



**Legislative Assembly for the
Australian Capital Territory**

Standing Committee on Public Accounts

Inquiry into Auditor-General's Performance Audit Reports July – December 2022

Legislative Assembly for the Australian Capital Territory
Standing Committee on Public Accounts

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About the committee

Establishing resolution

The Assembly established the Standing Committee on Public Accounts on 2 December 2020.

The Committee is responsible for the following areas:

- ACT Auditor-General
- Office of the Legislative Assembly
- Accounts of the receipts and expenditure of the ACT and its authorities
- All reports of the Auditor-General which have been presented to the Assembly
- Treasury including taxation and revenue

You can read the full establishing resolution [on our website](#).

Committee members

Mrs Elizabeth Kikkert MLA, Chair

Mr Michael Pettersson MLA, Deputy Chair

Mr Andrew Braddock MLA

Secretariat

Sophie Milne, Committee Secretary

Consul O'Reilly, Assistant Secretary (until 7 August 2023)

Kate Mickelson, Assistant Secretary (from 14 August 2023)

Batool Abbas, Administrative Assistant

Emma Warren, Graduate Administrative Assistant (until 18 August 2023)

Contact us

Mail	Standing Committee on Public Accounts Legislative Assembly for the Australian Capital Territory GPO Box 1020 CANBERRA ACT 2601
Phone	(02) 6205 0435
Email	LACommitteePA@parliament.act.gov.au
Website	parliament.act.gov.au/parliamentary-business/in-committees

About this inquiry

The Assembly's Resolution of Appointment for the Standing Committee on Public Accounts (the Committee) of 2 December 2020, provides that:

(6) all reports of the ACT Auditor-General tabled in the Assembly stand referred to the Standing Committee on Public Accounts for inquiry and report;

It follows that Terms of Reference for each of the Standing Committee's inquiries into Auditor-General's performance audit reports are, in effect, the Auditor-General's report itself. At its meeting on 15 February 2023, the Committee resolved to undertake further an inquiry into all Auditor-General's performance audit reports published between 1 July and 31 December 2022.

Terms of Reference

The Standing Committee on Public Accounts will inquire into and report on matters relating to Auditor-General reports:

- No 5/2022 – Procurement and contracting activities for the Acton Waterfront Project;
- No 7/2022 – ACT Childhood Healthy Eating and Active Living Programs;
- No 9/2022 – ACT Emergency Services Agency Cleaning Services Arrangements; and
- any other related matter.

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Acronyms and abbreviations

Acronym	Long form
ACT	Australian Capital Territory
ACTHD	ACT Health Directorate
ACT Preventive Health Plan	<i>Healthy Canberra ACT Preventive Health Plan 2020–2025</i>
BMI	Body Mass Index
Butterfly	The Butterfly Foundation
CMTEDD	Chief Minister, Treasury and Economic Development Directorate
CHS	Canberra Health Services
CRA	City Renewal Authority
ESA	ACT Emergency Services Agency
Fresh Tastes	Fresh Tastes Healthy Food at School program
The Guide	<i>ACT Government Contract Management Guide</i>
JACS	Justice and Community Safety Directorate
MLA	Member of the Legislative Assembly
MoU	Memorandum of Understanding
MPC	Major Projects Canberra
NSW	New South Wales
QTON	Question Taken on Notice
RFT	Request for tender
SKIP	School Kids Intervention Program

Recommendations

Recommendation 1

The Committee recommends that, as part of due diligence following any future changes in administrative arrangements, ACT Government entities should conduct a risk-based assessment of the procurement and contracting arrangements supporting any legacy contracts that have been assumed by those entities.

Recommendation 2

The Committee recommends that the above assessment should provide:

- assurance over the probity of the Government entity's administrative processes relating to the procurement prior to the letting of the contract; and
- advice as to the remaining potential for price and time variations to the contract given the original intent of the procurement, in order to maintain the integrity of the agreed value-for-money consideration.

Recommendation 3

The Committee recommends that the ACT Government develop a preventive health plan to:

- measure poverty and food insecurity in the ACT on an ongoing basis;
- identify and measure Preventive Health Plan dependencies on food relief and financial support for active living; and
- identify and demonstrate strategies to address risks that arise from these dependencies.

Recommendation 4

The Committee recommends that all healthy eating and physical activity program interventions from the ACT Government should be aligned with best practice in the prevention of eating disorders and body image issues.

Recommendation 5

The Committee recommends that evaluations of ACT Government nutritional education and physical activity programs for children should include body image, disordered eating and eating disorders in their outcome measures.

Recommendation 6

The Committee recommends that the ACT Government support and fund a suitable multi-disciplinary health care service for children from birth to 18 years old with atypical weight gain, disordered eating behaviour and associated health issues.

Recommendation 7

The Committee recommends that the ACT Government adopt positive body image programs within all ACT government schools and promote such programs within all ACT secondary schools.

1. Conduct of the inquiry

- 1.1. The Committee received two submissions to the inquiry. These are listed in [Appendix A](#).
- 1.2. The Committee held public hearings on Thursday, 25 May 2023 and Wednesday, 5 July 2023. Witnesses who appeared at the hearings are listed in [Appendix B](#).
- 1.3. The Committee had four Questions Taken on Notice from the public hearings. These are listed in [Appendix C](#).

