

2013

**THE LEGISLATIVE ASSEMBLY FOR THE
AUSTRALIAN CAPITAL TERRITORY**

**GOVERNMENT RESPONSE TO THE
STANDING COMMITTEE ON PUBLIC ACCOUNTS (7th ASSEMBLY)
REPORT NO 23**

REPORT ON ANNUAL AND FINANCIAL REPORTS 2010-2011

**Presented by
Ms Katy Gallagher MLA
Chief Minister**

Government Response

Standing Committee on Public Accounts (7th Assembly) Report No 23 – Report on Annual and Financial Reports 2010-2011

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:

- ACT Auditor-General;
- ACT Gambling and Racing Commission;
- ACT Government Procurement Board;
- ACT Insurance Authority;
- ACT Legislative Assembly Secretariat;
- ACT Long Service Leave Authority;
- ACTEW Corporation Limited;
- ACTTAB Limited;
- Chief Minister and Cabinet Directorate (now Chief Minister and Treasury Directorate);
- Commissioner for Public Administration;
- Economic Development Directorate;
- Exhibition Park Corporation;
- Independent Competition and Regulatory Commission;
- Rhodium Asset Solutions;
- Totalcare Industries; and
- Treasury Directorate (now split between Chief Minister and Treasury Directorate and Commerce and Works Directorate).

The Committee made 10 recommendations.

Response to Committee Recommendations

Recommendation 1

2.40 The Committee recommends that the ACT Government ensure that all directorates and agencies comply with the Treasury Directorate's whole-of-government reporting timetable to ensure that the Territory's financial statements are completed and audited within the timeframe required by the Financial Management Act 1996.

Government Response

Agreed.

Agencies have internal processes in place to ensure the Treasury whole-of-government timetable is met, including the use of internal work plans and monitoring and tracking the submission of financial statements by Internal Audit Committees.

It is noted that for the 2010-11 financial year, that the revised Administrative Arrangements that took place on 17 May 2011, required a number of agencies to undertake complex transfers of functions, assets and funding, as such some were late in submitting their financial statements.

Recommendation 2

2.46 The Committee recommends that, in future, the implementation of major alterations to the responsibilities of directorates and agencies should be aligned with the end of a financial year reporting period in order to minimise the complexity of subsequent reporting arrangements.

Government Response

Not agreed.

Whilst the Government agrees that such an alignment would simplify reporting processes, in most cases it would be impractical to wait until the end of a financial year reporting period to make what the Government may consider to be very important alterations.

Recommendation 3

2.55 The Committee reminds all ACT Government directorates and agencies that they should provide sufficient information in their statements of performance to explain their achievements. In particular, directorates and agencies should ensure that:

- a) each performance measure is clearly defined*
- b) sufficient explanatory information is included to enable external users to understand performance*
- c) significant judgements or estimates applied in measuring reported results are adequately disclosed*
- d) systems used to record and report performance results provide reasonable assurance that results are reliable, and*
- e) where possible, and appropriate, comparative data over previous periods or with other jurisdictions be supplied.*

Government Response

Agreed.

Two qualified reports of factual findings were issued on agency statements of performance due to performance indicators not being measured in accordance with the Financial Management Act 1996.

The Territory and Municipal Services Directorate will be reviewing business processes and systems to collect data supporting actual performance on an ongoing basis and checking explanatory information and variance analysis in the statement of performance for clarity and completeness.

Recent implementation of the new ticketing system will assist ACTION in improving reporting of accountability indicators.

Treasury publishes a Better Practice Guideline which is available to all agencies to assist in the preparation of statements of performance. This guideline includes the requirement to explain material variances from planned levels of performance.

Improving performance measures remains an ongoing process by agencies. Annual reviews of performance measures will continue to be undertaken during the annual budget process.

Recommendation 4

3.12 The Committee recommends that the ACT Government give consideration to establishing a central team within the ACT Public Service (ACTPS) to develop and provide expertise in dealing with bullying matters.

