

Report to the Public Accounts Committee

Performance Audit Recommendations Observations (2024) - 2021 audits

February 2025

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Auditor-General Report No.1 of 2021

Land Management Agreements¹

(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 response²

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.

¹ https://www.audit.act.gov.au/data/assets/pdf_file/0007/1697029/Report-No.-01-of-2021-Land-Management-Agreements.pdf

² 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

The Environment, Planning and Sustainable Development Directorate, in cooperation with other ACT Government agencies involved in the development of Land Management Agreements should:

- a) identify and document roles and responsibilities for the establishment of the Agreements; and
- 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.

Government Response	Reported Status	Agreed
<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>		

Annual Report (EPSDD)	Last Reported Status	Complete
<p><u>2021-22 Annual Report:</u></p> <p><i>Initial steps commenced to establish an ongoing governance forum; however, this was deferred due to the COVID-19 restrictions.</i></p>		

Auditor-General's Observation
<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> indicated implementation was complete, but also implied 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

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.

Government Response	Reported Status	Agreed
<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 https://www.legislation.act.gov.au/View/af/2016-26/20160430-63367/PDF/2016-26.PDF 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 (EPSDD)	Last Reported Status	Complete
<p><u>2021-22 Annual Report:</u> <i>EPSDD has begun updating the current LMA template to reflect the issues raised in the LMA Audit.</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.</p> <p>EPSDD's <i>Annual Report 2021-22</i> indicated implementation was complete, but also implied that work to address the recommendation had just commenced.</p> <p>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	Reported 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 (EPSDD)	Last Reported Status	Complete
<p><u>2021-22 Annual Report:</u> <i>EPSDD will develop an action plan in 2021–22 to implement the recommendation as required.</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.</p> <p>EPSDD's <i>Annual Report 2021-22</i> indicated implementation was complete, but also indicated that further work was necessary to document its approach to support further delivery.</p> <p>There is a lack of clarity on the resolution of this recommendation and what action has occurred.</p>		

Recommendation 4 – Documentation and Record-Keeping

<p>The Environment, Planning and Sustainable Development Directorate should develop and implement policy and procedural guidance for the documentation and record-keeping of Land Management Agreements. The guidance should include principles for the consistent documentation of processes associated with the development of Agreements with rural leaseholders.</p>		
Government Response	Reported Status	Noted
<p><i>The Directorate uses Objective to store files. In relation to land, each block and section has a standard hierarchy of sub-folders. This includes provision for rural leases and LMAs. All LMAs are stored on Objective and can be accessed when required.</i></p> <p><i>Notwithstanding this, EPSDD takes its responsibilities under the Territory Records Act 2002 very seriously and, in the process of implementing Recommendation 2 above, will review processes as appropriate.</i></p>		
Annual Report (EPSDD)	Last Reported Status	Not reported
<p>Not reported.</p>		
Auditor-General's Observation		
<p>The ACT Government response noted the recommendation but did not commit to any specified action. The response focused on the collation of rural leases and Land Management Agreements.</p> <p>The recommendation also sought the documentation of principles for record-keeping associated with the development of Land Management Agreements. This appears to be outstanding.</p>		