2. Auditor-General's Performance Report No. 5/2022: Procurement and contracting activities for the Acton Waterfront Project

Audit report

- 2.1. This report reviews the Auditor-General's audit of ACT Government agencies for the procurement and contracting activities for the Acton Waterfront Project between 2014 and 2020.¹ The audit assessed administration and management of procurement and contracting activities associated with the 30 November 2014 Contract with Chincivil Pty Ltd (the Contract) along with 16 subsequent contract variations.²
- 2.2. The audit found that the Land Development Agency and City Renewal Authority (CRA) had not provided adequate information to support public transparency of the procurement and contracting activities in the delivery of the Acton Waterfront Project.³
- 2.3. The audit also found that the Land Development Agency did not assess and plan for the National Capital Authority's interests before issuing the Request for Tender (RFT). The report highlights that two important matters were not foreseen and accounted for by the Land Development Agency: the need to resolve compensation claims arising from the National Capital Authority over reclaimed land rights, and a need to close Barrine Drive.
- 2.4. Factors which caused delays to the process included the Work Approvals process which took 13 months rather than one month as originally envisaged, and the Water Licence, which took five months to obtain.⁴
- 2.5. The report found that the 2014 RFT was inadequately designed and did not provide for the 'satisfactory, fair and open competition' required to demonstrate value for money.⁵ There was a lack of clarity in the RFT documentation regarding the contractor's role in Stage One of the procurement process, which had the potential to discourage or confuse tenderers and to substantially affect pricing.⁶
- 2.6. The report also noted that the Land Development Agency paid insufficient regard to value for money consideration when varying the Contract following its execution.⁷

¹ ACT Audit Office, *ACT Auditor-General's Report No. 5 of 2022: Procurement and Contracting Activities for the Acton Waterfront Project*, September 2022, p 1.

² ACT Audit Office, *ACT Auditor-General's Report No. 5 of 2022: Procurement and Contracting Activities for the Acton Waterfront Project*, September 2022, p 26.

³ ACT Audit Office, *ACT Auditor-General's Report No. 5 of 2022: Procurement and Contracting Activities for the Acton Waterfront Project*, September 2022, p 31.

⁴ ACT Audit Office, *ACT Auditor-General's Report No. 5 of 2022: Procurement and Contracting Activities for the Acton Waterfront Project*, September 2022, pp 42 - 46.

⁵ ACT Audit Office, *ACT Auditor-General's Report No. 5 of 2022: Procurement and Contracting Activities for the Acton Waterfront Project*, September 2022, p 2.

⁶ ACT Audit Office, *ACT Auditor-General's Report No. 5 of 2022: Procurement and Contracting Activities for the Acton Waterfront Project*, September 2022, p 7.

⁷ ACT Audit Office, *ACT Auditor-General's Report No. 5 of 2022: Procurement and Contracting Activities for the Acton Waterfront Project*, September 2022, p 2.

- 2.7. The audit found that, when it assumed the Contract on 1 July 2017 after the cessation of the Land Development Agency, the CRA did not evaluate the risks of extending the Contract against alternative options for future work. This occurred despite the Land Development Agency notifying the Government Procurement Board on two occasions that any further development of the project would be put out to a new tender.⁸
- 2.8. The audit further found that changes to the RFT's risk and reward mechanisms undermined the use of the Target Construction Sum, which was central to the Land Development Agency's initial plans to ensure the procurement represented value for money.⁹
- 2.9. The audit found that management of the procurement for the Acton Waterfront Project by the Land Development Agency Board and City Renewal Authority Board was insufficient, and that the Boards' interactions with the Government Procurement Board were ineffective.¹⁰
- 2.10. The audit found no evidence of inefficiencies from the Contractor, Chincivil Pty Ltd, and noted that the CRA had advised that the Contractor's performance had met expectations at each stage of the project.¹¹
- 2.11. The audit report made seven recommendations.

Government response

- 2.12. In its *Government Response to the Performance Audit Report: Procurement and Contracting Activities for the Acton Waterfront Project*, the ACT Government agreed to six of the seven recommendations, with the remaining recommendation agreed to in principle.¹²
- 2.13. The ACT Government noted that in April 2020, following Chincivil Pty Ltd's appointment for the GCS 3 work package, the CRA and Major Projects Canberra (MPC) entered a Memorandum of Understanding (MoU) in November 2020. The MoU established a formal relationship between the City Renewal Authority and MPC to 'manage the procurement and contract management of the Authority's capital works program'.¹³
- 2.14. The response noted that an assessment and documentation of value for money formed part of the MoU arrangement, and that the CRA and its board were 'comfortable that value for money has been achieved in the procurements to date'.¹⁴

⁸ ACT Audit Office, *ACT Auditor-General's Report No. 5 of 2022: Procurement and Contracting Activities for the Acton Waterfront Project*, September 2022, p 5.

⁹ ACT Audit Office, *ACT Auditor-General's Report No. 5 of 2022: Procurement and Contracting Activities for the Acton Waterfront Project*, September 2022, p 4.

¹⁰ ACT Audit Office, *ACT Auditor-General's Report No. 5 of 2022: Procurement and Contracting Activities for the Acton Waterfront Project*, September 2022, p 2.

¹¹ ACT Audit Office, *ACT Auditor-General's Report No. 5 of 2022: Procurement and Contracting Activities for the Acton Waterfront Project*, September 2022, p 2.

¹² ACT Government, *Government Response to the Performance Audit Report: Procurement and Contracting Activities for the Acton Waterfront Project*, 2022, p 2.

