

Report to the Public Accounts Committee

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# **Performance Audit Recommendations Observations - 2023**

November 2023

The Chair  
Public Accounts Committee  
ACT Legislative Assembly  
Civic Square, London Circuit  
CANBERRA ACT 2601

Dear Chair

I am pleased to provide you with a *Performance Audit Recommendations Observations* report for 2023. The purpose of this document is to report my observations on agencies' reporting of progress in the implementation of recommendations made in performance audit reports.

I would be happy to discuss further as necessary.

Yours sincerely



Michael Harris  
Auditor-General  
7 November 2023

*The ACT Audit Office acknowledges the Ngunnawal people as traditional custodians of the ACT and recognises any other people or families with connection to the lands of the ACT and region. The Office acknowledges and respects their continuing culture and the contribution they make to the life of this city and this region.*

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## Agencies' reporting and accountability obligations

### Background

The *Auditor-General Act 1996* (the AG Act) outlines the Auditor-General's responsibilities. Subsection 17(1) of the AG Act allows the Auditor-General to 'at any time prepare a report for the Legislative Assembly on any matter arising in connection with the exercise of the auditor-general's functions'. Paragraph 17(3)(c) allows for such reports to include recommendations.

### Government response

Subsection 21(1) of the Act requires the Minister to prepare a written response within four months of a report being presented to the Legislative Assembly under section 17 of the AG Act.

### 2017 CMTEDD Guidelines

In 2017 the ACT Government prepared *Guidelines for responding to performance audit reports by the Auditor-General* (the Guidelines).<sup>1</sup> The Guidelines 'are intended to facilitate timely and thorough consideration of, and response to, recommendations made by the Auditor-General'.

The Guidelines outline the process for preparing a Government response to a performance audit report. This requirement replaced the practice of agencies indicating their agreement or otherwise with recommendations at the time of finalisation and tabling of a performance audit report and this information being included in the report itself.

The Guidelines state 'the Government's response should ... clearly articulate the government's position in relation to each recommendation/finding' and that 'the Government position should be clearly articulated and defensible, particularly where it is proposed not to support a particular issue'. The Guidelines note that responses to a given recommendation may fall within one of the following four categories:

- a) **Agreed** – *relevant details of the proposed implementation strategy should be included with the response.*
- b) **Agreed-in-principle** – *this may be appropriate where the government generally supports a finding or policy approach, but does not necessarily agree with particular specifications in the report.*
- c) **Not agreed** – *a detailed explanation should be included whenever a position of 'not agreed' is proposed. It may be appropriate to offer alternative solutions / approaches.*
- d) **Noted** – *this may be appropriate where the government considers no specific action or response is necessary.*

## Reporting on the progress of the implementation of agreed recommendations

Part 2 of the *Annual Reports (Government Agencies) Act 2004* (the Annual Reports Act) outlines requirements for the preparation of annual reports.

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<sup>1</sup> [http://www.cmd.act.gov.au/\\_\\_data/assets/pdf\\_file/0004/851476/Auditor-General-Guidelines-January-2017.pdf](http://www.cmd.act.gov.au/__data/assets/pdf_file/0004/851476/Auditor-General-Guidelines-January-2017.pdf)

Section 8 of the Annual Reports Act requires the Chief Minister to make directions to set the form and content of annual reports.

On 3 June 2023 the Chief Minister issued the *Annual Reports (Government Agencies) Directions 2023 (Notifiable Instrument NI2023-272)* (Annual Report Directions).<sup>2</sup> The Annual Report Directions set out the content to be included in an annual report.

The Annual Report Directions require reporting entities to:

... report on progress during the reporting year in relation to undertakings made in reports that are produced by reporting entities charged with responsibility for scrutiny, including the Auditor-General, ACT Ombudsman, Legislative Assembly Committees and Integrity Commission reports..

The Annual Report Directions further state:

Reporting entities must provide a summary of actions taken in relation to those recommendations relevant to the directorate/public sector body that the Government has agreed to (including agreement in principle and agreement in part) during the reporting year.

The Annual Report Directions require reporting entities to include a table, which shows:

- the recommendation number and summary of the recommendation;
- the action taken during the reporting year; and
- the status at the end of the reporting year – ‘complete’ / ‘no longer required’ / ‘in progress’.

The Annual Report Directions state:

For actions with a status ‘no longer required’, a brief explanation should be provided (e.g. overtaken by events or change in policy). For actions with a status ‘in progress’, provide a brief summary of actions that are outstanding, agreed timeframe for completion (where applicable) and progress to date against the timeframe.

The Annual Report Directions state:

If a Government response, in agreeing to a given recommendation, indicates that implementation is already complete, the recommendation does not need to appear in the annual report as the Government has not committed to undertake further action.

## Project methodology

This review considered agencies’ reporting on the implementation of performance audit report recommendations. The review focused on how the implementation of recommendations was reported in agencies’ 2022-23 annual reports.

This review follows a similar review that was conducted and reported on in December 2022. Accordingly, recommendations from performance audit reports tabled since October 2021 have been considered where appropriate:

- reports tabled between February 2021 and December 2021 were considered as part of the December 2022 report. This report considers agencies’ reporting on the implementation of

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<sup>2</sup> [Annual Reports \(Government Agencies\) Directions 2023 | HTML view \(act.gov.au\)](#)

recommendations from these reports that were not resolved for the purpose of the December 2022 report; and

- reports tabled between March 2022 and March 2023. These are reports that were not considered in the December 2022 report and for which a Government response has been prepared and tabled in the Assembly.

### Performance audit reports considered

The report includes information on the recommendations of the following performance audit reports tabled between March 2022 and March 2023:

- *Management of Detainee Mental Health Services in the Alexander Maconochie Centre – Report No.1 / 2022*
- *Fraud Prevention – Report No.2 / 2022*
- *ACT Taxi Subsidy Scheme – Report No. 3 / 2022*
- *Governance arrangements for the planning of services for Parkwood, Ginninderry – Report No.4 / 2022*
- *Procurement and contracting activities for the Acton Waterfront Project – Report No. 5 / 2022*
- *ACT Childhood Healthy Eating and Active Living Programs – Report No. 7 / 2022*
- *Construction Occupations Licensing – Report No. 1 / 2023*

The report also includes information on the recommendations of the following performance audit reports, tabled between February 2021 and December 2021, and which were the subject of the December 2022 report:

- *Land Management Agreements – Report No.1 / 2021*
- *Total Facilities Management Contract Implementation – Report No.2 / 2021*
- *Court Transport Unit vehicle – Romeo 5 – Report No.3 / 2021*
- *ACT Government Vehicle emissions reduction activities – Report No.4 / 2021*
- *Management of Closed-Circuit Television Systems – Report No.5 / 2021*
- *Teaching Quality in ACT Public Schools – Report No.6 / 2021*
- *Procurement Exemptions and Value for Money – No.7 / 2021*
- *Canberra Light Rail Stage 2A: Economic Analysis – No.8 / 2021*
- *Digital Records Management – No.11 / 2021*
- *Campbell Primary School Modernisation Project Procurement – No.13 / 2021*

### Information shown

The purpose of review is to provide the Public Accounts Committee with information on:

- agencies' reporting of progress in the implementation of recommendations made in performance audit reports; and
- the transparency with which this information is conveyed.

Observations made in this document should not be taken as assurance as to whether the response being implemented by the agency is effective.

For each performance audit report considered as part of this review, the following information is captured:

- a brief summary of the performance audit; and
- a table showing:
  - each recommendation;
  - the ACT Government response to the recommendation;
  - the agency's reporting of progress on the implementation of the recommendation in its 2022-23 annual report; and
  - observations on the agency's reporting of progress on the implementation of the recommendation.

## **Observations on ACT Government responses to recommendations**

Four issues have emerged from the analysis of agencies' reporting on the implementation of performance audit report recommendations. These are listed below and then discussed in more detail:

1. lack of specificity in the Government response to the recommendation;
2. non-reporting by agencies of progress implementing recommendations;
3. lack of clarity with respect to the status of recommendations; and
4. inconsistent and unclear reporting on the implementation of recommendations.

### **Lack of specificity in the Government response to a recommendation**

The Guidelines state:

The Government's response should clearly articulate the government's position in relation to each recommendation / finding.

In a number of instances, the ACT Government's response did not clearly articulate the Government's position in relation to the recommendations.

### **Non-reporting by agencies of progress implementing the recommendations**

The Annual Report Directions require reporting entities to include a table, which shows:

- the recommendation number and summary of the recommendation;
- the action taken during the reporting year; and
- the status at the end of the reporting year – 'complete' / 'no longer required' / 'in progress'.

A number of instances were identified where agencies did not report progress on actions in relation to the recommendations.

## Lack of clarity with respect to status of implementation

The Annual Report Directions state:

If a Government response, in agreeing to a given recommendation, indicates that implementation is already complete, the recommendation does not need to appear in the annual report as the Government has not committed to undertake further action.

In a number of instances there is a lack of clarity with respect to the status of the implementation of the recommendation. For example, some ACT Government responses indicated agreement with the recommendation and then appeared to identify and highlight action that had already been taken in relation to the recommendation.

## Inconsistent and unclear reporting on the implementation of recommendations

The balance of this document outlines the Audit Office's observations with respect to agencies' reporting on the implementation of the recommendations. There were some examples of clear and easily understandable reporting by agencies, and other examples where the actions taken in response to a recommendation was ambiguous and unclear.



# Auditor-General Report No.1 of 2022

## Management of Detainee Mental Health Services in the Alexander Maconochie Centre<sup>3</sup>

(2 March 2022)

### Auditee

The auditees for this audit were the ACT Health Directorate, Canberra Health Services and ACT Corrective Services in the Justice and Community Safety Directorate.

### Audit Objective

The objective of the audit was to assess the effectiveness of the delivery of mental health services within the AMC.

### Summary

The Alexander Maconochie Centre (AMC) is the ACT's only adult prison. It houses sentenced and remand detainees of all genders.

The AMC's operating philosophy is to meet:

*... the objectives of the 'healthy prison' concept under the four pillars of 'Safety', 'Respect and Dignity', 'Purposeful Activity' and 'Rehabilitation and Release Planning'.*

To assist with the achievement of this objective, detainees within the AMC are provided with a range of health services that are delivered via a shared care arrangement between ACT Corrective Services (ACTCS) and Canberra Health Services (CHS).

The audit considered the effectiveness of the delivery of mental health services to detainees within the AMC.

### Government response<sup>4</sup>

Ms Emma Davidson MLA, Minister for Justice Health, tabled the ACT Government's response to the Performance Audit Report on 2 August 2022.

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<sup>3</sup> [Report No. 1 of 2022 - Management of Detainee Mental Health Services in the Alexander Maconochie Centre \(act.gov.au\)](https://www.act.gov.au/act/auditor-general-reports/2022-23/management-of-detainee-mental-health-services-in-the-alexander-maconochie-centre)

<sup>4</sup> [Auditor-General-Report-No.-1-Management-of-Detainee-Mental-Health-Services-in-the-Alexander-Maconochie-Centre-Government-Response.pdf \(act.gov.au\)](https://www.act.gov.au/act/auditor-general-reports/2022-23/management-of-detainee-mental-health-services-in-the-alexander-maconochie-centre-government-response)

CHS annual report:

[https://www.canberrahealthservices.act.gov.au/\\_data/assets/pdf\\_file/0017/2301209/CHS\\_Annual-Report-2022\\_23\\_AAA-DIGITAL-FAMA.pdf](https://www.canberrahealthservices.act.gov.au/_data/assets/pdf_file/0017/2301209/CHS_Annual-Report-2022_23_AAA-DIGITAL-FAMA.pdf)

JACS annual report:

[https://www.justice.act.gov.au/\\_data/assets/pdf\\_file/0006/2300694/Report-Justice-and-Community-Safety-Directorate-2022-23-Annual-Report-Accessibility-Version-online.pdf](https://www.justice.act.gov.au/_data/assets/pdf_file/0006/2300694/Report-Justice-and-Community-Safety-Directorate-2022-23-Annual-Report-Accessibility-Version-online.pdf)

ACT Health annual report:

<https://health.act.gov.au/sites/default/files/2023-10/ACT%20Health%20Annual%20Report%202022-2023.pdf>

## Recommendation 1 – Strategic planning

<p>Canberra Health Services should, in conjunction with the ACT Health Directorate, develop a Clinical Services Plan for the delivery of mental health services in the Alexander Maconochie Centre. This plan, developed in partnership with Winnunga Nimmityjah Aboriginal Health and Community Services, and other relevant stakeholders, should include explicit embedding of culturally responsive services for Aboriginal and Torres Strait Islander peoples.</p>		
<b>Government Response</b>	<b>Status</b>	<b>Agreed</b>
<p><i>It is recognised there is a need to identify and document current and future health and wellbeing outcomes for the delivery of mental health services within the AMC. This aligns to the Territory Wide Health Services Plan and Closing the Gap initiatives, and can be implemented from within existing resources.</i></p> <p><i>A Clinical Services Plan (CSP) will strengthen the purpose of the Health Advisory Group and provide the membership with key responsibilities. A CSP will highlight the interagency complexities and dynamism and will inform current and future Key Performance Indicators (KPIs).</i></p> <p><i>Implementation: 30 June 2023</i></p> <p><i>CHS will develop a CSP in partnership with JACS, ACT Health and Winnunga.</i></p>		
<b>Annual Report (2022-23) (CHS)</b>	<b>Reported Status</b>	<b>In progress</b>
<p><i>CHS is progressing work with key interagency stakeholders, including ACT Corrective Services and Winnunga Nimmityjah Aboriginal Health Service and Community Services, to ensure that the delivery of mental health services in the Alexander Maconochie Centre is clearly outlined.</i></p> <p><i>CHS expect to finalise this work before the end of 2023.</i></p>		
<b>Auditor-General's Observation</b>		
<p>The ACT Government response indicated agreement with the recommendation, and an intention to develop the Plan with service partners at the AMC. This demonstrates an appropriate response to the recommendation.</p> <p>CHS' <i>Annual Report 2022-23</i> notes that the initial timeframe for completion has slipped. Further delays and slippage could compromise service delivery effectiveness.</p>		

## Recommendation 2 – Record keeping system

<p>Canberra Health Services should ensure its record keeping system provides the functionality to extract key information, such as demographic and service need data, that supports effective resource planning.</p>		
<b>Government Response</b>	<b>Status</b>	<b>Agreed</b>
<p><i>Canberra Health Services (CHS) recognises the benefits of strengthening the functionality of their record keeping systems and acknowledges there are opportunities for improvements in this space.</i></p> <p><i>A new record keeping system, Digital Health Record (DHR), is currently in the development stages, with Go-Live planned for November 2022.</i></p> <p><i>It is anticipated that the DHR will strengthen CHS' record keeping capabilities, and in turn provide functionality to extract key information that can be used for service and resource planning.</i></p> <p><i>Justice Health Services are liaising with the vendor for specific modifications required to address this recommendation.</i></p> <p><i>Note: other service providers may not be able to contribute to DHR.</i></p> <p><i>Implementation: November 2022</i></p> <p><i>The DHR is a CHS initiative.</i></p>		
<b>Annual Report (2022-23) (CHS)</b>	<b>Reported Status</b>	<b>Completed</b>

The implementation of the DHR has allowed users to extract specific key information and data from the system. CHS generate reports that support effective resource planning at the AMC and staff have trained in the use of the system.

**Auditor-General's Observation**

The ACT Government response indicated agreement with the recommendation, and an intention for the Digital Health Record to serve as the means by which this is achieved. CHS' *Annual Report 2022-23* identifies that the Digital Health Record has been implemented.

The extent to which the Digital Health Record has 'the functionality to extract key information, such as demographic and service need data, that supports effective resource planning' is likely to be the subject of future audit activity.

**Recommendation 3 – Provision of psychological services to detainees**

In order to demonstrate that the requirements of section 53 of the *Corrections Management Act 2007* are met, the Justice and Community Safety Directorate should:

- a) define what an 'equivalent standard of health care to that available to other people in the ACT' means in practice; and
- b) ensure the provision of psychological services to detainees meets this standard.

**Government Response**

**Status**

Agreed-in-principle

*Access to public mental health services both within and external to the AMC will vary over time according to available resources and demand. Detainees are afforded sound and effective care, including psychological services. The referral pathways within the AMC for psychological services are like those within the community. This includes self-referrals and stepped care models.*

*In addition, there are a number of KPIs that both JACS and CHS use to ensure the care provided is safe and high-quality. Detainees identified as 'At Risk' will be triaged within two hours, clinically managed detainees received a psychiatrist review every three months, and detainees on involuntary treatment orders are reviewed by a health professional every two weeks.*

*The National Mental Health Commission has commenced a project reviewing the 2006 National Statement of Forensic Mental Health Principles. A principle under review being 'equivalence to the non offender'. The review will provide further opportunity to consider how equivalency in mental health care for detainees can be expressed, measured and monitored.*

*Further, the ACT Supreme Court decision *Brown v Director-General of the Justice and Community Safety Directorate* [2021] ACTSC 320 which found that the provision of health services does not need to be 'identical in form or substance with a service which might be provided in the community' to meet the standard set out in s53. Noting that the decision is subject to an appeal at this time of writing, this finding shows that in the context, and the outcome of that appeal will be considered in responding to this recommendation.*

*If gaps are identified as part of this exploration, JACS and CHS will work collaboratively to address these. Additional resourcing, if required, will be subject to ACT Government budget processes.*

*Implementation: 30 June 2023*

*Following completion of the review of the 2006 National Statement of Forensic Mental Health Principles, JACS, in conjunction with CHS, will consider how equivalency in mental health care for detainees can be expressed, measured, and monitored.*

**Annual Report (2022-23) (JACS)**

**Reported Status**

Completed

*ACTCS and Canberra Health Service (CHS) are providing care to detainees using a stepped care framework which considers need and demand at each level, including tracking waiting times based on clinical acuity. This is equivalent to the standard of health care available to people in the broader community. The ACTCS aspect of this recommendation is therefore complete.*

**Auditor-General's Observation**

The ACT Government response indicated agreement-in-principle with the recommendation and an intention to use a forthcoming National Mental Health Commission project to 'provide further opportunity to consider how equivalency in mental health care for detainees can be expressed, measured and monitored'. The intention for JACS to work with CHS to 'consider how equivalency in mental health care for detainees can be expressed,

measured, and monitored' following the completion of this review might have been expected to yield useful information to progress this recommendation.

JACS' *Annual Report 2022-23* does not provide any insights into how the National Mental Health Commission project has impacted or influenced practice.

#### Recommendation 4 – Training for Custodial Officers in the Crisis Support Unit

ACT Corrective Services, in conjunction with Canberra Health Services, should:

- a) develop and deliver a training package that assists Custodial Officers to provide effective management and support to detainees with mental health conditions. This should be supported by the development of a refresher training package for Custodial Officers to be delivered at regular intervals; and
- b) develop and deliver a training package for those staff working within the Crisis Support Unit and provide these staff with ongoing supervision and support.

#### Government Response

Status

Agreed-in-principle

*a) There is a current training package – in both mandatory training and refresher forms.*

*b) Suicide and self-harm (SASH) training encompasses identification and management of those at-risk of suicide and self-harm. The training is delivered by CHS to new recruits and all Correctional Officers through mandatory refresher training schedules. CHS additionally deliver a broader training session on mental health to new Officer recruits.*

*CHS and ACTCS will collaboratively review the current training package and update elements as required whilst maintaining the commitment to deliver the training as scheduled to avoid any lapse in currency for Officers. The review will consider the inclusion of broader elements of identification and management of those with mental health conditions to supplement the SASH training. Additional resourcing, if required, will be subject to ACT Government budget processes.*

*Due to agility in rostering, training will be prioritised to any staff identified to regularly work in the Crisis Support Unit and correctional managers. As is the case currently with SASH training regular refresher training will be maintained for all Correctional Officers noting any of them could work in an area.*

*Implementation: 31 December 2023*

*CHS and JACS will collaboratively review the current SASH training package and update elements as required.*

#### Annual Report (2022-23) (JACS)

Reported Status

Completed

*ACTCS elements for Recommendation 4 have been completed. Actions taken to address the recommendation included a range of courses that support identification of the signs and symptoms of mental distress and build communication skills in staff to provide effective management and support to detainees with mental health conditions. Training is provided to all custodial staff as any custodial officer may be posted to the CSU.*

#### Auditor-General's Observation

The ACT Government response indicated agreement-in-principle with the recommendation and an intention for CHS and ACTCS to 'collaboratively review the current training package and update elements as required'. The response identified an intention to 'consider the inclusion of broader elements of identification and management of those with mental health conditions'.

JACS' *Annual Report 2022-23* does not provide specific insights into the outcomes or impact of the collaborative review that CHS and ACTS was to take in relation to the training material.

## Recommendation 5 – Establishment of shared care arrangements

<p>Canberra Health Services and the Justice and Community Safety Directorate should jointly:</p> <p>a) establish and document the shared care arrangements for detainees with mental health conditions; and</p> <p>b) develop a Service Level Agreement.</p>		
<b>Government Response</b>	<b>Status</b>	<b>Agreed-in-principle</b>
<p><i>a) Both JACS and CHS have developed and documented their provision of services through individual models of care. The shared care arrangements between JACS and CHS have been established for some time, however it is recognised that these need to be documented.</i></p> <p><i>b) The JACS and CHS Arrangements document is currently being updated. The shared care arrangements that are already established and operational between JACS and CHS will be included as part of the Arrangements schedule. CHS and JACS will work collaboratively to develop a schedule to the arrangements that outlines agency interface of each model of care for the provision of mental health services in the AMC. Additional resourcing, if required, will be subject to ACT Government budget processes.</i></p> <p><i>Implementation: 31 December 2022</i></p> <p><i>a) JACS and CHS will both update their Model of Care documents to highlight agency interface.</i></p> <p><i>b) The Arrangements document, including the accompanying schedules will be developed and consulted on by 31 December 2022.</i></p>		
<b>Annual Report (2022-23) (CHS and JACS)</b>	<b>Reported Status</b>	<b>Completed / In Progress</b>
<p><u>CHS:</u></p> <p><i>CHS have developed shared care arrangements for detainees with mental health conditions and finalised the Service Level Agreement.</i></p> <p><u>JACS:</u></p> <p><i>A Service Level Agreement has been finalised and will be signed shortly. CHS has developed a shared care plan document for detainees under the multiagency Intensive Case Management Group (ICMG). This will be endorsed by the ICMG. Documentation will be shared with the Detainee Health and Wellbeing Oversight Committee (formerly Health Advisory Group) once endorsed.</i></p>		
<b>Auditor-General's Observation</b>		
<p>The ACT Government response indicated agreement-in-principle with the recommendation and an acknowledgement that 'shared care arrangements between JACS and CHS have been established for some time [but] that these need to be documented'. The response also identifies an intention for JACS and CHS to 'work collaboratively to develop a schedule to the arrangements that outlines agency interface of each model of care for the provision of mental health services in the AMC'.</p> <p>The agencies' annual reports indicate that the shared care arrangements have been formally documented through a Service Level Agreement, which has been finalised. JACS' <i>Annual Report 2022-23</i> provides further insights into how the documentation is to be shared with the Detainee Health and Wellbeing Oversight Committee.</p>		

## Recommendation 6 – Oversight of Winnunga service delivery arrangements and funding

<p>To improve the oversight of ACT Government service arrangements with Winnunga Nimmityjah Aboriginal Health and Community Services, ACT Health, in partnership with Canberra Health Services and Winnunga, should establish arrangements for the improved oversight of services described under the Winnunga funding agreement that are provided in the Alexander Maconochie Centre.</p>		
<b>Government Response</b>	<b>Status</b>	<b>Agreed-in-principle</b>
<p><i>The provision of health services in the AMC by Winnunga is central to providing safe, high quality and culturally appropriate health care in the AMC with the appropriate level of assurance. The ACT Government supports ACT Health, CHS (Justice Health) and JACS (ACT CS) will work collaboratively to</i></p>		

provide the appropriate level of assurance of the service arrangements with Winnunga to provide services at the AMC. Additional resourcing, if required, will be subject to ACT Government budget processes.

Implementation: 30 June 2023

Providing the appropriate level of assurance of ACT Government service arrangements with Winnunga will be solely explored by ACT Health, and not CHS. Approaches to strengthen interagency partnerships and co-design of health service delivery, however, will be further explored by JACS, CHS and ACT Health.

Annual Report (2022-23) (ACT Health)	Reported Status	Not Reported
Not reported.		
Auditor-General's Observation		
<p>The ACT Government response indicated agreement-in-principle with the recommendation and an implementation date of 30 June 2023. There is little information on how this is intended to be pursued and achieved.</p> <p>ACT Health's <i>Annual Report 2022-23</i> does not address the recommendation.</p>		

### Recommendation 7 – Custodial Mental Health Services Operational Guide

Canberra Health Services should finalise the draft Custodial Mental Health Services Operational Guide.		
Government Response	Status	Agreed
<p>Canberra Health Services has completed the Custodial Mental Health Services Operational Guide draft and following the finalisation of the ACT Government Response to the Report, this will be circulated for consultation with key stakeholders.</p> <p>Implementation: 31 December 2022</p> <p>CHS will align the Custodial Mental Health Operational Guide to the Justice Health Strategy, which is due for finalisation by December 2022.</p>		
Annual Report (2022-23) (CHS)	Reported Status	Completed
CHS endorsed the Custodial Mental Health – Adult Operational Guideline and we have uploaded it to the CHS Policy Register.		
Auditor-General's Observation		
<p>The ACT Government response indicated agreement with the recommendation and an intention for the Operational Guide to align with the Justice Health Strategy and for this to be completed by 31 December 2022. This demonstrates an appropriate response to the recommendation.</p> <p>CHS' <i>Annual Report 2022-23</i> indicates the Guidelines have been finalised.</p>		

### Recommendation 8 – Health Advisory Group's Terms of Reference

Canberra Health Services and ACT Corrective Services should review and update the Health Advisory Group Terms of Reference.		
Government Response	Status	Agreed
<p>ACT Government recognises the need to strengthen governance of health service delivery within the AMC and is supportive of reinvigorating the Health Advisory Group's function and purpose.</p> <p>To support this and provide an inclusive forum for partnership and co-design, the current membership will be reviewed, invitations will be extended to service providers with whom it has agreements, communication linkages between governance groups will be established and the Terms of Reference (TOR) will be updated to reflect these changes.</p>		

The Health Advisory Group will provide clinical governance for health services within the AMC, including the provision of mental health services. This includes supporting the development of the CSP, developing further KPI's to monitor outcome measures and quality and safety, maintaining the risk register.

The re-established Health Advisory Group will initially concentrate on establishing roles and responsibilities within AMC with a focus on clarity between clinical and non-clinical roles. An additional responsibility of the Health Advisory Group will be facilitating the sharing of key information. This includes a top-down approach to teams within the AMC, and a bottom-up approach for the escalation of any matters to agency Executives.

These changes will be implemented from within existing CHS resources.

Implementation: 30 September 2022

JACS and CHS will partner to reinvigorate the TOR.

<b>Annual Report (2022-23) (CHS and JACS)</b>	<b>Reported Status</b>	Completed / In Progress
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CHS:

CHS have re-established the Health Advisory Group as the Detainee Health and Wellbeing Oversight Committee. The first meeting took place on 23 November 2022 and CHS have reviewed the Terms of Reference.

JACS:

The revised Terms of Reference for the Detainee Health and Wellbeing Oversight Committee (formally Health Advisory Group) will be tabled at the Oversight Agencies Collaborative Forum scheduled for 25 July 2023.

**Auditor-General's Observation**

The ACT Government response indicated agreement with the recommendation and an intention for this to be completed by 30 September 2022. This demonstrates an appropriate response to the recommendation.

The agencies' annual reports indicate slow progress has been made in formally endorsing revised terms of reference for the Detainee Health and Wellbeing Oversight Committee.

### Recommendation 9 – Linkages between governance groups

ACT Corrective Services and Canberra Health Services should establish clear reporting lines that provide communication linkages between current governance groups.

<b>Government Response</b>	<b>Status</b>	Agreed
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ACT Government recognises and supports the need to establish and document clear reporting lines that provide communication linkages between current governance groups. In addition to reinvigorating the Health Advisory Group purpose and function, CHS, JACS and ACTHD and Winnunga will identify governance pathways within their respective agencies that will support information reporting and escalation of issues from the Health Advisory Group. These reporting lines will also be outlined in the Health Advisory Group Terms of Reference and captured in the JACS and CHS Arrangements schedule.

These changes will be implemented from within existing CHS resources.

Implementation: 30 September 2022

To ensure the Health Advisory Group Terms of Reference captures these reporting lines, implementation of this recommendation will need to align to the timeframe of Recommendation 8.

<b>Annual Report (2022-23) (JACS and CHS)</b>	<b>Reported Status</b>	Completed / In Progress
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CHS:

CHS have re-established the Health Advisory Group as the Detainee Health and Wellbeing Oversight Committee. The first meeting took place on 23 November 2022 and CHS have reviewed the Terms of Reference.

JACS:

An Inter-agency Governance Structure has been endorsed by the Detainee Health and Wellbeing Oversight Committee (formerly Health Advisory Group). Revised reporting lines and communication linkages will be tabled for agreement at the Oversight Agencies Collaborative Forum scheduled for 25 July 2023.

**Auditor-General's Observation**

The ACT Government response indicated agreement with the recommendation, and an intention to establish the revised reporting lines by 30 September 2022. This demonstrates an appropriate response to the recommendation.

JACS' *Annual Report 2022-23* provides more information than CHS' *Annual Report 2022-23* on actions to be taken in relation to linkages and reporting lines and communication between groups. As with observations related to Recommendation 8, progress on this recommendation appears to have been slow.

**Recommendation 10 – Key Performance Indicators**

Canberra Health Services and ACT Corrective Services should develop, and report against, key performance indicators that measure:

- a) access to mental health treatment options; and
- b) the delivery of mental health services within AMC.

Additionally, Canberra Health Services should report against a performance measure that relates to the development of release plans.