Recommendation 5 – Land Management Agreement Detail

<p>The Environment, Planning and Sustainable Development Directorate should identify and prescribe a minimum level of detail for Land Management Agreements that fosters their use as an active and ongoing land management tool. The minimum level of detail should identify specific actions and outcomes that facilitate the monitoring and enforcement of compliance with Agreements by rural leaseholders.</p>		
Government Response	Reported Status	Noted
<p><i>Each LMA is designed specifically for the land to which it applies. Due to ecological, cultural, geographic and lease size differences, each will be different in their content. A risks-based approach is used, incorporating ecological, cultural and land management expertise of staff and rural landholders along with data from a range of sources. For example, some LMAs cover small blocks with few ecological/cultural considerations therefore the amount of information and complexity is less than larger sites with more complex ecological/cultural values.</i></p> <p><i>Some information about ecological and heritage values are not released or published due to conservation and cultural sensitivities.</i></p> <p><i>To improve landscape outcomes, the LMA process provides opportunities for remediation work across multiple and neighbouring properties. This can guide landscape scale land management programs where landholders are engaged in education and advisory programs and build healthy relationships between rural lessees and Government.</i></p> <p><i>Notwithstanding this, in completing Recommendation 2 above, EPSDD will develop policy and procedural guidance documents that provide staff and leaseholders with adequate direction on the appropriate level of detail required to appropriately enunciate monitoring and compliance obligations.</i></p>		
Annual Report (EPSDD)	Last Reported Status	Not reported
<p>Not reported.</p>		
Auditor-General's Observation		
<p>The ACT Government response did not specifically agree to the recommendation, but also indicated that it would be addressed through the implementation of Recommendation 2.</p>		

As noted previously, EPSDD's *Annual Report 2021-22* indicated implementation was complete, but also implied that work to address the recommendation had just commenced.

There is a lack of clarity on the resolution of this recommendation and what action has occurred.

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.

Government Response	Reported Status	Agreed
<p><i>EPSDD and Access Canberra agree to collaborate to develop a strategic framework for monitoring and compliance of LMAs.</i></p> <p><i>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.</i></p> <p><i>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.</i></p> <p><i>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.</i></p> <p><i>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.</i></p> <p><i>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).</i></p> <p><i>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.</i></p> <p><i>The CEMP (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.</i></p> <p><i>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.</i></p> <p><i>EPSDD will assess the application of the above-mentioned tools to the monitoring of land management outcomes on rural leases.</i></p>		
Annual Report (EPSDD and CMTEDD)	Last Reported Status	Complete
<p><u>2021-22 Annual Report:</u></p> <p>Access Canberra</p> <p><i>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.</i></p> <p>Environment, Planning and Sustainable Development Directorate</p> <p><i>The Land Management Agreement Governance Group has drafted a monitoring, reporting and compliance process to assist in the improvement of addressing land management issues identified in the LMA process. This process will be implemented by December 2022.</i></p> <p><u>2022-23 Annual Report:</u></p>		

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.

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).*

2023-24 Annual Report:**Access Canberra**

Access Canberra worked with EPSDD to develop and implement 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).*

Auditor-General's Observation

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.

There was inconsistent reporting by the agencies in annual reports. EPSDD reported the recommendation was complete in 2022-23, while CMTEDD reported the recommendation was in progress at the time and complete in 2023-24.

Both agencies' annual reports identified that the recommendation was addressed through the development of a protocol for the monitoring of compliance.

Auditor-General Report No.2 of 2021 Total Facilities Management Contract Implementation³

Auditee

The auditee for this audit was the Community Services Directorate.

Audit Objective

The objective of the audit was to assess the effectiveness of Housing ACT's activities to manage the total facilities management contract and deliver the outcomes specified by the Commissioner for Social Housing.

Summary

Since November 2018, Housing ACT has maintained its social housing portfolio through a total facilities management contract with Programmed Facility Management. The contract is one of the ACT Government's highest value service contracts and may operate for up to 14 years, if options to extend the contract are taken.

The maintenance of social housing is important. It not only serves to preserve the value of the ACT Government's social housing assets, but also contributes to the delivery of adequate, equitable and appropriate housing for tenants. Given these outcomes and the duration and overall value of this contract, it is important that the contract is effectively managed.

The audit considered Housing ACT's management of the contract. This included consideration of the governance and administrative arrangements of the contract and processes to manage and monitor contract performance.

Government response⁴

Ms Yvette Berry MLA, Minister for Housing and Suburban Development, tabled the ACT Government's response to the Performance Audit Report on 3 August 2021.

