



LEGISLATIVE ASSEMBLY
FOR THE AUSTRALIAN CAPITAL TERRITORY

STANDING COMMITTEE ON PUBLIC ACCOUNTS

Brendan Smyth MLA (Chair), Mary Porter AM MLA (Deputy Chair), Chris Bourke MLA,
Nicole Lawder MLA

STANDING COMMITTEE ON PUBLIC ACCOUNTS

Inquiry into 2012–13 Annual reports

Treasury portfolio (part 1)

Responses to questions taken on notice at public hearing of 3 December 2013

PAC QTON
3 Dec 13
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LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

STANDING COMMITTEE ON PUBLIC ACCOUNTS

QUESTION TAKEN ON NOTICE

3 DECEMBER 2013




Mr Smyth - Asked the Treasurer upon notice on 3 December:

Mr Smyth – Can you quantify what the value of the savings was? (relates to restructure)

Mr Barr - The answer to the Member's question is as follows:

The purpose of the restructure was to provide improved support for whole of government decision making and the delivery of the ACT Government's policy agenda. This was undertaken as a cost neutral exercise.

Approved for circulation to the Committee.


Andrew Barr MLA
Treasurer

Date: 10.1.2014

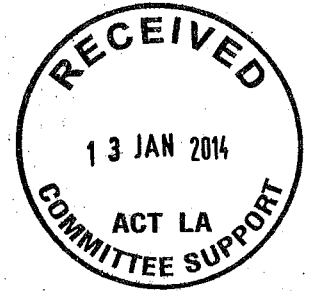
PAC QTON
3 Dec 13
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LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

STANDING COMMITTEE ON PUBLIC ACCOUNTS

QUESTION TAKEN ON NOTICE

3 DECEMBER 2013



Mr Smyth - Asked the Treasurer upon notice on 3 December:

Mr Smyth – So how much has been spent from the urban improvement fund?

Mr Barr - The answer to the Member's question is as follows

Spending under the Urban Improvement Program has totalled \$22.768 million since its inception in the 2012-13 Budget to 31 October 2013.

Approved for circulation to the Committee.

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Andrew Barr MLA
Treasurer

Date: 10.1.2014



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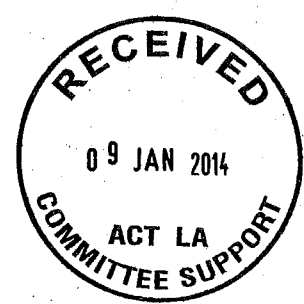
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3 Dec 13
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**TREASURER FOR THE AUSTRALIAN CAPITAL TERRITORY
LEGISLATIVE ASSEMBLY QUESTION**

STANDING COMMITTEE ON PUBLIC ACCOUNTS

Annual and Financial Reports 2012-13

QUESTION WITHOUT NOTICE TAKEN ON NOTICE



Mr SMYTH: To ask the Treasurer:

(1) **Mr Sullivan:** The work is done in the window of the completion and auditing of the financial statements, and the financial statements were presented to the chair and the board of ACTEW in September. I could get you the precise date, if you would like.


THE CHAIR: That would be kind. Were the Chief Minister and Treasurer consulted during that process as the shareholders?

Treasurer: The answer to the Member's question is as follows:

The revised financial statements were presented to the Board on 11 September 2013.

The draft modified Statement of Corporate Intent was provided to the Shareholders on 18 September 2013.

Approved for circulation to the Members and incorporation into Hansard.


Andrew Barr MLA
Treasurer

Date: 8.1.14.....



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PAC QTON
3 Dec 13
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**TREASURER FOR THE AUSTRALIAN CAPITAL TERRITORY
LEGISLATIVE ASSEMBLY QUESTION**

STANDING COMMITTEE ON PUBLIC ACCOUNTS

Annual and Financial Reports 2012-13

QUESTION WITHOUT NOTICE TAKEN ON NOTICE

Mr SMYTH: To ask the Treasurer:

- (1) **THE CHAIR:** Could you provide a year-on-year analysis of what the cuts were, for the coming year against last year, please?

Treasurer: The answer to the Member's question is as follows:

I have been advised by ACTEW that prior to integration of the water business into ACTEW, ActewAGL operated and maintained the water and sewerage network under the Utilities Management Agreement (UMA).

The detailed finances of the water business were held within the ActewAGL financial system with ACTEW making a monthly lump sum payment. Following integration all information is now held within the ACTEW financial system with historical information held within the ActewAGL system. The difference in location of information means it is not possible to provide a year on year analysis of savings.

Savings have been achieved in the number of management positions within the organisation following the restructure and further savings are expected in future years as implementation of the business transformation program continues and efficiencies are realised.

Approved for circulation to the Members and incorporation into Hansard.


Andrew Barr MLA
Treasurer

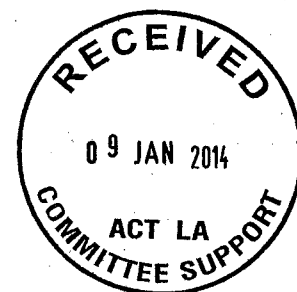
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TREASURER FOR THE AUSTRALIAN CAPITAL TERRITORY
LEGISLATIVE ASSEMBLY QUESTION

STANDING COMMITTEE ON PUBLIC ACCOUNTS

Annual and Financial Reports 2012-13

QUESTION WITHOUT NOTICE TAKEN ON NOTICE



PAC @TON
3 Dec 13
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Ms LAWDER: To ask the Treasurer:

- (1) **MS LAWDER:** In your modified statement of intent, you have got a new org structure. Can you tell me some of the reasons why you changed the org structure. What were you hoping to achieve? Do you feel you are achieving it? How many jobs may have been lost in that process?