Government Response	Status	Agreed-in-principle		
<p>a) KPIs that currently measure access to mental health treatment options include:</p> <ul style="list-style-type: none"> <li>i) 'At Risk' referrals are triaged within two hours;</li> <li>ii) Clinically managed detainees receive a psychiatrist review every three months;</li> <li>iii) Detainees on an involuntary treatment order are reviewed by a health professional every two weeks;</li> <li>iv) Number of referrals received is reviewed and measured; and</li> <li>v) Wait times between referral and response is measured.</li> </ul> <p>b) KPIs that currently measure delivery of mental health services within the AMC include:</p> <ul style="list-style-type: none"> <li>i) 5% of all mental health care plans are audited annually for quality assurance It is acknowledged development of further.</li> </ul> <p>KPIs would strengthen the safety and quality of mental health services within the AMC, and additionally provide accurate information regarding service demand and resource requirements. The Health Advisory Group would be best placed to develop and monitor these additional KPIs.</p> <p>The Health Advisory Group will also consider aligning the outcome measures and KPIs within the AMC to those of the National Safety and Quality Health Service (NSQHS) Standards.</p> <p>The Integrated Offender Management Framework will be implemented in 2022. This model of holistic offender management will provide appropriate induction assessments, case and sentence planning including input from CHS on clinical elements of care and release planning and include effective release planning. A collaborative approach to shared clients such as those with mental health conditions is a priority element of the release plan for both agencies.</p> <p>CHS refers to the 'release planning' as 'discharge planning' due to the clinical nature of services provided, and work has commenced to develop discharge plans for detainees. Additional resourcing, if required, will be subject to ACT Government budget processes.</p> <p>Implementation: 30 June 2023</p> <p>The Health Advisory Group TOR is due to be updated by 30 September 2022. This timeframe will allow establishment of the new membership prior to developing further KPIs.</p>				



Annual Report (2022-23) (CHS and JACS)	Reported Status	Completed / In Progress
<p><u>CHS:</u> CHS and ACTCS have developed key performance indicators which the ACTCS/JHS/WNAHCS Governance Committee endorsed at their meeting in April 2023. CHS and ACTCS presented the KPIs to the Detainee Health and Wellbeing Oversight Committee in July 2023 which the committee endorsed.</p> <p><u>JACS:</u> Key Performance Indicators have been developed and approved by the Detainee Health and Wellbeing Oversight Committee (formerly Health Advisory Group). Reporting against the KPIs has commenced.</p>		
Auditor-General's Observation		
<p>The ACT Government response indicated agreement-in-principle with the recommendation. However, there is little information on how this is intended to be pursued and achieved, apart from an intention for the Health Advisory Group to 'consider aligning the outcome measures and KPIs within the AMC to those of the National Safety and Quality Health Service (NSQHS) Standards'.</p> <p>The agencies' annual reports, nevertheless, indicate KPIs have been developed and endorsed by the Detainee Health and Wellbeing Oversight Committee.</p>		

### Recommendation 11 – Suicide Vulnerability Assessment Tool

<p>Canberra Health Services should have the Suicide Vulnerability Assessment Tool, used during the induction assessment process, validated by ACT Health for use in a prison environment.</p>		
Government Response	Status	Noted
<p>ACT Government agree that a validated suicide assessment tool for use in a custodial setting is vital for the effective screening of detainees at risk of suicide or self-harm. CHS are currently transitioning from the Suicide Vulnerability Assessment Tool (SVAT) to the Connecting with People (CwP) SAFETool. As part of CHS core business, the implementation will be evaluated through usual safety and quality processes.</p> <p>Implementation: N/A</p>		
Annual Report (2022-23) (CHS)	Reported Status	Not Reported
<p>Not reported.</p>		
Auditor-General's Observation		
<p>The ACT Government response indicated that the recommendation was 'Noted'. The response indicated that the Suicide Vulnerability Assessment Tool will no longer be used, thereby removing the apparent premise of the recommendation. The premise behind the recommendation (that whatever tool is used be validated for use in a prison environment) nevertheless remains. Further information on the applicability of the <i>Connecting with People (CwP) SAFETool</i> in a prison environment would be useful.</p> <p>CHS' Annual Report 2022-23 did not provide any information.</p>		

## Recommendation 12 – Custodial Officers mental health identification training and guidance material

To improve the timely identification of mental health issues in detainees by Custodial Officers, ACT Corrective Services should provide:		
<p>a) on-going mental health identification training to Custodial Officers;</p> <p>b) guidance material that identifies the warning signs for psychiatric and psychological illness; and</p> <p>c) guidance material that details the referral process for those detainees not considered at-risk.</p>		
<b>Government Response</b>	<b>Status</b>	Agreed
<p>a) Refer to Recommendation 4 rationale as it also covers this recommendation.</p> <p>b) and c) It is acknowledged that guidance material in identifying warning signs for psychiatric and psychological illness and detailing the referral process for those detainees not considered at-risk would be beneficial for ACTCS Custodial Officers. These materials will be developed by CHS and they will be made available developed and made available as part of the review of the training package with subject matter experts.</p> <p>These changes will be implemented from within existing resources.</p> <p>Implementation: 30 June 2023</p>		
<b>Annual Report (2022-23) (JACS)</b>	<b>Reported Status</b>	Completed
<p>ACTCS elements for Recommendation 12 have been completed. Actions to address the recommendation included the introduction of training in possible signs and symptoms that may suggest people are in distress or in poor mental health and how to make appropriate referrals to services and supports, including guidance material about how to make a referral.</p>		
<b>Auditor-General's Observation</b>		
<p>The ACT Government response indicated agreement-in-principle with the recommendation and that the approach outlined for Recommendation 4 was relevant to part (a). The response also indicated an acknowledgement that parts (b) and (c) would be addressed through the forthcoming review of training material that was identified in response to Recommendation 4.</p> <p>JACS' <i>Annual Report 2022-23</i> identified that the recommendation has been implemented, including new training and guidance documents for Custodial Officers.</p>		

## Recommendation 13 – Self-referral pathway for detainees

ACT Corrective Services should develop clear guidance material for detainees that details the self-referral pathways for mental health concerns.		
<b>Government Response</b>	<b>Status</b>	Agreed
<p>At present, there is a handbook that outlines the referral pathways and detainees are advised of these on reception to the facility. JACS recognises the need to strengthen visibility of self-referral pathways and access to information sources, such as the previously mentioned handbook and will consider other communication methods such as videos.</p> <p>Implementation: 30 June 2023</p>		
<b>Annual Report (2022-23) (JACS)</b>	<b>Reported Status</b>	Completed
<p>Recommendation 13 was addressed with the implementation of the model of care - supports and interventions unit which has recently been updated for more robust streamlined processes to cater to the mental health needs of the detainees. ACTCS recognises the need to strengthen visibility of self-referral pathways and access to information via various accessible sources.</p>		

### Auditor-General's Observation

The ACT Government response indicated agreement with the recommendation and a 'need to strengthen visibility of self-referral pathways and access to information sources' along with an intention to 'consider other communication mechanisms such as videos'. However, there is little information on how this was intended to be pursued and achieved.

JACS' Annual Report 2022-23 reiterates there is a 'need to strengthen visibility of self-referral pathways and access to information via various accessible sources'. It is not clear how this is expected to be achieved.

### Recommendation 14 – Collaborative Care Plans

Canberra Health Services should improve the comprehensiveness of Collaborative Care Plans for all detainees with psychiatric risk ratings.

#### Government Response

Status

Agreed

CHS acknowledges this feedback and welcomes the opportunity to improve the comprehensiveness of Collaborative Care Plans for all detainees with psychiatric risk ratings. This type of quality improvement project aligns to the CHS Strategic Plan and will be supported by the Justice Health Strategy. This project will be implemented from within existing resources.

Implementation: 31 December 2022

#### Annual Report (2022-23) (CHS)

Reported Status

Completed

CHS undertook an initial audit of completed care plans in November 2022. CHS submitted a Statement of Assurance and supporting evidence to the CHS Audit and Risk Committee which the committee endorsed.

### Auditor-General's Observation

The ACT Government response indicated agreement with the recommendation and 'welcomes the opportunity to improve the comprehensiveness of Collaborative Care Plans for all detainees with psychiatric risk ratings'. However, there is little information on how this is intended to be pursued and achieved.

CHS' Annual Report 2022-23 suggests that action has not been taken to 'improve the comprehensiveness of Collaborative Care Plans' and that endorsement was sought and received from the CHS Audit and Risk Committee for existing practices.

### Recommendation 15 – High-Risk Assessment Team meetings

Canberra Health Services and ACT Corrective Services should ensure that:

- a) sufficient detail is recorded in meeting minutes of the High-Risk Assessment Team to support subsequent decisions and actions; and
- b) a process is established and documented that ensures advice is sought from an Aboriginal or Torres Strait Islander health professional regarding at-risk Aboriginal and Torres Strait Islander detainees.

#### Government Response

Status

Agreed

a) ACTCS and CHS acknowledge this feedback and welcome the opportunity to enhance the details captured in the High-Risk Assessment Team (HRAT) meeting minutes. High-Risk Assessment Team meetings occur each business day and is a forum for multi-agency decision and intervention planning for detainees at risk of suicide or self-harm. Meeting attendees will guide the meeting secretariat in identifying and recording key points that will support subsequent decisions and actions.

b) There is a recognised opportunity to create an Aboriginal and Torres Strait Islander Mental Health Worker role as these positions have been of great benefit in other jurisdictions. While feasibility and creation of this role is undertaken, seeking advice regarding Aboriginal and Torres Strait Islander detainees will be incorporated into the High-Risk Assessment Team meeting functions.

These changes will be implemented from within existing resources.

Implementation: 30 June 2023

Annual Report (2022-23) (CHS and JACS)	Reported Status	Completed / In Progress
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**CHS:**  
*CHS and ACTCS continue to progress. This work will include review of the detail outlined in meeting minutes of the High-Risk Assessment Team and establishing and documenting a process that ensures advice is sought from an Aboriginal or Torres Strait Islander health professional regarding at-risk Aboriginal and Torres Strait Islander detainees.*

**JACS:**  
*ACTCS staff have completed minute writing training and a meeting format and membership audit has been undertaken to identify opportunities to improve meeting processes, including opportunities to incorporate an Aboriginal and Torres Strait Islander Mental Health Worker role. ACTCS aim to close the recommendation by 31 October 2023.*

**Auditor-General's Observation**

The ACT Government response indicated agreement with the recommendation. The response indicates an intention to 'create an Aboriginal and Torres Strait Islander Mental Health Worker role' but that there will be a process whereby 'feasibility and creation of this role is undertaken'.

The agencies' annual reports indicate that action is being taken in relation to improving the quality of High-Risk Assessment Team documentation and that this is continuing. There is little information on progress being made in relation to the incorporation of an Aboriginal and Torres Strait Islander Mental Health Worker role in the process.

**Recommendation 16 – Operational guide for delivery of treatment outside Custodial Mental Health**

Canberra Health Services should develop an operational guide that details the operational and clinical procedures to be undertaken for detainees who fall outside the criteria for treatment by the Custodial Mental Health team.

Government Response	Status	Agreed-in-principle
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*Currently, the JACS Model of Care document supports and guides the delivery of treatment for detainees to fall outside the criteria for the CHS custodial mental health team. It is important to note that emotional distress does not equate to a mental illness, and while detainees may experience emotional distress, it does not mean they are mentally ill.*

*It would not be appropriate for CHS to develop an operational guide for services that are outside their scope of service delivery or governance; however, CHS and JACS will work collaboratively to identify and resolve any gaps in current documentation and delivery. ACTCS draft model of care is currently being consulted on and finalised.*

Implementation: 31 December 2022

Annual Report (2022-23) (CHS)	Reported Status	Completed
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*The endorsed Custodial Mental Health - Adult Operational Guideline incorporates referral pathways for people who fall outside the criteria for treatment by the Custodial Mental Health team. CHS submitted a Statement of Assurance and supporting evidence to the CHS Audit and Risk Committee for consideration in May 2023 which the committee endorsed.*

**Auditor-General's Observation**

The ACT Government response indicated agreement in principle with the recommendation, but notes that there is no intention to 'develop an operational guide for services that are outside their scope of service delivery or governance'. The response indicates an intention for CHS and JACS to 'work collaboratively to identify and resolve any gaps in current documentation and delivery'.

CHS' Annual Report 2022-23 suggests that action has not been taken to 'work collaboratively to identify and resolve any gaps in current documentation and delivery' and that endorsement was sought and received from the CHS Audit and Risk Committee for existing practices.

## Recommendation 17 – Aboriginal Liaison Officer numbers

<p>Canberra Health Services should undertake an assessment of the number of Aboriginal Liaison Officers required to meet service needs, including support during the induction process, of Aboriginal and Torres Strait Islander detainees and recruit to this number.</p>		
<b>Government Response</b>	<b>Status</b>	<b>Agreed-in-principle</b>
<p><i>ACTCS Policy requires inductions and assessments have an Aboriginal Liaison Officer (ALO) present. This policy is being reviewed amongst other induction and assessment policies to ensure the needs of detainees are assessed and met appropriately.</i></p> <p><i>Detainees within the AMC who identify as Aboriginal and Torres Strait Islander receive a cultural induction and assessment from the Aboriginal and Torres Strait Islander services team within the first week of their induction. In addition, an Aboriginal and Torres Strait Islander peer support detainee will see newly inducted detainees [who identify as Aboriginal and Torres Strait Islander] within the first 24 hours of their reception.</i></p> <p><i>The CHS Operational Guide is still being finalised, however the process 'offer and refer', outlines the expectation that every detainee who identifies as Aboriginal and Torres Strait Islander is referred to an ALO and seen within seven days.</i></p> <p><i>While ALOs are not clinical team members, they do support and assist detainees who identify as Aboriginal and Torres Strait Islander. Recognising Aboriginal and Torres Strait Islander detainees account for approximately one third of the total population within the AMC, CHS is committed to enhancing the availability of culturally appropriate and safe support to detainees.</i></p> <p><i>It is anticipated the creation of an Aboriginal and Torres Strait Islander mental health worker role will strengthen the interface between clinical and culturally appropriate care and engagement. CHS and JACS recognise the benefit of Aboriginal and Torres Strait Islander mental health workers and the creation of this role will be explored further through the implementation of recommendation 15.</i></p> <p><i>Additional resourcing, if required, will be subject to ACT Government budget processes.</i></p> <p><i>Implementation: 31 December 2022</i></p> <p><i>Noting feasibility and creation of Aboriginal and Torres Strait Islander mental health worker roles will be explored through recommendation 15, CHS will consider ways to enhance culturally appropriate support and services within the AMC.</i></p>		
<b>Annual Report (2022-23) (CHS)</b>	<b>Reported Status</b>	<b>Ongoing</b>
<p><i>CHS continues to progress work in relation to Recommendation 17. CHS have completed initial consultation and we are due to complete this recommendation by the end of 2023.</i></p>		
<b>Auditor-General's Observation</b>		
<p>The ACT Government response indicated agreement in principle with the recommendation. In doing so, however, it noted that the policy by which 'inductions and assessments have an Aboriginal Liaison Officer (ALO) present' is being reviewed. The audit report highlighted the risk of culturally insensitive and inappropriate treatment being provided to Aboriginal and Torres Strait Islander detainees because 'only 0.6 FTE of a FTE ALO from CHS [was] available to assist Custodial Mental Health to provide services to those Aboriginal and Torres Strait Islander detainees who are not receiving treatment from Winnunga'.</p> <p>The response identified that the 'creation of an Aboriginal and Torres Strait Islander mental health worker role will strengthen the interface between clinical and culturally appropriate care and engagement' and that this is being pursued through Recommendation 15. This is likely to be of assistance, but the key finding of the audit report was the ongoing need for Aboriginal and Torres Strait Islander staff to provide support.</p> <p>CHS' <i>Annual Report 2022-23</i> is not clear on what action has been taken in relation to the recommendation. It identifies action on the recommendation as 'ongoing'.</p>		

## Recommendation 18 – Trauma informed care

<p>Canberra Health Services should introduce trauma informed frameworks to inform governance, clinical and operational processes. This should include the development and implementation of trauma-informed care training for delivery to all clinical staff within Forensic Mental Health Services and Custodial Officers within ACT Corrective Services.</p>		
<b>Government Response</b>	<b>Status</b>	<b>Agreed-in-principle</b>
<p><i>Trauma informed care training is already a part of the training calendar for CHS, however due to COVID-19 restrictions and the temporary suspension of face-to-face training, this module was not available.</i></p> <p><i>It is recognised that training compliance and up-take could be strengthened by adapting the mandatory training requirements to include trauma informed care modules.</i></p> <p><i>A two-day training course covering trauma aware practices, facilitated by Blue Knot has been delivered to the ACTCS Offender Reintegration team including the clinician teams. It is worthy to note that trauma informed care is a clinical specialty and therefore not appropriate for correctional officers. However, training in trauma aware practices would be appropriate for inclusion in the mental health training packages that are currently under review (refer to Recommendation 4).</i></p> <p><i>Additional resourcing, if required, will be subject to ACT Government budget processes.</i></p> <p><i>Implementation: 31 December 2022</i></p>		
<b>Annual Report (2022-23) (CHS)</b>	<b>Reported Status</b>	<b>Completed</b>
<p><i>Staff attended Trauma Informed Care training with the Blue Knot Foundation in April 2023. CHS have incorporated 1-day training into the Mental Health, Justice Health and Alcohol &amp; Drug Services (MHJHADS) essential education program for all clinical staff which was recently endorsed by the MHJHADS Workforce Development Committee. CHS submitted a Statement of Assurance and supporting evidence to the CHS Audit and Risk Committee for consideration in May 2023 which the committee endorsed.</i></p>		
<b>Auditor-General's Observation</b>		
<p>The ACT Government response indicated agreement in principle with the recommendation and that 'trauma informed care training is already a part of the training calendar for CHS'. The response also identified that 'training compliance and up-take could be strengthened by adapting the mandatory training requirements to include trauma informed care modules'.</p> <p>CHS' <i>Annual Report 2022-23</i> subsequently identified that 1 day training has been incorporated into the essential education program for all MHJHADS staff.</p> <p>The ACT Government response highlighted that trauma informed care 'is a clinical specialty and therefore not appropriate for correctional officers'.</p>		

## Recommendation 19 – Release planning

<p>Canberra Health Services should develop release planning guidance material that covers all detainees with mental health care plans that:</p> <ul style="list-style-type: none"> <li>a) describes the process for release planning;</li> <li>b) details what information should be contained in a release plan;</li> <li>c) establishes a consultation process with ACT Corrective Services when planning release for those detainees receiving mental health treatment from ACT Corrective Services clinical staff; and</li> <li>d) establishes a consultation process with Winnunga Nimmityjah Aboriginal Health and Community Services (or other service providers where necessary) when planning the release of Aboriginal and Torres Strait Islander detainees.</li> </ul>		
<b>Government Response</b>	<b>Status</b>	<b>Agreed</b>

a) Release planning, or discharge planning, is something all agencies can partner to explore and co-design. CHS clinically managed clients have a care plan and will receive a discharge plan to ensure mental health care and servicing continues in the community. This is not feasible for many detainees who may transit through the prison system on a short length of time, require no mental health assistance or refuse mental health care. In these cases, there will not be a mental health care plan established.

b) A CHS discharge planning procedure has been developed – it is currently in draft form pending consultation with relevant agency and service providers.

c) The release plan under the IOM framework will be responsive to a detainee’s specific needs for reintegration to the community. These procedures will outline the processes for release planning, and detail what information should be contained in a release plan or discharge plan.

d) These procedures will also establish the recommended consultation processes. While the release planning for sentenced detainees can be undertaken, it is important to note that it can be difficult to document the release plan for detainees held on remand. Additional resourcing, if required, will be subject to ACT Government budget processes.

Implementation: 30 June 2023

<b>Annual Report (2022-23) (CHS)</b>	<b>Reported Status</b>	Ongoing
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CHS continues to progress work in relation to Recommendation 19. CHS have developed a Release Planning Guideline for Custodial Mental Health and commenced internal consultation.

**Auditor-General’s Observation**

The ACT Government response indicated agreement with the recommendation and that a draft ‘CHS discharge planning procedure has been developed – it is currently in draft form pending consultation with relevant agency and service providers’. The response indicated that CHS clinically managed clients ‘will receive a discharge plan’ but that ‘this is not feasible for many detainees who may transit through the prison system on a short length of time, require no mental health assistance or refuse mental health care’ and there are difficulties associated with this approach ‘for detainees held on remand’.

CHS’ Annual Report 2022-23 notes action on the recommendation is ongoing.

# Auditor-General Report No.2 of 2022

## Fraud Prevention<sup>5</sup>

(3 March 2022)

### Auditee

The auditees for this audit were the Community Services Directorate, Transport Canberra and City Services Directorate, and Access Canberra in the Chief Minister, Treasury and Economic Development Directorate.

### Audit Objective

The objective of the audit was to assess the effectiveness of the fraud prevention activity in a selection of ACT Government agencies.

### Summary

Fraud in the public sector takes resources away from the services on which the public depend and undermines the integrity of government.

In the last five years there have been 131 allegations of fraud being perpetrated by ACT public servants, of which 42 were substantiated. While the cost of fraud to the ACT Public Service is unknown, these acts damage the ACT community's trust in the integrity of the ACT Public Service and its capacity to effectively protect public resources.

The Commonwealth Fraud Prevention Centre, in the Commonwealth Attorney-General's Department, advises that fraud is often underestimated and unchecked in government and can be a costly and challenging problem to address. The Centre also advises that prevention measures are the most cost-effective way to limit the size and impact of an organisation's fraud risk.

This audit considers the fraud prevention measures of three ACT Government agencies: Community Services Directorate (CSD), Transport Canberra and City Services Directorate (TCCS) and Access Canberra (Chief Minister, Treasury and Economic Development Directorate (CMTEDD)). It considers fraud prevention planning and monitoring, the management of conflicts of interest and the provision of training and related fraud awareness activities.

### Government response<sup>6</sup>

Mr Andrew Barr MLA, Chief Minister, tabled the ACT Government's response to the Performance Audit Report on 1 July 2022.

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<sup>5</sup> [Report No. 2 of 2022 - Fraud Prevention \(act.gov.au\)](https://www.act.gov.au/act/auditor-general-reports/2022-23-auditor-general-report-no-2-of-2022-fraud-prevention)

<sup>6</sup> [Government-Response-to-ACT-Auditor-General-Fraud-Prevention-Report.pdf](#)

CMTEDD annual report:

[https://www.cmtedd.act.gov.au/data/assets/pdf\\_file/0016/2301244/2022-23-CMTEDD-Annual-Report-Volume-1.pdf](https://www.cmtedd.act.gov.au/data/assets/pdf_file/0016/2301244/2022-23-CMTEDD-Annual-Report-Volume-1.pdf)



## Recommendation 1 – Fraud and Corruption Prevention Plans and reporting

CMTEDD should provide clarity on the purpose of Fraud and Corruption Prevention Plans and the requirements for annual reporting of fraud and corruption issues. This may be achieved through the current review of the *ACTPS Integrity Policy* (2010), which is scheduled for completion in early 2022.

<b>Government Response</b>	<b>Status</b>	<b>Agreed</b>
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*The ACT Government agrees with the Auditor-General's recommendation.*

*The ACT Government understands that CMTEDD has already undertaken a review and revised the ACTPS Integrity Framework and the ACTPS Integrity Governance Policy. The revised ACTPS Integrity Framework and ACTPS Integrity Governance Policy was issued to all staff on 23 May 2022 and addresses fraud and corruption prevention plans, and the requirements for annual reporting of fraud and corruption issues.*

*As stated in the ACTPS Integrity Framework, each agency is required to appoint an individual as the Senior Executive Responsible for Business Integrity Risk (SERBIR). The SERBIR has primary responsibility for the implementation of the Integrity Framework, risk management and reporting of integrity and fraud and corruption prevention.*

*Under Part 2.3 of the Public Sector Management Standards 2006, agencies are required to develop and implement a Fraud and Corruption Prevention Plan which forms part of the agencies' formal risk assessment. The agencies' respective Audit and Risk Committee has oversight over the effectiveness of the integrity arrangements. The ACTPS Integrity Governance Policy provides further information as to what is required in a Fraud and Corruption Prevention Plan. Directors-General (DGs) and Chief Executive Officers (CEOs) must ensure the Fraud and Corruption Prevention Plan is assessed and reviewed every two years. There are also reporting requirements in the Annual Report Directions, whereby agencies must provide information on fraud prevention policies and practices and fraud detection strategies including the number of reports or allegations of fraud or corruption received and investigated during the year.*

<b>Annual Report (2022-23) (CMTEDD)</b>	<b>Reported Status</b>	<b>Completed</b>
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*CMTEDD has undertaken a review and revised the ACTPS Integrity Framework and the ACTPS Integrity Governance Policy. The revised ACTPS Integrity Framework and ACTPS Integrity Governance Policy was issued to all staff on 23 May 2022 and addresses fraud and corruption prevention plans, and the requirements for annual reporting of fraud and corruption issues.*

*As stated in the ACTPS Integrity Framework, each agency is required to appoint an individual as the Senior Executive Responsible for Business Integrity Risk (SERBIR). The SERBIR has primary responsibility for the implementation of the Integrity Framework, risk management and reporting of integrity and fraud and corruption prevention.*

*In accordance with Section 113(1)(a) of the Public Sector Management Standards 2016, agencies are required to develop and implement a Fraud and Corruption Prevention Plan which forms part of the agencies' formal risk assessment. The agencies' respective Audit and Risk Committees have oversight over the effectiveness of the integrity arrangements. The ACTPS Integrity Governance Policy provides further information as to what is required in a Fraud and Corruption Prevention Plan.*

*Directors-General and Chief Executive Officers must ensure the Fraud and Corruption Prevention Plan is assessed and reviewed every two years. There are also reporting requirements in the Annual Report Directions, whereby agencies must provide information on fraud prevention policies and practices and fraud detection strategies including the number of reports or allegations of fraud or corruption received and investigated during the year.*

### Auditor-General's Observation

The ACT Government response indicated agreement with the recommendation and identified that it had been addressed through the *ACTPS Integrity Governance Policy* that was released in May 2022. A review of the Policy shows that it continues to require agencies to develop a plan 'based upon a recent identification and assessment of the risks to the directorate/agency and ... deal with those risks in priority order'. The Policy continues to require an operational response to identified fraud and corruption risks (refer to page 6 of the Policy). These requirements are broadly similar to what was in place in the previous *ACTPS Integrity Policy* (2010), albeit with some changes.

In practice, agencies did not develop and promulgate plans that clearly and closely identified actions to be taken in response to identified fraud and corruption risks. The audit found 'the three agencies' Plans predominantly contain information about legislation and policies, processes and procedures and roles and responsibilities. The agencies' Plans did not specifically identify fraud and corruption risks, nor did they identify time-bound action items that would address specific risks. The Plans were not accompanied by an implementation or action strategy or specific statements that would drive prevention activities such as times, dates and targets for deliverables'.

CMTEDD's *Annual Report 2022-23* does not provide any further insight into actions taken in relation to the recommendation.

The ACT Government response has reiterated the requirement for Fraud and Corruption Prevention Plans to continue to have an operational response that identifies actions against identified fraud and corruption risks. The extent to which agencies meet this requirement going forwards may be of future interest.

## Recommendation 2 – Conflict of interest registers

CMTEDD should provide guidance to ACT government agencies on requirements for the documentation and recording of conflict of interest declarations.

The guidance should address:

- a) whether conflict of interest declarations are expected to be recorded in a centralised register in the agency; and
- b) if they are, the circumstances in which the information in the register is to be used and for what purpose.

Government Response	Status	Agreed-in-principle
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*The ACT Government agrees in-principle with the Auditor-General’s recommendation.*

*The Conflict of Interest Policy was updated in June 2021 by CMTEDD and is next due for review in June 2023. The Auditor-General’s recommendation will be considered in the next review to provide centralised guidance for the documentation and recording of conflict-of-interest declarations.*

*The ACT Government understands several agencies already utilise a central conflict of interest register to good effect. The ACT Government notes there are considerations when determining whether an agency is to use a centralised register to record conflicts of interest. This includes ensuring staff privacy is maintained and access to the central register is strictly limited to a need-to-know basis. In addition, some staff may feel uncomfortable releasing personal information to a central register when it may be irrelevant to their typical day-to-day duties, and unlikely to ever be called upon – this may be particularly true for smaller organisations.*

*Alternatively, this issue could be resolved through situationally specific or one-off conflict checks – for example, a recruitment round. In this scenario, an agency may find it more efficient, and secure for privacy purposes to record conflicts of interest with the documentation for that process.*

Annual Report (2022-23) (CMTEDD)	Reported Status	In Progress
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*The Conflict-of-Interest Policy was updated in June 2021 and is now due for review (from June/July 2023). The recommendation will be considered in the course of the review.*

*There are considerations when determining whether an agency is to use a centralised register to record conflicts of interest. This includes ensuring staff privacy or whether issues could be better resolved through situationally specific or one-off conflict checks – for example, a recruitment round. Conflict of interest declarations are routine for recruitment panels to complete. In this scenario, an agency may find it more efficient, and secure for privacy purposes to record conflicts of interest with the documentation for that process.*

### Auditor-General’s Observation

The ACT Government response indicated agreement-in-principle with the recommendation and an intention for the recommendation to be considered as part of a review of the ACTPS Conflict of Interest Policy.

CMTEDD’s Annual Report 2022-23 identifies that action on the recommendation is still in progress. As of September 2023 the Policy has not been updated.