³ https://www.audit.act.gov.au/_data/assets/pdf_file/0008/1730816/Report-No.-2-of-2021-Total-Facilities-Management-Contract-Implementation.pdf

⁴

https://www.parliament.act.gov.au/_data/assets/pdf_file/0007/1817197/3e469bd0f7a20856a9c1d4c0ef433d194e3fcb5a.pdf

Recommendation 1 – Senior Contract Manager Role and Responsibilities

<p>Housing ACT should review the roles and responsibilities of the Senior Contract Manager and ensure that risks associated with their competing responsibilities and accountabilities for the management of the contract and their role in governance forums and groups are recognised and managed.</p>		
Government Response	Reported Status	Agreed
<p><i>Housing ACT will undertake a review of the senior director role and implement any additional controls that may be required.</i></p>		
Annual Report (CSD)	Last Reported Status	Complete
<p><u>2021-22 Annual Report:</u></p> <p><i>The position description of the Senior Director, Contract Management role has been updated to better reflect the strategic management of risks associated with the contract and a clear operational focus on being the conduit between Housing ACT and Programmed Facilities Management.</i></p> <p><i>The Terms of Reference for the Joint Consultative Committee have also been updated so roles at the contractual level do not have voting rights.</i></p>		
Auditor-General's Observation		
<p>The ACT Government response indicated a review of the responsibilities of the Senior Contract Manager would be done.</p> <p>The Community Services Directorate's <i>Annual Report 2021-22</i> identified the recommendation was implemented, with reference to the findings of the audit report.</p>		

Auditor-General Report No.3 of 2021

Court Transport Unit Vehicle – Romeo 5⁵

(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 response⁶

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

⁵ https://www.audit.act.gov.au/_data/assets/pdf_file/0011/1734698/Report-No.-3-of-2021-Court-Transport-Unit-vehicle-Romeo-5.pdf

⁶

https://www.parliament.act.gov.au/_data/assets/pdf_file/0009/1817199/dc95cdd9a8d450e53a97c99023184cd83fbfc8f4.pdf

Recommendation 1 - ACT Corrective Services Procurement Framework

<p>ACT Corrective Services should review its procurement framework, including policies, procedures and practices, in order to ensure:</p> <ul style="list-style-type: none"> a) roles and responsibilities for procurement are clearly identified and documented. This includes roles and responsibilities for the management of suppliers in the design and construction of future fleet vehicles; b) procurements appropriately consider and document value for money and risk; and c) training is provided to all staff involved in procurement. This should include training on probity, risk management and value for money considerations. 		
Government Response	Reported Status	Agreed
<p><i>ACTCS internal documentation will be audited for consistency with the WhoG Procurement Guidelines. ACTCS is currently using the JACS Procurement Framework while drafting its own Procurement Framework for more tailored guidance, including around roles and responsibilities relating to vehicle procurement. The audit and tailored ACTCS Procurement Framework will ensure that there is clarity in the documents around value for money and risk, noting these are already clearly outlined by Procurement ACT. Finally, ACTCS will develop and implement an e-learning package for staff involved in procurement activities to ensure awareness on probity, risk management and value for money considerations.</i></p>		
Annual Report (JACS)	Last Reported Status	Complete
<p><u>2021-22 Annual Report:</u></p> <p><i>ACT Corrective Services (ACTCS) follows the JACS Procurement Framework and whole of ACT Government Procurement Guidelines. The Procurement of Vehicles for ACTCS Operating Procedure (OP) was approved on 9 December 2021. The OP requires Contracts and Procurement to work with relevant business units to develop Statements of Requirements.</i></p> <p><i>The Procurements and Contracts Operating Procedure is being refined to provide greater clarity regarding value for money and risk. Whole of ACT Government Training provided by Procurement ACT has been identified to upskill staff.</i></p>		
Auditor-General's Observation		
<p>The ACT Government response indicated a range of improvements to ACTCS policy and procedural guidance would be undertaken and that an e-learning package would be developed for staff involvement in procurement activities.</p> <p><i>JACS' Annual Report 2021-22 identified the recommendation had been implemented through the development of a Procurement of Vehicles for ACTCS Operating Procedure. This appears to be a specific and satisfactory way to address this recommendation, although the annual report also implies that this document still needs further development.</i></p> <p>The annual report implies that the intention to develop an e-learning package for staff has not been followed through, but that staff would rely on whole-of-government training provided by Procurement ACT.</p>		

Recommendation 2 - Future Use of Romeo 5

<p>ACT Corrective Services should:</p> <ul style="list-style-type: none"> 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 b) outline a clear vision of what its expectations are for the use of Romeo 5 for the duration of its lease. 		
Government Response	Reported Status	Agreed
<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>		
Annual Report (JACS)	Last Reported Status	Complete
<p><u>2021-22 Annual Report:</u></p>		

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.

