
6	Prepayments		7	-	(7)
1,043	**Total Current Assets**		**1,119**	**227**	**(892)**
	Non-Current Assets				
8	Property, plant and equipment	4	6	7	1
8	**Total Non-Current Assets**		**6**	**7**	**1**
1,051	**Total Assets**		**1,125**	**234**	**(891)**
	Current Liabilities				
16	Trade payables, other payables and accruals	5	15	30	(15)
9	Employee entitlements	6	4	8	(4)
889	Surplus payable	7	969	-	969
914	**Total Current Liabilities**		**988**	**38**	**950**
914	**Total Liabilities**		**988**	**38**	**950**
137	**Net Assets**		**137**	**196**	**59**
	Net Assets/Equity				
137	Contributed capital		137	196	59
-	Accumulated surpluses		-	-	-
			-	-	-
137	**Total Net Assets/Equity**		**137**	**196**	**59**

Approved on Behalf of the Office of the Complaints Commissioner October 31, 2013

OFFICE OF THECOMPLAINTS COMMISSIONER
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2013
(Expressed in Cayman Islands Dollars)

Prior Year Actual (As restated CI$000		Note	Current Year Actual CI$000	Final/Original Budget CI$000	Variance (Final vs. Actual) CI$000
	Revenue				
753	Sale of goods and services	8	695	695	-
753	**Total Revenue**		**695**	**695**	**-**
	Expenses				
423	Personnel costs	9	433	459	26
195	Supplies and consumables	10	180	226	46
2	Depreciation	4	2	10	8
620	**Total Expenses**		**615**	695	**80**
133	**Surplus for the period**		**80**	-	**80**

The accounting policies and notes on pages 9 -23 form part of these financial statements.

OFFICE OF THE COMPLAINTS COMMISSIONER
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2013
(Expressed in Cayman Islands Dollars)

	Contributed Capital CI$000	Accumulated Surplus CI$000	Total Net Assets/Equity CI$000	Final/Original Budget	Variance (Original vs. Actual)
Balance at 30 June 2011	137	-	137	673	(536)
Surplus for the period (2011//12)	-	133	133	-	-
Repayment of surplus to Cabinet	-	(133)	(133)	-	-
Balance at 30 June 2012	**137**	**-**	**137**	**673**	**(536)**
Balance at 30 June 2012	137	-	137	673	(536)
Surplus for the period (2012//13)	-	80	80	-	-
Repayment of surplus to Cabinet	-	(80)	(80)	-	-
Balance at 30 June 2013	**137**	**-**	**137**	**673**	**(536)**

The accounting policies and notes on pages 9 -23 form part of these financial statements.

OFFICE OF THE COMPLAINTS COMMISSIONER
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2013
(Expressed in Cayman Islands Dollars)

Prior Year Actual (As restated CI$000		Note	Current Year Actual CI$000	Final/ Original Budget CI$000	Variance (Final vs. Actual) CI$000
	CASH FLOWS FROM OPERATING ACTIVITIES				
	Receipts				
767	Outputs to Cabinet		695	695	-
	Payments				
(422)	Personnel costs		(438)	(459)	(21)
(245)	Supplies and consumables		(182)	(226)	(44)
100	**Net cash flows from operating activities**	**12**	**75**	**10**	**(65)**
	CASH FLOWS FROM INVESTING ACTIVITIES				
(3)	Purchase of property, plant and equipment		-	(10)	(10)
(3)	**Net cash flows from investing activities**		**-**	**(10)**	**(10)**
97	**Net increase in cash and cash equivalents**		75	-	(75)
883	Cash and cash equivalents at beginning of period		980	156	(824)
980	**Cash and cash equivalents at end of period**		**1,055**	**156**	**(899)**

The accounting policies and notes on pages 9-23 form part of these financial statements.