### Recommendation 3 – Mandatory reporting of conflicts of interest

Where not already in place, ACT Government agencies should require all recruitment panel members to complete a conflict of interest declaration form when participating in a recruitment, including that they have no known actual or potential conflicts of interest.		
<b>Government Response</b>	<b>Status</b>	Agreed
<p><i>The ACT Government agrees with the Auditor-General's recommendation.</i></p> <p><i>The Conflict of Interest Policy requires all members on a recruitment panel to complete a conflict of interest declaration form to ensure that all perceived, potential, or actual conflicts of interest are disclosed. The completed forms must be documented and disclosed to the delegate and any other panel members. Following the disclosure, it is then decided whether the affected employee should stand aside from the process or from consideration of that particular application.</i></p>		
<b>Annual Report (2022-23) (CMTEDD &amp; ED)</b>	<b>Reported Status</b>	Completed / In Progress
<p>The Chief Minister, Treasury, and Economic Development Directorate and Education Directorate were the only auditees to report against this recommendation in 2022-23.</p> <p><b>Chief Minister, Treasury, and Economic Development Directorate</b></p> <p><i>Conflict of interest declarations are routine for recruitment panels to complete. Recruitment panel members are requested to complete conflict of interest declarations when taking part in a recruitment process.</i></p> <p><b>Education Directorate</b></p> <p><i>People and Performance are in discussions with Shared Services to develop an online conflict of interest form for all recruitment panels across the Directorate.</i></p>		
<b>Auditor-General's Observation</b>		
<p>The ACT Government response indicated agreement with this recommendation and identified that the <i>ACTPS Conflict of Interest Policy (2021)</i> required this. The audit found that recruitment policies in CMTEDD and TCCS required panel members to positively report whether they did (or did not) have a conflict of interest, while CSD's policy only required panel members to report if they did have a conflict of interest. The audit recommendation was aimed at fostering a positive reporting obligation for all panel members across all directorates and agencies.</p> <p><i>CSD's Annual Report 2022-23 did not address the recommendation.</i></p>		

### Recommendation 4 – Fraud and corruption induction training

Where not already in place, ACT Government agencies should:		
<p>a) provide mandatory induction training about the nature and risks of fraud and corruption and relevant ACT Public Service and agency policies. The training should be delivered with reference to examples and scenarios relevant to the business of the agency; and</p> <p>b) keep timely and accurate records of the number of staff completing the mandatory induction training.</p>		
<b>Government Response</b>	<b>Status</b>	Agreed
<p><i>The ACT Government agrees with the Auditor-General's recommendation.</i></p> <p><i>All new starters to the ACT Government must be made aware and educated about fraud and corruption through an induction process.</i></p> <p><i>The ACT Government understands the additional burden this may put on smaller ACT Government agencies that already undertake annual all-staff fraud and corruption education processes that facilitate discussion as an agency – which is beneficial and goes to meeting the objective of all staff being aware of their obligations and responsibilities in relation to fraud and corruption prevention. In these circumstances, smaller agencies may benefit from utilising online learning modules already developed by CMTEDD to educate new starters.</i></p>		

Annual Report (2022-23) (CMTEDD)	Reported Status	Completed
<p>All new starters to the ACTPS are required to undertake induction training. Each directorate is responsible for providing core learning to their staff, of which fraud and ethics should be part.</p> <p>Additional integrity and workplace behaviour training is presented to the graduate and vocational employment cohorts as part of their induction. This training is facilitated by the Professional Standards Unit and is also available by request across the ACTPS.</p> <p>CMTEDD has relevant e-learning modules which track the number of staff completing the training.</p>		
Auditor-General's Observation		
<p>The ACT Government response indicated agreement with this recommendation and noted that informing new employees of fraud and corruption is a requirement of the induction process. The audit recommendation was based on observations that not all new starters had completed mandatory induction training across the agencies and that records associated with the completion of training were sometimes incomplete.</p> <p>The annual reports of CSD and TCCS did not address the recommendation.</p>		

### Recommendation 5 – Agency staff surveys

<p>Where not already in place, ACT Government agencies should undertake staff surveys that collect information about the level of staff awareness of their fraud and corruption reporting obligations and the reporting channels they should use, as well as staff perceptions of the integrity of agency senior leadership. This information should be used to benchmark staff awareness levels and inform priorities for fraud and corruption prevention activities.</p>		
Government Response	Status	Agreed-in-principle
<p>The ACT Government agrees in-principle with the Auditor-General's recommendation.</p> <p>Several ACT Government agencies currently conduct staff surveys that include questions on fraud and integrity. This creates the opportunity to use the results to benchmark and improve staff awareness levels and to inform activities for fraud and corruption prevention. As detailed in the government's response to recommendation six, the government is conscious that multiple surveys can lead to survey fatigue – this can be countered through coordination and guidance on when and how surveys are conducted if individual agencies wish to survey their staff.</p> <p>The ACT Government notes that surveys may not be appropriate for smaller agencies where the survey results may identify individual staff members. In these circumstances, the ACT Government understands that other mechanisms, such as training and education, may be a preferable option to improve staff awareness of reporting obligations and understand the perception of the integrity of the particular agency's senior leadership.</p>		
Annual Report (2022-23) (CMTEDD & ED)	Reported Status	Completed / In Progress
<p>The Chief Minister, Treasury, and Economic Development Directorate and Education Directorate were the only auditees to report against this recommendation in 2022-23.</p> <p><b>Chief Minister, Treasury, and Economic Development Directorate</b></p> <p>The ACTPS Employee Survey, delivered in March 2023, included questions relating to corruption. Select results and analysis of the whole of ACT Public Service outcomes will be published in the 2022-23 State of the Service Report. The ACTPS Employee Survey will be delivered every two years. Annual Reports are published in October each year.</p> <p><b>Education Directorate</b></p> <p>Questions that explore staff fraud and corruption knowledge and opinions of senior leadership integrity are asked in the biennial ACTPS Employee Survey. These questions seek a perception rating from respondents.</p> <p>They are:</p> <ul style="list-style-type: none"> <li>• Senior leaders within ACT Education operate with a high level of integrity, and</li> <li>• I have a good understanding of my obligations and the policies and procedures ACT Education has in place for reporting fraud and corruption.</li> </ul>		

As these questions were asked of non-school based staff only in the March 2023 Employee Survey, work is currently progressing to consider inclusion of these questions in the School Satisfaction and Climate Survey This will ensure there is coverage on these questions, and reliable data, across the whole Directorate.

Results from the 2023 ACTPS Employee Survey for our non-school based staff are anticipated to be received in June 2023.

#### Auditor-General's Observation

The ACT Government response indicated agreement-in-principle with the recommendation and notes that 'several ... agencies currently conduct staff surveys that include questions on fraud and integrity'. The ACT Government response does not otherwise indicate any further action to be taken in response to this recommendation.

The annual reports of CSD and TCCS did not address the recommendation.

### Recommendation 6 – Whole-of-government staff survey

CMTEDD should:

- a) conduct a regular ACT Public Service survey that includes questions relating to fraud and corruption and integrity-related risks; and
- b) publicly report on the results of these surveys.

#### Government Response

Status

Agreed

*The ACT Government agrees with the Auditor-General's recommendation.*

*ACT Government agencies actively participate in whole-of-government surveys such as the ACT Public Service survey in relation to fraud and corruption and integrity related risks. It is understood that results from whole-of-government surveys are of limited benefit to smaller agencies as their results are not reported due to its sample size.*

*The ACT Government is conscious that, coupled with recommendation five, there is a risk that staff could suffer from survey fatigue and supply answers and data that is not an accurate reflection of the actual state of the service. To counter this, should an ACT Government agency wish to survey their staff on fraud and awareness, there should be consultation amongst ACT Government agencies to coordinate survey efforts to avoid duplication.*

*The ACT Government recognises that individual agencies and Directorates may wish to undertake their own staff surveys to gauge staff understanding of specific fraud and corruption risks to that agency or Directorate, that may not be covered in a whole of sector survey.*

#### Annual Report (2022-23) (CMTEDD)

Reported Status

Completed

*The ACTPS Employee Survey, delivered in March 2023, included questions relating to corruption. Select results and analysis of the whole of ACT Public Service outcomes will be published in the 2022-23 State of the Service Report. The ACTPS Employee Survey will be delivered every two years. Annual Reports are published in October each year.*

#### Auditor-General's Observation

The ACT Government response indicated agreement with the recommendation and noted that 'ACT Government agencies actively participate in whole-of-government surveys such as the ACT Public Service survey in relation to fraud and corruption and integrity related risks'. The response is not specific about what further actions are being taken in relation to the implementation of this recommendation.

CMTEDD's *Annual Report 2022-23*, however, identifies that the recommendation was actioned by virtue of the ACTPS Employee Survey conducted in March 2023, which included relevant questions, and that the results of this survey will be published in the *2022-23 State of the Service Report*.

# Auditor-General Report No.3 of 2022

## ACT Taxi Subsidy Scheme<sup>7</sup>

(14 June 2022)

### Auditee

The auditee for this audit was the ACT Revenue Office in the Chief Minister, Treasury and Economic Development Directorate.

### Audit Objective

The objective of the audit was to assess the effectiveness of the ACT Taxi Subsidy Scheme.

### Summary

The ACT Taxi Subsidy Scheme is part of the ACT Government's Concessions Program. The Scheme aims to provide subsidised taxi fares to permanent ACT residents with a severe or profound activity limitation which prevents them from using public transport.

The audit considered the activities of the ACT Revenue Office in managing the Scheme, including consideration of:

- the governance arrangements in place to administer the Scheme;
- processes to receive and assess applications for membership; and
- the management and monitoring of the Scheme usage by members.

### Government response<sup>8</sup>

Mr Andrew Barr MLA, Treasurer, tabled the ACT Government's response to the Performance Audit Report on 13 October 2022.

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<sup>7</sup> [Report No.3 of 2022 - ACT Taxi Subsidy Scheme](#)

<sup>8</sup> [Auditor-Generals-Report-No.-3-2022-ACT-Taxi-Subsidy-Scheme-Government-Response.PDF](#)

CMTEDD annual report:

[https://www.cmtedd.act.gov.au/\\_data/assets/pdf\\_file/0016/2301244/2022-23-CMTEDD-Annual-Report-Volume-1.pdf](https://www.cmtedd.act.gov.au/_data/assets/pdf_file/0016/2301244/2022-23-CMTEDD-Annual-Report-Volume-1.pdf)

## Recommendation 1 – Scheme purpose and objectives

<p>The Chief Minister, Treasury and Economic Development Directorate should:</p> <p>a) review and clearly articulate the purpose and objectives of the Scheme; and</p> <p>b) use this as a basis for identifying a policy for, and principles associated with, subsidy amounts and subsidy caps.</p>		
Government Response	Status	Agreed-in-principle
<p><i>We do not accept the Report’s conclusion that the planning and delivery of the Scheme is hampered by a lack of clarity and specificity with respect to the purpose and objectives of the Scheme.</i></p> <p>a) <i>The Scheme contributes to achieve the broader aim of improving affordability of essential services for residents of the ACT in need of assistance. It provides subsidised taxi fares to permanent ACT residents with a severe or profound activity limitation which prevents them from using public transport. In terms of its coverage and breadth, the Scheme is broadly consistent with other jurisdictions.</i></p> <p><i>The ACT Government is undertaking a separate review of the maximum regulated taxi fares and regulation, this will take into consideration the adequacy of taxi fare subsidies. This separate review will also consider how a range of objectives are being achieved in the taxi industry, including the accessibility and inclusion objectives and the availability of Wheelchair Accessible Taxi (WAT) services. In order to better inform the community, public documents that are available on the Revenue Office website will describe the eligibility requirements and operating method with more clarity as suggested in recommendation 1(a).</i></p> <p><i>We are aware that feedback has been received from the Disability Strategy consultation which may inform any additional work to communicate the guidance associated with the Scheme.</i></p> <p>b) <i>The Government considers the subsidy levels are adequate and consistent with other jurisdictions and are appropriate for most purposes. Over 80 per cent of trips were below the subsidy cap in 2020-21. Commute distances are fairly uniform in ACT, given the location of the suburbs and key service providers.</i></p> <p><i>There is limited evidence that the current ACT cap is having an adverse impact. However, there may be a small number of individual users that require higher levels of subsidy for specific purposes such as to access unique essential services. The Government may consider these individual needs further, as part of the feedback received for the ACT Disability Strategy.</i></p>		
Annual Report (2022-23) (CMTEDD)	Reported Status	Completed
<p>a) <i>The ACT Revenue Office and Access Canberra websites clearly articulate the purpose and objectives of the Scheme.</i></p> <p>b) <i>CMTEDD considered the appropriateness of the subsidy levels and caps in 2022-23, which informed changes announced in the 2023-24 Budget.</i></p>		
Auditor-General’s Observation		
<p>The ACT Government response indicated in-principle agreement with the recommendation. In doing so, however, it also noted disagreement with the audit conclusion that there is ‘a lack of clarity and specificity with respect to the purpose and objectives of the Scheme’.</p> <p>The ACT Government response indicates an intention to review ‘the maximum regulated taxi fares and regulation [which will] take into consideration the adequacy of taxi fare subsidies’. The ACT Government response also indicates ‘there may be a small number of individual users that require higher levels of subsidy for specific purposes [and that] the Government may consider these individual needs further, as part of the feedback received for the ACT Disability Strategy’. These are useful actions that may result in changes to subsidy amounts and subsidy caps (part b of the recommendation). The Audit Office considers this would be better achieved with a clearer articulation of the purpose and objectives of the Scheme (part a of the recommendation).</p> <p>CMTEDD’s <i>Annual Report 2022-23</i> identifies no action was taken in relation to part (a) of the recommendation. CMTEDD’s <i>Annual Report 2022-23</i> does not provide insight into what changes were made following the 2022-23 review.</p>		

## Recommendation 2 – Review and evaluation

<p>The Chief Minister, Treasury and Economic Development Directorate should periodically review and evaluate the operation of the Scheme. The review should assess the operation of the Scheme against its identified purpose and objectives and be informed by qualitative and quantitative data that is collected in relation to the operation of the Scheme.</p>		
<b>Government Response</b>	<b>Status</b>	<b>Agreed</b>
<p><i>The Government agrees to review and evaluate the operational documentation currently in use.</i></p> <ul style="list-style-type: none"> <li>• <i>Government will review the operation of the Scheme periodically subject to available resources and other policy priorities.</i></li> <li>• <i>ACT Revenue Office is transitioning the administration of the Scheme onto a new workflow management platform and has reengineered aspects of the administrative processes. The operating manuals will be updated at the completion of this process.</i></li> <li>• <i>The quantitative data of membership details and Cabcharge information (trip duration, trip cost, smart card etc.) will be helpful in identifying any inconsistency in the scheme's operation. Provision for recording appropriate locational descriptions may be considered to ensure better usage of the Scheme and avoid any misuse.</i></li> <li>• <i>ACT Revenue Office will incorporate a survey or feedback form into the member renewal process (in every 3 years) in order to collect the qualitative information.</i></li> <li>• <i>The ACT Revenue Office is currently developing a fraud minimisation strategy with the provider, focussing on driver behaviour, using the expertise of the provider from across multiple jurisdictions. This will lead to stronger protection of Scheme members from fraudulent driver activity claiming incorrect trips or subsidy amounts against their membership. This will include:</i> <ul style="list-style-type: none"> <li>○ <i>an investigation by ACT Policing of driver's behaviour and activity, and</i></li> <li>○ <i>a compliance exercise matching TSS claims data with Wheelchair Access Taxi data and follow up investigations of trips that were identified as potentially suspect.</i></li> </ul> </li> </ul>		
<b>Annual Report (2022-23) (CMTEDD)</b>	<b>Reported Status</b>	<b>Completed</b>
<p><i>CMTEDD reviewed and evaluated the operation of the Scheme in 2022-23, leading to changes announced in the 2023-24 Budget.</i></p>		
<b>Auditor-General's Observation</b>		
<p>The ACT Government response indicated agreement with the recommendation. It identified an intention to review the administration of the Scheme (e.g. by reviewing operational documentation and operational manuals) and the outputs and outcomes of the Scheme (e.g. by reviewing quantitative data of membership and Scheme usage and qualitative data through surveys of Scheme users). The response was not clear with respect to when these reviews will occur.</p> <p>CMTEDD's <i>Annual Report 2022-23</i> does not provide insight into how the Scheme was 'reviewed and evaluated' and what changes were made following this review.</p>		

## Recommendation 3 – Policy and procedural guidance

<p>The Chief Minister, Treasury and Economic Development Directorate should review and update the policy and procedural guidance associated with the Scheme.</p>		
<b>Government Response</b>	<b>Status</b>	<b>Agreed</b>
<p><i>The policy and procedural guidance to administer the Scheme is clearly defined in the ACT Taxi Subsidy Scheme Policy Paper (the Policy Paper) and intended to accomplish the Scheme's stated objective. The Government agrees that a periodic review of the Policy Paper may be helpful for further improvement in managing the Scheme. We are aware that feedback has been received from the Disability Strategy consultation which may inform any additional work to communicate the guidance associated with the Scheme.</i></p>		
<b>Annual Report (2022-23) (CMTEDD)</b>	<b>Reported Status</b>	<b>In Progress</b>
<p><i>New procedures will be finalised, and necessary associated guidance materials updated by 31 March 2024.</i></p>		



**Auditor-General's Observation**

The ACT Government response indicated agreement with the recommendation. It identifies an intention to review the ACT Tax Subsidy Scheme Policy Paper (the Policy Paper). This will be a useful action to take. The Audit Office notes that the audit report identified the ACT Tax Subsidy Scheme Internal Operating Procedures Manual (the Procedures Manual) was particularly problematic by having outdated roles and responsibilities. This should also be reviewed and updated.

CMTEDD's *Annual Report 2022-23* notes the recommendation is still in progress.

**Recommendation 4 – Application form accessibility**

The Chief Minister, Treasury and Economic Development Directorate should explore opportunities to make the application forms associated with the Scheme web-based and able to be completed on-line.

<b>Government Response</b>	<b>Status</b>	Agreed
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*We agree this has the potential to improve the easy operation of the Scheme. The ACT Revenue Office has already commenced a program of work to include an online solution for applying in the Scheme.*

<b>Annual Report (2022-23) (CMTEDD)</b>	<b>Reported Status</b>	In Progress
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*CMTEDD has commenced work to improve the Scheme's application process through the availability of an online editable form.*

**Auditor-General's Observation**

The ACT Government response indicated agreement with the recommendation, and that 'a program of work to include an online solution for applying to the Scheme' has already been commenced. This demonstrates an appropriate response to the recommendation.

CMTEDD's *Annual Report 2022-23* notes the recommendation is still in progress.

# Auditor-General Report No.4 of 2022

## Governance Arrangements for the Planning of Services for Parkwood, Ginninderry<sup>9</sup>

(29 June 2022)

### Auditee

The primary auditee for this audit was the Chief Minister, Treasury and Economic Development Directorate.

### Audit Objective

The objective of the audit was to assess the effectiveness of the Territory's governance arrangements for the planning of services for Parkwood.

### Summary

In 2016 the ACT Government entered into a joint venture agreement for the residential development of up to 11,500 dwellings as part of the Ginninderry development in West Belconnen. Ginninderry includes a component over the border in New South Wales, called Parkwood. Parkwood is approximately one hour's drive from Yass and is only accessible from the ACT as it is bounded on two sides by bodies of water.

Planning for, and implementing, land development across two jurisdictions necessarily creates challenges in the delivery of infrastructure, and State and Territory and municipal services.

This audit considers how effectively the cross-border governance arrangements entered into by the ACT Government support the Territory to plan for services in Parkwood. It focuses on the accountability mechanisms and performance monitoring tools contained in the ACT-NSW Memorandum of Understanding for Regional Collaboration (ACT-NSW MOU for Regional Collaboration) and the Parkwood Urban Release Area Governance Framework (Parkwood Governance Framework). It also considers how these two arrangements have been implemented and supported by the ACT Government.

### Government response<sup>10</sup>

Mr Andrew Barr MLA, Chief Minister, tabled the ACT Government's response to the Performance Audit Report on 20 October 2022.

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<sup>9</sup> [Report No.4 of 2022 - Governance arrangements for the planning of services for Parkwood, Ginninderry \(act.gov.au\)](https://www.act.gov.au/act/government/audit-reports/2022-23/2022-23-cmte-dd-annual-report-volume-1)

<sup>10</sup> [Report-4-2022-of-the-ACT-Auditor-General-Governance-for-the-planning-of-services-for-Parkwood,-Ginninderry-Government-Response.pdf](#)

CMTEDD annual report:

[https://www.cmtedd.act.gov.au/data/assets/pdf\\_file/0016/2301244/2022-23-CMTEDD-Annual-Report-Volume-1.pdf](https://www.cmtedd.act.gov.au/data/assets/pdf_file/0016/2301244/2022-23-CMTEDD-Annual-Report-Volume-1.pdf)

## Recommendation 1 – Planning for Parkwood

CMTEDD should re-convene the Parkwood Steering Committee and work with the members to agree and deliver a work program each year. The work program should document the priority tasks and timelines for the Committee to effectively deliver on its objectives in advance of the Ginninderry development reaching the NSW border.

<b>Government Response</b>	<b>Status</b>	Agreed
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*The Parkwood Steering Committee (Steering Committee) was established under the ACT-NSW MoU and includes the ACT and NSW Governments and the YVC. The purpose of the group is to progress agreement on the preferred governance mechanism and service delivery model for Parkwood. While the Chief Minister, Treasury and Economic Development Directorate recognises its position as Chair of this Committee, it is a tripartite body of the ACT and NSW Governments and the YVC, with all parties taking a degree of responsibility for the progress of work. The Government acknowledges that work to agree a cross-border service delivery model for the Parkwood development has not significantly progressed since 2021;*

*however, that this pace of work was deliberate and occurred as a consequence of two factors:*

- 1. the parties to the Parkwood Steering Committee agreeing that the option of moving the ACT/NSW border, to remove the need for cross-border service development, should be separately explored by the ACT and NSW Governments before significant resources are committed to developing a detailed cross-border servicing model; and*
- 2. simultaneously, the progress of the Committee slowed during 2021 due to the need for all parties to reprioritise resources to respond to significant cross-border issues resulting from the COVID-19 pandemic. During this period the ACT Government's first priority in the regional portfolio was to work closely with the NSW Government, including the NSW Cross-Border Commissioner's Office, and the local governments of the Canberra Region – including through the Canberra Region Joint Organisation – to provide clear information to cross-border communities on the impacts of COVID in a cross-border context. These impacts manifested in a myriad of ways, but included cross-border travel and movement restrictions, workforce issues and cross-border medical matters. This urgent reprioritisation of the priority focus areas of the ACTNSW cross-border relationship resulted in an effective pause to a range of crossborder initiatives, including work to support the Parkwood development.*

*The Parkwood Steering Committee has reconvened and met on two occasions since receiving the Report, on Wednesday 20 July 2022 and on Tuesday 20 September 2022. It is anticipated that meetings will continue to occur at a similar frequency into the future. The ACT Government continues to work through this forum to agree a work plan to effectively deliver on its objectives in relation to the Parkwood development.*

<b>Annual Report (2022-23) (CMTEDD)</b>	<b>Reported Status</b>	Not Reported
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Not reported.

### Auditor-General's Observation

The ACT Government response indicated agreement with the recommendation, and that the Parkwood Steering Committee had reconvened since the audit was tabled and met twice. The ACT Government response indicates that 'meetings will continue to occur at a similar frequency into the future.'

## Recommendation 2 – Service delivery models

CMTEDD should review and endorse and/or revise the service delivery options developed through the Cross Border Agency Forums in 2013, 2016 and 2019, and documented in the *Parkwood Planning Proposal: Services and Infrastructure Report* (2017). There is merit in progressing this in parallel with considerations about the border move as the move may not occur.

<b>Government Response</b>	<b>Status</b>	Noted
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*The ACT Government notes that the Parkwood Planning Proposal: Services and Infrastructure Report (2017) was developed by the Riverview Group in consultation with the ACT and NSW Governments through a cross-border forum required by the NSW Government. The ACT Government further notes that the base case options have not been tested, nor formally considered or endorsed by the ACT Government.*

*The ACT Government recognises forward planning and risk management activities in relation to the service delivery model for Parkwood are necessary. The ACT Government notes this recommendation of the Report; however, as it goes to a proposed item of work for CMTEDD, rather than to the supporting governance framework, it is unclear how this recommendation relates to the audit’s objective to assess the effectiveness of the Territory’s governance arrangements in relation to the delivery of services in Parkwood.*

*The Government also notes that a decision to make the Cross Border Agency Forum material a significant area of focus of the Parkwood Steering Committee is subject to consensus agreement of the Committee, not a matter for unilateral decision by the ACT.*

*Despite this, the ACT Government notes that work on this issue had commenced prior to August 2021, but with the decision taken by the Steering Committee to pursue the option of an ACT/NSW border move before considering other service delivery options, efforts in this area were paused.*

*Further, a change in NSW Premier in 2021 delayed commencement of the investigation of the most efficient path forward in moving the border. The ACT Government has recently received approval from the NSW Premier to re-open discussions regarding the border move.*

*The option to proceed by developing cross border delivery options in parallel with border relocation considerations will be further discussed by the Steering Committee; however, the Government notes that resolving the issue of a border move is, in fact, a necessary prerequisite to making significant progress on any service planning.*

*In addition, the ACT Government recognises that achieving a border move would negate the need for the Parkwood Framework and associated Steering Committee, as the establishment of services in the new estate would be managed as required by relevant ACT Government directorates.*

Annual Report (2022-23) (CMTEDD)	Reported Status	Not Reported
Not reported.		
<b>Auditor-General’s Observation</b>		
The ACT Government response noted the recommendation. The ACT Government response indicated that the recommendation, as proposed, is not going to be actioned.		

# Auditor-General Report No.5 of 2022

## Procurement and Contracting Activities for the Acton Waterfront Project<sup>11</sup>

(16 September 2022)

### Auditees

The auditee for this audit was the City Renewal Authority.

### Audit Objective

The objective of the audit was to assess the effectiveness of ACT Government agencies' procurement and contracting activities for the Acton Waterfront Project.

### Summary

The Acton Waterfront Project involves the reclamation of approximately three hectares of lake-bed from Lake Burley Griffin's West Basin and the creation of a similar-sized area of high-quality public realm along the foreshore. The public realm improvements will facilitate the development of an area of approximately five hectares for mixed residential and commercial use adjacent to the foreshore. The exact location and size of the development area is dependent ultimately on the engineering solution adopted for overcoming the barrier which is currently presented by Parkes Way.

In 2014 the Acton Waterfront Project was identified as an important and necessary activity that should precede phased land release that was to commence by 2018-19. The Acton Waterfront Project was one of a number of high-profile City to the Lake projects that were being considered at the time, including the Australia Forum, an aquatic centre and a city stadium. No public commitment to Light Rail Stage 2 (or 2A) had been made at that time.

In late 2014 the Land Development Agency issued a Request for Tender (RFT) for a contractor to undertake an estimated five hectares of public realm works for the purpose of the Acton Waterfront Project. The construction work was expected to cost \$28 million and be completed by October 2016.

The local civil engineering firm Chincivil Pty Ltd (Chincivil) won the tender. By the time the contract was executed eleven months later, the project's scope had been reduced to the creation of a small urban park of approximately one hectare at the south-eastern end of the waterfront and two new signalised intersections on Commonwealth Avenue. The revised project at the time of contract execution was expected to cost \$9 million with the park to be completed by November 2016.

By February 2018 two thirds of the revised scope of works identified in the executed contract had been completed for a Contract Price that had increased to \$13.6 million. Further work not within the scope of the executed contract but within the scope of the original RFT has since been agreed and by September 2020 the Contract Price had increased to \$46.8 million for what is approximately two thirds of the works identified in the original RFT.

This audit considers ACT Government agencies' management and administration of the procurement and contracting activities for the Acton Waterfront Project for the period 2014 to 2020. The audit seeks to assist a wider understanding of how the construction of the Acton Waterfront Project has been procured and assesses whether the agencies' administration of the procurement has been effective. It does not assess whether the project's overall outcome represents value for money for the ACT Government and community.

### Government response<sup>12</sup>

Mr Andrew Barr MLA, Chief Minister, tabled the ACT Government's response to the Performance Audit Report on 7 February 2023.

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<sup>11</sup> [Report. No. 05 of 2022 - Procurement and contracting activities for the Acton Waterfront Project](#)

<sup>12</sup> [List\\_A-G-Report-No-5-Procurement-and-Contracting-Activities-for-the-Acton-Waterfront-Govt-Response.pdf](#)

CMTEDD annual report:

[https://www.act.gov.au/\\_data/assets/pdf\\_file/0011/2301212/CRA-Annual-Report-22-23.pdf](https://www.act.gov.au/_data/assets/pdf_file/0011/2301212/CRA-Annual-Report-22-23.pdf)

## Recommendation 1 – Public interest in the Acton Waterfront Project

<p>The City Renewal Authority should improve the level of information publicly available in relation to the procurement and contractual arrangements for the Acton Waterfront Project by ensuring:</p> <p>a) a complete account is available of the original procurement intentions (based on the RFT) as well as the Contract that eventuates; and</p> <p>b) all subsequent variations are clearly identified and reported, including an explanation of their purpose.</p>		
<b>Government Response</b>	<b>Status</b>	<b>Agreed</b>
<p><i>The Authority will review and update information on its website and/or other ACT Government websites to ensure key facts from the commencement of the Acton Waterfront Project to 2022 are displayed. Moving forward, the Authority will ensure that any, and all, subsequent variations are appropriately described on the ACT Contracts Register and the Authority's website.</i></p>		
<b>Annual Report (2022-23) (CRA)</b>	<b>Reported Status</b>	<b>Completed</b>
<p><i>Project Information is up to date on the following websites:</i></p> <ul style="list-style-type: none"> <li>• <i>City Renewal Authority</i></li> <li>• <i>YourSay</i></li> <li>• <i>Built for CBR</i></li> </ul> <p><i>ACT Procurement (on the Authority's behalf) published updated variation information on the Contracts Register in August 2023.</i></p>		
<b>Auditor-General's Observation</b>		
<p>The ACT Government response indicated agreement with the recommendation, and that 'key facts from the commencement of the Acton Waterfront Project to 2022 [will be] displayed on websites and that 'any, and all, subsequent variations are appropriately described on the ACT Contracts Register and the Authority's website'. This is expected to improve the transparency of public information.</p> <p>CRA's <i>Annual Report 2022-23</i> asserts the websites are up to date.</p>		

## Recommendation 2 – Variations and Provisional Sum processes

<p>The City Renewal Authority Board should review its processes and controls for the management of Provisional Sums and the making of contract variations.</p>		
<b>Government Response</b>	<b>Status</b>	<b>Agreed</b>
<p><i>Following the appointment of Chincivil for the GCS 3 work package in April 2020, the Authority entered into a Memorandum of Understanding with Major Projects Canberra (MPC) in November 2020, in relation to supporting the delivery of the capital works program including the Acton Waterfront Project. This is consistent with infrastructure procurement processes undertaken by other parts of the ACT Government. The Authority and MPC established a formal relationship via a memorandum of understanding for MPC to manage the procurement and contract management of the Authority's capital works program, with the Authority remaining the delegate for its program of works and retaining ultimate accountability for that program of works.</i></p> <p><i>An ACT Government Contract Management Guide (the Guide) is currently under development by Procurement ACT. The Authority will ensure compliance with the requirements and better practice guidance established in the Guide when it is released.</i></p>		
<b>Annual Report (2022-23) (CRA)</b>	<b>Reported Status</b>	<b>Completed</b>
<p><i>The Memorandum of Understanding with MPC continues in operation. The Authority is awaiting the release of whole-of-government contract management guidance to adopt into its processes. This has not yet been released. The Authority released its own simplified contract management guidance for staff expected in July 2023. The item is closed for tracking pending release of the contract management guide from ACT Procurement.</i></p>		

**Auditor-General's Observation**

The ACT Government response indicated agreement with the recommendation, but that the CRA and Major Projects Canberra have since 'established a formal relationship via a memorandum of understanding for MPC to manage the procurement and contract management of the Authority's capital works program, with the Authority remaining the delegate for its program of works and retaining ultimate accountability for that program of works'. This indicates that responsibility for future contract management practices will rest with Major Projects Canberra.

