

**Standing Committee on Public Accounts
Annual and Financial Reports 2015-2016
Office of the Legislative Assembly Portfolio
Questions on Notice
Public hearings of 03 March 2017**

Type of Questions	No	Asked By	Directorate / Portfolio	Subject	Answer date
QON	39	Mr Coe	OLA	Strategic Assessment Management	20.03.2017
QON	40	Mr Coe	OLA	Construction costs and furniture	20.03.2017
QON	41	Mr Coe	OLA	Fraud and corruption risk register	20.03.2017
QON	42	Mr Coe	OLA	Response to committee reports	20.03.2017



Speaker

Mrs Vicki Dunne MLA
Chair, Standing Committee on Public Accounts
Legislative Assembly for the ACT
London Circuit
Canberra City ACT 2601

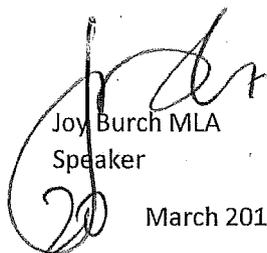


Dear Mrs Dunne

Questions on Notice

Please see attached responses to a series of questions placed on notice by Mr Coe on Friday 10 March 2017 in relation to the committee's inquiry into annual and financial reports.

Yours sincerely,



Joy Burch MLA
Speaker

20 March 2017

Responses to questions on notice—Office of the Legislative Assembly

Below are the responses to the questions placed on notice by Mr Coe on Friday 10 March 2017 in relation to strategic asset management.

QON 39

1. What is the status of the review of the building life cycle data?

The Office of the Legislative Assembly has encountered difficulties over recent years in identifying a suitable contractor to complete the building life cycle data review. However, OLA has recently identified a contractor capable of completing the work and is in the process of finalising a specification for a services agreement with that contractor with the aim of having the works undertaken between April and June 2017.

2. Set out the allocation of car parks in the Legislative Assembly carpark in the Eighth Legislative Assembly and in the Ninth Legislative Assembly.

8 th Assembly		9 th Assembly	
MLAs	17	MLAs	25
Chief Minister's Chief of Staff	1	Chief Minister's Chief of Staff	1
Other ministers' staff	7	ALP staff	5
Non-executive MLAs staff	12	Canberra Liberal staff	5
		Greens staff	1
Clerk of the Assembly*	1	Clerk of the Assembly	1
OLA directors and staff	9	OLA directors and staff	9
Visitors	3	Visitors	3
TOTAL	50	TOTAL	50

3. What advice has been provided to the Office of the Legislative Assembly on the timing of construction works for the new ACT government building to be located adjacent to the Legislative Assembly and the possible impact on the operations of the Assembly?

A briefing for the Speaker on the new government office block is scheduled to occur on Monday 20 March 2017. The latest advice received by OLA is that works on the new building are currently scheduled to commence in January 2018.

Below are responses to the questions placed on notice by Mr Coe on Friday 10 March 2017 in relation to construction costs and furniture.

QON 40

1. What was the total cost of the construction work to accommodate the new larger Assembly?

The total cost was \$6.686m comprising \$5.145m for the Assembly Building and \$1.541m for the North Building fit-out.

In addition, \$0.636 m of upgrade works were undertaken to coincide with the accommodation project so that interior finishes (paint and carpet) in the existing office areas would match the newly constructed offices.

a. How long did it take to complete the project?

Works commenced on the North Building project in September 2015 and were completed in early December 2015. Works commenced within the Assembly Building in mid-December 2015 and, other than the chamber modifications, were completed by July 2016.

Chamber modifications could not be commenced until after the 8th Assembly's sittings were concluded in August 2016 and those works were finalised by November 2016.

b. Was the work completed within its budget and time allocations?

The works were completed within budget and time schedule but, in fact, a much broader scope of works was undertaken from within the appropriations than was originally budgeted and these included:

- \$1.068 million for the replacement of a large portion of the building's heating, ventilation and cooling system;
- \$234,000 for the upgrade of a majority of the generally accessible bathrooms;
- \$115,000 for the removal of bonded asbestos;
- \$27,000 for the conversion of a ministerial suite into two non-executive member suites; and
- \$150,000 to replace dated furniture in non-executive members' offices.

After meeting the cost of the above additional works, a residual amount of approximately \$22,000 remains unspent and the Office intends to use that residual funding to cover the cost of minor accommodation changes in the Committee Support area to accommodate additional committee secretariat staff.