¹³ ACT Government, *Government Response to the Performance Audit Report: Procurement and Contracting Activities for the Acton Waterfront Project*, 2022, p 5.

¹⁴ ACT Government, *Government Response to the Performance Audit Report: Procurement and Contracting Activities for the Acton Waterfront Project*, 2022, p 5.

- 2.15. The ACT Government advised that Procurement ACT was developing an *ACT Government Contract Management Guide* (the Guide) and that the CRA would ensure compliance with requirements and best practice guidance contained in the Guide:

The purpose of the Guide is to provide a clear and standardised approach to managing and administering contracts for goods, services and works across the ACT Government. The Guide will include a requirement to undertake risk-based, due diligence activities on active procurement contracts that are transferred to Territory entities following changes in administrative arrangements.¹⁵

- 2.16. Furthermore, the ACT Government advised that the CRA would provide information sessions for staff on 'effective and efficient procurement and transparent contract management practices.'¹⁶

- 2.17. In response to Recommendation 4 of the audit report, which advised that ACT Government entities should 'conduct a risk-based assessment of the procurement and contracting arrangements supporting any legacy contracts', the ACT Government said that the CRA had no more legacy contracts to undertake.¹⁷

Committee comment

- 2.18. The Committee is of the view that, if a legacy contract is to be undertaken in future, a risk-based assessment of procurement and contracting arrangements should be undertaken to assess time and costing variation along with providing assurance over the probity of Government entity's administrative processes.

Recommendation 1

The Committee recommends that, as part of due diligence following any future changes in administrative arrangements, ACT Government entities should conduct a risk-based assessment of the procurement and contracting arrangements supporting any legacy contracts that have been assumed by those entities.

¹⁵ ACT Government, *Government Response to the Performance Audit Report: Procurement and Contracting Activities for the Acton Waterfront Project*, 2022, pp 5–6.

¹⁶ ACT Government, *Government Response to the Performance Audit Report: Procurement and Contracting Activities for the Acton Waterfront Project*, 2022, p 8.

¹⁷ ACT Government, *Government Response to the Performance Audit Report: Procurement and Contracting Activities for the Acton Waterfront Project*, 2022, p 6.

Recommendation 2

The Committee recommends that the above assessment should provide:

- assurance over the probity of the Government entity's administrative processes relating to the procurement prior to the letting of the contract; and
- advice as to the remaining potential for price and time variations to the contract given the original intent of the procurement, in order to maintain the integrity of the agreed value-for-money consideration.

3. Auditor-General's Performance Report No. 7/2022: ACT Childhood Healthy Eating and Active Living Programs

- 3.1. This report covers audit consideration of the activities ACT Government agencies undertake to support healthy eating and active living in children, through preventive health strategies, the planning and management of preventive health programs, and the delivery of treatment services.¹⁸

Poverty and food insecurity

- 3.2. The audit report found that while ACT Government programs to support childhood healthy eating and active living had been effective in building knowledge and skills for children and families, they had not 'effectively supported core family needs for food security and financial access to active living'.¹⁹
- 3.3. The *Healthy Canberra ACT Preventive Health Plan 2020–2025* (ACT Preventive Health Plan) outlines government-led action to reduce the prevalence of chronic disease and support good health for all ages in the ACT.²⁰ The ACT Preventive Health Plan identifies a range of 'guiding principles, a "framework for action", priorities and objectives' with five of the objectives relating directly to childhood healthy eating and active living.²¹ It is intended to be implemented through several three-year action plans, with the first of these covering 2020–2022.²²
- 3.4. The audit report recommended that the ACT Health Directorate (ACTHD) should:
- ... in consultation with responsible ACT Government agencies and community organisations, include strategic actions in the second three-year action plan for the Healthy Canberra ACT Preventive Health Plan 2020-2025 for addressing poverty and food insecurity in the ACT that consider:
 - a) ongoing measurement of poverty and food insecurity in the ACT;
 - b) provision and/or co-ordination of food relief and financial supports for active living; and

¹⁸ ACT Audit Office, *ACT Auditor-General's Report No. 7 of 2022: ACT Childhood Healthy Eating and Active Living Programs*, November 2022, p 1.

¹⁹ ACT Audit Office, *ACT Auditor-General's Report No. 7 of 2022: ACT Childhood Healthy Eating and Active Living Programs*, November 2022, p 2.

²⁰ ACT Health, *Healthy Canberra ACT Preventive Health Plan 2020-2025*, [Healthy Canberra ACT Preventive Health Plan 2020-2025.pdf](#) (accessed 6 July 2023), p 5.

²¹ ACT Audit Office, *ACT Auditor-General's Report No. 7 of 2022: ACT Childhood Healthy Eating and Active Living Programs*, November 2022, p 3.

