

2005

THE LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

TABLING STATEMENT

Government Responses to:

Standing Committee on Public Accounts: Report No. 3 – Report on 2003-04 Annual and Financial Reports of the Chief Minister's Department, Department of Treasury, Department of Economic Development and related entities and ACT Legislative Assembly – August 2005;

Standing Committee on Legal Affairs: Report No 1. – Report on Annual Reports 2003- 2004: Department of Justice and Community Safety and related entities – June 2005;

Standing Committee on Planning and Environment: Report No 8. - Inquiry into Referred Annual and Financial Reports 2003-2004: Department of Urban Services, ACT Planning and Land Authority, Land Development Agency and related entities – May 2005;

Standing Committee on Education, Training and Young People: 2003-2004 Annual and Financial Report: Department of Education and Training and related entities, Office for Children, Youth and Family Support – May 2005.

Tabled by
Jon Stanhope MLA
Chief Minister

I am pleased to present the Government's Responses to four Standing Committee reports on the Annual and Financial Reports for 2003-04.

Like last year, I am tabling the responses to all of the Standing Committee reports covering all portfolios. This is because the Standing Committee reports generally cover more than one Minister and more than one portfolio and, in certain cases, issues raised in the reports apply to all departments and agencies.

As members will be aware, annual and financial reports are prepared by agencies in accordance with the Chief Minister's annual report directions and in accordance with the *Financial Management Act 1996*. The government seeks to ensure that the directions and the Act are continually updated to reflect best practice and full accountability in accordance with government policy. In line with this approach, some of the issues raised in the Committee reports have already been addressed in the 2005 Annual Report Directions.

The four Standing Committee reports made a total of 19 recommendations. In broad terms the Government supports 16 of these, with 2 recommendations noted, and 1 recommendation not agreed.

The issue where the Government does not agree with the recommendations of the Committee concerned relates to reporting in Annual and Financial Reports of the quantity and quality of volunteerism in ACT Government departments and related entities.

Guidelines on volunteerism in the ACT Public Service are currently being developed, including how volunteerism should be reported across Government.

While some agencies already include qualitative information on the use of volunteers in their Annual Reports, the Government believes that the most comprehensive source of information on the volunteer workforce is available from the Australian Bureau of Statistics, and that it is not necessary for quantitative information on volunteerism to be

included in Agency annual reports. The ACT Government contributes to the ABS Voluntary Work Survey and the General Social Survey which includes a full volunteer survey and is proposed for publication in January 2007. The General Social Survey will provide information on quantifying unpaid work, and recognising its social and economic value.

Overall, however, I am sure the Assembly will agree that the Government has responded in a manner that enhances our record of openness and accountability.

I would like to thank the Standing Committees for the effort they have made in preparing their reports.

Mr Speaker, I commend the Government's Responses to the Assembly.

2005

THE LEGISLATIVE ASSEMBLY FOR
THE AUSTRALIAN CAPITAL TERRITORY

GOVERNMENT RESPONSE

Standing Committee on Public Accounts

Report 3

Report on 2003-2004 Annual and Financial Reports
of the Chief Minister's Department, Department of
Treasury, Department of Economic Development and
related entities, and ACT Legislative Assembly –
August 2005

Tabled by
Jon Stanhope MLA
Chief Minister

15/12/05

Government Response

Report 3 - Standing Committee on Public Accounts – Report on 2003-2004 Annual and Financial Reports of the Chief Minister's Department, Department of Treasury, Department of Economic Development and related entities, and ACT Legislative Assembly.

Introduction

The Annual Reports of all ACT Government agencies are referred to the Standing Committees of the ACT Legislative Assembly for examination and report.