2. Could you please outline the allocation of sit-stand desks in the Office and in the Legislative Assembly building?

a. Do all staff in the Office of the Legislative Assembly have sit-stand desks?

Yes.

b. What other areas in the building have sit-stand desks?

All non-executive MLAs and the two ministers who occupy the newly constructed/furnished ministerial suites also have sit-stand desks. One staff member of a non-executive MLA has been supplied with a sit-stand desk on medical advice. OLA does not have details of desk types allocated to ministerial staff in the five original ministerial suites.

c. What is the cost of a sit-stand desk?

The cost of a sit-stand desk is approximately \$2,000 including a power/data rail, monitor arm and modesty panel. The actual cost of the sit-stand desks provided by the contractor in the North Building and in the new MLA and ministerial offices is not available as it was included in the total contract price.

1. Please outline the development and implementation of the Fraud and Corruption Risk Register (the Register) as agreed to as part of the audit process.

During the reporting period, as part of the internal audit committee's annual audit program, an audit of business continuity and fraud controls was undertaken. Among other matters, the associated audit report recommended that the Office consider the development and implementation of a fraud and corruption risk register.

To ensure consistent application of risk management principles (including assessment methodology), the Office documents fraud and corruption related risks in an enterprise risk register, which contains risks in connection with a range of business activities undertaken by the Office. Individual risks types, such as fraud and corruption risks, can be isolated and exported from the register.

The Office's approach to fraud and corruption prevention is set out in its *Fraud and Corruption Prevention Framework*. Overall, the Office is assessed as having a low-risk of fraud or corruption mainly due to its small size, the low number of high-value transactions for which it is responsible and the strength of existing controls that are in place.

The Office's risk register includes: an assessment of the likelihood and consequence of particular risks; the controls that are in place to manage the risks effectively; and, where a risk is assessed as being beyond the Office's tolerance (that is, where the consequence and/or the likelihood are unacceptably high), any relevant treatment strategies.

Fraud and corruption risks were last assessed in July 2016. No additional treatments for these risks were proposed and existing controls were assessed as operating effectively.

In July 2016, the Office, supported by the ACT Insurance Authority and Marsh Risk Consulting, undertook a major review of its risk register and associated policy arrangements, resulting in a greater focus on the broader array of risks associated with the Office's key statutory functions.

a. How will the Register be used and maintained by the Office of the Legislative Assembly?

The Office has adopted a risk management cycle consistent with AS/NZS ISO 31000:2009.

Where a new fraud or corruption risk is identified as part of the risk management process, it will be assessed, treated to bring within acceptable range of tolerance, monitored and reviewed.

Risks for which existing controls are assessed as being adequate are monitored periodically to ensure that the controls are operating as intended.

Risk management is a standing item on the agenda of the Office's executive management committee.

b. Who will have access to and be able to make changes to the information within the Register?

The Office's risk register is accessible by the Clerk; Deputy Clerk; General Manager; Director, Office of the Clerk; Clerk's Executive Officer and managers. Changes to the register are coordinated by the Director, Office of the Clerk, in concert with risk owners.

c. Please outline the process of reviewing and updating the Register throughout the year.

Risks can be added or reassessed at any time throughout the year.

For instance, where particular treatments have been implemented or there are changed operating conditions that alter the risk environment the register can be updated accordingly.

There is also an annual review of the register (June-July each year).

Risks are assessed by 'risk owners' (typically, the Clerk, Deputy Clerk, General Manager; Director, Office of the Clerk) with input from relevant managers and staff. These assessments are included in the register.

Below are responses to questions placed on notice by Mr Coe on Friday 10 March 2017 in relation to responses to committee reports.

QON 42

1. The Annual Report indicates that there were significant delays in receiving government responses to committee reports, with a total of 54% of responses not received within the 90 day timeframe.

a. Does the Office undertake any follow up with the Government on overdue government responses?

No.

b. Is a list of overdue government responses publicly available?

i. If not, please provide the list of late responses, including how long after the 90 day timeframe they were submitted.

Yes, the Office publishes this information in the 'Committee activities' area of the Assembly website. It is also tabled in the Assembly by the Speaker.

c. Has the Office given consideration to what could be done to encourage the Government to respond to committee reports?

The Office draws the committee's attention to standing order 254A, which enables the chair of a committee to ask the relevant minister for an explanation or a statement in relation to a government response to a committee report.

In the event that a minister does not provide an explanation or statement to the satisfaction of the chair, that chair may, without notice, move a motion with regard to the minister's failure to provide a government response, or an explanation or a statement.

It worth noting that 254A is rarely utilised by members.