Considerations relating to the repurposing of the current Romeo 5 will be determined following the delivery of the new vehicles.

ACTCS continues to use Romeo 5 in accordance with the operating procedures where alternative vehicles are not available.

2022-23 Annual Report:

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).

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.

Considerations relating to the repurposing of the current Romeo 5 will be determined following the delivery of the new vehicles.

ACTCS continues to use Romeo 5 in accordance with the operating procedures where alternative vehicles are not available.

Auditor-General's Observation

The ACT Government response indicated the future use of Romeo 5 would be reviewed and considered.

JACS' annual reports (2021-22 and 2022-23) indicated that Romeo 5 would be replaced. The implementation of the recommendation was reported as complete in the *Annual Report 2022-23*, but that the future use of Romeo 5 and 'considerations relating to [its] repurposing ... will be determined following the delivery of the new vehicles'.

It is not clear from the annual reports what decisions have been made with respect to the repurposing of Romeo 5 and its future use.

Auditor-General Report No.4 of 2021

ACT Government's Vehicle Emissions Reduction Activities⁷

(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 response⁸

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.

⁷ https://www.audit.act.gov.au/_data/assets/pdf_file/0008/1746035/Report-No.4-of-2021-ACT-Governments-vehicle-emissions-reduction-activities.pdf

⁸ 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 1 – Program Design and Evaluation

The Environment, Planning and Sustainable Development Directorate should review zero emissions vehicle program design and delivery, including:

- a) reviewing and confirming the program logic of all relevant (i.e.16) actions in The ACT’s Transition to Zero Emissions Vehicles Action Plan 2018-21 and the ACT Climate Change Strategy 2019-25;
- b) determining and progressing an evaluation process for specific actions;
- c) developing and applying a reliable internal monitoring and external reporting methodology for an indicator reflecting the uptake of zero emissions vehicles in the ACT; and
- d) defining Government expectations on the future uptake of electric vehicles in the ACT that influence the Government’s transition planning.

Government Response

Reported Status

Agreed

The ACT Government agrees to progress a review of ZEV program design and delivery to date.

An independent review is being progressed on the outcomes of the relevant (i.e. 16) actions in the ZEV Action Plan and the ACT Climate Change Strategy. This review will provide an opportunity to reflect on ZEV action outcomes undertaken to date and to inform future vehicle emissions policy actions. The findings of the Audit Report are being used as the basis for this review.

The review will:

- *Assess the key drivers of ZEV uptake in the ACT, based on the best available ACT, national and international data and research;*
- *Assess whether current actions have achieved their intended outcomes, based on these key drivers;*
- *Establish a consistent program logic for any new ZEV actions; and*
- *Establish a reliable monitoring and reporting methodology for current and future ZEV actions.*

The ACT Government agrees that defining Government expectations of ZEV trends and uptake is important for policy review and development. As part of ongoing community reporting on ZEV policy, the ACT Government will publish ZEV uptake data on the Environment, Planning and Sustainable Development Directorate website.