²² ACT Audit Office, *ACT Auditor-General's Report No. 7 of 2022: ACT Childhood Healthy Eating and Active Living Programs*, November 2022, p 33; ACT Health, *Healthy Canberra ACT Preventive Health Plan 2020-2025 First Three Year Action Plan*, [ACT-Preventive-Health-Plan-Three-Year-Action-Plan.pdf](#) (accessed 22 August 2023).

c) provisions of accessible, coordinated and current information about food and financial relief options supporting childhood healthy eating and active living.²³

- 3.5. In its response to the audit report, the ACT Government disagreed with this recommendation, saying that the provision of food relief and financial support for active living were ‘out of scope for the Preventive Health Plan’. It noted that initiatives providing funding to community organisations for food assistance were provided through the Community Services Directorate and that the ACT Government supported the sport and recreation sector through ‘direct support for programs, projects and facilities that create participation opportunities and may reduce the end cost of access’.²⁴ In their submission, The Obesity Collective noted that while obesity affected all sections of society, rates were higher in vulnerable and disadvantaged communities:

Social determinants such as education, income and housing can have considerable impacts on people’s opportunities to be healthy and well in general, including obesity risk.²⁵

- 3.6. The Obesity Collective noted in their submission that contributing factors to financial instability were complex, and could include trauma, mental illness, housing and family structure. They argued that these factors were likely to have further implications preventing a family from accessing healthy foods and physical activity opportunities, and needed to be addressed ‘through multiple government departments with cross governmental accountability and collaboration’.²⁶
- 3.7. In their submission, the Butterfly Foundation (Butterfly) noted emerging evidence that food insecurity was linked to ‘higher levels of overall eating disorder pathology’ and weight stigma.²⁷ During the hearing on 5 July 2023, they told the Committee ‘preventative health has to also intercept with policies that lift people out of poverty’.²⁸

Committee comment

- 3.8. The Committee considers that food insecurity and poverty are health issues, and especially child health issues, that impact directly on the ability of children and their families to access healthy eating and active living.

²³ ACT Audit Office, *ACT Auditor-General’s Report No. 7 of 2022: ACT Childhood Healthy Eating and Active Living Programs*, November 2022, Recommendation 6.

²⁴ ACT Government, *Government Response to Auditor-General’s Report No. 7/2022 - ACT Childhood Healthy Eating and Active Living Programs*, 9 March 2023, pp 6–7.

²⁵ The Obesity Collective, *Submission 1*, p 2.

²⁶ The Obesity Collective, *Submission 1*, p 2.

²⁷ Butterfly Foundation, *Submission 2*, p 9.

²⁸ Dr Sarah Squire, Head of Knowledge, Research and Policy, Butterfly Foundation, *Committee Hansard*, 5 July 2023, p 29.

Recommendation 3

The Committee recommends that the ACT Government develop a preventive health plan to:

- measure poverty and food insecurity in the ACT on an ongoing basis;
- identify and measure Preventive Health Plan dependencies on food relief and financial support for active living; and
- identify and demonstrate strategies to address risks that arise from these dependencies.

Body image and disordered eating

3.9. The audit report noted that the ACT’s Kindergarten Health Check uses the Body Mass Index (BMI) as a measurement of whether a child’s weight is likely to be too high or too low or pose a health risk. The report observed that BMI-derived terms such as ‘healthy weight’, ‘overweight’ and ‘obese’ and the classification of bodies using these terms ‘can contribute to bias, blame, discrimination, body dissatisfaction, disordered eating and eating disorders’.²⁹

3.10. The report further noted that:

Children live in the context of families and information about a child’s body size may impact not just the child concerned, but also the thoughts and behaviours of other family members, including siblings and parents or guardians. There is no information available about whether children or families experience unintended negative impacts from participation in the Kindergarten Health Check, such as instigating risky dietary restriction or disordered eating.³⁰

3.11. The ACT Government’s response to the audit report described the data collection methods used in the Kindergarten Health check as ‘consistent with international best practice’, and argued that the risk of negative consequences needed to be balanced by a ‘duty of care to inform and minimise the risks of obesity and overweight which are significant’.³¹

3.12. In their submission, Butterfly noted that approximately four percent of the Australian population experiences an eating disorder at any one time, with a lifetime prevalence of nine percent, and that weight stigma could manifest in government programs designed to support healthy eating and active living.³²

²⁹ ACT Audit Office, *ACT Auditor-General’s Report No. 7 of 2022: ACT Childhood Healthy Eating and Active Living Programs*, November 2022, pp 89–90.

³⁰ ACT Audit Office, *ACT Auditor-General’s Report No. 7 of 2022: ACT Childhood Healthy Eating and Active Living Programs*, November 2022, p 94.

³¹ ACT Government, *Government Response to Auditor-General’s Report No. 7/2022 - ACT Childhood Healthy Eating and Active Living Programs*, 9 March 2023, p 8.

³² The Butterfly Foundation, *Submission 2*, p 4.

3.13. Butterfly defined weight stigma in their submission as the ‘social devaluation of higher weight, which can lead to people in larger bodies experiencing prejudice and discrimination in the public sphere (including health care settings).’ They observed that weight stigma began in early childhood, with children as young as three years old correlating higher weight with negative qualities and smaller bodies with positive qualities.³³

3.14. In their submission Butterfly expressed concern about the language and concepts used in anti-obesity initiatives:

We frequently observe public health promotion activity in this area which: shows insufficient understanding of eating disorders; employs weight stigmatising language; shows a lack of understanding of weight science (presenting weight as a personal choice which is easily controlled); uses ambiguous definitions of ‘healthy’; and features an over-reliance on population health measures such as Body Mass Index.³⁴

3.15. During the public hearing on 5 July 2023, Dr Sarah Squire, Head of Knowledge, Research and Policy at the Butterfly Foundation, told the Committee:

Physical health promotion campaigns should not feature weight stigmatising language; avoid presenting weight as a personal choice which is easily controlled; and avoid promotion of dichotomise thinking and the framing of food as healthy versus unhealthy or good versus bad.³⁵

3.16. The Obesity Collective noted in their submission that stigma associated with obesity stemmed from misunderstanding of the causes of obesity and a perception that it was related only to personal decisions about food and physical activity:

While acknowledging that everyone has a personal responsibility for their own health and wellbeing, we must also acknowledge that many of the most powerful drivers of obesity lie outside of a person’s control. Obesity has powerful underlying biological causes, which are exacerbated in our obesogenic environment, particularly with social disadvantage, and can accumulate across generations.³⁶

3.17. In their submission, the Obesity Collective said that a ‘nuanced, person-centred approach that considers the complexity of obesity’ should be central to any services that address atypical growth and development, because the heterogeneity of obesity meant that it would have different health implications for different children.³⁷

³³ The Butterfly Foundation, *Submission 2*, p 6.