Notwithstanding this intention, CRA's *Annual Report 2022-23* notes that simplified contract management guidance was provided to staff in July 2023.

**Recommendation 3 – Value for Money drivers**

As part of its procurement and contracting practices, the City Renewal Authority should document:

- a) the key value for money drivers that a procurement proposal will rely on;
- b) the intended purpose and operation of the driver in question (e.g. a Target Construction Sum in conjunction with a Guaranteed Construction Sum, design responsibilities and an incentive clause); and
- c) the source of advice e.g. The Capital Framework or otherwise, procurement and contracting better practice, that informs the use of the value for money driver.

**Government Response**

**Status**

Agreed

*Since the appointment of Chincivil for the GCS 3 work package the Authority has worked with MPC consistent with government policy. The Authority and MPC established a formal relationship via a memorandum of understanding for MPC to manage the procurement and contract management of the Authority's capital works program. The assessment and documentation of the value for money assessment is part of this arrangement. The Authority remains the delegate for its program of capital works and retains ultimate accountability for that program of works.*

*The Authority and its board are comfortable that value for money has been achieved in the procurements to date.*

**Annual Report (2022-23) (CRA)**

**Reported Status**

Completed

*The arrangement with MPC is still in place. The Authority documents VFM as part of its procurement practice. The Authority has not let further work to Chincivil for the Acton Waterfront project. The Authority is planning further works (stormwater and infrastructure) and will work with MPC to ensure it undertakes and documents appropriate procurement planning.*

**Auditor-General's Observation**

The ACT Government response indicated agreement with the recommendation, but that the CRA and Major Projects Canberra have since 'established a formal relationship via a memorandum of understanding for MPC to manage the procurement and contract management of the Authority's capital works program' and that 'the assessment and documentation of the value for money assessment is part of this arrangement'. This indicates that responsibility for future contract management practices will rest with Major Projects Canberra.

CRA's *Annual Report 2022-23* notes that it will work with MPC on documenting VFM on future procurement projects.

## Recommendation 4 – Assumption of legacy contracts

<p>As part of due diligence following 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 the entities. The assessment should provide:</p> <p>a) assurance over the probity of the Government entity’s administrative processes relating to the procurement prior to the letting of the contract; and</p> <p>b) 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 VFM consideration.</p>		
<b>Government Response</b>	<b>Status</b>	Agreed-in-principle
<p><i>The Authority has no further legacy contracts to be dealt with.</i></p> <p><i>The ACT Government Contract Management Guide (the Guide) is currently under development and will provide better practice guidance and tools for the management of contracts. 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.</i></p> <p><i>This due diligence may include assurance of probity relating to the contract; however, it may not always be apparent whether price or time variations are required over the remainder of a contract’s life at the time of transfer of a contract to a new entity and under the Procurement Framework, value for money must be assessed at the time of exercising any future variation to a contract.</i></p>		
<b>Annual Report (2022-23) (CRA)</b>	<b>Reported Status</b>	Completed
<p><i>While the Authority had no specific contracts to apply this recommendation to, it is applying similar intent to any other arrangement the ACT Government directs it to assume responsibility for and/or implement. Inclusion of content in the Authority’s procedures is dependent on the release of the whole-of-government contract management guidance from ACT Procurement.</i></p>		
<b>Auditor-General’s Observation</b>		
<p>The ACT Government response indicated agreement-in-principle with the recommendation and that the ‘ACT Government Contract Management Guide (the Guide) is currently under development’ and that it ‘will provide better practice guidance and tools for the management of contracts’. As part of the development of the Guide the ACT Government response indicated that ‘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’.</p> <p>This recommendation was not reported on in any other agencies’ annual report.</p>		

## Recommendation 5 – Retendering

<p>As part of its procurement and contracting practices, the City Renewal Authority should periodically examine, particularly in advance of major variations to a contract, the merits of remaining with the incumbent versus alternative procurement options for delivery of a project. Options presented to decision makers (e.g. delegates, boards) should be accompanied by sufficient analysis to demonstrate these have been robustly investigated and assessed.</p>		
<b>Government Response</b>	<b>Status</b>	Agreed
<p><i>With the advice of MPC the Authority will ensure that decisions are well documented and provide specific advice to the Board, noting ultimate accountability in this respect resides with the Authority.</i></p>		
<b>Annual Report (2022-23) (CRA)</b>	<b>Reported Status</b>	Completed
<p><i>This situation (choosing whether to stay with an incumbent capital works contractor) has not arisen between September 2022 and June 2023.</i></p>		



Capital works contracted in this period has been with new providers, for example, Lonsdale St Works contracted to Guideline. That decision did go to the Board due to the estimated value, including analysis of risks, benefits and commentary to show how the Authority considered the intent of the Auditor-General's recommendations.

The next stage of Acton works is the subject of a new procurement process.

#### Auditor-General's Observation

The ACT Government response indicated agreement with the recommendation and that 'with the advice of MPC the Authority will ensure that decisions are well documented and provide specific advice to the Board, noting ultimate accountability in this respect resides with the Authority'.

CRA's *Annual Report 2022-23* notes that it has not needed to address the intent of this recommendation in any procurement processes since the tabling of the report.

### Recommendation 6 – VFM consideration and review

As part of its procurement and contracting practices, the City Renewal Authority should, when contemplating contract variations, review and test the procurement's value for money with reference to prior consideration:

- a) during procurement planning, up to and including the market response to the RFT; and
- b) at contract execution, specifically with respect to whether any material departure has occurred due to negotiation and / or the passage of time and changing requirements.

#### Government Response

#### Status

Agreed

Since the appointment of Chincivil for the GCS 3 work package the Authority has worked with MPC consistent with government policy. The Authority and MPC established a formal relationship via a memorandum of understanding for MPC to manage the procurement and contract management of the Authority's capital works program. The assessment and documentation of the value for money assessment is part of this arrangement. The Authority remains the delegate for its program of capital works and retains ultimate accountability for that program of works.

The Authority and its board are comfortable that value for money has been achieved in the procurements to date.

#### Annual Report (2022-23) (CRA)

#### Reported Status

Completed

There have been no major capital works contract variations in the period September 2022 to June 2023. As per comments above, the Authority will continue to consider and document VFM when considering variations and has included this in drafted contract management guidance for staff.

#### Auditor-General's Observation

The ACT Government response indicated agreement with the recommendation and that 'the assessment and documentation of the value for money assessment is part of [the MoU arrangement with MPC]'.

CRA's *Annual Report 2022-23* notes that it has not needed to address the intent of this recommendation in any procurement processes since the tabling of the report.

## Recommendation 7 – Briefings and advice to decision-makers and Boards

As part of its procurement and contracting practices the City Renewal Authority should fully and completely brief decision makers, delegates and those exercising a statutory advisory responsibility (e.g. the Government Procurement Board) in order to ensure:

- a) accuracy and balance is achieved;
- b) assurances made are able to be supported with robust analysis;
- c) previously reported advice is built upon;
- d) salient facts are raised and reprised consistently; and
- e) the timing of the matters raised leaves sufficient time for decision makers, delegates and advisors to contemplate alternatives.

### Government Response

### Status

Agreed

*With the advice of MPC the Authority will ensure that decisions are well documented and specific advice is provided to the Board, noting ultimate accountability in this respect resides with the Authority.*

*The Authority will provide a series of information sessions for staff covering effective and efficient procurement and transparent contract management practices.*

### Annual Report (2022-23) (CRA)

### Reported Status

In Progress

*Regarding documentation, the Authority is improving briefs to decision makers. An example is the brief to the Board on Lonsdale Street that included, among other things, an analysis about how the Authority considered feedback from the Government Procurement Board in forming the final proposition.*

*Regarding training, the Authority is considering how to bring all elements of feedback from both external and internal audit into information for staff and will provide short sessions for staff in early 2023-24. The Authority has also reviewed procurement checklists, and updated and re-issued them.*

### Auditor-General's Observation

The ACT Government response indicated agreement with the recommendation and that 'decisions [will be] well documented and specific advice [will be] provided to the Board and that 'a series of information sessions [will be provided to] staff covering effective and efficient procurement and transparent contract management practices'. This is expected to assist in improving the quality of information provided to decision-makers.

CRA's *Annual Report 2022-23* notes action to implement the recommendation is ongoing.

# Auditor-General Report No.6 of 2022

## ACT Childhood Healthy Eating and Active Living Programs<sup>13</sup>

(9 November 2022)

### Auditee

The auditees for this audit were the ACT Health Directorate, Canberra Health Services, Education Directorate, Transport Canberra and City Services Directorate, and the Chief Minister, Treasury and Economic Development Directorate.

### Audit Objective

The objective of the audit was to assess the effectiveness of planning, management and delivery of ACT Government programs and services to support childhood healthy eating and active living.

### Summary

Access to healthy eating and active living in childhood is important for healthy growth and development and lays a foundation for life-long health.

The audit considered the activities of ACT Government agencies to support childhood healthy eating and active living through:

- the establishment of comprehensive preventive health strategies;
- the effective planning for, and management of, preventive health programs; and
- the effective delivery of treatment services.

### Government response<sup>14</sup>

Ms Rachel Stephen-Smith MLA, Minister for Health, tabled the ACT Government's response to the Performance Audit Report on 21 March 2023.

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<sup>13</sup> [ACT Childhood Healthy Eating and Active Living Programs](#)

<sup>14</sup> [2023-Government-response-to-AG-Report-No.7-Childhood-Healthy-Eating-Active-Living-tabled-21-March-2023.pdf](#)

CHS annual report:

[https://www.canberrahealthservices.act.gov.au/\\_data/assets/pdf\\_file/0017/2301209/CHS\\_Annual-Report-2022\\_23\\_AAA-DIGITAL-FAMA.pdf](https://www.canberrahealthservices.act.gov.au/_data/assets/pdf_file/0017/2301209/CHS_Annual-Report-2022_23_AAA-DIGITAL-FAMA.pdf)

ACT Health annual report:

<https://health.act.gov.au/sites/default/files/2023-10/ACT%20Health%20Annual%20Report%202022-2023.pdf>

TCCS annual report:

[https://www.cityservices.act.gov.au/\\_data/assets/pdf\\_file/0015/2301225/Annual-Report-2022-23-TCCS.pdf](https://www.cityservices.act.gov.au/_data/assets/pdf_file/0015/2301225/Annual-Report-2022-23-TCCS.pdf)

## Recommendation 1 – Professional learning and guidelines

<p>The ACT Health Directorate should include strategic actions for introducing or strengthening professional learning opportunities and practice guidelines about weight stigma and discrimination in the second three-year action plan for the implementation of the <i>Healthy Canberra ACT Preventive Health Plan 2020-2025</i>. The professional learning opportunities and practice guidelines should support the ACT workforce to approach issues of healthy eating, active living, body size and health sensitively and without bias, blame, discrimination or stigma.</p>		
<b>Government Response</b>	<b>Status</b>	Agreed-in-principle
<p><i>The ACT Government recognises the importance of ensuring issues regarding children’s weight are addressed in an appropriate way throughout policy, program and service delivery settings. Strengthening professional learning opportunities and practice guidelines about weight stigma and discrimination requires joint action from front-line health service providers, health professional bodies and tertiary institutions across the ACT. Professional learning in public sector hospitals includes weight stigma-related information.</i></p> <p><i>The Preventive Health Plan is not the appropriate mechanism to further workforce professional development regarding non-stigmatising approaches in the treatment and management of body weight in children.</i></p> <p><i>A consistent national approach to reducing weight stigma and discrimination in the health sector is also required and will be addressed through the National Obesity Strategy 2022-2032. The ACT Government will contribute to evidence-based options for addressing weight stigma and discrimination through its membership of the National Obesity Strategy Working Group.</i></p>		
<b>Annual Report (2022-23) (Health)</b>	<b>Reported Status</b>	In Progress
<p><i>The Directorate has raised the need for a national approach to weight stigma and discrimination with the National Obesity Strategy Working Group.</i></p>		
<b>Auditor-General’s Observation</b>		
<p>The ACT Government response indicated agreement in principle with the recommendation but was not clear on what actions would be specifically taken in the Territory to ‘[introduce] or [strengthen] professional learning opportunities and practice guidelines about weight stigma and discrimination’ in practice. The response did identify an undertaking to ‘contribute to evidence-based options for addressing weight stigma and discrimination through its membership of the National Obesity Strategy Working Group’.</p> <p>ACT Health’s <i>Annual Report 2022-23</i> identified it had ‘raised the need for a national approach to weight stigma and discrimination with the National Obesity Strategy Working Group’. No further information was included on what actions were being taken specifically in the Territory.</p>		

## Recommendation 2 – Planning for equity of access

<p>The ACT Health Directorate should include strategic actions in the second three-year action plan for the implementation of the <i>Healthy Canberra ACT Preventive Health Plan 2020-2025</i> with respect to:</p> <ul style="list-style-type: none"> <li>a) understanding the needs and barriers experienced by the priority population groups identified in the Plan;</li> <li>b) designing activities to maximise the likelihood of the identified priority population groups accessing programs and services;</li> <li>c) obtaining evidence for whether activities have effectively reached and met the needs of identified priority population groups; and</li> <li>d) ensuring the needs and barriers experienced by Aboriginal and Torres Strait Islander people in the ACT are addressed specifically.</li> </ul>		
<b>Government Response</b>	<b>Status</b>	Agreed
<p><i>ACT Health Directorate (ACTHD) is conducting a targeted consultation process with community organisations and peak bodies as part of developing the next Preventive Health Action Plan (2023-2025), which will address a), b), d) and e).</i></p> <p><i>Evaluation and monitoring processes for the Preventive Health Plan collect data on reach to priority population groups and assess the effectiveness of interventions where possible and appropriate, addressing c).</i></p> <p><i>Implementation: Government agreement to release Preventative Health Action Plan before end of 2023.</i></p>		
<b>Annual Report (2022-23) (Health)</b>	<b>Reported Status</b>	In Progress

A comprehensive community consultation process is occurring throughout May to July 2023.

Evaluation and monitoring processes for the Preventive Health Plan are currently being refined.

The next Preventive Health Action Plan is due for release by end 2023.

#### Auditor-General's Observation

The ACT Government response indicated agreement with the recommendation and that it would be informed by community consultation and existing data collection processes. The extent to which these will lead to relevant strategic actions in the second three-year action plan is unknown. This could be a focus of future audit activity.

ACT Health's *Annual Report 2022-23* notes the actions to implement the recommendation are in progress.

### Recommendation 3 – Strategic monitoring and reporting

The ACT Health Directorate should improve monitoring and reporting for the *Healthy Canberra ACT Preventive Health Plan 2020-2025* by:

- a) ensuring annual activity reports include all programs and services delivered by ACT Government agencies that contribute to the priorities, objectives and strategic actions of the *Healthy Canberra ACT Preventive Health Plan 2020-2025*; and
- b) reporting progress against specific performance measures or targets, to provide evidence of what works and evidence for the comparative value of different activities.

#### Government Response

Status

Agreed-in-principle

*The Preventive Health Plan Cross-Directorate Working Group oversees the development, implementation and evaluation of the Preventive Health Plan.*

*Each Directorate is responsible for reporting activities and evaluating outcomes included in the plan to the ACT Health Directorate. The Directorate requires identification of targets and activity reports for all relevant programs/services included in the Preventive Health Plan.*

*Implementation: Government agreement to release Preventative Health Action Plan before end of 2023.*

#### Annual Report (2022-23) (Health)

Reported Status

In Progress

*The Preventive Health Plan Cross-Directorate Working Group is currently participating in the consultation process to inform the actions in the next Preventive Health Action Plan.*

#### Auditor-General's Observation

The ACT Government response indicated agreement in principle with the recommendation but was not clear on specific actions to be taken. It is not clear what actions would be taken to improve the quality of reporting associated with the *Healthy Canberra ACT Preventive Health Plan 2020-2025*, which was the intent of the recommendation.

ACT Health's *Annual Report 2022-23* refers to the consultation process currently underway for the next Preventative Health Action Plan and does not provide sufficient information on how the findings of the report that give rise to the recommendation are being addressed.

### Recommendation 4 – Evaluating school active travel programs

The Transport Canberra and City Services Directorate should, as part of its forthcoming evaluation of school active travel programs, review the impact of the programs on different cohorts of children, including the most disadvantaged and at-risk student cohorts. As part of the evaluation, the Directorate should measure the number of children travelling actively to school, both before and after program interventions.

#### Government Response

Status

Agreed

*Transport Canberra and City Services has commenced an evaluation of its school active travel programs. Through the evaluation, Transport Canberra and City Services will address the impact of programs on different cohorts of children, including disadvantaged student cohorts. Transport Canberra and City Services will also consider how the future active travel program implementation can be tailored to better support disadvantaged student cohorts.*

<i>Implementation: School active travel programs evaluation report expected June 2023.</i>		
<b>Annual Report (2022-23) (TCCS)</b>	<b>Reported Status</b>	Not Reported
Not reported.		
<b>Auditor-General's Observation</b>		
<p>The ACT Government response indicated agreement with the recommendation and that the evaluation had already commenced and would address the elements of the recommendation. This demonstrated an appropriate response to the recommendation.</p> <p>TCCS' <i>Annual Report 2022-23</i> did not report on the implementation of the recommendation. It is not clear what the outcome of the review was, or what the implications were for the directorate's school active travel programs.</p>		

### Recommendation 5 – School Crossing Supervisors

<p>If the School Crossing Supervisors program is continued beyond 2022, then the Transport Canberra and City Services Directorate should:</p> <ol style="list-style-type: none"> <li>review allocation of school crossing supervisors to crossings and schools; and</li> <li>publish information about the allocation process and selection criteria.</li> </ol>		
<b>Government Response</b>	<b>Status</b>	Agreed-in-principle
<p><i>Transport Canberra and City Services is currently undertaking an evaluation of its active travel programs, including the School Crossing Supervisor program. Through the evaluation, Transport Canberra and City Services will assess feedback about the current school crossing supervisor locations to determine if these locations need to be reassessed. Transport Canberra and City Services will re-publish information about the allocation process and selection criteria on the Transport Canberra website.</i></p> <p><i>Implementation:</i></p> <ul style="list-style-type: none"> <li><i>School active travel programs evaluation report expected June 2023.</i></li> <li><i>School crossing supervisors allocation and selection criteria republished on Transport Canberra website January 2023.</i></li> </ul>		
<b>Annual Report (2022-23) (TCCS)</b>	<b>Reported Status</b>	Not Reported
Not reported.		
<b>Auditor-General's Observation</b>		
<p>The ACT Government response indicated agreement with the recommendation and that the evaluation had already commenced and would address the elements of the recommendation. This demonstrates an appropriate response to the recommendation.</p> <p>TCCS' <i>Annual Report 2022-23</i> did not report on the implementation of the recommendation. It is not clear what the outcome of the review was, or what the implications were for the directorate's school active travel programs.</p>		

## Recommendation 6 – Food relief and financial support for active living

The ACT Health Directorate 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
- c) c) provisions of accessible, coordinated and current information about food and financial relief options supporting childhood healthy eating and active living.

### Government Response

### Status

Not Agreed

*The provision of food relief and financial supports for active living are out of scope for the Preventive Health Plan.*

*A range of relevant initiatives are already being undertaken by ACT Government Directorates.*

*The Community Services Directorate currently provides funding to community organisations for the provision of emergency material and financial aid, financial counselling, food assistance and a no interest loan program.*

*The 2021-22 Budget included funding of \$475,000 over 4 years to consider long term solutions for food sustainability across Canberra beyond COVID-19. This work, led by VolunteeringACT, supports a community-led model to provide a more streamlined and needs-driven response to food security. It includes a food relief database and the establishment of a cross-sectoral Food and Emergency Relief Network to share resources, ideas and best practice approaches.*

*The ACT Government continues to invest in 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. The Government has increased targeted support through the Future of Education Equity Fund and an investment (\$75,000 p.a. for three years) in Every Chance to Play (which provides targeted support for sport registration).*

*The Government has committed \$1.6m over three years to support children's participation in sport emerging post-COVID19. This will support six organisations to deliver on-ground activities that support a diversity of participation opportunities. Funded programs will commence roll out in 2023.*

*The ACT Health Directorate is undertaking research to better identify and measure the prevalence and underpinning social determinants of household food insecurity in the ACT. This strategic action is already included in the Preventive Health Plan.*

*Implementation: Government agreement to release Preventative Health Action Plan before end of 2023.*

### Annual Report (2022-23) (Health)

### Reported Status

Not Reported

Not reported.

### Auditor-General's Observation

The ACT Government response explicitly identified that the recommendation was not agreed to. ACT Health's *Annual Report 2022-23* did not address the recommendation.

## Recommendation 7 – Kindergarten Health Check

The ACT Health Directorate should evaluate the eating, activity, weight, height and Body Mass Index components of the Kindergarten Health Check. The evaluation should consider:

- a) whether the method of collecting data about the size of children’s bodies and reporting this to families is consistent with better practice;
- b) whether the information provided is accessible and culturally safe for families from culturally and linguistically diverse backgrounds;
- c) whether the information provided has unintended negative consequences for either the child or family, such as increased body dissatisfaction, risky dietary restriction or disordered eating;
- d) whether the information provided effectively supports families to safely increase healthy eating or active living; and
- e) whether the information provided effectively supports families to access appropriate healthcare.

<b>Government Response</b>	<b>Status</b>	Agreed-in-principle
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*ACT Health Directorate and Canberra Health Services will continue to investigate links between the ACT Kindergarten Health Check (ACTKHC) and the provision of healthcare services for 0-17 year-olds as part of addressing both recommendations 7 and 8.*

*The current ACTKHC data collection methods have been reviewed by the Academic Unit of General Practice in conjunction with Australian National University and are consistent with international best practice.*

*The risk of negative consequences needs to be balanced by a duty of care to inform and minimise the risks of obesity and overweight which are significant. The ACT Health Directorate Research Ethics Committee has determined that on balance it is better to measure and address childhood overweight and obesity early to minimise the significant longer-term health and psychosocial impacts of overweight and obesity.*

*Implementation: Options for an ACT Kindergarten Health Check evaluation expected to be scoped by June 2023.*

<b>Annual Report (2022-23) (Health)</b>	<b>Reported Status</b>	In Progress
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*The Directorate has completed a Kindergarten Health Check evaluation plan and is awaiting funding to enable the completion of the evaluation.*

### Auditor-General’s Observation

The ACT Government response indicated agreement in principle with the recommendation and an intention to identify options for an evaluation of the Kindergarten Health Check by June 2023. In doing so, the response identified challenges associated with the Health Check process and outcomes being sought.

ACT Health’s *Annual Report 2022-23* identified the evaluation plan had been prepared and funding was being sought for its completion.

## Recommendation 8 – Evaluating community need for treatment services

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.

<b>Government Response</b>	<b>Status</b>	Agreed
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*Canberra Health Services will evaluate community need for multidisciplinary healthcare services for children aged 0-17 years and provide evidenced-based options to address current service gaps. The options will be developed in partnership with ACT Health Directorate and presented for the Government’s consideration. All options will be informed by key policies and strategies including Best Start for Canberra’s Children: The First 1000 Days Strategy, Preventive Health Plan, National Obesity Strategy 2022-2032 and the Australian Early Development Census National Report 2021. Any changes to treatment services would be subject to future government funding decisions.*

*Implementation: Evaluation of community need and provision of options for consideration by June 2023.*

<b>Annual Report (2022-23) (CHS)</b>	<b>Reported Status</b>	In Progress
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*The Healthy Eating and Living report indicated that the existing Community Nutrition and Paediatric Obesity Management programs at CHS are under resourced and cannot adequately support children with atypical eating behaviours and atypical weight gain. The Committee recommended that CHS address these gaps in service delivery through investment in the development of a new MoC providing services for pregnant women and their children through education, early intervention and prevention. CHS included expansion of the existing paediatric weight management program in the Paediatric Services Expansion 2023-2023 business case. Recent funding obtained will provide an expansion of the existing paediatric weight management program, SKIP for the 4 to 12-year-old cohort.*

#### **Auditor-General's Observation**

The ACT Government response indicated agreement with the recommendation and an intention to 'evaluate community need for multidisciplinary healthcare services for children aged 0-17 years and provide evidenced-based options to address current service gaps'. This demonstrates an appropriate response to the recommendation.

CHS' Annual Report 2022-23 notes that implementation of the recommendation is in progress. In doing so it identified a range of actions that are being undertaken, including:

- development of a new Model of Care 'providing services for pregnant women and their children through education, early intervention and prevention';
- expansion of the existing paediatric weight management program in the Paediatric Services Expansion 2023-2023 business case; and
- an expansion of the SKIP Program.

# Auditor-General Report No.1 of 2023

## Construction Occupations Licensing<sup>15</sup>

(16 March 2023)

### Auditees

The auditee for this audit was Access Canberra in the Chief Minister, Treasury and Economic Development Directorate.

### Audit Objective

The objective of the audit was to assess the effectiveness of the Territory's construction occupation licensing arrangements.

### Summary

The Construction Occupations (Licensing) Act 2004 provides the regulatory framework for the licensing of construction practitioners in the building and construction industry. Construction occupation licences are issued by the Construction Occupations Registrar, a statutory position within Access Canberra.

The licensing of construction practitioners is an important component of mandating a minimum standard of competence in the ACT construction industry. There are currently 62 classes of construction occupation licences in the ACT. There are specific requirements relevant to each category that a licensee must hold and maintain.

The audit considered the effectiveness of the Territory's construction occupation licensing arrangements as administered by Access Canberra.

### Government response<sup>16</sup>

Ms Tara Cheyne MLA, Minister for Business and Better Regulation, tabled the ACT Government's response to the Performance Audit Report on 5 July 2023.

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<sup>15</sup> [Report No 1 of 2023 - Construction occupations licensing \(act.gov.au\)](#)

<sup>16</sup> [Government-Response-to-Auditor-Generals-report-No-1of-2023-Construction-Occupations-Licensing.pdf \(act.gov.au\)](#)

## Recommendation 1 – Information systems for construction occupations licensing

<p>Access Canberra should develop a strategy for its information systems for construction occupations licensing. In doing so it should:</p> <p>a) determine the need and purpose of COLMS, and to what extent COLMS is expected to retain data; and</p> <p>b) identify and articulate expectations for the interaction of COLMS and Objective.</p>		
<b>Government Response</b>	<b>Status</b>	Agreed-in-principle
<p><i>Access Canberra is exploring a digital solution that aims to identify and implement a scalable fit for purpose ICT solution for licence functions administered by Access Canberra, including COLMS. A Discovery phase is currently underway and will be completed in July 2023.</i></p> <p><i>A key objective of the discovery phase is to support the Access Canberra Digital Strategy 2023- 2026 by defining a solution design and implementation plan for delivering a common licensing capability. Through the discovery phase the requirements for the construction occupations licensing ecosystem will be identified and existing systems including COLMS and Objective will be assessed for suitability. A solution options analysis will be completed, and a recommendation made for a technical solution that supports business processes. Full implementation of this recommendation will be subject to future budget consideration.</i></p>		
<b>Annual Report (2022-23) (CMTEDD)</b>	<b>Reported Status</b>	N/A
<p><i>In 2023, the ACT Auditor-General commenced a performance audit of Construction Occupations Licensing. The Auditor-General's report was tabled in the Legislative Assembly on 16 March 2023. The Government's Response to the report will be tabled in the 2023-24 reporting period. This means CMTEDD's status report will be included in the 2023-24 annual report.</i></p>		
<b>Auditor-General's Observation</b>		
<p>The ACT Government response indicated agreement in principle with the recommendation and that work was underway to '[explore] a digital solution'. The intention to undertake a 'solution options analysis' and make a recommendation 'for a technical solution that supports business processes' is likely to assist in addressing the relevant finding.</p> <p>CMTEDD's <i>Annual Report 2022-23</i> does not provide any insight into how action has been progressed.</p>		

## Recommendation 2 – Policies and procedures

<p>Access Canberra should review, update and finalise its licensing policies and procedures. In doing so, the documents should have control features including:</p> <p>a) the date of approval (and effect) of the document;</p> <p>b) the name of the person who had approved the document; and</p> <p>c) the timeframe for the review of the document.</p>		
<b>Government Response</b>	<b>Status</b>	Agreed
<p><i>All licensing policies and procedures pertaining to construction occupations will be reviewed, updated, and approved in accordance with this recommendation as well as Access Canberra's Quality Management Framework by March 2024. This recommendation will be implemented from within existing resources.</i></p>		
<b>Annual Report (2022-23) (CMTEDD)</b>	<b>Reported Status</b>	N/A
<p><i>In 2023, the ACT Auditor-General commenced a performance audit of Construction Occupations Licensing. The Auditor-General's report was tabled in the Legislative Assembly on 16 March 2023. The Government's Response to the report will be tabled in the 2023-24 reporting period. This means CMTEDD's status report will be included in the 2023-24 annual report.</i></p>		
<b>Auditor-General's Observation</b>		

The ACT Government response indicated agreement with the recommendation, and that ‘all licensing policies and procedures ... will be reviewed, updated, and approved ... by March 2024’. This demonstrates an appropriate response to the recommendation.