OFFICE OF THE COMPLAINTS COMMISSIONER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013
(Expressed in Cayman Islands Dollars)

Description and principal activities

The office of the Complaints Commissioner is a government owned entity as defined by section 2 of the Public Management and Finance Law (2012 Revision) and it is domiciled in the Cayman Islands.

Its principal activities and operations include all activities carried out in terms of the outputs purchased by the office of the Complaints Commissioner as defined in the Annual Plan and Estimates for the Government of Cayman Islands for the financial year ending 30 June 2013.

The principal office of the Complaints Commissioner is located at Anderson Square 4th Floor, George Town, Grand Cayman. As at 30 June 2013, the office of the Complaints Commission had 5 employees (2012: 5).

Note 1: Significant Accounting Policies

These financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) issued by the International Federation of Accountants and its International Public Sector Accounting Standards Board using the accrual basis of accounting. Where additional guidance is required, International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board are used.

There are no known accounting standards that have been adopted by the IPSAS Board for use in future years that will have a significant impact on these financial statements other than enhanced disclosures.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Basis of Preparation

These financial statements have been prepared on a going concern basis and the accounting policies set out below have been applied consistently to all periods presented. The financial statements are presented in Cayman Islands dollars and the measurement base applied to these financial statements is the historical cost basis.

Changes in Accounting Policies

When presentation or classification of items in the financial statements is amended or accounting policies are changed, comparative figures are restated to ensure consistency with the current period unless it is impracticable to do so.

Note 1: Significant Accounting Policies (continued)

The presentation of the prior year financial statements has been changed to include a comparison of actual amounts with amounts in the original and final budget as required by IPSAS 24 including explanations of material difference between original budget and actual amounts.

The details and presentation of the Statement of Changes in Net Assets/Equity has been changed to show greater detail and to reflect changes in accounting policies and corrections of errors and omissions.

The revenue recorded in both the current and prior years have been updated to reflect gross revenues earned from outputs billings from Cabinet. In prior years these amounts were disclosed net of the amount repayable to Cabinet.

(b) Reporting Period

The reporting period is the year ended 30 June 2013.

(c) Budget Amounts

The final/original budget amounts for the financial year are as presented in the 2012/2013 Annual Budget Statement and approved by the Legislative Assembly.

(d) Judgments and Estimates

The preparation of financial statements is in conformity with International Public Sector Accounting Standards that requires judgments, estimates, and assumptions affecting the application of policies and reported amounts of assets and liabilities, revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the reporting period and in any future periods that are affected by those revisions.

(e) Revenue

Revenue is recognised in the accounting period in which it is earned. Revenue received but not yet earned at the end of the reporting period is recognised as a liability (unearned revenue).

The office of the Complaints Commissioner derives its revenue through the provision of services to Cabinet, to other agencies in government and to third parties. Revenues derived from third parties in 2013 was zero (2012: 0). Revenue is recognised at fair value of services provided.

Note 1: Significant Accounting Policies (continued)

(f) Expenses

Expenses are recognised when incurred on the accrual basis of accounting. In addition, an expense is recognized for the consumption of the estimated fair value of contributed goods and services received.

(g) Operating Leases

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, where this is representative of the pattern of benefits to be derived from the leased property. Lease payments under operating lease, net of lease incentives received, are recognised as expenses on a straight-line basis over the lease term. Lease incentives received are recognised evenly over the term of the lease as a reduction in rental expense.

(i) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cash in-transit and bank accounts with a maturity of no more than three months from the date of acquisition.

When there is objective evidence that a financial asset or group of financial assets is impaired the losses are recognised as an expense in the Statement of Financial Performance.

(j) Prepayments

The portion of recognised expenditure paid in advance of receiving services has been recognised as a prepayment and is classified as accounts receivable in these financial statements.

(k) Property, Plant and Equipment

Property, plant and equipment, is stated at historical cost less accumulated depreciation. Items of property, plant and equipment are initially recorded at cost. Where an asset is acquired for nil or nominal consideration, the asset is recognized initially at fair value, where fair value can be reliably determined, and as revenue in the Statement of Financial Performance in the year in which the asset is acquired.