The Standing Committee on Public Accounts reviewed annual reports for:

- Chief Minister's Department
- ACT Auditor-General
- ACT Gambling and Racing Commission
- ACT Government Procurement Board
- ACT Insurance Agency
- ACT Legislative Assembly Secretariat
- ACTEW Corporation
- ACTTAB Ltd
- Australian Capital Tourism Corporation
- Australian International Hotel School
- Commissioner for Public Administration
- Exhibition Park in Canberra
- Independent Competition and Regulatory Commission
- Stadiums Authority
- Totalcare Industries Ltd
- Treasury (Department of)
- Annual Reports referred by the Standing Committee on Legal Affairs
- ACT Cleaning Industry Long Service Leave Board
- ACT Construction Industry Long Service Leave Board
- Office of the Occupational Health and Safety Commissioner and ACT Workcover

The Committee makes 7 recommendations.

Response to Committee Recommendations

Recommendation 1

2.10. The Committee recommends that departments and agencies comply with the Chief Minister's Annual Reports' Directions in regard to Ecological Sustainable Development reporting.

Government Response

Agreed. It is a statutory requirement, under section 158A of the *Environment Protection Act 1997*, to report on ecologically sustainable development (ESD) and environmental matters in agency annual reports. The Chief Minister's Annual Report Directions will in the future provide further guidance on how to give effect to this requirement.

Recommendation 2

2.14. The Committee recommends that agencies take up the Auditor-General's finding regarding desirability of improvements to processes for the preparation of financial statements.

Government Response

Agreed. Agencies have been reminded by the Department of Treasury of the need to submit timely financial information to the Auditor-General, and compliance with this is monitored through the financial statement process.

Recommendation 3

3.8. The Committee recommends that the Government ensure its Community Engagement initiative focuses on citizens as active participants in policy making.

Government Response

Agreed. The Community Engagement Initiative comprises a Community Engagement Service Charter, Manual, Engagement Link on the DHCS website and a Learning and Development Strategy.

The Service Charter states that community engagement refers to the many ways in which the government and the community work together. The ACT Government is committed to engaging the Canberra community in the development and implementation of government policies, programs, projects, public works and services. The Service Charter includes a commitment to facilitate community engagement opportunities irrespective of age, gender, cultural background, varying abilities and literacy, that is appropriately targeted and accessible so that people from relevant sections of the community have an opportunity to be heard on issues that affect them.

The Community Engagement Manual provides a guide to practical information for ACT Government employees on how to effectively engage the community in government decision-making processes, when engagement is initiated by the ACT Government. The Engagement Link at www.dhcs.act.gov.au/engagement provides information on community engagement to support the Manual by providing up-to-date information and useful contacts for assistance. This documentation aims to assist government agencies to better engage with the citizens of Canberra.

Recommendation 4

3.15. The Committee recommends that the Office of Sustainability finalise the purpose, substance and effect of the Government's sustainability policy framework and subsequent governmental action.

Government Response

Noted. A basis for this recommendation is the statement at paragraph 3.13 of the report:

“ Whilst the Committee notes the Government is working towards a sustainability reporting policy framework it is concerned that after three years sustainability indicators are still in draft form.”

The basis for this statement appears to be a comment made by Mr Brendan Smyth MLA in the hearings that related to the inquiry. In a discussion relating to the Government's 2004 sustainability report *Measuring Our Progress: Canberra's Journey Towards Sustainability*, Mr Smyth stated in the hearing transcript (p5) that:

“ ... After three years, we have what appear to be draft sustainability indicators out there and some time in the next four years we may agree on what they are and how they will be implemented ...”

These statements are not correct. The indicators in *Measuring Our Progress* are not in draft form, and have not been presented as such. They were developed through extensive research, community consultation and with the assistance of the Sustainability Expert Reference Group, and have been agreed to by Government.

With respect to the substance of Recommendation 4, the purpose, substance and effect of the Government's sustainability policy framework is stated in the policy *People Place Prosperity*, which was released in March 2003. The Office of Sustainability continues to implement this policy, which includes developing and releasing ACT sustainability reports. It is not feasible to list all Government inquiries and reviews in an agency. This potentially includes minor initiatives as part of regular policy development. However, a reference to major reviews would incorporate information material to annual reporting. This list could be contained in the appendix of an annual report.