³⁴ The Butterfly Foundation, *Submission 2*, p 8.

³⁵ Dr Sarah Squire, Head of Knowledge, Research and Policy, Butterfly Foundation, *Committee Hansard*, 5 July 2023, p 23.

³⁶ The Obesity Collective, *Submission 1*, p 1.

³⁷ The Obesity Collective, *Submission 1*, p 1.

Committee comment

- 3.18. The Committee considers that government programs should be careful to avoid stigmatising language or framing when promoting healthy eating and active living, and should be cognizant of the potential social and mental health effects of their formulation.
- 3.19. The Committee is also of the view that government healthy eating and active living programs should measure any negative impacts of their approach so that the risk of negative consequences can be accurately assessed and appropriately balanced against the intended benefits.

Recommendation 4

The Committee recommends that all healthy eating and physical activity program interventions from the ACT Government should be aligned with best practice in the prevention of eating disorders and body image issues.

Recommendation 5

The Committee recommends that evaluations of ACT Government nutritional education and physical activity programs for children should include body image, disordered eating and eating disorders in their outcome measures.

Treatment services

- 3.20. The audit found that there were no multidisciplinary healthcare services available for atypical weight gain and associated health concerns in children aged under four years old or between 13 and 17 years old. The only multidisciplinary healthcare service of this type available, the School Kids Intervention Program (SKIP), was limited to children between four and 12 years old.³⁸
- 3.21. SKIP is a 12-month program offering monthly appointments with dietitians and exercise physiologists with a focus on children's overall health and wellbeing. The program serves children between the ages of four and 12 years who have been diagnosed as either overweight or obese by a healthcare professional or doctor. SKIP is not suitable for children with a psychological illness that would affect their ability to participate in the program, or with 'binge eating and purging through vomiting, laxatives or excessive exercise'.³⁹
- 3.22. The audit report found that SKIP demonstrated a positive impact on children and their families due to its use of an evidence-based, effective, and responsive service model, but that capacity was insufficient to meet demand in the eligible age group in the ACT.⁴⁰ The report also noted that while SKIP included many elements of better practice in the

³⁸ ACT Audit Office, *ACT Auditor-General's Report No. 7 of 2022: ACT Childhood Healthy Eating and Active Living Programs*, November 2022, p 97.

³⁹ [School Kids Intervention Program \(SKIP\) - Canberra Health Services \(act.gov.au\)](https://act.gov.au/skip) (accessed 25 July 2023).

⁴⁰ ACT Audit Office, *ACT Auditor-General's Report No. 7 of 2022: ACT Childhood Healthy Eating and Active Living Programs*, November 2022, p 97.

treatment of children with atypical weight gain and associated health problems, other elements such as long-term follow-up, embedded mental health support and age-appropriate models of care for adolescents and teenagers were not provided. This could limit the program's effectiveness, particularly for families with complex needs.⁴¹

3.23. The audit report recommended that:

Canberra Health Services should evaluate community need for multidisciplinary healthcare services for children aged 0 to 17 years-old with atypical eating and activity behaviours, atypical weight gain and associated health concerns, to address the risks of unmet demand and incomplete service delivery present in current service design. Options for addressing these risks should be presented for government consideration.

3.24. In its response to the audit report, the ACT Government agreed to this recommendation, saying that options would be developed by Canberra Health Services in partnership with ACT Health Directorate, and presented for the Government's consideration. It noted that any changes to treatment services would be 'subject to future government funding decisions'.⁴²

3.25. In their submission, Butterfly noted that body image concerns were widespread and consistently ranked in the top five personal concerns of young people, and that stigmatising weight attitudes and body dissatisfaction were linked to negative physical, mental and social outcomes. They said that it was important to address social determinants such as weight stigma and the negative impacts of social media before harmful thoughts and behaviours became entrenched:

Without preventative strategies and early intervention, interrupted physical, educational and social development can pose risk of significant medical complications in the long-term, along with other mental health issues.⁴³

3.26. Butterfly reiterated in their submission that body image and eating concerns can start early in life and argued that:

The more preventive measures that can be made during this time, the greater the return in terms of positive health outcomes and associated health system cost savings.⁴⁴

3.27. The Eating Disorders Clinical Program offered by Canberra Health Services is a community-based specialist outpatient therapy service. It works with people of all ages and is a

⁴¹ ACT Audit Office, *ACT Auditor-General's Report No. 7 of 2022: ACT Childhood Healthy Eating and Active Living Programs*, November 2022, p 106.

⁴² ACT Government, *Government Response to Auditor-General's Report No. 7/2022 - ACT Childhood Healthy Eating and Active Living Programs*, 9 March 2023, p 9.

⁴³ The Butterfly Foundation, *Submission 2*, p 7.