Note 1: Significant Accounting Policies (continued)

(k) Property, Plant and Equipment (continued)

Depreciation is expensed on a straight-line basis at rates calculated to allocate the cost or valuation of an item of property, plant and equipment (other than land); less any estimated residual value, over its estimated useful life. Leasehold improvements are depreciated either over the unexpired period of the lease or the estimated useful lives of the improvements, whichever is shorter.

Asset Type	*Estimated Useful life*
• Computer Equipment	3 – 4 years
• Office equipment and furniture	5 – 10 years
• Other equipment	5 – 10 years

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at year end. Assets that are subject to amortization are reviewed for impairment whenever events of changes in circumstances indicate that the carrying amount may not be recoverable. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amounts. The recoverable amount is the higher of the asset's fair value less costs to sell and its value for use in service.

Disposals

Gains and losses on disposals of property, plant and equipment are determined by comparing the sale proceeds with the carrying amount of the asset. Gains and losses on disposals during the year are included in the Statement of Financial Performance.

(l) Employee Benefits

Employee entitlements to salaries and wages, annual leave, long service leave, retiring leave and other similar benefits are recognised in the Statement of Financial Performance when they are earned by employees. Employee entitlements to be settled within one year following the year-end are reported as current liabilities at the amount expected to be paid.

Pension contributions for employees of the Office are paid to the Public Service Pension Fund and administered by the Public Service Pension Board (the "Board"). Contributions of 12% - employer 6% and employee 6% are made to the fund by the Complaints Commission.

Note 1: Significant Accounting Policies (continued)

(l) Employee Benefits (continued)

Prior to 1 January 2000, the Board operated a defined benefit scheme. With effect from 1 January 2000 the Board continued to operate a defined benefit scheme for existing employees and a defined contribution scheme for all new employees. Obligations for contribution to defined contribution retirement plans are recognised in the Statement of Financial Performance as they are earned by employees. Obligations for defined benefit retirement plans are reported in the Consolidated Financial Statements for the Entire Public Sector of the Cayman Islands Government.

(m) Financial Instruments

The office of the Complaints Commissioner is party to financial instruments as part of its normal operations. These financial instruments include bank accounts, short term deposits, trade and accounts receivables and trade and accounts payable, all of which are recognised in the Statement of Financial Position.

Classification

A financial asset is classified as any asset that is cash, a contractual right to receive cash or another financial asset, exchange financial instruments under conditions that are potentially favourable. Financial assets comprise of cash and cash equivalents and prepayments.

A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset or to exchange financial assets with another enterprise under conditions that are potentially unfavourable. Financial liabilities comprise of accounts payable and accrued expenses.

Recognition

The office of the Complaints Commissioner recognises financial assets and financial liabilities on the date it becomes party to the contractual provisions of the instrument. From this date, any gains and losses arising from changes in fair value of the assets and liabilities are recognised in the statements of financial performance.

Measurement

Financial instruments are measured initially at cost which is the fair value of the consideration given or received. Subsequent to initial recognition all financial assets are recorded at historical cost, which is considered to approximate fair value due to the short-term or immediate nature of these instruments.

Financial liabilities are subsequently measured at amortised cost, being the amount at which the liability was initially recognised less any payment plus any accrued interest of the difference between that initial amount and the maturity amount.

Note 1: Significant Accounting Policies (continued)

(n) Contingent Liabilities and Assets (including guarantees)

Contingent liabilities and assets are reported at the point the contingency becomes evident. Contingent liabilities are disclosed when there is a possible obligation or present obligations that may, but probably will not, require an outflow of resources. Contingent assets are disclosed if it is probable that the benefits will be realised.