CMTEDD’s *Annual Report 2022-23* does not provide any insight into how action has been progressed.

### Recommendation 3 – Self-Approval of Applications

Access Canberra should review the risks associated with officers assessing and approving licence applications. If the practice is to continue Access Canberra should:

- a) develop and implement policy guidance for the circumstances under which an officer may perform both functions; and
- b) develop and implement a quality assurance or audit process to review licences granted under these circumstances.

<b>Government Response</b>	<b>Status</b>	<b>Agreed</b>
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*A policy will be developed addressing the risks associated with self-approval practices and guidance on circumstances where officers in the construction licensing area may perform self-approval functions. This policy will be developed to support existing documents provided in paragraphs 2.54 – 2.60 and finalised by March 2024. Implementation and review of this policy will be managed in accordance with Access Canberra’s Quality Management Framework. This recommendation will be implemented from within existing resources.*

<b>Annual Report (2022-23) (CMTEDD)</b>	<b>Reported Status</b>	N/A
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*In 2023, the ACT Auditor-General commenced a performance audit of Construction Occupations Licensing. The Auditor-General’s report was tabled in the Legislative Assembly on 16 March 2023. The Government’s Response to the report will be tabled in the 2023-24 reporting period. This means CMTEDD’s status report will be included in the 2023-24 annual report.*

#### Auditor-General’s Observation

The ACT Government response indicated agreement with the recommendation, and that ‘a policy will be developed ... by March 2024’. This demonstrates an appropriate response to the recommendation.

CMTEDD’s *Annual Report 2022-23* does not provide any insight into how action has been progressed.

### Recommendation 4 – COLMS administration

As part of its implementation of Recommendation 1, and the development of a strategy for its information systems, Access Canberra should consider:

- a) establishing in-house knowledge of the ICT administration of COLMS; and
- b) documenting the current processes used for administering COLMS.

<b>Government Response</b>	<b>Status</b>	<b>Agreed-in-principle</b>
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*The Environment Planning, Sustainable Development Directorate administers the legacy system used to manage construction occupations licenses. Noting the work currently underway and as described in Recommendation 1, Access Canberra does not propose to establish in house capability to support the existing system.*

*Access Canberra will develop a strategy that establishes in-house knowledge and document processes for the use of the digital solution identified by the discovery phase. As implementation of this recommendation is dependent on the full implementation of Recommendation 1, full implementation of this recommendation is also subject to future budget consideration.*

<b>Annual Report (2022-23) (CMTEDD)</b>	<b>Reported Status</b>	N/A
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*In 2023, the ACT Auditor-General commenced a performance audit of Construction Occupations Licensing. The Auditor-General’s report was tabled in the Legislative Assembly on 16 March 2023. The Government’s Response to the report will be tabled in the 2023-24 reporting period. This means CMTEDD’s status report will be included in the 2023-24 annual report.*

### Auditor-General's Observation

The ACT Government response indicated agreement in principle with the recommendation and that further action on this is predicated on work associated with Recommendation 1 and the intention to undertake a 'solution options analysis' and make a recommendation 'for a technical solution that supports business processes'.

CMTEDD's *Annual Report 2022-23* does not provide any insight into how action has been progressed.

### Recommendation 5 – Management information reports

Access Canberra should prepare management information reports that address:

- a) application outcomes; and
- b) timeliness of assessing applications.

#### Government Response

#### Status

Agreed-in-principle

*Access Canberra's ability to report on application outcomes and assessment timeliness is currently limited to the information that is contained and can be extracted from existing legacy systems. The discovery phase referenced in Recommendation 1 seeks to identify a digital solution that can link to other databases and have an internal interface allowing easy access to interrogate and run reports. As implementation of this recommendation is dependent on the full implementation of Recommendation 1, full implementation of this recommendation is also subject to future budget consideration.*

#### Annual Report (2022-23) (CMTEDD)

#### Reported Status

N/A

*In 2023, the ACT Auditor-General commenced a performance audit of Construction Occupations Licensing. The Auditor-General's report was tabled in the Legislative Assembly on 16 March 2023. The Government's Response to the report will be tabled in the 2023-24 reporting period. This means CMTEDD's status report will be included in the 2023-24 annual report.*

### Auditor-General's Observation

The ACT Government response indicated agreement in principle with the recommendation and that further action on this is predicated on work associated with Recommendation 1 and the intention to undertake a 'solution options analysis' and make a recommendation 'for a technical solution that supports business processes'.

CMTEDD's *Annual Report 2022-23* does not provide any insight into how action has been progressed.

### Recommendation 6 – Tertiary qualification requirements

Access Canberra should review and update, through an appropriate Ministerial declaration, the minimum tertiary qualifications required for all of the occupation classes for which it issues licences.

#### Government Response

#### Status

Agreed

*The ACT Government agrees with this recommendation. The ACT Government is delivering a continuous reform program that ensures a building regulatory system that supports, drives and delivers high quality design and building, compliance with building standards, and integrity and accountability in the ACT building and construction industry.*

*We continue to do this in partnership with other jurisdictions and in line with recommendations of reviews including the Shergold-Weir Building Confidence Report which made recommendations in relation to certain building practitioners. These recommendations led to the development of a National Registration Framework that provides guidance to jurisdictions around licensing and registration of a range of building and construction industry occupations.*

*Improvement of our registration and licensing schemes is an area in which the ACT Government is continually progressing work and responding to stakeholder feedback.*

The ACT Government notes that not all construction occupations require tertiary qualifications to be eligible for a licence.

In collaboration with Environment, Planning and Sustainable Development Directorate the Ministerial Declaration was reviewed and updated in early 2023 to reflect the minimum formal qualifications required for each construction occupation class. The Construction Occupations (Licensing) Delegation 2022 (No 1) was declared on 16 January 2023, and was enacted on 17 January 2023.

Noting that the Minister for Sustainable Building and Construction has responsibility for making the Ministerial Declaration, a further review of the Ministerial Declaration will be undertaken to identify where improvements can be made. This review will be led by the Environment, Planning and Sustainable Development Directorate, with support from Access Canberra and will be completed in line with operational priorities. This recommendation will be implemented from within existing resources.

<b>Annual Report (2022-23) (CMTEDD)</b>	<b>Reported Status</b>	N/A
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In 2023, the ACT Auditor-General commenced a performance audit of Construction Occupations Licensing. The Auditor-General's report was tabled in the Legislative Assembly on 16 March 2023. The Government's Response to the report will be tabled in the 2023-24 reporting period. This means CMTEDD's status report will be included in the 2023-24 annual report.

**Auditor-General's Observation**

The ACT Government response indicated agreement with the recommendation and that 'a further review of the Ministerial Declaration will be undertaken to identify where improvements can be made'. This demonstrates an appropriate response to the recommendation.

CMTEDD's *Annual Report 2022-23* does not provide any insight into how action has been progressed.

### Recommendation 7 – Documentation of skills assessment

Access Canberra should develop a policy, and associated procedures, for the documentation of skills assessments of licensees through interviews.

<b>Government Response</b>	<b>Status</b>	Agreed
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A policy and procedure for skills assessments will be developed and finalised in accordance with this recommendation as well as Access Canberra's Quality Management Framework by March 2024. This recommendation will be implemented from within existing resources.

<b>Annual Report (2022-23) (CMTEDD)</b>	<b>Reported Status</b>	N/A
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In 2023, the ACT Auditor-General commenced a performance audit of Construction Occupations Licensing. The Auditor-General's report was tabled in the Legislative Assembly on 16 March 2023. The Government's Response to the report will be tabled in the 2023-24 reporting period. This means CMTEDD's status report will be included in the 2023-24 annual report.

**Auditor-General's Observation**

The ACT Government response indicated agreement with the recommendation, and that 'a policy and procedures for skills assessment will be developed and finalised ... by March 2024'. This demonstrates an appropriate response to the recommendation.

CMTEDD's *Annual Report 2022-23* does not provide any insight into how action has been progressed.

## Recommendation 8 – Proof of identity

Access Canberra should develop a policy, and associated procedures, across all application types for applicants to prove their identity.		
<b>Government Response</b>	<b>Status</b>	Agreed
<i>Access Canberra is currently drafting an identity proofing policy. This policy is being drafted to align with the National Identity Proofing Guidelines pending the introduction of a broader ACT Government identity proofing policy. Access Canberra's policy will be finalised in accordance with this recommendation as well as their Quality Management Framework by March 2024. This recommendation will be implemented from within existing resources.</i>		
<b>Annual Report (2022-23) (CMTEDD)</b>	<b>Reported Status</b>	N/A
<i>In 2023, the ACT Auditor-General commenced a performance audit of Construction Occupations Licensing. The Auditor-General's report was tabled in the Legislative Assembly on 16 March 2023. The Government's Response to the report will be tabled in the 2023-24 reporting period. This means CMTEDD's status report will be included in the 2023-24 annual report.</i>		
<b>Auditor-General's Observation</b>		
The ACT Government response indicated agreement with the recommendation, and that 'Access Canberra is currently drafting an identity proofing policy [which will be finalised] by March 2024'. This demonstrates an appropriate response to the recommendation. CMTEDD's <i>Annual Report 2022-23</i> does not provide any insight into how action has been progressed.		

## Recommendation 9 – Applicant declarations

Access Canberra should develop and implement a quality assurance process over applications for licences. The quality assurance process should seek to: a) provide assurance with respect to the validity of applicants' declarations; and b) improve overall compliance with respect to the validity of applicants' declarations.		
<b>Government Response</b>	<b>Status</b>	Agreed
<i>Access Canberra has developed a Quality Management Framework that outlines the quality processes at Access Canberra, how they operate and who has responsibility for them. As referenced in Recommendation 2, all licensing policies and procedures pertaining to construction occupations will be reviewed, updated, and approved by March 2024. These will consider how officers confirm the validity of applicant declarations and will be reviewed routinely in line with the Quality Management Framework. This recommendation will be implemented from within existing resources.</i>		
<b>Annual Report (2022-23) (CMTEDD)</b>	<b>Reported Status</b>	N/A
<i>In 2023, the ACT Auditor-General commenced a performance audit of Construction Occupations Licensing. The Auditor-General's report was tabled in the Legislative Assembly on 16 March 2023. The Government's Response to the report will be tabled in the 2023-24 reporting period. This means CMTEDD's status report will be included in the 2023-24 annual report.</i>		
<b>Auditor-General's Observation</b>		
The ACT Government response indicated agreement with the recommendation, and that 'Access Canberra has developed a Quality Management Framework that outlines the quality processes at Access Canberra, how they operate and who has responsibility for them' and that 'all licensing policies and procedures ... will be reviewed, updated, and approved by March 2024'. This demonstrates an appropriate response to the recommendation. CMTEDD's <i>Annual Report 2022-23</i> does not provide any insight into how action has been progressed.		

## Recommendation 10 – Demerit action register

As part of its implementation of Recommendation 1, and the development of a strategy for its information systems, Access Canberra should consider consolidating its records of demerit actions into a single database, with a view to informing the occupational discipline of licensees.		
<b>Government Response</b>	<b>Status</b>	Agreed-in-principle
<i>The discovery phase referenced in Recommendation 1 seeks to identify a digital solution that can integrate with other databases to access demerit and occupational disciplinary action information. Integration with other ACT Government systems and data migration is subject to an assessment on technical feasibility, solution design and subsequent funding of an implementation phase. As implementation of this recommendation is dependent on the full implementation of Recommendation 1, full implementation of this recommendation is also subject to future budget consideration.</i>		
<b>Annual Report (2022-23) (CMTEDD)</b>	<b>Reported Status</b>	N/A
<i>In 2023, the ACT Auditor-General commenced a performance audit of Construction Occupations Licensing. The Auditor-General’s report was tabled in the Legislative Assembly on 16 March 2023. The Government’s Response to the report will be tabled in the 2023-24 reporting period. This means CMTEDD’s status report will be included in the 2023-24 annual report.</i>		
<b>Auditor-General’s Observation</b>		
The ACT Government response indicated agreement in principle with the recommendation and that further action on this is predicated on work associated with Recommendation 1 and the intention to undertake a ‘solution options analysis’ and make a recommendation ‘for a technical solution that supports business processes’.		
CMTEDD’s <i>Annual Report 2022-23</i> does not provide any insight into how action has been progressed.		

## Recommendation 11 – Quality assurance of assessment outcomes

As part of its implementation of Recommendation 9, and the development of a quality assurance process over applications for licences, Access Canberra should use quality assurance methods to measure the performance of assessment procedures, with a view to reducing the number of assessment errors through continuous improvement of the assessment process.		
<b>Government Response</b>	<b>Status</b>	Agreed
<i>Access Canberra has developed a Quality Management Framework that outlines the quality processes at Access Canberra, how they operate and who has responsibility for them. As referenced in Recommendation 2, all licensing policies and procedures pertaining to construction occupations will be reviewed, updated, and approved by March 2024. These will be reviewed routinely in line with the Quality Management Framework. This recommendation will be implemented from within existing resources.</i>		
<b>Annual Report (2022-23) (CMTEDD)</b>	<b>Reported Status</b>	N/A
<i>In 2023, the ACT Auditor-General commenced a performance audit of Construction Occupations Licensing. The Auditor-General’s report was tabled in the Legislative Assembly on 16 March 2023. The Government’s Response to the report will be tabled in the 2023-24 reporting period. This means CMTEDD’s status report will be included in the 2023-24 annual report.</i>		
<b>Auditor-General’s Observation</b>		
The ACT Government response indicated agreement with the recommendation, and that ‘Access Canberra has developed a Quality Management Framework that outlines the quality processes at Access Canberra, how they operate and who has responsibility for them’ and that ‘all licensing policies and procedures ... will be reviewed, updated, and approved by March 2024’. This demonstrates an appropriate response to the recommendation.		
CMTEDD’s <i>Annual Report 2022-23</i> does not provide any insight into how action has been progressed.		



## Recommendation 12 – Mutual Recognition declarations

<p>Access Canberra should seek to implement, with the assistance of other States:</p> <p>a) a regular review of the accuracy of the equivalence with other States of ACT construction occupations within the Mutual Recognition Declarations; and</p> <p>b) a process to ensure that the Declarations used to assess applications are those that are currently in-force on the Federal Register of Legislation.</p>		
<b>Government Response</b>	<b>Status</b>	Agreed-in-principle
<p><i>There are limitations in ACT Government ability to implement recommendation 12(a) noting equivalency agreements for mutual recognition are made under the Mutual Recognition Act 1992 (Cth) and are coordinated at a Federal level. The ACT Government, led by the Environment, Planning and Sustainable Development Directorate will continue to work with our jurisdictional colleagues to make sure that jurisdiction shopping is minimised.</i></p> <p><i>The ACT Government is undertaking work to support implementation of Automatic Mutual Recognition for construction occupations in the ACT to support a mobile labour workforce. This work is linked to the ACT Government's commitment to improvement of our registration and licensing schemes and improving regulation of building practitioners in response to the Building Confidence Report. National consistency balanced with the specific requirements of the ACT market is important to support the building and construction industry and provide consumer protections.</i></p> <p><i>In relation to recommendation 12(b), policies and procedures referencing mutual recognition declarations have been reviewed to ensure officers assess applications using current Federal equivalency matrixes. This recommendation will be implemented from within existing resources.</i></p>		
<b>Annual Report (2022-23) (CMTEDD)</b>	<b>Reported Status</b>	N/A
<p><i>In 2023, the ACT Auditor-General commenced a performance audit of Construction Occupations Licensing. The Auditor-General's report was tabled in the Legislative Assembly on 16 March 2023. The Government's Response to the report will be tabled in the 2023-24 reporting period. This means CMTEDD's status report will be included in the 2023-24 annual report.</i></p>		
<b>Auditor-General's Observation</b>		
<p>The ACT Government response indicated agreement-in-principle with the recommendation and highlighted that effecting change in this area is contingent on the support of the other States. The response otherwise indicated an undertaking for 'the ACT Government, led by the Environment, Planning and Sustainable Development Directorate will continue to work with our jurisdictional colleagues to make sure that jurisdiction shopping is minimised'.</p> <p>The response also identified that 'policies and procedures referencing mutual recognition declarations have been reviewed to ensure officers assess applications using current Federal equivalency matrixes' with the implication that this has addressed the second part of the recommendation.</p> <p>CMTEDD's <i>Annual Report 2022-23</i> does not provide any insight into how action has been progressed.</p>		

## Recommendation 13 – Mutual Recognition

<p>Access Canberra should engage with its State counterparts to address the practice of 'shopping and hopping' via the mutual recognition scheme.</p>		
<b>Government Response</b>	<b>Status</b>	Agreed-in-principle
<p><i>There are limitations in ACT Government ability to effect any change with the practice of 'shopping and hopping' noting equivalency agreements are coordinated at the Federal level, as discussed in Recommendation 12. The ACT Government, led by the Environment, Planning and Sustainable Development Directorate will continue to work with our jurisdictional colleagues to make sure that jurisdiction shopping is minimised through nationally consistent regulatory frameworks and the use of Automatic Mutual Recognition where appropriate. This recommendation will be implemented through existing resources.</i></p>		
<b>Annual Report (2022-23) (CMTEDD)</b>	<b>Reported Status</b>	N/A

*In 2023, the ACT Auditor-General commenced a performance audit of Construction Occupations Licensing. The Auditor-General's report was tabled in the Legislative Assembly on 16 March 2023. The Government's Response to the report will be tabled in the 2023-24 reporting period. This means CMTEDD's status report will be included in the 2023-24 annual report.*

#### **Auditor-General's Observation**

The ACT Government response indicated agreement-in-principle with the recommendation and highlighted that effecting change in this area is contingent on the support of the other States. The response otherwise indicated an undertaking for 'the ACT Government, led by the Environment, Planning and Sustainable Development Directorate will continue to work with our jurisdictional colleagues to make sure that jurisdiction shopping is minimised'.

CMTEDD's *Annual Report 2022-23* does not provide any insight into how action has been progressed.

# Auditor-General Report No.1 of 2021

## Land Management Agreements<sup>17</sup>

(4 February 2021)

### Auditee

The auditees for this audit were the Environment, Planning and Sustainable Development Directorate and Access Canberra in the Chief Minister, Treasury and Economic Development Directorate.

### Audit Objective

The objective of the audit was to provide an independent opinion to the Legislative Assembly on the effectiveness of the management and administration of Land Management Agreements.

### Summary

Land Management Agreements provide a basis for cooperative land management between rural leaseholders and ACT Government agencies responsible for managing non-urban land on behalf of the Territory. The Agreements are unique to the Territory. No other jurisdiction in Australia has a legal agreement with every rural landholder to deliver sustainable management of rural lands including the conservation of natural and cultural values.

Land Management Agreements are intended to facilitate cooperation between ACT Government agencies and rural leaseholders with a view to establishing appropriate sustainable agricultural management practices and good farm biodiversity whilst maintaining the ecological and cultural values of the land and protecting the environment from harm.

The audit examined the management and administration arrangements that are in place for Land Management Agreements including the monitoring, regulation and enforcement of agreement requirements.

### Government response<sup>18</sup>

Mr Mick Gentleman MLA, Minister for Planning and Land Management, tabled the ACT Government's response to the Performance Audit Report on 3 June 2021.

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<sup>17</sup> [https://www.audit.act.gov.au/\\_data/assets/pdf\\_file/0007/1697029/Report-No.-01-of-2021-Land-Management-Agreements.pdf](https://www.audit.act.gov.au/_data/assets/pdf_file/0007/1697029/Report-No.-01-of-2021-Land-Management-Agreements.pdf)

<sup>18</sup> [https://www.parliament.act.gov.au/\\_data/assets/pdf\\_file/0005/1770746/2021-Government-Response-to-AG-Report-No-1-of-2021-Land-Management-Agreements-tabled-3-June-2021.pdf](https://www.parliament.act.gov.au/_data/assets/pdf_file/0005/1770746/2021-Government-Response-to-AG-Report-No-1-of-2021-Land-Management-Agreements-tabled-3-June-2021.pdf)

## Recommendation 1 – Roles and responsibilities

<p>The Environment, Planning and Sustainable Development Directorate, in cooperation with other ACT Government agencies involved in the development of Land Management Agreements should:</p> <ul style="list-style-type: none"> <li>a) identify and document roles and responsibilities for the establishment of the Agreements; and</li> <li>b) establish an ongoing forum for the discussion and resolution of issues associated with the development of the Agreements and the identification of potential system and process improvements.</li> </ul>		
<b>Government Response</b>	<b>Status</b>	<b>Agreed</b>
<p><i>The Environment, Planning and Sustainable Development Directorate (EPSDD) agrees that the Land Management Agreement (LMA) process can be complex, with a number of business units within the directorate involved in the development and management of LMAs as well as other directorates such as Chief Minister, Treasury and Economic Development Directorate (Access Canberra) and Emergency Services Agency (ACT Rural Fire Service).</i></p> <p><i>In addition to the stakeholders involved, there are also a number of regulatory instruments that are applicable.</i></p> <p><i>EPSDD agrees that there needs to be a systematic approach to support the collaborative efforts of the staff and leaseholders involved in the development, management and administration of LMAs.</i></p> <p><i>A regular ongoing forum will be established to provide oversight on the LMA process and identify and document roles and responsibilities as required.</i></p>		
<b>Annual Report (2022-23) (EPSDD)</b>	<b>Reported Status</b>	Not reported
<p>This recommendation was not reported against in EPSDD's <i>Annual Report 2022-23</i>.</p> <p>It was reported as 'In Progress' in EPSDD's <i>Annual Report 2021-22</i>.</p>		
<b>Auditor-General's Observation</b>		
<p>The ACT Government response indicated agreement with the recommendation and an intention to document roles and responsibilities and implement a regular ongoing forum.</p> <p>EPSDD's <i>Annual Report 2021-22</i> noted progress had been minimal.</p> <p>There is a lack of clarity on the resolution of this recommendation and what action has occurred.</p>		

## Recommendation 2 – Policy and procedural guidance

<p>The Environment, Planning and Sustainable Development Directorate should develop policy and procedural guidance for the development and ongoing management and administration of Land Management Agreements.</p>		
<b>Government Response</b>	<b>Status</b>	<b>Agreed</b>
<p><i>EPSDD will develop policy and procedural guidance for the development and ongoing management and administration of LMAs, including advice from the Office of the Conservator on their requirements.</i></p> <p><i>The LMA Agreement Template developed under the Planning and Development Act 2007 (the Act) s425 and found at <a href="https://www.legislation.act.gov.au/View/af/2016-26/20160430-63367/PDF/2016-26.PDF">https://www.legislation.act.gov.au/View/af/2016-26/20160430-63367/PDF/2016-26.PDF</a> provides considerable guidance on the development, management and administration of LMAs.</i></p> <p><i>The document provides direction on the purpose and authorising environment of the LMA, as well as describing the general objectives sought by the LMAs. The document furthermore outlines a general structure for LMAs including advice on site assessments and the responsibilities of the parties involved, being the ACT Government and the rural leaseholders.</i></p> <p><i>Notwithstanding this, it is appropriate that, in collaboration with staff from the Directorate, business units with an interest in LMAs and the rural leaseholders, a review of the LMA Agreement Template will be conducted to ensure that it is meeting the intended outcomes and objectives sought</i></p>		

by the LMAs. This review will consider steps to improve the overall effectiveness of LMAs and also address issues raised in the other recommendations below.

The template and other policy guidance material developed will be incorporated into a LMA Conservator Guideline as a notifiable instrument.

Annual Report (2022-23) (EPSDD)	Reported Status	Not reported
<p>This recommendation was not reported against in EPSDD's <i>Annual Report 2022-23</i>. It was reported as 'In Progress' in EPSDD's <i>Annual Report 2021-22</i>.</p>		
Auditor-General's Observation		
<p>The ACT Government response indicated agreement with the recommendation and an intention to develop policy and procedural guidance for the management and administration of LMAs. EPSDD's <i>Annual Report 2021-22</i> noted progress had been minimal. There is a lack of clarity on the resolution of this recommendation and what action has occurred.</p>		

### Recommendation 3 – Land Management Agreement prioritisation

The Environment, Planning and Sustainable Development Directorate should develop a risk-based framework for the development and administration of Land Management Agreements. The framework could assist in identifying appropriate timeframes for the Agreements as well as consideration of a means to synchronise the development of Agreements for collaboration purposes at specific localities.

Government Response	Status	Agreed
<p><i>EPSDD has LMAs in place for all leases with the designated land use as "rural", as is required by the Act. The Act does not specify timeframes for renewal of LMAs.</i></p> <p><i>The Directorate has already taken positive action by delivering LMAs on revised templates that are simplified and more easily prepared for each rural lease, providing additional staffing and prioritising new LMAs based on land transfers. The Directorate has adopted a risk-based approach to the management of LMAs and will document this approach to support the delivery of LMAs across the Territory and this will be included in the revised policy.</i></p>		
Annual Report (2022-23) (EPSDD)	Reported Status	Not reported
<p>This recommendation was not reported against in the Environment, Planning and Sustainable Development Directorate's <i>Annual Report 2022-23</i>. It was reported as 'In Progress' in EPSDD's <i>Annual Report 2021-22</i>.</p>		
Auditor-General's Observation		
<p>The ACT Government response indicated agreement with the recommendation and an intention to document a risk-based framework for the administration of Land Management Agreements. EPSDD's <i>Annual Report 2021-22</i> suggested little progress had been made on this recommendation; the Directorate asserted a risk-based approach has been adopted, but a risk-based framework does not appear to have been documented as recommended. There is a lack of clarity on the resolution of this recommendation and what action has occurred.</p>		

## Recommendation 6 – Monitoring and compliance

The Environment, Planning and Sustainable Development Directorate and Access Canberra should develop a risk-based framework for the monitoring and enforcement of Land Management Agreements including processes for:

- a) monitoring rural leaseholders' compliance with their Agreements; and
- b) taking enforcement action in the event of potential non-compliance.

<b>Government Response</b>	<b>Status</b>	<b>Agreed</b>
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*EPSDD and Access Canberra agree to collaborate to develop a strategic framework for monitoring and compliance of LMAs.*

*The Directorate uses education and capacity building as the first steps in compliance, aligned with best practices approaches in compliance. This is undertaken by the Rural Services and Natural Resource Management teams within EPSDD respectively.*

*Schedule 2 (7) of the Act establishes that managing land held under a rural lease other than in accordance with the land management agreement is a controlled activity.*

*Chapter 11 of the Act sets out the actions the authority may take to regulate controlled activities, which includes infringement notices, controlled activity orders, rectification works, prohibition notices, injunctions or terminations.*

*Chapter 12 of the Act sets out the roles and functions of inspectors appointed under the Act, including powers to enter property, request information and give direction.*

*It should also be noted that a number of compliance issues have been resolved via the initial lease agreements (rather than the LMAs) whilst issues identified via the LMA process with weeds, pests, heritage etc, can also be managed through other pieces of legislation (Nature Conservation Act 2014, Pest Plants and Animals Act 2005, etc).*

*EPSDD has a number of tools that it uses to monitor effectiveness of programs on public land and the conservation estate such as the Conservation Effectiveness Monitoring Program (CEMP) and the Invasive Plants Monitoring and Mapping program.*

*The CEMP ([https://www.environment.act.gov.au/data/assets/pdf\\_file/0004/1059241/Conservation-effectiveness-monitoring-program.pdf](https://www.environment.act.gov.au/data/assets/pdf_file/0004/1059241/Conservation-effectiveness-monitoring-program.pdf)) aims to create a coordinated, systematic, and robust biodiversity monitoring program that will allow us to detect changes in ecosystem condition, evaluate the effectiveness of management actions in achieving conservation outcomes and provide evidence to support land management decisions.*

*The Invasive Plants Monitoring and Mapping program <https://www.environment.act.gov.au/parks-conservation/plants-and-animals/Biosecurity/invasive-plants> ) has been applied successfully in the Majura Valley and Clear Ridge to integrate weed control at a landscape scale across all land tenures.*

*EPSDD will assess the application of the above-mentioned tools to the monitoring of land management outcomes on rural leases.*

<b>Annual Report (2022-23) (EPSDD and CMTEDD)</b>	<b>Reported Status</b>	Completed / In progress
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### **Environment, Planning and Sustainable Development Directorate**

*EPSDD formulated an action plan in 2021-22 to implement the recommendation. The Directorate in collaboration with Access Canberra, has developed and implemented the following risk-based framework and protocol for the monitoring and enforcement of Land Management Agreements:*

- *Land Management Agreements – Monitoring and Compliance Protocol (2022)*
- *Land Management Agreements – Compliance Framework (2023).*

### **Access Canberra**

*Access Canberra is participating in and contributing to a response through its involvement in the Land Management Agreement Working Group. With other members, a draft compliance protocol has been drafted with a view to its implementation by the end of the calendar year. Work will continue to refine the protocol up until that time.*

<b>Auditor-General's Observation</b>
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The ACT Government response indicated agreement with the recommendation and an intention for the two agencies to develop a strategic framework for the monitoring and compliance of Land Management Agreements.

Both agencies' annual reports appear to consistently identify that the recommendation was being addressed through the development of a protocol for the monitoring of compliance. The annual reports differ as to the status of the protocol; EPSDD suggests that the action has been complete, while CMTEDD identifies that the protocol is in draft and action remains in progress.

# Auditor-General Report No.3 of 2021

## Court Transport Unit Vehicle – Romeo 5<sup>19</sup>

(31 March 2021)

### Auditee

The auditee for this audit was the Justice and Community Safety Directorate (ACT Corrective Services).

### Audit Objective

The objective of the audit was to provide an independent opinion to the Legislative Assembly on the effectiveness of ACT Corrective Services' (ACTCS) procurement processes for the Romeo 5 vehicle.

### Summary

In June 2018 ACT Corrective Services (ACTCS) took possession of a vehicle (Romeo 5) that was intended to transport up to eight detainees and two custodial officers at a time. In November 2019 WorkSafe ACT identified that the vehicle did not comply with weight requirements when loaded with detainees to its full capacity. ACTCS instructed its staff that the vehicle was only to be used to carry a maximum of four detainees and two custodial officers at a time. This requirement has since been reduced to three detainees in practice.