⁴⁴ The Butterfly Foundation, *Submission 2*, p 10.

voluntary service, offering psychological treatment options including family-based therapy and cognitive behavioural therapy.⁴⁵

Committee comment

- 3.28. The Committee considers that government-funded multi-disciplinary health care services should be made available to children at all ages, and should include treatment options for disordered eating behaviours and eating disorders as well as atypical weight gain, and health issues associated with these conditions.

Recommendation 6

The Committee recommends that the ACT Government support and fund a suitable multi-disciplinary health care service for children from birth to 18 years old with atypical weight gain, disordered eating behaviour and associated health issues.

Programs in schools

- 3.29. The audit report noted that cross-directorate working groups involving ACTHD, CHS and the Education Directorate provided oversight for the implementation and evaluation of the ACT Preventive Health Plan, and that activities delivered through schools by these directorates also benefitted from a cross-directorate governance committee and an Education Health Promotion Manager role embedded in the Education Directorate until 31 December 2021. The governance committee and the embedded role ‘contributed to long-term operational connectivity between the two directorates in implementing health programs in schools.’⁴⁶
- 3.30. The audit report listed the following childhood healthy eating and active living programs in ACT primary and secondary schools in 2021:
- Fresh Tastes Healthy Food at School (Fresh Tastes);
 - It’s Your Move;
 - Ride or Walk to School;
 - Active Streets; and
 - School Crossing Supervisors.⁴⁷
- 3.31. Noting that Fresh Tastes and It’s Your Move were the two long-term programs supporting healthy eating delivered in ACT primary and secondary schools between 2013-2014 and 2020–2021, the audit report commented that, while the programs were well-received and

⁴⁵ Canberra Health Services, *Eating Disorders Program (Eating Disorders Clinical Hub)*, [Eating Disorders Program \(Eating Disorders Clinical Hub\) - Canberra Health Services \(act.gov.au\)](#) (accessed 24 August 2023).

⁴⁶ ACT Audit Office, *ACT Auditor-General’s Report No. 7 of 2022: ACT Childhood Healthy Eating and Active Living Programs*, November 2022, p 4.

⁴⁷ ACT Audit Office, *ACT Auditor-General’s Report No. 7 of 2022: ACT Childhood Healthy Eating and Active Living Programs*, November 2022, p 65.

effective in supporting positive change in school eating, it was not clear whether they had contributed to sustained changes in children's eating behaviours.⁴⁸

3.32. In their submission, Butterfly provided an overview of preventive programs they delivered to schools, sporting groups and communities across Australia. These included:

- Body Kind Education, for Year 5 through to tertiary students;
- Butterfly Body Bright, for kindergarten to Year 6 students; and
- Body Kind Schools, an annual campaign for 'professionals working in primary and secondary schools, as well as other youth organisations.'⁴⁹

3.33. During the public hearing on 5 July 2023, Butterfly noted that Butterfly Body Bright and Body Kind School programs are provided free and have been accessed by ACT schools,⁵⁰ and said that education settings were the ideal environment for 'creating awareness, building resilience, reducing stigma, developing self and body confidence and encouraging help seeking among children and young people.'⁵¹

3.34. The Committee heard that Butterfly Body Bright, a 'universal whole-of-school body image program',⁵² provides online training for teachers who then deliver the program themselves:

So the Butterfly Body Bright program is something that the school accesses and delivers to their students. It really embeds it within their curriculum and their ethos.⁵³

3.35. Butterfly told the Committee during the hearing that the Body Kind program was:

... basically a whole month of activities that run across September every year that secondary schools can get involved in ...⁵⁴

3.36. In answer to a Question Taken on Notice, Butterfly advised the Committee that, as of 6 July 2023, 10 ACT primary schools were registered for the Butterfly Body Bright program, and 12 ACT schools were registered for Body Kind Schools, with a self-estimated reach of 1,976 young people. The Body Kind Schools program had reached an estimated 17,415 young people in the ACT between 2017 and 2022. Between 2015 and 2022, Butterfly had delivered 22 presentations to students in the ACT, reaching a total audience of 3,619 young people.⁵⁵

⁴⁸ ACT Audit Office, *ACT Auditor-General's Report No. 7 of 2022: ACT Childhood Healthy Eating and Active Living Programs*, November 2022, pp 69–70.

⁴⁹ Butterfly Foundation, *Submission 2*, p 10.

⁵⁰ Ms Helen Bird, Manager, Education Services, Butterfly Foundation, *Committee Hansard*, 5 July 2023, p 25.

⁵¹ Dr Sarah Squire, Head of Knowledge, Research and Policy, Butterfly Foundation, *Committee Hansard*, 5 July 2023, p 23.

⁵² Dr Sarah Squire, Head of Knowledge, Research and Policy, Butterfly Foundation, *Committee Hansard*, 5 July 2023, p 24.

⁵³ Ms Helen Bird, Manager, Education Services, Butterfly Foundation, *Committee Hansard*, 5 July 2023, p 25.

⁵⁴ Dr Sarah Squire, Head of Knowledge, Research and Policy, Butterfly Foundation, *Committee Hansard*, 5 July 2023, p 24.

⁵⁵ Butterfly Foundation, *answer to QTON 2: Butterfly Foundation Programs in ACT Public Schools*, 5 July 2023 (received 12 July 2023).

Committee comment

- 3.37. The Committee considers that positive body image school programs would be helpful additions to the healthy eating and active living programs offered in ACT schools.