De-recognition

A financial asset is de-recognised when the Office of the Complaints Commission realises the rights to the benefits specified in the contract or loses control over any right that comprise that asset. A financial liability is derecognised when it is extinguished, that is when the obligation is discharged, cancelled, or expired.

(o) Foreign Currency

Foreign currency transactions are recorded in Cayman Islands dollars using the exchange rate in effect at the date of the transaction. Foreign currency gains or losses resulting from settlement of such transactions are recognised in the Statement of Financial Performance.

At the end of the reporting period the following exchange rates are to be used to translate foreign currency balances:

- Foreign currency monetary items are to be reported in Cayman Islands dollars using the closing rate;
- Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported in Cayman Islands dollars using the exchange rate at the date of the transaction; and
- Non-monetary items that are carried at fair value denominated in a foreign currency are reported using the exchange rates that existed when the fair values were determined.

(p) Comparative Figures

The presentation of the prior year financial statements has been changed to include a comparison of actual amounts with amounts in the original and final budget. Comparative figures are restated to ensure consistency with the current period unless it is impracticable to do so.

Note 2: Cash and cash equivalents

Cash and cash equivalents include cash on hand and bank accounts in the name of the Office of the Complaints Commissioner the Office of the Complaints Commissioner maintained at Royal Bank of Canada. As at 30 June 2013 the Office of the Complaints Commissioner held no restricted cash balances (30 June 2012: $0). No interest was earned during the year on the amounts held in these bank accounts (30 June 2012: $0)

Prior Year Actual	Description	Current Year Actual
CI$000		CI$000
787	CI$ Operational Current Account	1,029
193	Payroll Current Account	26
980	TOTAL	1,055

Note 3: Trade receivables and other receivables

Prior Year Actual	Trade Receivables	Current Year Actual	Final/Original Budget	Variance (Original vs. Actual
CI$000		CI$000	CI$000	CI$000
-	Sale of goods and services	-	-	-
57	Outputs to Cabinet	57	71	14
-	Outputs to other government agencies	-	-	-
-	Other	-	-	-
-	Less: provision for doubtful debts	-	-	-
57	Total trade receivables	57	71	14

Note 3: Trade receivables and other receivables (continued)

	Trade Receivables	Prior Year Impairment	Net	Gross amount	Current Year
	CI$000	CI$000	CI$000	CI$000	CI$000
Current	57	-	57	57	57
Past due 1-30 days	-	-	-	-	-
Past due 31-60 days	-	-	-	-	-
Past due 61 and above	-	-	-	-	-
Past due 90 and above	-	-	-	-	-
Total	**57**	-	57	-	57

As of June 30, 2013, accounts receivable are all due within one year.

OFFICE OF THE COMPLAINTS COMMISSIONER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013
(Expressed in Cayman Islands Dollars)

Note 4: Property, plant and equipment

	Furniture and fittings $000	Computer hardware and software $000	Office equipment $000	Other Assets $000	Total $000
Cost					
At July 1, 2012	12	31	14	-	57
Additions	-	-	-	-	-
At June 30, 2013	12	31	14	-	57
Accumulated depreciation					
At July 1, 2012	6	29	14	-	49
Depreciation charge for the year	1	1	-	-	2
At June 30, 2013	7	30	14	-	51
Net book value at June 30, 2013	5	1	-	-	6

	Furniture and fittings $000	Computer hardware and software $000	Office equipment $000	Other Assets $000	Total $000
Cost					
At July 1, 2011	22	36	30	-	88
Additions	-	3	-	-	3
Disposals/transfers	(10)	(8)	(16)	-	(34)
At June 30, 2012	12	31	14	-	57
Accumulated depreciation					
At July 1, 2011	16	36	29	-	81
Depreciation charge for the year	1	1	-	-	2
Disposals/transfers	(11)	(8)	(15)	-	(34)
At June 30, 2012	6	29	14	-	49
Net book value at June 30, 2012	6	2	-	-	8

Note 5: Trade payables, other payables and accruals

Prior Year Actual CI$000		Current Year Actual CI$000	Final/Original Budget CI$000	Variance (Original vs. Actual CI$000
-	Creditors	-	30	(30)
10	Creditors Ministries/Portfolios	11	-	11
6	Accrued Expenses	4	-	4
16	**Total trade payables, other payables and accruals**	**15**	**30**	**(15)**

Trade and other payables are non-interest bearing and are normally settled on 30-day terms.