Both before and after WorkSafe ACT raised its concerns the vehicle was seldom used to transport detainees. Custodial officers have identified that they prefer not to drive it. Since the restrictions on its use have been imposed there has been a preference to use the other four-seater transport vehicles in the vehicle fleet.

The audit considered the effectiveness of ACTCS' procurement processes for the Romeo 5 vehicle and whether effective management arrangements for the operation of the vehicle have been put in place since WorkSafe ACT raised its concerns.

### Government response<sup>20</sup>

Mr Mick Gentleman MLA, Minister for Corrections, tabled the ACT Government's response to the Performance Audit Report on 3 August 2021.

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<sup>19</sup> [https://www.audit.act.gov.au/\\_data/assets/pdf\\_file/0011/1734698/Report-No.-3-of-2021-Court-Transport-Unit-vehicle-Romeo-5.pdf](https://www.audit.act.gov.au/_data/assets/pdf_file/0011/1734698/Report-No.-3-of-2021-Court-Transport-Unit-vehicle-Romeo-5.pdf)

<sup>20</sup>

[https://www.parliament.act.gov.au/\\_data/assets/pdf\\_file/0009/1817199/dc95cdd9a8d450e53a97c99023184cd83fbfc8f4.pdf](https://www.parliament.act.gov.au/_data/assets/pdf_file/0009/1817199/dc95cdd9a8d450e53a97c99023184cd83fbfc8f4.pdf)



## Recommendation 2 – Future use of Romeo 5

<p>ACT Corrective Services should:</p> <ul style="list-style-type: none"> <li>a) review its need for, and use of, the Romeo 5 vehicle. The review should take account of risk and safety considerations and whether it is appropriate to end the lease and commission a new vehicle; and</li> <li>b) outline a clear vision of what its expectations are for the use of Romeo 5 for the duration of its lease.</li> </ul>		
<b>Government Response</b>	<b>Status</b>	<b>Agreed</b>
<p><i>ACTCS will undertake a review of the use of Romeo 5, which will include the consideration of risk and safety issues associated with the vehicle and continuation of the lease. Should the lease be continued, a clear statement relating to its use will be formulated and the vehicle utilised in line with its capability.</i></p>		
<b>Annual Report (2022-23) (JACS)</b>	<b>Reported Status</b>	<b>Completed</b>
<p><i>After consultation with the Work Health Safety unit and SG Fleet, ACTCS has moved to replace the R5 with a vehicle that is fit for purpose for the Court Transport Unit (CTU).</i></p> <p><i>A replacement vehicle has been commissioned and ACTCS awaits the delivery and fit out of this, and other vehicles. Timelines have been extended due to slower than normal supply chains for motor vehicles.</i></p> <p><i>Considerations relating to the repurposing of the current Romeo 5 will be determined following the delivery of the new vehicles.</i></p> <p><i>ACTCS continues to use Romeo 5 in accordance with the operating procedures where alternative vehicles are not available.</i></p>		
<b>Auditor-General's Observation</b>		
<p>The ACT Government response indicated the future use of Romeo 5 would be reviewed and considered.</p> <p>JACS' <i>Annual Report 2022-23</i> identified that Romeo 5 is being replaced and considerations relating to the repurposing of Romeo 5 will be 'determined following the delivery of the new vehicles'.</p>		

# Auditor-General Report No.4 of 2021

## ACT Government's Vehicle Emissions Reduction Activities<sup>21</sup>

(22 April 2021)

### Auditee

The primary auditee for this audit was the Environment, Planning and Sustainable Development Directorate.

### Audit Objective

The objective of the audit was to provide an independent opinion to the Legislative Assembly on the effectiveness of the ACT Government's vehicle-related emissions reduction activities.

### Summary

The ACT Government has prepared and implemented four plans and strategies since April 2018 which aim to reduce transport-related greenhouse gas emissions by increasing the uptake of zero emissions vehicle technologies in the ACT. The four plans are:

- *The ACT's Transition to Zero Emissions Vehicles Action Plan 2018–21;*
- *the ACT Climate Change Strategy 2019-25;*
- *the ACT Transport Strategy 2020;* and
- *the Zero-Emission Transition Plan for Transport Canberra.*

The audit examined the implementation of 18 zero emissions vehicle-related commitments identified in these plans, including the working arrangements across ACT Government agencies to plan and implement the commitments, and the progress made between April 2018 and December 2020 in delivering the commitments. The zero emissions vehicle-related commitments examined primarily relate to increasing the uptake of electric vehicles in the ACT.

### Government response<sup>22</sup>

Mr Shane Rattenbury MLA, Minister for Water, Energy and Emissions Reduction, tabled the ACT Government's response to the Performance Audit Report on 4 August 2021.

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<sup>21</sup> [https://www.audit.act.gov.au/\\_data/assets/pdf\\_file/0008/1746035/Report-No.4-of-2021-ACT-Governments-vehicle-emissions-reduction-activities.pdf](https://www.audit.act.gov.au/_data/assets/pdf_file/0008/1746035/Report-No.4-of-2021-ACT-Governments-vehicle-emissions-reduction-activities.pdf)

<sup>22</sup> [https://www.parliament.act.gov.au/\\_data/assets/pdf\\_file/0019/1817200/2021-Government-Response-to-AG-Report-No-4-of-2021-ACT-Governments-Vehicle-Emissions-Reduction-Activities-tabled-4-August-2021.pdf](https://www.parliament.act.gov.au/_data/assets/pdf_file/0019/1817200/2021-Government-Response-to-AG-Report-No-4-of-2021-ACT-Governments-Vehicle-Emissions-Reduction-Activities-tabled-4-August-2021.pdf)

## Recommendation 5 – Fleet policy on Zero Emissions Vehicles

<p>ACT Government agencies should improve zero emissions passenger fleet policy adherence by:</p> <ol style="list-style-type: none"> <li>establishing an agreed authorisation process for the fleet policy document, the <i>ACT Government Fleet Procurement and Management Policy</i>, (process to be resolved by the ACT Government Fleet Executive within the Chief Minister, Treasury and Economic Development Directorate);</li> <li>duly authorising the fleet policy document, the <i>ACT Government Fleet Procurement and Management Policy</i> (currently to be undertaken by the Environment, Planning and Sustainable Development Directorate);</li> <li>obtaining Director-General authorisations of policy exceptions as intended (all directorates); and</li> <li>strengthening policy communication and promulgation (ACT Government Fleet Executive within the Chief Minister, Treasury and Economic Development Directorate, and the Strategic Fleet Executive Group chair).</li> </ol>		
<b>Government Response</b>	<b>Status</b>	<b>Agreed</b>
<p><i>The ACT Government agrees that adherence to Government’s zero emissions passenger fleet target would be improved by establishing an agreed authorisation process for the ACT Government Fleet Procurement and Management Policy. The Environment, Planning and Sustainable Development Directorate is currently working with the Senior Fleet Executive Group and Fleet Contract User Group to achieve this. Director-General authorisation will be established for agreed policy exceptions.</i></p> <p><i>This process will also ensure that requirements under the ACT Government Fleet Procurement and Management Policy are clearly communicated from Directors-General to Directorate fleet managers.</i></p>		
<b>Annual Report (2022-23) (EPSDD)</b>	<b>Reported Status</b>	<b>Completed</b>
<p><i>The Government has developed and authorised the ACT Government Fleet Procurement and Management Policy. This policy outlines the comprehensive set of guidelines governing fleet procurement and operations for directorates and agencies across the Territory. Additionally, the policy, in conjunction with the ACT Government Lease Rate Matrix, establishes the process for requesting exemptions for non-Zero Emission Vehicles. The Directorate is receiving and monitoring these exemptions, and it also provides reports on exemptions to the Senior Fleet Advisory Group.</i></p>		
<b>Auditor-General’s Observation</b>		
<p>The ACT Government’s response indicated agreement with the recommendation and that ‘an agreed authorisation process for the ACT Government Fleet Procurement and Management Policy’ would be developed’.</p> <p>EPSDD’s <i>Annual Report 2021-22</i> identifies action on the ACT commitment was completed through the development and authorisation of the <i>ACT Government Fleet Procurement and Management Policy</i> and that the Directorate was receiving and monitoring requests for exemption from the Policy and appropriately reporting these.</p>		

# Auditor-General Report No.5 of 2021

## Management of Closed-Circuit Television Systems<sup>23</sup>

(18 June 2021)

### Auditees

The auditees for this audit were the Justice and Community Safety Directorate and the Transport Canberra and City Services Directorate.

### Audit Objective

The objective of the audit was to assess the effectiveness of the management of CCTV systems managed by the Justice and Community Safety Directorate and Transport Canberra and City Services Directorate.

### Summary

At least 4,800 cameras are operated by ACT Government agencies in a variety of locations. CCTV cameras are operated as part of a CCTV system and multiple CCTV systems are operated by ACT Government agencies.

The audit considered the effectiveness of the management of CCTV systems by the Justice and Community Safety Directorate and Transport Canberra and City Services Directorate. The audit focused on the management of CCTV systems that are installed in the public safety network, on board Transport Canberra buses and at Libraries ACT sites.

### Government response<sup>24</sup>

Mr Mick Gentleman MLA, Minister for Police and Emergency Services and Mr Chris Steel MLA, Minister for Transport and City Services, tabled the ACT Government's response to the Performance Audit Report on 9 November 2021.

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<sup>23</sup> [https://www.audit.act.gov.au/\\_data/assets/pdf\\_file/0007/1777615/Report-No-5-of-2021-Management-of-Closed-Circuit-Television-Systems.pdf](https://www.audit.act.gov.au/_data/assets/pdf_file/0007/1777615/Report-No-5-of-2021-Management-of-Closed-Circuit-Television-Systems.pdf)

<sup>24</sup>

[https://www.parliament.act.gov.au/\\_data/assets/pdf\\_file/0008/1899980/d11e5dd0b878cfe5fbae9726b195eafbb3ee54ac.pdf](https://www.parliament.act.gov.au/_data/assets/pdf_file/0008/1899980/d11e5dd0b878cfe5fbae9726b195eafbb3ee54ac.pdf)

## Recommendation 6 – Staff training and development

<p>The Transport Canberra and City Services Directorate and Justice and Community Safety Directorate should formalise staff induction and training requirements for the management of CCTV systems. This should include the identification and documentation of formal training requirements through training plans and maintaining training records for all staff that are involved in the operation of CCTV systems.</p>		
<b>Government Response</b>	<b>Status</b>	<b>Agreed</b>
<p><i>The Justice and Community Safety Directorate and the Transport Canberra and City Services Directorate will formalise the induction and training requirements for operators of CCTV systems. This work is scheduled for completion by the end of 2021.</i></p>		
<b>Annual Report (2022-23) (TCCS and JACS)</b>	<b>Reported Status</b>	Not reported / Completed
<p><b>Transport Canberra and City Services Directorate</b></p> <p>This recommendation was not reported against in TCCS' annual reports for 2021-22 or 2022-23.</p> <p><b>Justice and Community Safety Directorate</b></p> <p><i>The SEMD has completed a CCTV Handbook training manual for new starters who will operate the Public Safety CCTV Network. This is currently limited to one (1) officer in SEMD who is up-to-date in their training.</i></p>		
<b>Auditor-General's Observation</b>		
<p>The ACT Government response indicated agreement with this recommendation and identified a timeframe for response. The asserted course of action addresses the recommendation.</p> <p>JACS' <i>Annual Report 2022-23</i> identifies the recommendation was implemented through the development of a training manual for new starters and that training is up-to-date for relevant staff.</p>		

# Auditor-General Report No.6 of 2021

## Teaching Quality in ACT Public Schools<sup>25</sup>

(23 June 2021)

### Auditee

The auditee for this audit was the Education Directorate.

### Audit Objective

The objective of the audit was to assess the effectiveness of the Education Directorate's strategies and activities to improve the quality of teaching practices in ACT public schools.

### Summary

The impact teaching practices have on a student's learning outcomes outweighs the effect of every other factor outside the student's socio-economic and family background. As such, teaching quality is acknowledged as the single most important factor influencing student performance within the control of education systems. The quality of teaching practices has cumulative and residual impacts on student outcomes. Contemporary research demonstrates that students taught by highly-effective teachers learn at twice the rate of their peers. Moreover, studies showed that students who are taught by a succession of three high-performing teachers scored 49 percent higher on school assessments compared to students assigned to teachers with ineffective practices over a three-year period.

The audit considered the effectiveness of the ACT Education Directorate's strategies and activities to improve the quality of teaching practices in ACT public schools.

### Government response<sup>26</sup>

Ms Yvette Berry MLA, Minister for Education and Youth Affairs, tabled the ACT Government's response to the Performance Audit Report on 9 November 2021.

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<sup>25</sup> [https://www.audit.act.gov.au/data/assets/pdf\\_file/0005/1780907/Report-No-6-of-2021-Teaching-Quality-in-ACT-Public-Schools.pdf](https://www.audit.act.gov.au/data/assets/pdf_file/0005/1780907/Report-No-6-of-2021-Teaching-Quality-in-ACT-Public-Schools.pdf)

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[https://www.parliament.act.gov.au/data/assets/pdf\\_file/0010/1899982/05ab458857c0c27c9180cefedabbc4089e78c926.pdf](https://www.parliament.act.gov.au/data/assets/pdf_file/0010/1899982/05ab458857c0c27c9180cefedabbc4089e78c926.pdf)

## Recommendation 1 – Future of Education

The Education Directorate should, as a matter of priority develop and publish the implementation plan for the second phase of the <i>Future of Education</i> .		
<b>Government Response</b>	<b>Status</b>	Agreed
<p><i>The Future of Education Strategy outlines the ACT Government’s commitment to education in ACT schools.</i></p> <p><i>Information about Phase Two of the Future of Education will be published on the Education Directorate’s website to reflect initiatives being funded through the 2021-22 Budget.</i></p>		
<b>Annual Report (2022-23) (ED)</b>	<b>Reported Status</b>	Not reported
This recommendation was not reported against in either of the Education Directorate’s annual reports for 2021-22 or 2022-23.		
<b>Auditor-General’s Observation</b>		
The ACT Government response indicated agreement with this recommendation and an intention to publish information about Phase 2 of the Strategy on the website. In practice, the Audit Office notes implementation plan has been published.		

## Recommendation 2 – Strategic planning and reporting

<p>The Education Directorate should improve its strategic planning reporting framework by consistently and specifically reporting on progress towards its planned actions in its six-monthly review reports. Reported progress should include quantitative and qualitative analysis for:</p> <ul style="list-style-type: none"> <li>a) all priority actions identified in its Strategic Plan;</li> <li>b) all indicators of success for each Strategic Plan goal; and</li> <li>c) the completion of activities committed to in annual divisional business plans.</li> </ul>		
<b>Government Response</b>	<b>Status</b>	Agreed-in-principle
<p><i>The Education Directorate is developing a new Strategic Plan. The implementation of this plan will include reporting that is appropriate to the priority actions, including the initiatives that have been funded through the 2021-22 Budget.</i></p> <p><i>The Education Directorate already provides extensive reporting of its performance through the Annual Reporting cycle, as well as providing a range of data, progress updates and information on the Education Directorate website. The Education Directorate monitors performance through existing corporate governance mechanisms.</i></p>		
<b>Annual Report (2022-23) (ED)</b>	<b>Reported Status</b>	Not reported
This recommendation was not reported against in either of the Education Directorate’s annual reports for 2021-22 or 2022-23.		
<b>Auditor-General’s Observation</b>		
<p>The ACT Government response indicated agreement-in-principle with this recommendation and an intention to action the recommendation through the development of a new Strategic Plan.</p> <p>By not reporting on the implementation of this recommendation in either the <i>Annual Report 2021-22</i> or <i>Annual Report 2022-23</i>, there is a lack of visibility over whether and how this recommendation has been actioned by the Education Directorate.</p>		

### Recommendation 3 – People, Practice and Performance Framework

<p>The Education Directorate should review and update the <i>People, Practice and Performance Framework</i> to:</p> <ol style="list-style-type: none"> <li>reflect the revised structure of the Education Support Office, including the roles of Directors of School Improvement and Instructional Mentors and their role to support and maintain accountability for school principals;</li> <li>reflect the requirements of the <i>Evidence and Data Plan for School Improvement</i> (2019); and</li> <li>require all schools to participate in school improvement activities as well as complete and publish all required school improvement documentation on their website.</li> </ol>		
<b>Government Response</b>	<b>Status</b>	<b>Agreed</b>
<p><i>The Education Directorate is reviewing the People, Practice and Performance Framework which will be reflective of the existing Education Support Office structure, school-based requirements and data informed practice.</i></p> <p><i>ACT public schools participate in school improvement processes and report on the outcome of those processes. The Education Directorate continues to support schools to publish School Improvement documentation on their school website, including:</i></p> <ul style="list-style-type: none"> <li><i>Annual Action Plan/Impact Report,</i></li> <li><i>External School Reviews</i></li> <li><i>School Improvement Plans</i></li> </ul>		
<b>Annual Report (2022-23) (ED)</b>	<b>Reported Status</b>	<b>In Progress</b>
<p><i>The Student-Centred Improvement Program includes the review of People, Practice and Performance. The Program of work will be delivered during 2023 and 2024.</i></p> <p>This recommendation was not reported against in the Education Directorate's <i>Annual Report 2021-22</i>.</p>		
<b>Auditor-General's Observation</b>		
<p>The ACT Government response indicated agreement with this recommendation and an intention to review and update the <i>People, Practice and Performance Framework</i>.</p> <p>The Education Directorate's <i>Annual Report 2022-23</i> indicates that this is being actioned through the Student-Centred Improvement Program and that this work is continuing.</p>		

### Recommendation 4 – Evaluation of School Improvement documentation

<p>As part of Recommendation 3, the Education Support Office should review and revise the <i>People, Practice and Performance</i> framework to require the formal evaluation of school improvement documentation on an annual basis. The evaluation should involve consideration of school improvement plans, action plans, school visits feedback and impact reports as a method of gaining specific, actionable and timely information about ACT public schools' progress in improving student educational outcomes. The evaluation should then be used to assess and review Education Support Office supports for teaching quality to determine any refinements or additional assistance required to support schools achieve this outcome.</p>		
<b>Government Response</b>	<b>Status</b>	<b>Agreed-in-principle</b>
<p><i>The Education Directorate is reviewing the People Practice and Performance Framework. The revised framework will incorporate a range of enhancements to the school improvement process:</i></p> <p><i>additional sources of evidence to inform revises</i></p> <ul style="list-style-type: none"> <li><i>implementation of Annual Action Plans and Impact Report to complement the five yearly school plans</i></li> <li><i>clarification of the role of a Director of School Improvement in the school improvement cycle</i></li> <li><i>Clarification of the expectations of school leaders in the continuous improvement process</i></li> </ul>		
<b>Annual Report (2022-23) (ED)</b>	<b>Reported Status</b>	<b>In Progress</b>



The Student-Centred Improvement Program of work also includes the development of a new planning and review process for ACT public schools. This will be an iterative improvement, planning and review cycle based on student learning needs and the impact and effect of teaching strategies and supports.

This recommendation was not reported against in the Education Directorate's Annual Report 2021-22.

#### Auditor-General's Observation

The ACT Government response indicated agreement with this recommendation and an intention to review and update the People, Practice and Performance Framework and that this would include 'a range of enhancements to the school improvement process'.

The Education Directorate's Annual Report 2022-23 indicates that this is being actioned through the Student-Centred Improvement Program and that this work is continuing.

### Recommendation 5 – Directors of School Improvement

The Education Directorate should review the role of Directors of School Improvement and in doing so:

- a) consider whether individual directors should specialise in sector-specific oversight and support (such as roles focusing on colleges, high schools, primary schools) to better target the implementation of supports for improving teaching quality; and
- b) determine if the directors' span of control allows them to fulfil the requirements of the *People, Practice and Performance* framework.

#### Government Response

#### Status

Agreed

The Education Directorate is reviewing the People Practice and Performance Framework. As part of this review, the role of Directors of School Improvement will be considered.

#### Annual Report (2022-23) (ED)

#### Reported Status

In Progress

An implementation plan is currently being developed in consultation with Directors of School Improvement.

This recommendation was not reported against in the Education Directorate's Annual Report 2021-22.

#### Auditor-General's Observation

The ACT Government response indicated agreement with this recommendation and an intention to review and update the People, Practice and Performance Framework and that 'the role of Directors of School Improvement will be considered'.

The Education Directorate's Annual Report 2022-23 indicates that this is being actioned and that this work is continuing.

### Recommendation 6 – School Executive Development Program

The Education Directorate should establish a development program for new school executives (School Leader C staff) that upskills these staff on the instructional leadership practices of the *Empowered Learning Professional Leadership Plan* during the initial years of their appointment.

#### Government Response

#### Status

Agreed

The Education Directorate has commenced work to establish a development program for new school executives, however this work was delayed throughout 2020 due to COVID-19.

This work has now recommenced, with learning sessions for School Leader Cs conducted in Term 3 2021.

#### Annual Report (2022-23) (ED)

#### Reported Status

In Progress

The *Aspiring Senior Leaders Program* is a 12-month program and continues to develop senior leaders and Instructional Mentors continue to work with *Literacy Champions*.

This recommendation was not reported against in the Education Directorate's Annual Report 2021-22.

### Auditor-General's Observation

The ACT Government response indicated agreement with this recommendation and that work had commenced 'to establish a development program for new school executives'.

The Education Directorate's *Annual Report 2022-23* suggests that this is being achieved through the *Aspiring Senior Leaders Program* and that this work continues to be progressed. It is not clear from the report how this program is being implemented.

### Recommendation 7 – Highly Accomplished and Lead Teachers

The Education Directorate should clearly identify and articulate its expectations for the role and responsibilities of Highly Accomplished and Lead Teachers in ACT public schools. The role could include working with principals and Education Support Office to support school improvement activities, and better using the school network model to connect with other professionals to promote better teaching practice in their school settings.

#### Government Response

Status

Agreed

*The Education Directorate will continue to work with TQI to better utilise and promote engagement with Highly Accomplished and Lead Teacher (HALT) initiatives.*

*The use of HALTs is beneficial but further work needs to be undertaken to explore how schools can use these highly capable teachers to support improvement of professional practice for individual teachers and across whole of school practice, through system wide approaches or pedagogical best practice methods. There will be a particular focus on how HALTs may be used to support beginning teachers through their first three years, including through mentoring, planning and demonstrating best practice.*

*Consideration is being given to the role of HALTs in whole of system improvement and how greater access to the experience of teachers who demonstrate excellence may be incorporated more broadly.*

#### Annual Report (2022-23) (ED)

Reported Status

In Progress

*The Directorate will continue to work with the Teacher Quality Institute (TQI) to better utilise and promote engagement with Highly Accomplished and Lead Teacher (HALT) initiatives.*

*The use of HALTs is beneficial but further work needs to be undertaken to explore how schools can use these highly capable teachers to support improvement of professional practice for individual teachers and across whole of school practice, through system-wide approaches or pedagogical best practice methods.*

*There will be a particular focus on how HALTs may be used to support beginning teachers through their first 3 years, including through mentoring, planning and demonstrating best practice.*

This recommendation was not reported against in the Education Directorate's *Annual Report 2021-22*.

### Auditor-General's Observation

The ACT Government response indicated agreement with this recommendation and an intention 'to work with TQI to better utilise and promote engagement with Highly Accomplished and Lead Teacher (HALT) initiatives'.

The Education Directorate's *Annual Report 2022-23* indicates that work is continuing in relation to the recommendation.

## Recommendation 8 – Annual professional learning programs

<p>The Education Directorate should develop a practice for the Education Support Office to oversee:</p> <ol style="list-style-type: none"> <li>the completion of each school’s annual professional learning program; and</li> <li>the development of a school’s annual professional learning program as part of the school improvement process. The program should identify the development needs of teaching staff in connection with school improvement goals, and the expected impacts on student outcomes.</li> </ol>		
<b>Government Response</b>	<b>Status</b>	Agreed
<p><i>The Education Directorate will strengthen central oversight of the implementation of the Annual Professional Learning Program (as specified in the Enterprise Agreement) following the delivery of the ACTPS Human Resources Information Management System (HRIMS) Module 2, specifically the Learning Management System platform. The Education Directorate will continue implement responses to system school review recommendations and identify areas for professional development to support the ongoing school improvement processes.</i></p>		
<b>Annual Report (2022-23) (ED)</b>	<b>Reported Status</b>	In Progress
<p><i>Most professional learning courses facilitated by the Directorate are now captured in HRIMS Learning. Further work is required to provide central oversight of each school’s Annual Professional Learning Program.</i></p> <p>This recommendation was not reported against in the Education Directorate’s <i>Annual Report 2021-22</i>.</p>		
<b>Auditor-General’s Observation</b>		
<p>The ACT Government response indicated agreement with this recommendation and an intention to ‘strengthen central oversight of the implementation of the Annual Professional Learning Program’ through the Learning Management System platform of the HRIMS.</p> <p>The Education Directorate’s <i>Annual Report 2022-23</i> identified that ‘most professional learning courses ... are now captured in HRIMS Learning’ but that implementation of the recommendation remains in progress as ‘further work is required to provide central oversight of each school’s Annual Professional Learning Program’.</p>		

## Recommendation 9 – Professional learning communities

<p>The Education Directorate should establish universal professional learning for all school leaders and teachers on the Spiral of Inquiry Model and Multiple Sources of Evidence approach in order to support school leaders to facilitate these activities. This support should focus on increasing understanding and consistency in the quality and impact of professional learning communities for the purpose of improving the quality of teaching practices in all ACT public schools.</p>		
<b>Government Response</b>	<b>Status</b>	Agreed
<p><i>The Education Directorate will continue to provide professional learning to all school leaders through the Spirals of Inquiry Model and Multiple Sources of Evidence approaches.</i></p> <p><i>The Education Directorate will continue to provide professional learning including continuing the new staff and leaders’ induction and refresher sessions as part of universal professional learning offering. This will be captured through the new HRIMS and the Learning Management Platform.</i></p>		
<b>Annual Report (2022-23) (ED)</b>	<b>Reported Status</b>	In Progress
<p><i>The Directorate will continue to provide professional learning to all school leaders through the Spirals of Inquiry Model and Multiple Sources of Evidence approaches. The Directorate will continue to provide professional learning including continuing the new staff and leaders’ induction and refresher sessions as part of universal professional learning offering. This will be captured through the new HRIMS and the Learning Management Platform.</i></p> <p><i>People Capability continue to work with delivery areas to capture all learning (including historical learning for compliance purposes) into HRIMS Learning.</i></p> <p>This recommendation was not reported against in the Education Directorate’s <i>Annual Report 2021-22</i>.</p>		

**Auditor-General's Observation**

The ACT Government response indicated agreement with this recommendation and an intention to 'continue to provide professional learning to all school leaders through the Spirals of Inquiry Model and Multiple Sources of Evidence approaches'.

The Education Directorates' *Annual Report 2022-23* indicates that work is continuing in relation to the recommendation. It is not clear what specific actions are being taken to address the recommendation.

**Recommendation 10 – ACT Teacher Quality Institute learning**

The Education Directorate should work with the ACT Teacher Quality Institute to:

- a) receive and analyse data to use for evaluating the quality of Education Directorate professional learning activities, and identifying trends and insights from its teachers' professional learning to help determine the impact this has on improving student outcomes; and
- b) design methods and practices to recognise key professional learning supports, including professional learning communities, as accredited learning that meets the requirements of the *Australian Professional Standards for Teachers*.

<b>Government Response</b>	<b>Status</b>	<b>Agreed</b>
<p><i>The Education Directorate and Teacher Quality Institute will continue to work together to strengthen data to inform the knowledge and application of professional learning, ensuring the system makes informed judgements about the quality of professional learning offered to teachers. Holistic monitoring and evaluation of the impact of teacher professional learning through the design of measures of system-led impact will ensure consistency in approach across all schools and increased confidence in the high quality of teaching practices within ACT Public Schools.</i></p>		
<b>Annual Report (2022-23)</b>	<b>Reported Status</b>	<b>In Progress</b>
<p><i>TQI responded to the Directorate to accept the request to work together. A letter was sent from the Directorate to TQI from the Director-General on 17 April 2023 outlining work towards endorsing PLCs as accredited professional learning in our schools has commenced and is progressing through a collaborative design sprint with the Directorate and the TQI.</i></p> <p>This recommendation was not reported against in the Education Directorate's <i>Annual Report 2021-22</i>.</p>		

**Auditor-General's Observation**

The ACT Government response indicated agreement with this recommendation.

The Education Directorate's *Annual Report 2022-23* indicated that a letter was sent to the TQI in April 2023 and action on the recommendation is in progress. The annual report suggests that progress has been slow.

## Recommendation 11 – New Educator Support Program

The New Education Support Program should be reviewed and redesigned. The program should:

- a) be facilitated by the Education Support Office to provide centralise oversight of all Enterprise Agreement provisions, centralised support and resourcing to New Educators in ACT public schools;
- b) document a core set of highly-effective pedagogical competencies that New Educators are expected to acquire within the first three years of their teaching careers;
- c) include a series of centralised, scaffolded professional development activities to build New Educators’ capabilities over the course of the three years of the program;
- d) provide schools with clear guidelines and expectations to facilitate experienced teacher coaching and mentoring for New Educators; and
- e) establish an annual monitoring and evaluation process for the program, which incorporates feedback from New Educators, experienced teacher mentors and school leaders.

### Government Response

### Status

Agreed-in-principle

*The Education Directorate will strengthen central oversight of the implementation of New Educator supports outlined in the Enterprise Agreement following the delivery of the ACTPS Human Resources Information Management System (HRIMS) Module 2, specifically the Learning Management System platform. This module will ensure that all beginning teachers have a New Educator Support Plan in place and that the Education Support Office continue to monitor and support implementation across schools.*

*The Australian Professional Standards for Teachers outline the professional requirements at a graduate level. The Education Directorate uses this standard to inform the new educator induction and continuing supports along their teaching journey.*

*Specific training is available for educators during the annual induction week, which targets the needs of new educators and educators new to the ACT system:*

- *The Education Directorate New Educator Support Guidelines are used to inform the assistance provided to beginning teachers. The supports include: Reduction of face to face teaching hours to allow for transition and preparation*
- *An allocated two professional learning days*
- *Five days induction*
- *The opportunity to work with an experienced teacher to support their learning.*

*The Education Directorate will strengthen central oversight of the implementation of New Educator supports outlined in the Enterprise Agreement following the delivery of the ACTPS Human Resources Information Management System (HRIMS) Module 2, specifically the Learning Management System. The Education Directorate continues identify, monitor and evaluate professional learning opportunities for early career educators. The new Learning Management System will facilitate enhancements to this capability.*

### Annual Report (2022-23) (ED)

### Reported Status

In Progress

*The Professional Learning Framework was published and has been operating since January 2023 offering a suite of targeted professional learning for new educators. The New Educator Support Program guidelines have been updated.*

This recommendation was not reported against in the Education Directorate’s Annual Report 2021-22.