Recommendation 7

The Committee recommends that the ACT Government adopt positive body image programs within all ACT government schools and promote such programs within all ACT secondary schools.

4. Auditor-General's Information Report No. 9/2022: ACT Emergency Services Agency cleaning services arrangements

- 4.1. While preparing its Performance Audit Report No. 7/2021, *Procurement Exemptions and Value for Money*, the Audit Office became aware of a particular company (referred to as the Service Provider) delivering cleaning services to the ACT Emergency Services Agency (ESA) over a long period without adequate procurement documentation. Consequently, the Audit Office undertook further enquiries and has produced Information Report No. 9/2022: *ACT Emergency Services Agency cleaning services arrangements* (the Report), which describes the Justice and Community Safety Directorate's (JACS') procurement and contracting arrangements with the Service Provider and its administration of the service delivery arrangements.⁵⁶
- 4.2. As these arrangements were largely historical, the Audit Office decided not to conduct a performance audit, and instead produced this information report which may inform the Audit Office's future performance audit planning processes.⁵⁷
- 4.3. The ESA is a business unit within JACS and has 36 facilities across the ACT including ACT Fire and Rescue, the ACT Ambulance Service, the ACT State Emergency Service, and the ACT Rural Fire Service as well as training and communication centres.⁵⁸ Many of these sites function on a 24-hour, seven-day basis and have unique cleaning requirements which are important in supporting emergency services personnel.⁵⁹
- 4.4. The Report noted that the Service Provider had been paid approximately \$8 million since late 2008. This included payments for general cleaning services, industrial cleaning services, and ad hoc services including the supply of goods and consumables.⁶⁰ Services had been provided since the early 2000s, but JACS was unable to provide payment data before October 2008.⁶¹
- 4.5. The Report found no evidence of any procurement process, contract or standing order arrangement for general cleaning and ground maintenance services delivered by the Service Provider prior to September 2020. The lack of procurement process meant that other potential suppliers were not able to compete for the work and JACS had not tested whether the Service Provider provided best value for money for the services. The lack of a

⁵⁶ ACT Audit Office, *ACT Auditor-General's Report No. 9 of 2022: ACT Emergency Services Agency Cleaning Services Arrangement*, December 2022, p 1.

⁵⁷ ACT Audit Office, *ACT Auditor-General's Report No. 9 of 2022: ACT Emergency Services Agency Cleaning Services Arrangement*, December 2022, p 1.

⁵⁸ ACT Audit Office, *ACT Auditor-General's Report No. 9 of 2022: ACT Emergency Services Agency Cleaning Services Arrangement*, December 2022, p 1.

⁵⁹ ACT Audit Office, *ACT Auditor-General's Report No. 9 of 2022: ACT Emergency Services Agency Cleaning Services Arrangement*, December 2022, p 1.

⁶⁰ ACT Audit Office, *ACT Auditor-General's Report No. 9 of 2022: ACT Emergency Services Agency Cleaning Services Arrangement*, December 2022, p 9.

⁶¹ ACT Audit Office, *ACT Auditor-General's Report No. 9 of 2022: ACT Emergency Services Agency Cleaning Services Arrangement*, December 2022, p 7.

valid contractual arrangement 'exposed the Territory to financial, legal and regulatory risk'.⁶²

- 4.6. The Report did find evidence for four contracts between JACS and the Service Provider for industrial cleaning services for periods between September 2009 and February 2019. Procurement documentation was available for the three latest contracts, but the Audit Office could not be confident that the procurements were 'sufficiently open and competitive'.⁶³
- 4.7. In September 2020 JACS contracted the Service Provider to provide general cleaning, industrial cleaning and COVID-19 cleaning services for six months. This contract was signed 'without an open and competitive approach to the market'. The Report noted that the Commissioner of the ESA had sought, and been granted, an exemption from the requirement under the *Government Procurement Regulation 2007* to conduct a public tender for the services and seek three written quotes. The contract was subsequently extended twice, through to November 2021, and had a total value of over \$2.6 million including GST.⁶⁴
- 4.8. The Report noted that:
- Prior to September 2020, JACS did not have any documentation to demonstrate prior approval or agreement for the ongoing general cleaning and grounds maintenance services including agreement with respect to: the scope of works and required service levels; and payments for the services. Work Orders were also not raised for these services. This resulted in poor controls over the commissioning of general cleaning and grounds maintenance services from the Service Provider.⁶⁵
- 4.9. The Report further noted that the ESA did not have any contractual arrangements in place with the Service Provider to demonstrate prior approval or agreement for the provision of ad hoc services, including agreement on scope, service levels and payment. Work Orders were raised to commission these services from the Service Provider and provided 'basic controls' over aspects such as access to premises and work verification steps. JACS did not have any policy or procedural guidance on the circumstances when 'a full written quote with scope of work and photos' should be provided, and written quotes received by email were not separately recorded and maintained.⁶⁶
- 4.10. In its response to the Report, the ACT Government acknowledged the 'significant issues' identified in the Report and said that they had been 'rectified by the delivery of the

⁶² ACT Audit Office, *ACT Auditor-General's Report No. 9 of 2022: ACT Emergency Services Agency Cleaning Services Arrangement*, December 2022, pp 12–13.

⁶³ ACT Audit Office, *ACT Auditor-General's Report No. 9 of 2022: ACT Emergency Services Agency Cleaning Services Arrangement*, December 2022, pp 13–16.