Note 6: Employee entitlements

Prior Year Actual CI$000		Current Year Actual CI$000	Final/Original Budget CI$000	Variance (Original vs. Actual CI$000
	Current employee entitlements are represented by:			
9	Annual Leave	4	8	(4)
9	Total current portion	4	8	(4)
9	**Total employee entitlements**	**4**	**8**	**(4)**

The retirement and long-service leave entitlements are calculated based on current salary paid to those employees who are eligible for this benefit.

Note 7: Surplus payables

Surplus payable represents accumulated surplus of $969K as at June 30, 2013 (2012: $889K). Under the *Public Management & Finance Law (2012 Revision)* section 39 (3)(f), the Portfolio may "retain such part of its net operating surplus as is determined by the Financial Secretary". Therefore, the Office of the Complaints Commissioner has booked a surplus payable to Government in the amount of $80K as of June 30, 2013 as the Financial Secretary has not confirmed whether the Office of the Complaints Commissioner can retain the surplus achieved during this period.

OFFICE OF THE COMPLAINTS COMMISSIONER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013
(Expressed in Cayman Islands Dollars)

Note 8: Revenue

Prior Year Actual	Revenue type	Current Year Actual	Final/ Original Budget)	Variance (Final vs. Actual
CI$000		CI$000	CI$000	CI$000
753	Outputs to Cabinet	695	695	-
753	**Total sales of goods and services**	695	695	-

Note 9: Personnel costs

Prior Year Actual (As restated CI$000	Description	Current Year Actual	Final/Original Budget	Variance (Original vs Actual)
		CI$000	CI$000	CI$000
370	Salaries, wages and allowances	372	399	27
36	Health care	40	40	-
17	Pension	21	20	1
423	**Total Personnel Costs**	**433**	**459**	**26**

Note 10: Supplies and consumables

Prior Year Actual (As restated) CI$000	Description	Current Year Actual CI$000	Final/Original Budget) CI$000	Variance (Final vs. Actual CI$000
15	Supplies and materials	12	20	8
36	Purchase of services	19	39	20
75	Lease of property and equipment	75	83	8
39	Utilities	32	39	7
11	Interdepartmental expenses	13	11	(2)
8	Travel and subsistence	15	13	(2)
8	Training	10	16	6
3	Other	4	5	1
195	**Total Supplies & consumables**	**180**	**226**	**46**

OFFICE OF THE COMPLAINTS COMMISSIONER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013
(Expressed in Cayman Islands Dollars)

Note 11: Reconciliation of net cash flows from operating activities to surplus

Actual Prior year	Description	Actual Current year	Final/Original Budget	Variance (Original vs. Actual)
CI$000		CI$000	CI$000	CI$000
133	Surplus from ordinary activities	80	-	(80)
	Non-cash movements	2	10	8
2	Depreciation expense		-	-
	Changes in current assets and liabilities:			
14	Decrease/(Increase) in receivables	-	-	-
(6)	(Increase)/decrease in prepayments	(1)	-	1
(43)	Decrease/(Increase) in payables	(6)	-	6
100	Net cash flows from operating activities	75	10	(65)

Note 12: Contingent liabilities and assets

No continent liabilities or assets existed as at June 30, 2013.