Under Action 2(i) of the PAGA, Government has committed to establishing a ZEV sales target for 2030. Under this commitment, Government will define anticipated ZEV uptake over the next decade. The resulting projection of ACT ZEV uptake will allow Government to:

- *Model the changes in ZEV uptake that are likely to result from Government actions;*
- *Evaluate the impact of Government actions against expected ZEV uptake results;*
- *Plan for the deployment of 50 public ZEV chargers in 2022;*
- *Set an informed target for 2030 sales of zero emissions vehicles; and*
- *Analyse options for future additional policy directions.*

Annual Report (EPSDD)

Last Reported Status

Complete

2021-22 Annual Report:

1. *Independent Review of ZEV AP 2018–21 Program Logics by Social Outcomes [Sensitive]*
2. *Independent Evaluation of ACT’s ZEV Actions by Social Outcomes [Sensitive]*
3. *ACT Public EV Charing Outlook [Sensitive]*
4. *Link to the ZEV uptake Dashboard - [Public Version](#)*

Auditor-General’s Observation

The ACT Government indicated a range of activities to be implemented to address the recommendation.

EPSDD's *Annual Report 2021-22* indicates most aspects of the Government's committed actions have now been completed. However, while there's a commitment to define a zero emissions vehicle sales target, there is no evidence in the commentary that this has been done as yet.

Recommendation 2 – Shared Implementation Plans

The Environment, Planning and Sustainable Development Directorate, when developing individual action plans or composite implementation plans that require multiple team input, should:

- a) secure authorisation by senior management;
- b) maintain version control of plans;
- c) share plans with the other relevant stakeholders; and
- d) seek a mutual understanding of and a written commitment to the necessary steps and likely timeframes in which a task is intended to be progressed.

Government Response	Reported Status	Agreed
<p><i>The ACT Government agrees that a systematic approach to action implementation requires effective coordination between Directorates and business units.</i></p> <p><i>The Audit Report highlights that Climate Change Policy has established effective governance and administrative arrangements to articulate the activities and carriage of each of the first 16 commitments considered as part of the audit.</i></p> <p><i>The collaboration and engagement of project teams across Government will be strengthened by identifying and documenting roles and responsibilities for ZEV actions. Under this approach each stakeholder's commitments will be documented to deliver a project plan including:</i></p> <ul style="list-style-type: none"> • <i>Mutually agreed steps, tasks and responsibilities to achieve an action; and</i> • <i>Timeframes required to undertake the project.</i> <p><i>Where multiple teams are required to implement an action, authorisation will be secured by relevant senior management. Under this coordinated project planning approach, the resulting implementation plans will be communicated to relevant stakeholders.</i></p> <p><i>The ACT Government will maintain correct version control of plans. This will involve the establishment of dedicated, consistent, and secure filing systems to ensure all relevant and important documentation is recorded.</i></p> <p><i>The importance of a coordinated approach to Government's response to climate change is reflected in the establishment of the Office of the Coordinator General for Climate Action (the Office) within the Chief Minister, Treasury and Economic Development Directorate. The Office was established to coordinate and support the ACT Government's ambitious agenda for Climate Action. The Office is working closely with Directorates to coordinate activities across Government to keep ACT's climate change commitments on track, including those related to the uptake of ZEVs.</i></p>		

Annual Report (EPSDD)	Last Reported Status	Complete
<p><u>2021-22 Annual Report:</u></p> <p><i>New potential ZEV policies have been designed in collaboration with the Office for Climate Action (CMTEDD) and Transport Policy (TCCS), as new actions will be implemented across the three directorates. These policies are due to be discussed and agreed in the near future (July 2022); implementation plans will be co-developed and shared across directorates once they have been formally approved.</i></p> <p><i>In 2021, a cross-government working group was formed on transport and emissions reduction policy. The group is facilitated by the newly established Office of Climate Action.</i></p>		

Auditor-General's Observation
<p>The ACT Government indicated a range of activities to be implemented to address the recommendation.</p> <p>EPSDD's <i>Annual Report 2021-22</i> states that the agreed activities in the Government's response are complete. However, the progress described by EPSDD in the Annual Report does not address key components of the response. There is no commentary on the documentation of roles and responsibilities, or project plans being prepared or version control.</p>