⁶⁴ ACT Audit Office, *ACT Auditor-General's Report No. 9 of 2022: ACT Emergency Services Agency Cleaning Services Arrangement*, December 2022, pp 16–17.

⁶⁵ ACT Audit Office, *ACT Auditor-General's Report No. 9 of 2022: ACT Emergency Services Agency Cleaning Services Arrangement*, December 2022, p 22.

⁶⁶ ACT Audit Office, *ACT Auditor-General's Report No. 9 of 2022: ACT Emergency Services Agency Cleaning Services Arrangement*, December 2022, p 25.

Integrated Facilities Management Services contract established in December 2021'. JACS and the ESA had also 'invested in improving procurement and contract management compliance, processes and education across the Directorate', reforms which had commenced before publication of the Report and were part of government processes for continued improvement.⁶⁷

4.11. The ACT Government further noted that the ESA had established an executive role in January 2020 which reviewed and improved procurement and contract management. JACS had also established a temporary procurement and contract management capability 'to deliver fit-for-purpose procurement and contract management training' and was working with Procurement ACT on the Procurement Reform Program.

4.12. During the public hearing on 25 May 2023, the Director-General of JACS told the Committee:

Within JACS corporate, within the centre of the directorate, we have established a director-level role which is focused on procurement and contract management. It is providing advice to business units around the directorate as to how to best manage procurement issues and it is also providing an additional level of assurance to me when procurement matters are presented to me for approval. There is another set of eyes, outside the business unit, looking at the proposal that is being put to me.⁶⁸

Committee Comment

4.13. The Committee is pleased that the Auditor-General saw fit to inquire into the significant issues covered in the Report. Due to the historical nature of the arrangements in question, the Committee considers that an information report was appropriate, and will provide valuable insights to inform future performance audit processes.

4.14. The Committee notes with approval the reforms already made and underway in JACS regarding procurement processes and contract management. The Committee also notes the implementation of the *JACS Procurement and Contract Management Framework* in April 2021, incorporating training to improve organisational awareness of obligations under the *Government Procurement Act 2001*, and JACS' commitment to deliver further training through the temporary procurement and contract management capability.

4.15. The Committee is satisfied that JACS and the ESA have made and continue to make necessary improvements to procurement and contract management processes to avoid recurrence of the issues identified in the Report, and makes no further recommendation in relation to the matter.

⁶⁷ ACT Government, *ACT Auditor-General's Information Report – Report No 9 of 2022 - ACT Emergency Services Agency Cleaning Services Arrangement – Government Response*, February 2023, p 3.

⁶⁸ Mr Richard Glenn, Director-General, Justice and Community Safety Directorate, *Committee Hansard*, 25 May 2023, p 13.

5. Conclusion

- 5.1. The Committee would like to thank the ACT Audit Office, the Chief Minister, the Minister for Health, the Minister for Police and Emergency Services, and their respective officials, as well as The Obesity Collective and the Butterfly Foundation for their participation in this inquiry.
- 5.2. The Committee makes seven recommendations in this report.

Mrs Elizabeth Kikkert
Chair
October 2023

Appendix A: Submissions

No.	Submission by	Received	Published
1	The Obesity Collective	01/05/2023	03/05/2023
2	Butterfly Foundation	08/05/2023	17/05/2023

Appendix B: Witnesses

Thursday, 25 May 2023

ACT Audit Office – Performance Audit

- **Mr Brett Stanton**, Assistant Auditor-General
- **Dr Tanja Porter**, Senior Director
- **Mr Jonathan Brown**, Director
- **Dr Megan Hemming**, Director

Minister for Police and Emergency Services

- **Mr Mick Gentleman MLA**
- **Mr Richard Glenn**, Director-General, Justice and Community Safety Directorate
- **Mr Jason Jones**, Assistant Commissioner, Operations, ACT Emergency Services Agency, Justice and Community Safety Directorate

Wednesday, 5 July 2023

The Butterfly Foundation

- **Dr Sarah Squire**, Head of Knowledge, Research and Policy, Butterfly Foundation
- **Ms Helen Bird**, Manager, Education Services, Butterfly Foundation

Minister for Health

- **Ms Rachel Stephen-Smith MLA**
- **Ms Rebecca Cross**, Director-General, ACT Health Directorate
- **Ms Robyn Hudson**, Deputy DirectorGeneral, ACT Health Directorate
- **Ms Christine Murray**, Executive Group Manager – Population Health Division, ACT Health Directorate
- **Dr Kerry Coleman**, Chief Health Officer – Population Health Policy, ACT Health Directorate
- **Professor Kirsty Douglas**, Director - Academic Unit of General Practice, ACT Health Directorate

Chief Minister

- **Mr Andrew Barr MLA**
- **Mr Malcolm Snow**, Chief Executive Officer, City Renewal Authority

Appendix C: Questions Taken on Notice

No.	Date	Asked of	Subject	Response received
1	30/05/2023	Mr Richard Glenn, Director-General, Justice and Community Safety Directorate	Extended Contracts	07/06/2023
2	5/07/2023	Dr Sarah Squire, Head of Knowledge, Research and Policy, Butterfly Foundation	Butterfly Foundation programs in schools	12/07/2023
3	05/07/2023	Minister Stephen-Smith	School Kids Intervention Program	30/07/2023
4	05/07/2023	Minister Stephen-Smith	School Kids Intervention Program - Staffing	30/07/2023