### Auditor-General’s Observation

The ACT Government response indicated agreement-in-principle with this recommendation and a range of activities intended to address the intent of the recommendation.

The Education Directorate’s Annual Report 2022-23 identifies the publication of the Professional Learning Framework in January 2023 as a means of offering ‘a suite of targeted professional learning for new educators’. The annual report indicates implementation of the recommendation remains in progress. The report does not make it clear as to whether and how the specific elements of the recommendation have been addressed.

## Recommendation 12 – Classroom teaching workforce management

<p>The Education Directorate should review and revise the mechanisms that support the distribution and monitoring of the teaching workforce across ACT public schools by:</p> <ul style="list-style-type: none"> <li>a) monitoring the distribution of experienced teachers across ACT public schools to ensure it aligns with Education Directorate priorities under the <i>Future of Education</i>; and</li> <li>b) developing processes to monitor and review principal decisions to extend teacher placements to ensure schools have appropriate and equitable access to experienced teachers.</li> </ul>		
<b>Government Response</b>	<b>Status</b>	Agreed-in-principle
<p><i>In March 2021, the Education Directorate launched and implemented its inaugural Workforce Strategy with a three-year horizon. One of the key priority actions identified in the EDU Workforce Strategy 2021-23 is the review of the classroom teacher and school leader transfer processes to enable mobility to support professional development.</i></p> <p><i>It is noted that the transfer processes are embedded in the ACTPS Education Directorate (Teaching Staff) Enterprise Agreement 2018-2022 (Agreement) and changes will need to be agreed with the Australian Education Union in parallel with the current Agreement and/or through the next round of bargaining.</i></p>		
<b>Annual Report (2022-23) (ED)</b>	<b>Reported Status</b>	In Progress
<p><i>a) The People and Performance Branch continue to bring teacher experience distribution for consideration at the Directorate’s Executive Governance Committee (EGC) Workforce Subcommittee on a quarterly basis.</i></p> <p><i>b) This will be addressed through the Teacher Transfer Round.</i></p> <p>This recommendation was not reported against in the Education Directorate’s <i>Annual Report 2021-22</i>.</p>		
<b>Auditor-General’s Observation</b>		
<p>The ACT Government response indicated agreement-in-principle with this recommendation and that the launch of the inaugural <i>EDU Workforce Strategy 2021-23</i> offered an opportunity to ‘review of the classroom teacher and school leader transfer processes to enable mobility to support professional development’. It is not clear from this response how the different elements of the recommendation were to be addressed.</p> <p>The Education Directorate’s <i>Annual Report 2022-23</i> does not provide information on the implementation of the <i>EDU Workforce Strategy 2021-23</i>, but does provide information on actions taken in response to the elements of the recommendation.</p>		

## Recommendation 13 – Teacher workforce separation

<p>The Education Directorate should develop and analyse data associated with teaching workforce separations by implementing exit surveys and conducting analysis on the reasons teachers resign from ACT public schools.</p>		
<b>Government Response</b>	<b>Status</b>	Agreed
<p><i>The Education Directorate recognises the importance of developing a baseline data on the attrition rate (separation) across the system, specifically for our teaching staff, to inform our attraction and retention framework.</i></p> <p><i>The Education Directorate is currently developing a Staff Exit Survey/Interview process to support the implementation of the Workforce Strategy 2021-23.</i></p>		
<b>Annual Report (2022-23) (ED)</b>	<b>Reported Status</b>	Not reported
<p>This recommendation was not reported against in either of Education Directorate’s annual reports for 2021-22 or 2022-23.</p>		
<b>Auditor-General’s Observation</b>		
<p>The ACT Government response indicated agreement with this recommendation and an intention to action the recommendation through the development of a Staff Exit Survey/Interview process.</p>		

By not reporting on the implementation of this recommendation in either the *Annual Report 2021-22* or *Annual Report 2022-23*, there is a lack of visibility over whether and how this recommendation has been actioned by the Education Directorate.

## Recommendation 14 – Performance development and management

The Education Directorate should:

- a) develop policies and guidelines and support for school leaders that enable regular, development-focussed teacher appraisals aligned with the *Australian Professional Standards for Teachers*. These should be modelled and encouraged through the Empowered Learning Professionals Leadership Plan and aligned with the professional learning requirements of the *ACT Teacher Quality Institute Act 2010* to gain additional benefit from these activities;
- b) systematise the performance development process to improve efficiency and make teacher professional development data available for central oversight and management to improve teaching quality; and
- c) develop supports for school leaders to manage underperformance for poor teaching practices. These supports should emphasise the need to quickly address performance issues, identify ways to successfully improve performance, and connect underperforming teachers with practical supports to improve their practice.

### Government Response

#### Status

Agreed

*The Education Directorate Classroom Teacher, School Leader and Principal Performance and Development Framework underpins the value and need for meaningful and targeted dialogues on performance and development for our teaching staff.*

*The Education Directorate will further develop supports for school leaders to manage underperformance relating to poor teaching practices. These supports will be developed in accordance with requirements of the ACTPS Education Directorate (Teaching Staff) Enterprise Agreement 2018-2022 (or its replacement). The ACTPS HRIMS Module 2 will deliver a Performance Management and Learning Management System to support automation and reporting on performance and development discussions and professional learning requirements.*

*The introduction of this module will support school leaders in engaging in performance and development discussions and also provides a clear structure/workflow for managing underperformance.*

### Annual Report (2022-23) (ED)

#### Reported Status

In Progress

*Due to ongoing uncertainty re HRIMS delivery, People and Performance will review existing documentation during 2023 in preparation for the 2024 Performance Cycle.*

This recommendation was not reported against in the Education Directorate's *Annual Report 2021-22*.

### Auditor-General's Observation

The ACT Government response indicated agreement with this recommendation and an intention to 'further develop supports for school leaders to manage underperformance relating to poor teaching practices'. The response also indicated an expectation that the ACTPS HRIMS Module 2 will facilitate this.

The Education Directorate's *Annual Report 2022-23* indicates that action on the recommendation is in progress. The report suggests that progress has been slow.

# Auditor-General Report No.7 of 2021

## Procurement Exemptions and Value for Money<sup>27</sup>

(28 June 2021)

### Auditee

The auditees for this audit were:

- Canberra Health Services;
- Chief Minister, Treasury and Economic Development Directorate;
- Community Services Directorate;
- Education Directorate;
- Environment, Planning and Sustainable Development Directorate
- Health Directorate;
- Justice and Community Safety Directorate;
- Major Projects Canberra; and
- Transport Canberra and City Services Directorate.

### Audit Objective

The objective of the audit was to assess the effectiveness of entities' application of value for money principles when using the exemptions to the tender and quotation requirements available in the Regulation.

### Summary

The *Government Procurement Regulation (2007)* (the Regulation) sets out the processes for government purchasing, including the need to seek three quotes or conduct an open tender process for the procurement of goods and services valued at more than \$25,000. The Regulation also allows entities to exercise an exemption to these requirements and conduct a select tender process.

Exemptions can be granted for a range of reasons, such as policy priorities that have urgent purchasing needs, or when there is only one supplier in the market with the knowledge or equipment to meet the government's needs.

Procurements that use exemptions and are above \$25,000 are called 'select' or 'single select' procurement. They may also be referred to as 'limited sourcing', 'direct sourcing', 'select tender' and 'single select tender'.

Procurements applying exemptions are a small but valuable proportion of overall procurement by ACT Government entities. In 2019-2020 exemptions were used for 14 percent of all procurements. This represented approximately \$119 million in spending.

Like all procurement, procurements using exemptions must demonstrate value for money. Determining value for money involves an evaluation of immediate and whole of life costs, through a procurement process that manages risk, is open and fair and can demonstrate high standards of probity and integrity. As exemptions allow entities to engage solely with a single supplier, a clear demonstration that value for money has been pursued is essential to public confidence in government procurement.

The audit considered 33 high value procurements undertaken by ACT Government entities in 2019 and 2020 that used exemptions. The audit considered:

- how entities documented the rationale for using exemptions and justified not adopting an open and competitive process; and
- how effectively the procurement process considered risks, ensured a high level of integrity and accounted for the whole of costs of the purchasing decision.

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<sup>27</sup> [https://www.audit.act.gov.au/data/assets/pdf\\_file/0003/1785081/Report-No.-7-of-2021-Procurement-Exemptions-and-Value-for-Money.pdf](https://www.audit.act.gov.au/data/assets/pdf_file/0003/1785081/Report-No.-7-of-2021-Procurement-Exemptions-and-Value-for-Money.pdf)



## Government response<sup>28</sup>

Mr Chris Steel MLA, Special Minister of State, tabled the ACT Government's response to the Performance Audit Report on 9 November 2021.

The ACT Government's response was:

*The ACT Government thanks the Auditor-General for Report No 7 of 2021 - Procurement Exemptions and Value for Money. The report considers the effectiveness of a selection of Directorates' and agencies' application of value for money principles when using exemptions from the tender and quotation thresholds set out in the Government Procurement Regulation 2007.*

*Section 22A of the Government Procurement Act 2001 requires the pursuit of value for money in undertaking any procurement activity. It is critically important to ensure that this principle is well understood and applied consistently and transparently across government. As such, the ACT Government supports all recommendations arising from the report.*

*Procurement ACT, within the Chief Minister, Treasury and Economic Development Directorate, is responsible for whole of government procurement policy and capability. It has been tasked with directly implementing initiatives under the recommendations, as well as supporting directorates to address recommendations that they have responsibility for implementing. Action to implement the recommendations include:*

- Developing training programs, covering concepts of risks assessment in procurement, exemptions from quotation and tender thresholds, value for money considerations including whole of life costs, record keeping and integrity.*
- Developing or updating guidance material and templates on the above.*
- Promotion of existing and newly developed resources across government.*

*Procurement ACT is on track to deliver against all recommendations by the end of the Financial Year (2021-2022). Procurement ACT will also support Directorates and Agencies in implementing these Recommendations, where appropriate, by proposing consistent arrangements across the ACT Public Service.*

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<sup>28</sup> [https://www.parliament.act.gov.au/\\_data/assets/pdf\\_file/0011/1899983/2021-Government-Response-to-AG-Report-No-7-of-2021-Procurement-Exemptions-and-Value-for-Money-2021-Government-Response-to-AG.PDF](https://www.parliament.act.gov.au/_data/assets/pdf_file/0011/1899983/2021-Government-Response-to-AG-Report-No-7-of-2021-Procurement-Exemptions-and-Value-for-Money-2021-Government-Response-to-AG.PDF)

## Recommendation 1 – Value for Money documentation

<p>To support ACT Government entities to improve the quality and comprehensiveness of procurement documentation, Procurement ACT should:</p> <ul style="list-style-type: none"> <li>a) promote the use of the Procurement Plan Minute, Tender Evaluation Plan and Tender Evaluation Report templates for procurements using exemptions; and</li> <li>b) provide training to entities on the use of these templates and the assessment of value for money in procurements using exemptions.</li> </ul> <p>ACT Government entities should review and revise as necessary their Chief Executive Instructions, or similar procurement policy guidance, to promote the use of Procurement ACT templates, namely the Procurement Plan Minute, Tender Evaluation Plan and Tender Evaluation Report.</p>		
<b>Government Response</b>	<b>Status</b>	N/A
<p>As shown above.</p> <p>The ACT Government response generally supported the recommendations, but did not address them specifically. The response did not identify specific actions to be taken against each of the recommendations.</p> <p>The ACT Government response noted Procurement ACT ‘has been tasked with directly implementing initiatives under the recommendations, as well as supporting directorates to address recommendations that they have responsibility for implementing’.</p> <p>The ACT Government response also noted ‘Procurement ACT is on track to deliver against all recommendations by the end of the Financial Year (2021-2022)’.</p>		
<b>Annual Report (2022-23) (All)</b>	<b>Reported Status</b>	Completed / Completed
<p>The Education Directorate and Justice and Community Safety Directorate were the only auditees to report against this recommendation for 2022-23. The Justice and Community Safety Directorate was the only directorate to report against this recommendation in 2021-22.</p> <p><b>Education Directorate</b></p> <p><i>An Education Directorate Procurement Training Strategy has been prepared for implementation Q2 2023.</i></p> <p><i>The Directorate is working with Procurement ACT in supporting the implementation of the Training Pathways and Accreditation Framework initiatives as part of Procurement Reform.</i></p> <p><i>Probity Policy delivered to the Corporate Executive (CORPEX) members in July 2022, and will be repeated twice per year.</i></p> <p><i>Intranet content has been reviewed, with updates been progressively introduced.</i></p> <p><b>Justice and Community Safety Directorate</b></p> <p><i>The Directorate has reviewed the Procurement, Contract Management and Assurance Framework (PCMAF) and updated this to promote use of Procurement ACT templates and Procurement ACT tools.</i></p> <p><i>The Director-General Instructions were reviewed in January 2023 regarding Procurement of Goods and Services and support use of the PCMAF as the source of truth for procurement policy within the Directorate.</i></p> <p><i>The updated Framework was endorsed on 23 September 2022 and has been broadly communicated.</i></p> <p><i>Separately, a range of communication strategies have been implemented as part of a procurement improvement project to reinforce awareness and understanding of procurement requirements and obligations, including promotion of Procurement ACT templates across the Directorate.</i></p>		
<b>Auditor-General’s Observation</b>		
<p>By not reporting on this recommendation in the Chief Minister, Treasury and Economic Development’s <i>Annual Report 2021-22</i>, there is a lack of visibility with respect to how Procurement ACT has specifically addressed this recommendation.</p> <p>By not reporting progress on this recommendation in their annual reports, there is a lack of visibility with respect to other Directorates’ actions in response to the recommendation.</p> <p>The Education Directorate and Justice and Community Safety Directorate identify actions that have been taken in relation to the recommendation.</p>		

## Recommendation 2 – Integrity in procurement

To support ACT Government entities to improve staff understanding of the importance of integrity in procurements using exemptions, Procurement ACT should:

- a) promote the *Probity in Procurement Guide (2020)*; and
- b) provide training to entities in probity risk assessments and identifying and monitoring conflicts of interest in procurements using exemptions.

ACT Government entities should improve staff understanding of the importance of integrity in procurement using exemptions by requiring delegates and officers undertaking procurement to undertake probity training, which would include the management of probity risks and identifying and monitoring conflicts of interest.

<b>Government Response</b>	<b>Status</b>	N/A
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See earlier comment on the ACT Government’s response to Recommendation 1.

<b>Annual Report (2022-23) (All)</b>	<b>Reported Status</b>	In Progress / Completed
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The Education Directorate and Justice and Community Safety Directorate were the only auditees to report against this recommendation for 2022-23. The Justice and Community Safety Directorate was the only directorate to report against this recommendation in 2021-22.

**Education Directorate**

*An Education Directorate Procurement Training Strategy has been prepared for implementation Q2 2023. The Directorate is working with Procurement ACT in supporting the implementation of the Training Pathways and Accreditation Framework initiatives as part of Procurement Reform. Probity Policy delivered to the Corporate Executive (CORPEX) members in July 2022, and will be repeated twice per year. Intranet content has been reviewed, with updates been progressively introduced.*

**Justice and Community Safety Directorate**

*JACS policy documented in the PCMAF, requires that all procurements requiring an exemption to the procurement thresholds in the Government Procurement Regulation 2007 must be approved by the Director-General prior to seeking quotes and again prior to executing a contract.*

*The Directorate currently promotes the existing PACT eLearning modules, including the Probity in Procurement module, for delegates and officers undertaking procurement activities.*

*This will be further supported by a range of activities being undertaken as part of the Whole of Government Procurement Reform Project, which is working to professionalise procurement and contract management capability and will provide mandatory training modules for delegates and procurement officers as part of the accreditation process.*

<b>Auditor-General’s Observation</b>
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By not reporting on this recommendation in the Chief Minister, Treasury and Economic Development’s *Annual Report 2021-22*, there is a lack of visibility with respect to how Procurement ACT has specifically addressed this recommendation.

By not reporting progress on this recommendation in their annual reports, there is a lack of visibility with respect to other Directorates’ actions in response to the recommendation.

The Education Directorate and Justice and Community Safety Directorate identify actions that have been taken in relation to the recommendation. The Education Directorate’s action is continuing.

### Recommendation 3 – Procurement risk assessments

To support ACT Government entities to improve the quality and comprehensiveness of risk management in procurements using exemptions, Procurement ACT should:		
<ul style="list-style-type: none"> <li>a) prepare better practice guidance on the management of procurement risk; and</li> <li>b) review and revise the procurement risk assessment template to provide greater clarity on the scope of a procurement risk assessment and examples of procurement risk that could be considered.</li> </ul>		
<b>Government Response</b>	<b>Status</b>	N/A
See earlier comment on the ACT Government’s response to Recommendation 1.		
<b>Annual Report (2022-23) (CMTEDD)</b>	<b>Reported Status</b>	Not reported
This recommendation was not reported against by the Chief Minister, Treasury and Economic Development Directorate in either of its annual reports for 2021-22 or 2022-23.		
<b>Auditor-General’s Observation</b>		
By not reporting on this recommendation in CMTEDD’s annual reports for 2021-22 and 2022-23, there is a lack of visibility with respect to how Procurement ACT has specifically addressed this recommendation.		

### Recommendation 4 – Whole of Life Costs policy

To support ACT Government entities to optimise whole of life costs in procurements using exemptions, Procurement ACT should prepare better practice guidance on the identification of whole of life costs and how they should be incorporated in value of money assessments.		
<b>Government Response</b>	<b>Status</b>	N/A
See earlier comment on the ACT Government’s response to Recommendation 1.		
<b>Annual Report (2022-23) (CMTEDD)</b>	<b>Reported Status</b>	Not reported
This recommendation was not reported against by the Chief Minister, Treasury and Economic Development Directorate in either of its annual reports for 2021-22 or 2022-23.		
<b>Auditor-General’s Observation</b>		
By not reporting on this recommendation in CMTEDD’s annual reports for 2021-22 and 2022-23, there is a lack of visibility with respect to how Procurement ACT has specifically addressed this recommendation.		

# Auditor-General Report No.8 of 2021

## Canberra Light Rail Stage 2A: Economic Analysis<sup>29</sup>

(24 September 2020)

### Auditee

The primary auditee for this audit was Major Projects Canberra. The Chief Minister, Treasury and Economic Development Directorate was also part of the audit.

### Audit Objective

The objective of the audit was to provide an independent opinion to the Legislative Assembly on the effectiveness of the economic analysis for the Light Rail Stage 2a Business Case.

### Summary

On 20 April 2019, Light Rail Stage 1 commenced public passenger operations. Light Rail Stage 1 involved the design, construction and subsequent operation of a 12-kilometre light rail route from the City to Gungahlin. It is being delivered through a 20-year Availability Public Private Partnership with Canberra Metro.

Since the decision to proceed with Light Rail Stage 1, the Territory has pursued an intention to extend the network to Woden as part of Stage 2. In September 2019, the ACT Government announced it had decided to split Light Rail Stage 2 into two components:

- Stage 2a – a 1.7-kilometre extension of the Existing City to Gungahlin light rail track from the City to Commonwealth Park via London Circuit (West) and Commonwealth Avenue; and
- Stage 2b- a 9-kilometre light rail track from Commonwealth Park to Woden via State Circle (East).

On 10 September 2019, a redacted version of the *City to Woden Light Rail: Stage 2a City to Commonwealth Park Business Case* (Stage 2a Business Case) was made publicly available. It provided details for the design and construction of light rail between the City and Commonwealth Park and the ongoing operation and maintenance of that component of the light rail system. The Stage 2a Business Case also includes information associated with the economic analysis for Light Rail Stage 2a.

The purpose of the audit was to review the effectiveness of the economic analysis for the Light Rail Stage 2a Business Case.

### Government response<sup>30</sup>

Mr Chris Steel MLA, Minister for Transport and City Services, tabled the ACT Government's response to the Performance Audit Report on 2 December 2021.

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<sup>29</sup> [https://www.audit.act.gov.au/\\_data/assets/pdf\\_file/0005/1859630/Report-No.8-of-2021-Canberra-Light-Rail-Stage-2A-Economic-Analysis.pdf](https://www.audit.act.gov.au/_data/assets/pdf_file/0005/1859630/Report-No.8-of-2021-Canberra-Light-Rail-Stage-2A-Economic-Analysis.pdf)

<sup>30</sup> [https://www.parliament.act.gov.au/\\_data/assets/pdf\\_file/0019/1912231/2021-Government-Response-to-AG-Report-No-8-of-2021-Canberra-Light-Rail-Stage-2A-Economic-Analysis-tabled-2-December-2021.pdf](https://www.parliament.act.gov.au/_data/assets/pdf_file/0019/1912231/2021-Government-Response-to-AG-Report-No-8-of-2021-Canberra-Light-Rail-Stage-2A-Economic-Analysis-tabled-2-December-2021.pdf)

### Recommendation 3 – Benefits Realisation Plan

<p>The Chief Minister, Treasury and Economic Development Directorate (ACT Treasury), in cooperation with Major Projects Canberra and the Transport Canberra and City Services Directorate, should develop a Benefits Realisation Plan for Light Rail Stage 2a.</p>		
<b>Government Response</b>	<b>Status</b>	<b>Agreed</b>
<p><i>The Government supports the continuation of a structured approach to embedding and improving benefits realisation processes for key infrastructure investments in the ACT.</i></p> <p><i>Consistent with the approach previously established in Light Rail Stage 1, the Government agrees that a Benefits Realisation Plan (BRP) for Light Rail Stage 2A will be implemented.</i></p> <p><i>The Plan will identify key metrics for measuring project benefits and establish a governance and reporting arrangements for the ongoing assessment of the actual benefits and economic costs realised by the project against expected benefits and economic costs.</i></p> <p><i>CMTEDD (ACT Treasury) will lead the development of the plan and this will be monitored through the Light Rail Advisory Board. As with Light Rail Stage 1, it is envisaged this Benefits Realisation Plan will be developed subsequent to the main works contract for the project being entered into.</i></p>		
<b>Annual Report (2022-23) (CMTEDD, TCCS and MPC)</b>	<b>Reported Status</b>	Not reported
<p><b>Chief Minister, Treasury and Economic Development Directorate</b></p> <p>This recommendation was not reported against by CMTEDD in either of its annual reports for 2021-22 or 2022-23.</p> <p><b>Transport Canberra and City Services Directorate</b></p> <p>This recommendation was not reported against by TCCS in either of its annual reports for 2021-22 or 2022-23.</p> <p><b>Major Projects Canberra</b></p> <p>This recommendation was not reported against by Major Projects Canberra in its <i>Annual Report 2022-23</i>. In its <i>Annual Report 2021-22</i> it was reported as 'In Progress'.</p>		
<b>Auditor-General's Observation</b>		
<p>The ACT Government agreed to this recommendation and noted that a 'Benefits Realisation Plan (BRP) for Light Rail Stage 2A will be implemented'. The response identified 'it is envisaged this Benefits Realisation Plan will be developed subsequent to the main works contract for the project being entered into'.</p> <p>The performance audit report argued that 'benefits management activities should be undertaken at the earliest possible stages of a project' and that 'benefits planning occur when options of the transport initiative are being considered and the business case is being developed'. By not developing and implementing a Benefits Realisation Plan until after the main works contract is entered into the opportunities presented by a Plan to influence and control the management of the project are compromised.</p> <p>It is unclear why Major Projects Canberra initially reported against this recommendation, which was directed to the Chief Minister, Treasury and Economic Development Directorate. At the conclusion of the 2022-23 annual reporting process, it is unclear what has been done to pursue, and resolve as necessary, this recommendation.</p>		

# Auditor-General Report No.11 of 2021

## Digital Records Management<sup>31</sup>

(18 November 2021)

### Auditee

The auditees for this audit were the Chief Minister, Treasury and Economic Development Directorate, Community Services Directorate and Transport Canberra and City Services Directorate.

### Audit Objective

The objective of the audit was to assess the effectiveness of ACT Government agencies' transition to the whole-of-government electronic document and records management systems (EDRMS).

### Summary

The *Territory Records Act 2002* provides the framework for the recordkeeping activities of ACT government directorates and agencies. It defines a record as 'information created and kept, or received and kept, as evidence and information by a person in accordance with a legal obligation or in the course of conducting business'. It includes information in written, electronic or any other form.

The purpose of a record is to document actions and decisions to allow for transparency and accountability. Sound recordkeeping practices allow ACT Government directorates and agencies to undertake activities efficiently and effectively by having information, data and knowledge easily accessible by ACT Public Service staff.

Planning for a whole-of-government electronic document and records management system (EDRMS) has been underway, in some form, since 2011. In 2018, the ACT Government commenced the first major initiative for the implementation of a whole-of-government EDRMS. The audit considered the arrangements for the planning, implementation and achievement of the four expected deliverables of the whole-of-government initiative. The audit also considered the activities of three directorates and their transition to the whole-of-government EDRMS.

### Government response<sup>32</sup>

Mr Chris Steel MLA, Special Minister of State, tabled the ACT Government's response to the Performance Audit Report on 9 March 2021.

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<sup>31</sup> [https://www.audit.act.gov.au/\\_data/assets/pdf\\_file/0011/1901729/Report-No.-11-of-2021-Digital-Records-Management.pdf](https://www.audit.act.gov.au/_data/assets/pdf_file/0011/1901729/Report-No.-11-of-2021-Digital-Records-Management.pdf)

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[https://www.parliament.act.gov.au/\\_data/assets/pdf\\_file/0003/1964730/a4c3037b993624a9a6954ee9d13bf02177fa0ece.pdf](https://www.parliament.act.gov.au/_data/assets/pdf_file/0003/1964730/a4c3037b993624a9a6954ee9d13bf02177fa0ece.pdf)

## Recommendation 2 – EDRMS performance

<p>The Chief Minister, Treasury and Economic Development Directorate, through the Digital Records Governance Committee, should develop a performance framework for the implementation of EDRMS across ACT Government directorates and agencies. The performance framework should focus on the achievement and realisation of benefits associated with EDRMS implementation and inform the monitoring of progress beyond the number of users migrating to EDRMS platforms.</p>		
<b>Government Response</b>	<b>Status</b>	Agreed
<p><i>The benefits of digital recordkeeping accrue to the business areas which make the transition from hard copy business processes. As was demonstrated by the 2016 EDRMS pilot project, benefits can include savings in staff time, decreased paper file storage and movement costs, decreased data storage costs through decreased duplication, reduction of business continuity and disaster recovery risks, improved collaboration, and enhanced user experience.</i></p> <p><i>Digital Records Support has already commenced the development of a systems performance plan that will assist in performance monitoring for centralised services and processes. The Territory Records Office will work with Digital Records Support to develop advice for agencies using EDRMS services on how they can realise and measure the benefits of the transition to whole of government digital recordkeeping.</i></p>		
<b>Annual Report (2022-23) (CMTEDD)</b>	<b>Reported Status</b>	Completed
<p><i>Shared Services through the Digital Records Governance Committee has implemented a governance strategy and performance framework focusing on the realisation of the benefits of moving to an Electronic Digital Records Management System (EDRMS).</i></p> <p><i>This is supplemented by advice for agencies by the Territory Records Office on how they may be able to realise and measure the benefits of digital recordkeeping.</i></p>		
<b>Auditor-General's Observation</b>		
<p>The ACT Government's response identified the development of a 'systems performance plan that will assist in performance monitoring for centralised services and processes'.</p> <p>CMTEDD's <i>Annual Report 2021-22</i> identified that it was implementing a 'governance strategy and performance framework focusing on the realisation of the benefits of moving to an EDRMS'. CMTEDD's <i>Annual Report 2022-23</i> indicates that this has been completed.</p>		

## Recommendation 3 – EDRMS funding

<p>The Chief Minister, Treasury and Economic Development Directorate, through the Digital Records Governance Committee, should review and evaluate the funding arrangements and determine if a central recurrent funding model for the whole-of-government EDRMS is appropriate.</p>		
<b>Government Response</b>	<b>Status</b>	Agreed
<p><i>Partnership Services Group continues to review its cost models for EDRMS services, and will provide a recommendation to the DRGC on potential funding arrangements. Any change to funding arrangements would be considered through an appropriate budget process.</i></p>		
<b>Annual Report (2022-23) (CMTEDD)</b>	<b>Reported Status</b>	In progress
<p><i>Shared Services is progressing the funding model review for EDRMS support services in light of the upcoming changes to the hosting arrangements for both Content Manager/TRIM and Objective i.e., a migration from on premise hosting to cloud.</i></p> <p><i>These projects are in progress and once ongoing costs are clearly defined funding arrangements can be revisited for the 2024-25 financial year.</i></p>		
<b>Auditor-General's Observation</b>		
<p>The ACT Government's response identified that the Partnership Services Group would provide a recommendation to the Digital Records Governance Committee on potential funding arrangements.</p> <p>CMTEDD's <i>Annual Report 2021-22</i> identified that the funding model for EDRMS is being revised but that work on the recommendation continues to be progressed and may be progressed further through the 2023-24 Budget context. CMTEDD's <i>Annual Report 2022-23</i> indicated that this work is</p>		



continuing and that 'funding arrangements can be revisited for the 2024-25 financial year'. Implementation of the recommendation continues to be delayed.

#### Recommendation 4 – Digitisation of hardcopy files

The Community Services Directorate should:

- a) identify and document the outcome of the *Better Government: Digitising Government Records* Budget initiative goal of digitalising 161,000 hardcopy files; and
- b) if the estimated outcome does not meet the business requirements of the Directorate, prepare a strategy to complete the digitisation.