Recommendation 5

3.18. The Committee recommends that the Government investigate ways in which to build the capacity and capability of current and future employees and maintain the sector as an attractive employer.

Government Response

Agreed. The *2005-2007 ACT Public Service People Strategy*, developed in consultation with the ACT Public Service Human Resource Council, responds to current and future workforce challenges and seeks to strengthen human resource management strategies across the ACT public service. To this end, the strategy provides planning for a strong and sustainable public service. It supports a professional, experienced, collaborative and innovative public service with the capacity and agility to deliver the Government's strategic outcomes.

The current ACTPS People strategy builds on a number of key achievements and progress to enhance the capacity and capability of employees. Implementation of specific initiatives include the development of executive capabilities; specifically targeted development programs including service wide leadership and graduate programs; enhanced development of equal employment opportunity programs to improve diversity in the service and recruitment outcomes for specific groups such as the

- *ACTPS Employment Framework for People with a Disability*; and the development of classifications to standardise work level standards across the ACTPS.

Workforce planning is a major initiative under the Strategy. It includes the development of a workforce planning framework including a maturity model which will provide a consistent approach to evaluating the maturity of an organisation in applying the workforce planning framework. The Strategy also includes the development of demographic data to inform longer term workforce planning; targeted strategies and responses to build greater age diversity across the public service; succession, career and knowledge management processes and practices to attract and retain skills, and development of agency based workforce forecasts to identify key skill sets required in the immediate and longer term.

Further, the Strategy builds on the service wide learning and development framework to link with personal and organisational performance goals and a focus for target skills development. Target areas include legislative and compliance risk management and skill development options, which include new apprenticeships for youth and older workers.

Recommendation 6

4.4. The Committee recommends that clear policy and guidelines be developed for secondment arrangements involving chief executives.

Government Response

Agreed. The Legislative Assembly recently passed the Public Sector Management Amendment Bill 2005 (No. 3). This amendment to the *Public Sector Management Act 1994*, together with related changes to the Public Sector Management Standards created a new executive employment framework which has operated from 9 September 2005.

The previous framework did not provide specifically for lateral transfer arrangements of chief executives. The new arrangements permit the Chief Minister to transfer chief executives to other chief executive offices or any other office in a department or to any stated public sector function. In these circumstances the legislation ensures that chief executives retain their existing remuneration for the term of their contract.

A policy and guidelines to complement these legislative changes is currently being developed by the Public Sector Management and Industrial Relations Group in the Chief Minister's Department.

Recommendation 7

4.46. The Committee recommends that, in future, when statutory authorities appear before Assembly committees, their chief executives should be in attendance or, in their absence, a delegate capable of answering operational questions.

Government Response

Agreed. Key personnel (preferably Chief Executives of Statutory Authorities) will be in attendance at future hearings.

ACT Insurance Authority

4.47. The Committee expressed concern regarding an increased number of outstanding claims from the Department of Health, which appear to have been overlooked, and the ability of the Government to meet insurance claims.

Government Response

Noted. There have been a number of measures established to improve 'potential claim' reporting, including improved communication and networking between key stakeholders. The key stakeholders include the ACT Insurance Authority (ACTIA), ACT Government Solicitors, ACT Health and its agencies. This improved communication has resulted in:

- the establishment of a process for the reporting of potential claims from agencies to ACT Health, ACTIA and ACT Government Solicitors;
- the development and implementation of a Notification of a Medical Incident Form to report medical incidents that may lead to, or has lead to, a writ or a medical negligence claim; and
- implementation of ongoing education sessions to clinical staff in all health agencies.

The education sessions are facilitated by representatives from ACTIA, ACT Government Solicitors and ACT Health.