



Inquiry into annual and financial reports 2024–2025

Answer to question taken on notice

Asked by: Ms Chiaka Barry MLA

Addressed to: Attorney-General

In relation to: Attorney-General and Net cost of service

Hearing: 20 November 2025

Uncorrected Proof Transcript pp12-13

Transcript provided: 27/11/2025

Answer Due: 04/12/2025

THE CHAIR: Okay, and so the forward estimates is showing a decrease in expenditure and an increase in on-source revenue. What sources of additional revenue are forecasted and what assumptions underpin this increase?

Ms Cvetkovski: So additional on-source revenue in this space, I might need to take on notice the exact sort of answer to that. But from my memory, we did have a reduction in future use starting from 25-26, where our controlled recurrent payments were reduced because of direct appropriation to ICBI relating to our rent and outgoings for our properties. So that will increase our on-source revenue but obviously reduce control recurrent payments. The table that you are referring to does not have controlled recurrent payments where you can see that decrease. So that is probably main variance, but I might need to potentially take it on notice and explore it further.

THE CHAIR: Sorry, sorry, explain that again to me. So ICBR will be paying you rent?

Ms Cvetkovski: So we have transferred our appropriation to ICBR. They will be paying rent on our behalf.

THE CHAIR: Right, okay. And is that the 10.5 million decrease from 2024-2025 in your future years? Does that account for that 10.5 million decrease?

Ms Cvetkovski: I am talking only about on-source revenue here.

THE CHAIR: Just on on-source revenue.

Ms Cvetkovski: Yes, yes.

THE CHAIR: And what is that 10.5 million that is ongoing?

Ms Cvetkovski: I will need to take that on notice, yes.

THE CHAIR: That is the one, okay. Thank you.

Ms Cvetkovski: Yes, no worries.

THE CHAIR: My other question is, what risk factors could threaten the projected downward trends in net cost of service across future years?

Ms Cvetkovski: I think I will need to take that on notice, yes.

THE CHAIR: Thank you. Maybe you would need to take this one on notice again. How has the directorate accounted for pressures such as inflation, wage increase, operational cost and increased service demand in its forward years?

Ms Cvetkovski: I think we can take that on notice as well, yes.

Mr Johnson: Yes, I think that is probably best to take on notice. There are some complexities to the question, I think, so I would rather take it on notice and give you a fulsome answer than try to answer those here.

THE CHAIR: Excellent, thank you. And just one more question, probably on notice as well. Does the directorate expect demand for services to rise in the forward years, and if so, how will service levels be maintained in the context of reducing expenditure?

Ms Cheyne: Take that on notice.

Ms Cvetkovski: I think we will need to take on notice, yes.

Ms Tara CHEYNE MLA: The answer to the Member's question is as follows:

1. The decrease of \$18m in the 2026-27 estimated expenses compared to 2025-26 Budgeted expenses, and the decrease of \$19.5m in the 2027-28 estimated expenses compared to the 2026-27 estimated expenses largely relates to a number of ceasing initiatives, continued funding for which would be subject to a future budget consideration, a reduction in grant expenses such as the Disaster Ready Fund and increases in whole of government savings.

The increase of \$22.3m in the Own Source Revenue from the 2024-25 Budget to the 2025-26 Budget largely relates to:

- An increase of \$16.8m in Grants and Contributions revenue relating to the 2025-26 Budget initiative *iCBR's infrastructure enabling services and management of government places* where the direct appropriation has been transferred to Infrastructure Canberra and is now recognised as Resources Received Free of Charge revenue; and
- an increase of \$4.7m in the Sale of Goods and Services from Customers mainly due to the increase in complexity of matters and higher demand for legal services in the ACT Government Solicitor's Office, Ambulance Transport Services and False Alarm Monitoring services.

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The increase of \$1.4m in the 2026-27 Estimated Own Source Revenue from 2025-26 Budget, and the increase of \$1.6m in the 2027-28 Estimated Own Source Revenue from 2026-27 Estimates is mainly driven by the indexation of fees and charges.

2. Total 2024-25 own source revenue of \$76.5m was \$9.9m, or 14.9% higher than 2023-24 own source revenue of \$66.5m due to higher:
 - Sales of goods and services from contracts with customers of \$2.5m due to an increase in demand for Ambulance Transport services, higher false alarms, fire alarm monitoring fees and fire safety certification fees as well as an increase in complexity of matters and higher demand for legal services in the ACT Government Solicitor's Office.
 - Higher other revenue of \$6.0m mainly due to ACAT Trust covering full trust related costs in 2024-25. In 2023-24, one-off government funding was appropriated to cover some of the trust related costs, reducing the need for trust distributions. In addition, there were higher cost recoveries from emergency services staff deployed interstate and internationally.
 - Grants and contributions of \$1.4m mainly relating to higher resources received free of charge for Information and Communication Technology Services and a change of funding agreement for Procurement ACT which received government funding direct for the provision of procurement services in 2024-25 (and it being reflected in the Directorate's statements as resources received free of charge).
3. The downward trend of Net Cost of Service relates to a combination of lower projected Total Expenses and increases in Own Source Revenue as described in Q1 above. A range of factors could impact future budget estimates and change the current predicted downward trend, including cost or revenue increases or decreases, ACT Government funding decisions and Commonwealth Government funding decisions amongst others. Forward estimates are updated at least annually through the Budget process to ensure they remain as accurate as possible.
4. The published budget and forward estimates are adjusted annually to take account of increases resulting from indexation cost increases (for example Consumer Price Index, Wage Price Index, etc). In addition, any pressures in operating costs and increases in service demand are subject to government consideration through budget processes.
5. Demand for services has been increasing across JACS. Funding for demand increases in future years would be subject to government consideration through future budget processes.

Approved for circulation to the Standing Committee on Legal Affairs

Signature: 
By the Attorney-General, Ms Tara Cheyne MLA

Date: 7/12/25