Mr Sullivan: The only jobs that were lost were basically senior jobs. We contracted our executive from six members down to four and we contracted our senior management group from—I will get you a clearer number—something like 23 to 18 or 19 or something like that. Other than that, there were no job losses.

Treasurer: The answer to the Member's question is as follows:

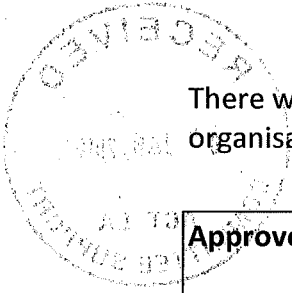
Prior to 1 July 2012, ACTEW's water and sewerage networks were operated and maintained by ActewAGL. From 1 July 2012, the operations and maintenance of those networks were re-integrated into ACTEW together with a transfer of relevant ActewAGL staff.

The new organisational structure which took effect from 1 July 2013 reflects internal deliberations which occurred during 2012-13 about the best integration and structural options to recognise the provision of water and sewerage services is ACTEW's core business.

It was also designed to achieve ACTEW's new corporate mission and vision, giving particular emphasis to enhanced safety, customer relationships, business development, organisational culture, management of energy investments, corporate governance and government relations. Whilst the new organisational structure has been in place for approximately six months, progress is being made towards achieving these goals.

In implementing the new organisational structure there was a reduction of ten managerial level staff in ACTEW's water and sewerage business:

Management Level	Position Changes
Executive	From 6 to 4
Senior Manager	From 12 to 6
Manager	From 22 to 20



There were no other staff reductions as a consequence of the implementation of the new organisational structure.

Approved for circulation to the Members and incorporation into Hansard.

Andrew Barr

**Andrew Barr MLA
Treasurer**

Date: 8.1.2014

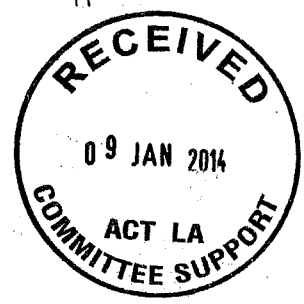
PAC QTON
3 Dec 13
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**TREASURER FOR THE AUSTRALIAN CAPITAL TERRITORY
LEGISLATIVE ASSEMBLY QUESTION**

STANDING COMMITTEE ON PUBLIC ACCOUNTS

Annual and Financial Reports 2012-13

QUESTION WITHOUT NOTICE TAKEN ON NOTICE



Dr BOURKE: To ask the Treasurer:

(1) **DR BOURKE:** You mentioned the pipeline was under budget. How much under budget?

Mr Sullivan: I will gladly get you that number. But we got an additional little dividend just towards the end of it of about \$12 million to \$15 million. I would happily provide that one on notice. I think I should be fair. Maybe I should wait for the two of them and present a bit of a consolidated picture. A consolidated picture of the water security project involves three other projects, including Googong spillway and some of the other pump station works. It presents a portfolio approach which is very close to budget.

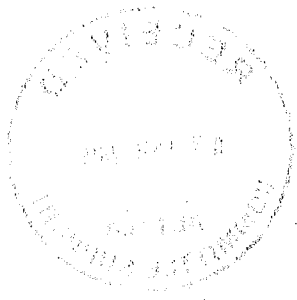
Treasurer: The answer to the Member's question is as follows:

The Murrumbidgee to Googong Pipeline project final costs are estimated to be \$138 million which is \$17 million (11%) under budget.

Approved for circulation to the Members and incorporation into Hansard.

Andrew Barr
Andrew Barr MLA
Treasurer

Date: 8.1.2014.....



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TREASURER FOR THE AUSTRALIAN CAPITAL TERRITORY
LEGISLATIVE ASSEMBLY QUESTION

STANDING COMMITTEE ON PUBLIC ACCOUNTS

Annual and Financial Reports 2012-13

QUESTION WITHOUT NOTICE TAKEN ON NOTICE



PAC COTON
3 Dec 13
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Ms PORTER: To ask the Treasurer:

- (1) **MS PORTER:** Just on the back of that e-pay issue, the system does not seem to work very well—maybe you would like to take this into consideration—for someone who wants to pay a bit more occasionally. They run into problems because someone decides they have got a bit more than they said they were going to have and then they give them credit when actually they wanted to build up the amount.

Mr Sullivan: That is another process where people want to just make an ad hoc credit.

MS PORTER: On top of what they were already regularly paying.

Mr Sullivan: Yes. I will take that on board and just have a look.

Treasurer: The answer to the Member's question is as follows:

ACTEW advise that their water and sewerage customers can make any number of payments against their utility account once registered as an ePayplus customer. Additional payments can be received through ePayplus even if the customer has a regular payment arrangement in place.

However if a customer has an unreasonably large credit, ActewAGL retail staff will contact the customer to discuss options. This could involve either reducing their payments or to ask that they accept a refund of the large credit in order to ensure they don't have unnecessary funds held in their account with ActewAGL.

Approved for circulation to the Members and incorporation into Hansard.


Andrew Barr MLA
Treasurer

Date: 8.1.14.....