Government Response

Noted.

In October 2012, the Commissioner for Public Administration released a new Code of Conduct for the ACT Public Sector. This Code is founded on the ACTPS values of Respect, Integrity, Collaboration and Innovation and the ten signature behaviours that all staff employed under the Public Sector Management Act 1994 are expected to demonstrate.

The Commissioner for Public Administration, the Head of Service and the members of the Strategic Board are collectively responsible for embedding of the new Code of Conduct. Through this new Code, the Respect, Equity and Diversity (RED) Framework, and the proactive work by the Commissioner, RED contact officers, RED executive sponsors and health and safety representatives it is expected that these positive workplace behaviours will be further embedded throughout the service.

In addition to the existing mechanisms under the *Work Health and Safety Act 2011* and *Enterprise Agreements* to respond to allegations of bullying in the workplace, the Commissioner for Public Administration's *Investigation Into The Management Of Complaints Of Bullying And Harassment And Related Issues At The Canberra Institute Of Technology (CIT)* will inform how to respond to bullying and harassment matters.

Recommendation 5

4.79 The Committee recommends that the ACT Government should examine the feasibility of establishing a centralised government-run asbestos register.

Government Response**Noted.**

The ACT's Dangerous Substances Act requires that all commercial buildings built before 31 December 2003 have an asbestos management plan which includes an asbestos register that records the location, type and state of any asbestos in that building. WorkSafe ACT undertakes compliance activity to ensure that commercial property owners have an appropriate asbestos management plan. It also takes appropriate compliance action to ensure that asbestos is safely contained with sites or can be safely removed from sites.

Officers from the Work Safe Policy area of the Office of Industrial Relations are presently participating in a National Asbestos Safety Reference Group. The Reference Group was established after the release of Australian Government's Asbestos Management Review. That Review makes a number of recommendations, including improving asbestos identification. The Committee's recommendation will be considered in the context of the work of the Reference Group, and the Federal Office of Asbestos Safety when that is established.

Recommendation 6

4.81 The Committee recommends that the ACT Government examine the feasibility of establishing a public register of all buildings, structures and sites in the Australian Capital Territory which contain asbestos.

Government Response**Noted.**

Officers from the Work Safe Policy area of the Office of Industrial Relations are presently participating in a National Asbestos Safety Reference Group. The Reference Group was established after the release of Australian Government's Asbestos Management Review. That Review makes a number of recommendations, including improving asbestos identification. The Committee's recommendation will be considered in the context of the work of the Reference Group, and the Federal Office of Asbestos Safety when that is established.

Recommendation 7

4.128 The Committee recommends that given the issues raised by the draft environmental assessment, in particular the land offset ratio, the ACT Government may wish to reassess the location of the low-budget tourist accommodation.

Government Response

Not agreed.

The Government believes that re-assessing the location of low budget tourist accommodation is not warranted. Considerable effort has been expended in getting the site ready for development. Environmental clearances and the accompanying offset package are all but finalised. Construction of the facility is on track to commence in January 2013.

Recommendation 8

4.154 The Committee recommends that the ACT Government table in the ACT Legislative Assembly, by the first sitting day in August 2012, the Government's ICT Sustainability Plan.

Government Response

Agreed.

Work on the ICT Sustainability Plan is progressing, and it will be tabled in the Assembly once finalised.

Recommendation 9

4.174 The Committee recommends that the ACT Government should ensure that a formal arrangement is in place to guarantee the involvement of ACTEW Corporation Limited in discussions about the development of the ACT's non-potable water strategy.

Government Response

Agreed in principle.

ACTEW Corp Ltd were consulted as part of the development of the ACT's non-potable water strategy and they provided a relevant submission on pricing.

Recommendation 10

4.186 The Committee recommends that, as further developments arise with regard to the viability of ACTTAB Limited, the Minister should make a statement informing the ACT Legislative Assembly.

Government Response

Agreed.

The Government will inform the Legislative Assembly of any major developments concerning ACTTAB's future viability.