Recommendation 3 – Learnings from Implementation

<p>The Environment, Planning and Sustainable Development Directorate should review the effectiveness of the transition of the ACT Government fleet including:</p> <ul style="list-style-type: none"> a) the usage pattern of electric vehicles now in the fleet versus that of petrol/diesel vehicles; b) barriers to increasing usage of electric vehicles; and c) identifying learnings from the work undertaken to establish fit-for-purpose charging infrastructure in the two new government office buildings at Dickson and Civic. 		
Government Response	Reported Status	Agreed
<p><i>The ACT Government agrees to review of the effectiveness of the ACT Government ZEV fleet transition. As outlined in the response to Recommendation 1, the ACT Government is establishing a monitoring and evaluation framework for current and future ZEV measures. A review of the fleet transition will be included in this framework.</i></p> <p><i>The ACT Government’s ambitious ZEV fleet leasing policy means that it now has one of Australia’s largest ZEV fleets. A review of the effectiveness of actions to date will provide a useful resource of the lessons learned in Government’s early adoption of ZEVs, and will inform the development of information to be shared with business and community fleet managers through the Fleet Advisory Service, committed to under the 2019-20 ACT Budget.</i></p>		
Annual Report (EPSDD)	Last Reported Status	Complete
<p><u>2021-22 Annual Report:</u></p> <p><i>An Independent Evaluation of ACT’s ZEV Actions by Social Outcomes has been completed.</i></p>		
Auditor-General’s Observation		
<p>The ACT Government response indicated that a review of the ACT Government fleet transition would be undertaken.</p> <p>EPSDD’s <i>Annual Report 2021-22</i> indicates the recommendation has been completed.</p>		

Recommendation 4 – Zero Emissions Vehicles Reporting

<p>The Environment, Planning and Sustainable Development Directorate should, prior to planning any successor plan to <i>The ACT’s Transition to Zero Emissions Vehicles Action Plan 2018-21</i>, publicly report the Government’s assessment of its progress in implementing the eleven actions in the plan. This assessment should be in accordance with better practice reporting and the reporting advice contained in <i>Strengthening Performance and Accountability: A Framework for the ACT Government</i> (2019).</p>		
Government Response	Reported Status	Agreed
<p><i>As outlined in the response to Recommendation 1, the ACT Government is currently undertaking a review of ZEV Action Plan and associated actions, including their underlying program logic and monitoring and evaluation processes. This review will be conducted in line with Strengthening Performance Accountability: A Framework for ACT Government as recommended in the Report.</i></p> <p><i>The results of this review will be made available to the public as part of the Annual Report by the Minister under the Climate Change and Greenhouse Gas Reduction Act 2010. Under this legislation this report is released within six months after the end of the financial year. The means that results of the review will be published between July and December 2021.</i></p>		
Annual Report (EPSDD)	Last Reported Status	Complete
<p><u>2021-22 Annual Report:</u></p>		

The Directorate has delivered an independent review of all ZEV Action Plan actions for effectiveness, efficiency, accountability and sustainability. This was reported in the [2020–21 Minister’s Annual Report](#).

Auditor-General’s Observation

The ACT Government response indicated that it would publicly report on its progress in implementing the eleven actions identified in *The ACT’s Transition to Zero Emissions Vehicles Action Plan 2018-21*.

EPSDD’s *Annual Report 2021-22* indicates this was achieved through the *2020-21 Minister’s Annual Report under the Climate Change and Greenhouse Gas Reduction Act 2010*.

Recommendation 5 – Fleet Policy on Zero Emissions Vehicles

ACT Government agencies should improve zero emissions passenger fleet policy adherence by:

- a) establishing an agreed authorisation process for the fleet policy document, the *ACT Government Fleet Procurement and Management Policy*, (process to be resolved by the ACT Government Fleet Executive within the Chief Minister, Treasury and Economic Development Directorate);
- b) duly authorising the fleet policy document, the *ACT Government Fleet Procurement and Management Policy* (currently to be undertaken by the Environment, Planning and Sustainable Development Directorate);
- c) obtaining Director-General authorisations of policy exceptions as intended (all directorates); and
- d) 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).

Government Response

Reported Status

Agreed

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.

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.

