

## Ombudsman Report – August 2018

The MHLC has been calling for an investigation into the activity of State Trustees for the past 5 years. Our clients regularly make complaints about the conduct of State trustees, with their grievances covering many aspects of their service delivery. There is a lack of consistency in the complaints we receive. This inconsistency makes evident that State Trustees either has not developed robust policies to assist their clients, or they have improperly implemented these policies with little to no management oversight.

We were once approached to assist at VCAT in a matter where the client had not seen a psychiatrist for 16 years and yet fees were still being charged. We experienced extreme resistance to allowing people to be removed from State Trustees' administration. Whilst we were ultimately successful, the process was arduous. A reluctance to disengage when people are well demonstrates a dominant commercial interest and not a best interests approach to client management.

State Trustees often appear to make decisions in the best interests of third parties. Particularly with inheritance, money is collected and saved whilst the beneficiary lives in poverty. This may benefit families in the long term, but is often viewed by beneficiaries, in our experience, as overly restrictive. Why would someone with no dependents need tens of thousands of dollars? The spending of money which is inherited, while subject to management, does not need to result in people having to beg for a haircut and colour.

One of our clients receives little money from State Trustees, and often complains that she is unable to afford her modest lifestyle on their allowance. This client owns a second property that can be rented for a steady income, yet the property often spends large periods of time unoccupied. Proper management of her assets would allow her to live primarily off the rent, investing what money she does have. Instead she often finds herself with a vacant property and little money, feeling as though she has a poor quality of life due to the administration of State Trustees.

We receive inconsistent reports of State Trustees' willingness to pay for services. Often they pay for services without ever verifying the quality of those services. The other side is where services in the home, such as internet and entertainment services, are cut without warning or cause. If their finances were being managed appropriately such a service ought to have been affordable to some degree. Both cutting much utilised services, as well as providing poor quality services, has a dispiriting and dehumanising effect on the individual they are supposed to act in the best interests of.

We regularly hear complaints arising from bills and fines being paid which do not belong to the represented person. This means that debts to government and other agencies are paid as a priority without any input from the beneficiary and with no indication that there will be a genuine attempt to check or review the fines and debts. It can be distressing to watch your money dissipate with no input or control for a debt you feel you improperly incurred.



To continue the theme of inconsistency, we have also had reports of fines not being paid, or being paid only in part. In one instance a traffic infringement was only part paid. This matter then progressed to warrants stage before it was settled. It cannot be overstated the fear and trepidation felt by our client knowing there was a warrant out in their name, but that they had no mechanism to remedy the situation other than constantly call a company that they feel historically does not listen to them.