Note 13: Commitments

The office of the Complaints Commissioner is presently on a month to month lease

NOTE 14: Explanation of major variances against budget

Explanations for major variances for the Office of the Complaints Commissioner performance against the original budget are as follows:

Statement of Financial Position

Cash and cash equivalents
The budgeted figure presumed a repayment of some of the surplus payable to Government which did not materialized hence the increase in the actual year-end cash balances of $899k

Surplus payable
This was not included in budget but represents excess of outputs over expenses over the years

Statement of Financial Performance
Personnel costs
The decrease in personnel costs is primarily due to the non-utilization of the budgeted wages of $10k and no pay leave taken by the Commissioner during the year.

Supplies and consumables
The decrease in actuals to budget is primarily due to the decrease in professional fees. Professional fees are budgeted as contingencies and would vary each year. This expense was $11K lower than budget.

NOTE 15: Related party and key management personnel disclosures

Related party disclosure
The Office of the Complaints Commissioner is a wholly owned entity of the government from which it derives a major source of its revenue. The Office of the Complaints Commissioner and its key management personnel transact with other government entities on a regular basis. These transactions were provided free of cost during the financial year ended 30 June 2013 and were consistent with normal operating relationships between entities and were undertaken on terms and conditions that are normal for such transactions.

NOTE 15: Related party and key management personnel disclosures (continued)

Key management personnel
Key management personnel were defined as, Chief Officer, Deputy Chief Officer and Chief Financial Officer.

There is one full-time equivalent personnel considered as key management personnel. The total remuneration includes: regular salary, allowances, pension contributions and health insurance contributions. Total remuneration for senior management in 2012-13 was $126k (2011-12: $128k). There were no loans made to key management personnel or their close family members in 2012-13 (2011-12: $0).

NOTE 16: Financial instrument risks

The Office of the Complaints Commissioner is exposed to a variety of financial risks including credit risk and liquidity risk. The risk management policies are designed to identify and manage these risks, to set appropriate risk limits and controls, and to monitor the risks and adhere to limits by means of up to date and reliable information systems. These risks are managed within the parameters established by the Financial Regulations (2010 Revision).

Credit risks
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Office of the Complaints Commissioner. Financial assets which potentially expose the Office of the Complaints Commissioner to credit risk comprise cash and cash equivalents and accounts receivable.

The Office of the Complaints Commissioner is exposed to potential loss that would be incurred if the counterparty to the bank balances fails to discharge its obligation to repay. All bank balances are with one financial institution located in the Cayman Islands which management, considers to be financially secure and well managed.

Credit risks
The Office of the Complaints Commissioner is also exposed to a significant concentration of credit risk in relation to accounts receivable, signlficant of which are due from other Government entities. No credit limits have been established. As at 30 June 2013 and 2012, no provision for doubtful debts has been made on these receivable as none of these accounts are impaired and management considers these debts to be fully recoverable.

The carrying amount of financial assets recorded in the financial statements represents the Office of the Complaint's maximum exposure to credit risk. No collateral is required from debtors.

NOTE 16: Financial instrument risks (continued)

Liquidity risk

Liquidity risk is the risk that the Office of The Complaints Commissioner is unable to meet its payment obligations associated with its financial liabilities when they are due.

The ability of the Office of the Complaints Commissioner to meet its debts and obligation is dependent upon its ability to collect the debts outstanding to the Office of The Complaints Commissioner in a timely basis. In the event of being unable to collect its outstanding debts, it is expected that the Government would temporarily fund any shortfalls the office of the Complaints Commissioner would have with its own cash flows. As at 30 June 2013 and 2012, all of the financial liabilities were due within three months of the year end dates.

NOTE 17: Financial instruments – fair values

As at 30 June 2013 and 2012, the carrying values of cash and cash equivalents, accounts receivable, accounts payable and employee entitlements approximate their fair values due to their relative short-term maturities.

Fair values are made at a specific point in time, based on market conditions and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and therefore cannot be determined with precision. Changes in assumptions, economic conditions and other factors could cause significant changes in fair value estimates.