Annual Report (EPSDD)

Last Reported Status

Complete

2021-22 Annual Report:

The Directorate is working to establish an authorisation process for the fleet procurement and management policy. This is expected to be completed by December 2022.

2022-23 Annual Report:

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.

Auditor-General’s Observation

The ACT Government response indicated agreement with the recommendation and that ‘an agreed authorisation process for the ACT Government Fleet Procurement and Management Policy’ would be developed’.

EPSDD’s *Annual Report 2022-23* identifies action on the ACT commitment was completed through the development and authorisation of the *ACT Government Fleet Procurement and Management Policy* and that the Directorate was receiving and monitoring requests for exemption from the Policy and appropriately reporting these.

Auditor-General Report No.5 of 2021

Management of Closed-Circuit Television Systems⁹

(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 response¹⁰

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.

⁹ https://www.audit.act.gov.au/_data/assets/pdf_file/0007/1777615/Report-No-5-of-2021-Management-of-Closed-Circuit-Television-Systems.pdf

¹⁰

https://www.parliament.act.gov.au/_data/assets/pdf_file/0008/1899980/d11e5dd0b878cfe5fbae9726b195eafbb3ee54ac.pdf

Recommendation 1 – CCTV System Purpose and Objectives

The Transport Canberra and City Services Directorate should identify and document the purpose and objectives of its specific CCTV systems.		
Government Response	Reported Status	Agreed
<i>Transport Canberra and City Services Directorate has identified the purpose and objectives of its individual CCTV systems and is in the process of updating the Transport Canberra and City Services Directorate Closed Circuit Guidelines.</i>		
Annual Report (TCCS)	Last Reported Status	Not reported
Not reported.		
Auditor-General's Observation		
The ACT Government response indicated agreement with this recommendation and that TCCS had 'identified the purpose and objectives' of its CCTV systems and that the <i>Transport Canberra and City Services Directorate Closed Circuit Guidelines</i> were in the process of being updated. The Directorate's response to Recommendation 4 indicates that the Guidelines have been updated.		
By not reporting progress on this recommendation in its annual reports, there is no visibility with respect to the updating of Guidelines.		

Recommendation 2 – Annual Reviews of CCTV Systems

The Justice and Community Safety Directorate and Transport Canberra and City Services Directorate should undertake an annual review or audit of their CCTV systems. The annual review or audit should consider:		
<ul style="list-style-type: none"> a) the effectiveness of the system in meeting its purpose and objective; b) the ongoing need for the system and the cameras included in the system; and c) the benefits of the continuing operation of the system against the costs associated with managing and maintaining the system. 		
Government Response	Reported Status	Agreed
<i>The Justice and Community Safety Directorate will incorporate the annual review into the process to prepare the Minister's Annual Report on the Public Safety CCTV Network. These Annual Reports are available at justice.act.gov.au.</i>		
<i>The Transport Canberra and City Services has incorporated annual reviews of CCTV systems into the updated guidelines.</i>		
Annual Report (TCCS and JACS)	Last Reported Status	Complete
<p><u>2021-22 Annual Report:</u></p> <p>Transport Canberra and City Services Directorate Not reported.</p> <p>Justice and Community Safety Directorate JACS: An annual review has been undertaken for 2021 and incorporated as part of the ACT Public Safety CCTV Network Annual Report 2020-21. Transport Canberra and City Services Directorate (TCCS): An annual review has been included into the TCCS CCTV systems guidelines.</p>		
Auditor-General's Observation		
JACS' ACT Public Safety CCTV Network Annual Report 2020-21 purported to fulfill the role of an annual review of the public safety CCTV network. The annual report incorporates elements of what is required of an annual review, but was brief in its description and analysis.		
JACS has reported on behalf of TCCS. The report suggests that the Directorate has addressed the requirement through updated <i>Closed Circuit Television Guidelines</i> , which require an annual review.		