<b>Government Response</b>	<b>Status</b>	Agreed-in-principle
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*Community Services Directorate will document the outcomes and learnings from its digitisation work, as well as identify options for next steps. An aspect of these learnings will be an assessment of the return on investment for digitising inactive records. This analysis will inform the Directorate's decision as to whether it will complete the digitisation of all 161,000 files as originally envisaged by the project.*

<b>Annual Report (2022-23) (CSD)</b>	<b>Reported Status</b>	Not reported
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This recommendation was not reported against in CSD's annual reports for either 2021-22 or 2022-23.

#### Auditor-General's Observation

The ACT Government's response indicated agreement-in-principle to the recommendation. The Government's response indicated the Directorate would document the outcomes and learnings from its digitisation work and this would inform future steps.

By not reporting on this recommendation in its *Annual Report 2021-22* or *Annual Report 2022-23*, there is a lack of clarity with respect to the Directorate's progress to date and intended future actions.

#### Recommendation 5 – Model for the digitisation of hardcopy files

The Community Services Directorate, in conjunction with the Digital Records Governance Committee, should:

- a) review and evaluate the outcome of the *Better Government: Digitising Government Records* Budget initiative; and
- b) finalise the secondary aim of the initiative and prepare a model that can be used across ACT Government directorates and agencies for the digitisation of hardcopy files.

<b>Government Response</b>	<b>Status</b>	Agreed
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*Community Services Directorate is developing a model for the digitisation of active hard copy files. The Directorate will work with the Territory Records Office to develop whole of government guidance that draws on this model for consideration by the Digital Records Governance Committee.*

<b>Annual Report (2022-23) (CSD)</b>	<b>Reported Status</b>	Not reported
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This recommendation was not reported against in CSD's annual reports for either 2021-22 or 2022-23.

#### Auditor-General's Observation

The ACT Government's response identified that the Community Services Directorate is developing a model for the digitisation of hard copy files and that it will work with the Territory Records Office to develop whole of government guidance.

By not reporting on this recommendation in its *Annual Report 2021-22* or *Annual Report 2022-23*, there is a lack of clarity with respect to the Directorate's progress to date and intended future actions.



# Auditor-General Report No.13 of 2021

## Campbell Primary School Modernisation Project Procurement<sup>33</sup>

(22 December 2021)

### Auditee

The auditees for this audit were the Education Directorate and Major Projects Canberra.

### Audit Objective

The objective of the audit was to assess the effectiveness of Major Projects Canberra and the Education Directorate's procurement processes for the Campbell Primary School Modernisation Project.

### Summary

A procurement for design and construction services for the Campbell Primary School Modernisation Project was undertaken between July 2019 and September 2020. From a broader Request for Expressions of Interest (REOI) process to which six firms responded, two tenderers were invited to participate in a Request for Tender (RFT); Lendlease Building Pty Ltd and Manteena Commercial Pty Ltd. Lendlease was awarded the contract for services in September 2020 and work commenced under the contract in January 2021.

In November 2020 a representation was made to the ACT Audit Office in relation to the conduct of the procurement process. In April 2021 the Auditor-General commenced a performance audit which considered the effectiveness of the procurement process. The audit considered the probity of the procurement process, as well as governance and administrative arrangements.

### Government response<sup>34</sup>

Ms Yvette Berry MLA, Minister for Education and Youth Affairs, and Mr Chris Steel MLA, Special Minister of State, tabled the ACT Government's response to the Performance Audit Report on 7 April 2022.

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<sup>33</sup> [https://www.audit.act.gov.au/\\_data/assets/pdf\\_file/0005/1925222/Report-No.-13-of-2021-Campbell-Primary-School-Modernisation-Project-Procurement.pdf](https://www.audit.act.gov.au/_data/assets/pdf_file/0005/1925222/Report-No.-13-of-2021-Campbell-Primary-School-Modernisation-Project-Procurement.pdf)

<sup>34</sup> [https://www.parliament.act.gov.au/\\_data/assets/pdf\\_file/0007/1983913/2021-Government-Response-to-AG-Report-No-13-of-2021-Campbell-Primary-School-Modernisation-Project-Procurement-tabled-7-April-2022.pdf](https://www.parliament.act.gov.au/_data/assets/pdf_file/0007/1983913/2021-Government-Response-to-AG-Report-No-13-of-2021-Campbell-Primary-School-Modernisation-Project-Procurement-tabled-7-April-2022.pdf)

## Recommendation 1 – Probity Advice

Major Projects Canberra, in cooperation with Procurement ACT, should review and revise its procurement guidance documentation, and associated templates, to explicitly require the preparation of independent probity advice where a delegate or decision-maker seeks to overrule the recommendation of the tender evaluation team.

Government Response	Status	Agreed-in-principle
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*The ACT Government has already taken a number of actions that address this recommendation.*

### Probity

*The ACT Government has reviewed and updated its guidance in relation to procurement probity and the circumstances in which independent probity advice should be considered.*

*In January 2021 the ACT Government released the Probity in Procurement Guide (the Guide) which provides guidance on probity and how to maintain probity in ACT Government procurement processes. The Guide was reviewed and updated in May 2021 and again in February 2022.*

*The Guide, which applies to all Territory Entities, relevantly notes that the Territory Entity undertaking a procurement is accountable for ensuring the probity of the process. Where public officials have delegations to make decisions under legislation, it is ultimately for those public officials to exercise their own judgement on the most appropriate decision. Public officials retain primary accountability for the procurement decisions that they make. This accountability cannot be ‘contracted out’ through the appointment of a probity advisor or auditor.*

*However, the Guide establishes clear probity risk indicators and suggested risk treatments which reflect the Auditor-General’s recommendations. Of relevance to the Campbell Primary School procurement*

- *Where the estimated total cost of the procurement is high or the procurement process has a high level of complexity (e.g., multistage or interactive, Best and Final Offers) an internal or external probity advisor be appointed; and*
- *Where there are political sensitivities or areas of keen public interest, the procurement involves significant intellectual property, the procurement process involves a significant negotiation phase or there is a high level of supplier engagement through the procurement process, a more detailed probity plan be implemented to ensure an appropriate level of governance and application of the Guide and to address any specific probity risks.*

*The role of the probity advisor outlined in the Guide may include providing advice on, or assisting with, one or more of the following:*

- *Protocols for managing information, approach to market communications, site visits, industry briefings, best and final offers, or requests for revised offers and protocols;*
- *Probity principles and procedural fairness;*
- *Evaluation plans and evaluation processes; and*
- *Assurance through written reports, outlining the advice provided during their engagement.*

*The Guide also establishes that where a Territory Entity decides not to follow probity advice, the Territory Entity should fully document the decision and the reasons, along with any alternative action it takes to address the probity risk(s) identified.*

*Procurement guidance documentation and associated templates have been updated to reflect the Guide.*

### Value for money

*The Procurement Framework provides scope for Delegates to make a decision that differs from the recommendation of the Tender Evaluation Team if circumstances warrant. This discretion is specifically allowed because the Delegate is expected to use their expertise and judgment to ensure the most effective and efficient delivery of the procured project.*

*The standard Tender Evaluation Plan templates articulate that a Delegate for a procurement can:*

- *Approve the recommendation made in the Tender Evaluation Report;*
- *Not approve a Tender Evaluation Report and direct the TET to undertake further evaluation activities;*
- *Make an alternative decision using the TET assessment (e.g., choose to award the contract to a supplier other than the highest scoring supplier); or*
- *Terminate the specific procurement activity and determine that no contract should be awarded at all or require re-advertising of the procurement.*

*In this way, the Tender Evaluation Team does not displace the appropriate accountability of the Delegate. The Tender Evaluation Team appropriately supports the Delegate by providing an evidence-based recommendation to the Delegate as the decision maker. The Delegate must then exercise*

their delegated authority in making a decision as to the outcome of the procurement process, and ultimately, the award of contract to a supplier that represents best value for money.

This decision is made within the bounds of Part 2A of the Act where value for money is specified as the procurement principle that must be pursued in undertaking any procurement activity. Value for money means achieving the best available procurement outcome that maximises the overall benefit to the Territory.

Section 22A(1) of the Act provides that in pursuing value for money, Territory Entities must have regard to probity and ethical behaviour, management of risk, open and effective competition, optimising whole of life costs, and anything else prescribed by the Regulation.

The ACT Government has released the Value for Money Considerations Factsheet (January 2022) (the Factsheet) to assist Delegates in their decision-making and provides guidance on the matters which a Territory Entity needs to consider when undertaking a procurement.

The Factsheet provides guidance including a set of questions which may be useful for Delegates when assessing or approving the value for money outcomes of a procurement. The considerations identified in the Factsheet are outlined in the table below.

<b>Value for money principles</b>	<b>Key considerations</b>
Probity and ethical behaviour	<ul style="list-style-type: none"> <li>• Has the procurement process complied with the Procurement Framework? (e.g., the procurement complied with quotation and tender thresholds, Secure Local Jobs Code was applied where appropriate, any Procurement-related Policies were included and assessed)</li> <li>• Was the procurement process conducted in an ethical manner and in a way that upheld probity? (e.g., were all suppliers given the same information in a timely manner, did all staff involved in the procurement declare any conflicts of interest?)</li> </ul>
Management of risk	<ul style="list-style-type: none"> <li>• Have risks been identified and managed throughout the procurement process?</li> <li>• Does the supplier's offer sufficiently manage, mitigate, or eliminate any identified risks?</li> </ul>
Open and effective competition	<ul style="list-style-type: none"> <li>• Was the process conducted in the most competitive and transparent method available for the type of procurement? (e.g., the maximum number of suppliers were invited to tender/quote to ensure competitive tension with consideration of the value of the procurement and the nature of the market?)</li> <li>• Is the supplier's offer competitive for the market?</li> </ul>
Whole of life costs	<ul style="list-style-type: none"> <li>• Have all the potential costs for the procurement been considered and accounted for in the request and supplier offer? (e.g., maintenance, ongoing licencing costs and wage increases have been considered and included in the final price where applicable)</li> <li>• Does the supplier's offer provide the best balance of quality and whole of life cost?</li> <li>• Is the offer fit for purpose? (e.g., will the offered goods, services or works achieve the desired outcome, does the procurement have the flexibility to adapt to possible change over the life of the contract?)</li> </ul>
Anything else prescribed by the regulation	<ul style="list-style-type: none"> <li>• Are there broader social or economic benefits to the supplier's offer? (e.g., does the procurement offer opportunities to meet the procurement values such as employment or economic opportunities for marginalised or disadvantaged groups or incorporate sustainable environmental practices?)</li> </ul>

In relation to probity and ethical behaviour, the Factsheet specifically provides that Territory Entities must ensure they apply the probity principles in all procurements.

Building on the actions already taken, the ACT Government will update the standard Tender Evaluation Report template to allow the Delegate to document their decision making, including reasons for departure from the Tender Evaluation Team's recommendations, or further action for the Tender Evaluation Team, should the Delegate not accept the recommendation of Tender Evaluation Team.

There is currently no specific requirement for Directorates to report information to Procurement ACT or other bodies on cases where delegates depart from a panel's recommendation. The Government recognises that there would be value in having more visibility of how often, and under what circumstances, delegates are exercising this power. Procurement ACT will facilitate a data gathering exercise which will involve taking a sample of procurements across directorates and examining how frequently this situation is occurring. That will help us understand whether further work is needed to strengthen understanding of the procurement framework as it relates to these kinds of decisions.

Annual Report (2022-23) (MPC and CMTEDD)	Reported Status	Not reported / In progress
<p><b>Major Projects Canberra</b></p> <p>This recommendation was not reported against in either of Major Projects Canberra’s annual reports for 2021-22 or 2022-23.</p> <p><b>Chief Minister, Treasury and Economic Development Directorate</b></p> <p><i>An initial review of guidance documentation and templates was undertaken, with revisions to whole of government material made by Procurement ACT in consultation with Major Projects Canberra (MPC). Guidance material and e-learning training were developed by Procurement ACT on procurement probity and delegations. Further work has been undertaken through a Template Improvement Project, as part of the Procurement Reform Program, which has involved a comprehensive template review and refresh to ensure templates are aligned with streamlined processes. A new suite of templates will be released in the 2023-24 financial year. The Procurement Reform Program is also ensuring clearly defined roles and responsibilities through the implementation of an Accreditation Framework and tiered service delivery model which will be supported by the templates that are developed.</i></p>		
<p><b>Auditor-General’s Observation</b></p>		
<p>The ACT Government response identified a range of activities to be undertaken to address this recommendation. The response also identified that Procurement ACT would primarily be responsible for implementing the recommendation through whole-of-government policy and procedural guidance.</p> <p>CMTEDD’s <i>Annual Report 2022-23</i> indicated that some progress has been made and that further work is envisaged. It is similar to what was reported in CMTEDD’s <i>Annual Report 2022-23</i>.</p>		

## Recommendation 2 – Documentation of roles and responsibilities

<p>Major Projects Canberra, in cooperation with Procurement ACT, should review and revise its procurement planning and tender evaluation templates and guidance documents to require:</p> <ol style="list-style-type: none"> <li>a) the identification and acknowledgement of all participants in the procurement process, including the Delegate and those with managerial and supervisory responsibilities; and</li> <li>b) the identification and documentation of the specific roles and responsibilities of all participants in the process.</li> </ol>		
Government Response	Status	Agreed
<p><u><i>The ACT Government has undertaken a number of actions that address this recommendation.</i></u></p> <p><i>Procurement planning and tender evaluation templates and guidance documents for construction projects involving MPC already identify and acknowledge participants in the procurement process including the Delegate and those with managerial and supervisory responsibilities.</i></p> <p><i>In this regard, the Audit Report acknowledges (pp 56) that the Tender Evaluation Plan for the Campbell Primary School Modernisation Project procurement identified that:</i></p> <ul style="list-style-type: none"> <li>• <i>The Tender Evaluation Team may, as required, utilise specialist advice to assist in the evaluation process; and</i></li> <li>• <i>The areas of expertise may include probity and technical procurement advice, including from the ACT Government Solicitor and (MPC) Directors/Manager (such advice may include, but not be limited to, technical drafting advice and review of draft evaluation reports for clarity and consistency with the Government Procurement Act (2001) and the Request for Tender.</i></li> </ul> <p><i>Notwithstanding this, MPC will review and further update its planning and evaluation templates and guidance documents as recommended, noting such documents have already been updated to include the identification of the specific roles of:</i></p> <ul style="list-style-type: none"> <li>• <i>The Secure Local Jobs Code Branch (SLJC Branch) within CMTEDD in respect of the evaluation of the Fair and Safe Employment Evaluation Criteria and the non-weighted criteria for the content of the Labour Relations, Training and Workplace Equity Plan; and</i></li> <li>• <i>The Work Health Safety Superintendent of Works (or their delegate) for assessment and scoring Work Health and Safety System tender submissions.</i></li> </ul> <p><i>The MPC Tender Evaluation Plan documentation and template currently sets out the role of the Tender Evaluation Team where it is responsible for:</i></p> <ol style="list-style-type: none"> <li>a) <i>Maintaining probity, including ensuring compliance with the Probity in Procurement Guide, issued by Procurement ACT;</i></li> </ol>		

- b) Evaluating the responses in accordance with the criteria and methodology;
- c) Documenting the evaluation process;
- d) Obtaining Director-General (or their Delegate) sign-off for confidential text, if applicable;
- e) Preparing an evaluation report;
- f) Seeking Delegate approval to commence post negotiations with the preferred tenderer;
- g) Seeking Delegate approval to proceed with a contract with the preferred tenderer; and
- h) Debriefing unsuccessful tenderers, noting the SLJC Branch should be invited to the debrief if the unsuccessful tenderer did not pass the Fair and Safe Employment Evaluation Criteria or the Labour Relations, Training and Workplace Equity Plan (LRTWEP) non-weighted criteria was an influencing factor in the assessment.

The MPC Tender Evaluation Plan documentation and templates also currently establish where the Tender Evaluation Team and SLJC Branch may, as required, utilise specialist advice to assist in the evaluation process. These areas may include:

- a) Technical analysis, including advice from consultants and MPC Branch Managers/Directors;
- b) Past performance, including advice from officers within ACT Government;
- c) Financial assessment provided by the Contracts and Prequalification team with MPC;
- d) Probity and technical procurement advice, including from the ACT Government Solicitor and Senior Directors/Executive Branch Managers within MPC (such advice may include, but not be limited to, technical drafting advice and review of draft evaluation reports for clarity and consistency with the Act and the RFT); and Legal issues, including advice from the ACT Government Solicitor.

Procurement templates maintained by Procurement ACT for goods and services procurements also include the identification of all participants in the procurement process, including the Delegate and an outline of their roles and responsibilities in the procurement process

Annual Report (2022-23) (MPC and CMTEDD)	Reported Status	Not reported
<p><b>Major Projects Canberra</b></p> <p>This recommendation was not reported against in either of Major Projects Canberra’s annual reports for 2021-22 or 2022-23.</p> <p><b>Chief Minister, Treasury and Economic Development Directorate</b></p> <p>This recommendation was not reported against in either of CMTEDD’s annual reports for 2021-22 or 2022-23.</p>		
Auditor-General’s Observation		
<p>The ACT Government response indicated agreement with the recommendation. The response identified a range of actions and improvements that appear to have already been progressed and appeared to imply that existing policy and procedural guidance was satisfactory. However, the response also noted ‘MPC will review and further update its planning and evaluation templates and guidance documents as recommended’.</p> <p>Neither of the agencies reported on activities to progress the implementation of this recommendation.</p>		

### Recommendation 3 – Risk management

Major Projects Canberra, in cooperation with Procurement ACT, should review and update its procedures for the management of risk as part of procurement processes. The revised procedures should require procurement managers to actively review risks, including probity risks, and their treatment throughout the entire process. The review should be explicitly documented.

Government Response	Status	Agreed
<p><u>The ACT Government has undertaken a number of actions that address this recommendation.</u></p> <p>The ACT Government has released the Procurement Risk Management Factsheet (January 2022) which outlines procurement risk management requirements and builds on the Value for Money Considerations Factsheet (January 2022). This factsheet identifies where effective risk management throughout the procurement process is identified as a key aspect of pursuing value for money. Territory Entities must conduct a risk assessment for every procurement and review the risks and mitigations throughout the procurement lifecycle. The Factsheet is available on the Procurement ACT website and Directorates and Agencies have been notified about the release of the factsheet through whole of government messaging and the Procurement Community of Practice.</p>		

The Procurement Risk Management Factsheet has been developed consistent with the ACT Insurance Authority (ACTIA) Risk Management Framework and establishes that:

- Risk management must be undertaken for all procurement activities regardless of value;
- The level of effort and documentation directed to risk assessment and management should be equal to the scale and risks of a procurement;
- Risk should be considered at the earliest stages of the procurement planning and be continuously reviewed and updated throughout the procurement lifecycle;
- There are additional risks to be considered when procuring construction and risk management plans for ACT Government construction should be developed by officers with relevant experience; and
- Territory Entities also need to consider probity risks when undertaking procurements with further detail on probity found in the Probity in Procurement Guide.

Existing risk tools include a Procurement Risk Management Plan (Version 7.2, August 2015) which was developed in accordance with the ACTIA Risk Matrix template and the AS/NZS ISO 31000:2009 risk management standard and provides guide notes to assist in recording the results of the risk management process.

In addition, the ACT Government will continue to incorporate the requirements of the Value for Money Considerations Factsheet and Procurement Risk Management Factsheet into the standard procurement process templates and the development of any procurement specific risk management tools.

Annual Report (2022-23) (MPC and CMTEDD)	Reported Status	Not reported
<p><b>Major Projects Canberra</b></p>		
<p>This recommendation was not reported against in either of Major Projects Canberra’s annual reports for 2021-22 or 2022-23.</p>		
<p><b>Chief Minister, Treasury and Economic Development Directorate</b></p>		
<p>This recommendation was not reported against in either of CMTEDD’s annual reports for 2021-22 or 2022-23.</p>		
<p style="text-align: center;"><b>Auditor-General’s Observation</b></p>		
<p>The ACT Government response indicated agreement with the recommendation. The response identified a range of actions and improvements that appear to have already been progressed and appeared to imply that existing policy and procedural guidance was satisfactory.</p>		
<p>Neither of the agencies reported on activities to progress the implementation of this recommendation.</p>		

#### Recommendation 4 – Confidentiality and conflict of interest undertakings

<p>Major Projects Canberra, in cooperation with Procurement ACT, should review and update its procedures for the management of confidentiality and conflicts of interest as part of procurement processes. The revised procedures should require <i>Confidentiality and Conflict of Interest Undertaking</i> forms to be completed for all staff who have a role in a procurement process.</p>		
Government Response	Status	Agreed
<p><u>The ACT Government has undertaken a number of actions that address this recommendation.</u></p>		
<p>The Probity in Procurement Guide was updated in May 2021 to clarify that all ACTPS officers and employees involved in a procurement must complete a Conflict of Interest Disclosure. This includes affirming that they do not have a conflict of interest. The Guide provides the further advice that all Disclosures must be maintained as a record with other documents relating to the procurement.</p>		
<p>The ACT Government also released the Conflict of Interest Better Practice Guide (January 2022) which provides guidance to Territory Entities on identifying and managing conflicts of interest as part of ensuring probity and ethical behaviour when conducting procurement activities.</p>		
<p>The Guide provides information for procurement officers in relation to:</p>		
<ul style="list-style-type: none"> <li>• Identifying conflicts of interest</li> <li>• Conflict of Interest Disclosures</li> <li>• Managing Conflicts of Interests</li> </ul>		



In relation to conflict of interest disclosures, the Guide establishes that “all ACTPS officers, employees and contracted service providers involved in a procurement must complete a Conflict of Interest Disclosure”.

The Guide further provides that:

- Public officials should not participate in any decision-making processes, if at any time an actual, potential, perceived conflict of interest exists or is likely to arise;
- When an individual becomes aware of a conflict of interest, they should inform the officer noted in a Probity Plan or other internal documentation outlining the conflict of interest process. Generally, the Delegate is responsible for managing any perceived, potential or actual conflicts of interest;
- The person involved in a conflict of interest should suspend their involvement in the procurement until advised that it is appropriate to resume involvement;
- It is better practice to seek probity advice in relation to dealing with a conflict of interest, particularly where the intention is to maintain the involvement of the relevant public official in the procurement; and
- The Territory Entity should maintain appropriate records of all Conflicts of Interest Disclosures raised during a procurement and with the appropriate treatment.

MPC has reviewed and updated its template Tender Evaluation Plan to provide that:

- The members of the evaluation team, the WHS Superintendent of Works, the officers of the SLJC Branch, advisors and all other personnel involved in the evaluation process are to comply with the Probity in Procurement Guide, and (if relevant) the procurement Probity Plan (consistent with ethics and probity considerations in the Act);
- All Personnel are to disclose any actual or apparent conflicts of interest and to take steps to avoid that conflict;
- All Personnel must promptly identify and disclose to the Chair or Delegate (as the case may be) any actual, perceived or potential conflicts of interest involving themselves, their immediate family or any other relevant relationship;
- All ACT Public Servants are required to sign the Confidentiality Undertaking and Conflict of Interest Disclosure found in Probity in Procurement Guide; and
- All non-ACT Public Servants (such as specialist subject matter advisors) involved in an ACT Government procurement activity are to sign the Confidentiality Undertaking and Conflict of Interest Disclosure as found in the Probity in Procurement Guide.

<b>Annual Report (2022-23) (MPC and CMTEDD)</b>	<b>Reported Status</b>	Not reported
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**Major Projects Canberra**

This recommendation was not reported against in either of Major Projects Canberra’s annual reports for 2021-22 or 2022-23.

**Chief Minister, Treasury and Economic Development Directorate**

This recommendation was not reported against in either of CMTEDD’s annual reports for 2021-22 or 2022-23.

**Auditor-General’s Observation**

The ACT Government response indicated agreement with the recommendation. The response identified a range of actions and improvements that appear to have already been progressed and appeared to imply that existing policy and procedural guidance was satisfactory.

Neither of the agencies reported on activities to progress the implementation of this recommendation.

## Recommendation 5 – Probity awareness training

Major Projects Canberra and the Education Directorate should require staff to have received probity awareness training before participating in procurement activities. The training should also identify how staff can elevate and raise any concerns with probity or conduct during a procurement.

### Government Response

Status

Agreed

The ACT Government has undertaken a number of actions that address this recommendation.

The Probity in Procurement Guide published in January 2021 and revised in May 2021 and February 2022 recommends that “individuals participating in the procurement process have received probity training”.

Guidance and training on the Procurement Framework is available to all ACT Government employees. There is also an enhanced program of training and support provided for procurement compliance which includes:

- A suite of eLearning Modules, which includes a Probity in Procurement Module;
- Face to face, customised training sessions;
- Fact sheets and better practice guides;
- Procurement training bootcamps, which includes Value for Money Training for all Senior Executives across the ACT Government; and
- A Procurement Capability Framework.

In mid-2021, Procurement ACT delivered a series of training sessions to MPC officers on the procurement process with a focus on probity in procurement.

Building on these actions, the ACT Government will seek approval from all Directorates and Agencies to agree minimum mandatory training requirements for individuals participating in procurement activities. Once the suite of mandated training has been agreed Procurement ACT will update the Territory’s standard Approach to Market Templates and Procurement Framework Guidance to identify the requirement for all participants in a procurement process to have undertaken relevant training.

### Annual Report (2022-23) (MPC, ED and CMTEDD)

Reported Status

Not reported /  
In Progress /  
In Progress

### Major Projects Canberra

This recommendation was not reported against in the Major Projects Canberra’s both *Annual Reports 2022-23 and 2021-22*.

### Education Directorate

Templates updated include:

- Procurement Plan Minute
- Conflict of Interest Declarations
- Confidentiality Undertaking
- Tender Evaluation Plan
- Tender Evaluation Report

Fact sheets identified to be included on the Directorate’s intranet site to provide guidance on procurements including Conflict of Interest, Probity and Value for Money.

An Education Directorate Procurement Training Strategy has been prepared for implementation Q2 2023. The Directorate is working with Procurement ACT in supporting the implementation of the Training Pathways and Accreditation Framework initiatives as part of Procurement Reform.

### Chief Minister, Treasury and Economic Development Directorate

The Procurement Reform Program has delivered a Procurement Role Appropriate Training Pathways which will require all ACTPS (unless exempted by the Territory entity) to undertake Procurement and Probity Training, the training requirements are scaled based on an ACTPS Officer’s interaction with procurement. Capability and role appropriate training will also form a key aspect of the Procurement Accreditation Framework that is also being developed under the Procurement Reform Program. The Accreditation Framework will benchmark the capability and capacity of a Territory

entity to undertake procurement in an effective manner. This ensures that Territory entities are provided with procurement support services commensurate with their capacity and capability to undertake procurement in an effective manner.

#### Auditor-General's Observation

The ACT Government response identified a range of activities to be undertaken to address this recommendation. The response also identified that Procurement ACT would primarily be responsible for implementing the recommendation through whole-of-government policy and procedural guidance.

The annual reports of CMTEDD and the Education Directorate indicated that some progress has been made and that further work is envisaged.

### Recommendation 6 – Tenderer communication processes

Major Projects Canberra, in cooperation with Procurement ACT, should review and revise its procurement planning and tender evaluation templates and guidance documents to require, during the tender process, that:

- a) unless otherwise authorised by the chair of the tender evaluation team, the chair be solely responsible for communicating with tenderers in relation to the tender up until the delegate has approved a preferred tenderer; and
- b) the identification and authorisation of communication methods that allow records of communication to be captured in a timely and accurate manner.

#### Government Response

#### Status

Agreed-in-principle

The ACT Government has undertaken a number of actions that address this recommendation.

Procurement ACT and MPC have reviewed and revised their procurement planning and tender evaluation templates and guidance documents in relation to communication with tenderers and will continue to do so.

The ACT Government notes that the formal supplier complaints process such as arranging meetings, where communication, will not be undertaken solely by the Chair of the Tender Evaluation Team. However, in such instances ensuring communication is undertaken with the knowledge and prior approval of the chair of the tender evaluation team will ensure there is clarity about roles within the process and the purpose of such communication, as well as appropriate documentation of this.

Consistent with its international free trade agreement obligations, the ACT Government has developed the Supplier Complaints Management Procedure which establishes the process for managing supplier complaints about a Territory procurement in a consistent way across government. The procedure is designed to provide an effective and efficient process for managing supplier complaints and sets out who will be involved in the process, and their roles and responsibilities.

Depending on the nature of the supplier complaint this may include a range of individuals outside of the Chair of the Tender Evaluation Team including:

- The Contact Officer who is generally listed on the relevant procurement documentation and may or may not be the Chair of the Evaluation Panel;
- The Delegate depending on the nature of the Complaint for action;
- An appropriate officer in the Territory Entity to investigate the Complaint if the matter is referred to them by the Delegate;
- The Executive Group Manager of Procurement ACT in the event of a supplier request for Internal Review;
- The Territory Entity's Director-General who will provide the supplier with a written response on completion of the internal review or discontinuation of the review; and
- The ACT Ombudsman in the event the supplier remains unsatisfied with the outcome of an internal review.

The Ethical Treatment of Workers Evaluation, for instance, may require some communication between a tenderer and officers from the SLJC Branch. In such instances it is still appropriate that the chair of the tender evaluation panel is aware such communications are taking place and that these are also properly documented as part of the broader procurement record keeping requirements.

Guidance on clear and transparent communication protocols – including appropriate roles and responsibilities – will be developed as part of the ongoing review of procurement practice and procedures.

Annual Report (2022-23) (MPC and CMTEDD)	Reported Status	Not reported
<p><b>Major Projects Canberra</b></p> <p>This recommendation was not reported against in either of Major Projects Canberra’s annual reports for 2021-22 or 2022-23.</p> <p><b>Chief Minister, Treasury and Economic Development Directorate</b></p> <p>This recommendation was not reported against in either of CMTEDD’s annual reports for 2021-22 or 2022-23.</p>		
<p><b>Auditor-General’s Observation</b></p>		
<p>The ACT Government response indicated agreement with the recommendation. The response identified a range of actions and improvements that appear to have already been progressed and appeared to imply that existing policy and procedural guidance was satisfactory. However, the response also noted ‘guidance on clear and transparent communication protocols ... will be developed as part of the ongoing review of procurement practice and procedures’.</p> <p>Neither of the agencies reported on activities to progress the implementation of this recommendation.</p>		