Recommendation 3 – Security and Emergency Management Branch Roles and Responsibilities

The Justice and Community Safety Directorate should document roles and responsibilities of Security and Emergency Management Branch staff involved in the management and operation of the public safety CCTV network in policy and procedural guidance.		
Government Response	Reported Status	Agreed and completed
<i>Justice and Community Safety has reviewed and updated its Standard Operating Procedure titled Project Officer Job Description to reflect the roles and responsibilities of staff within the Security and Emergency Management Division who are responsible for the Public Safety CCTV Network.</i>		
Annual Report (JACS)	Last Reported Status	Not reported
Not reported.		
Auditor-General's Observation		
The ACT Government response indicated agreement with this recommendation and that it had already been completed. There is a lack of visibility with respect to how this recommendation has been implemented.		

Recommendation 4 – Transport Canberra and City Services Directorate *Closed Circuit Television Guidelines*

The Transport Canberra and City Services Directorate should review and update its <i>Closed Circuit Television Guidelines</i> . In doing so, the Directorate should ensure that roles and responsibilities for the management and operation of the directorate's CCTV systems are accurately documented.		
Government Response	Reported Status	Agreed and completed
<i>The Transport Canberra and City Services Directorate have updated the CCTV Guidelines which now incorporate detailed roles and responsibilities.</i>		
Annual Report (TCCS)	Last Reported Status	Not reported
Not reported.		
Auditor-General's Observation		
The ACT Government response indicated agreement with this recommendation and that it had already been completed. There is a lack of visibility with respect to how this recommendation has been implemented.		

Recommendation 5 – Destruction of CCTV Camera Data on Board Buses

The Transport Canberra and City Services Directorate should develop a practice for the destruction of CCTV camera data on board buses 30 days after its capture.		
Government Response	Reported Status	Agreed in principle
<i>The existing on board bus CCTV platform is not capable of automated destruction of footage after 30 days. This requirement will be included in the scope of procurement of a replacement CCTV system in new buses.</i>		
Annual Report (TCCS)	Last Reported Status	Not reported

Not reported.

Auditor-General's Observation

The ACT Government response indicated 'agreement-in-principle' with this recommendation but that its implementation would be predicated on the 'procurement of a replacement CCTV system in new buses'.

By not reporting progress on this recommendation in its annual reports, there is no visibility with respect to the Directorate's progress with, or expected timeframes for, the implementation of the recommendation.

Recommendation 6 – Staff Training and Development

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.

Government Response

Reported Status

Agreed

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.

Annual Report (TCCS and JACS)

Last Reported Status

TCCS – Not reported
JACS – Completed

2021-22 Annual Report:

Transport Canberra and City Services Directorate

Not reported.

Justice and Community Safety Directorate

TCCS has developed a training manual for new starters.

JACS is yet to complete this work due staff turnover in this area, however, work continues to formalise this process.

2022-23 Annual Report:

Transport Canberra and City Services Directorate

Not reported.

Justice and Community Safety Directorate

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.

Auditor-General's Observation

The ACT Government response indicated agreement with this recommendation and identified a timeframe for response. The asserted course of action addresses the recommendation.

JACS' *Annual Report 2022-23* 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.

TCCS did not report progress in its annual reports. By not reporting progress on this recommendation in its 2021-22, 2022-23, and 2023-24 annual reports, there is no visibility with respect to the Directorate's progress with, or expected timeframes for, the implementation of the recommendation.

Auditor-General Report No.6 of 2021

Teaching Quality in ACT Public Schools¹¹

(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 response¹²

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.

¹¹ https://www.audit.act.gov.au/_data/assets/pdf_file/0005/1780907/Report-No-6-of-2021-Teaching-Quality-in-ACT-Public-Schools.pdf

¹²

https://www.parliament.act.gov.au/_data/assets/pdf_file/0010/1899982/05ab458857c0c27c9180cefedabb4089e78c926.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> .		
Government Response	Reported Status	Agree
<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>		
Annual Report (ED)	Last Reported Status	Not reported
Not reported.		
Auditor-General’s Observation		
<p>The ACT Government response indicated agreement with this recommendation and an intention to publish information about Phase 2 of the Strategy on the website.</p> <p>The Audit Office notes the implementation plan has been published, but this was not made clear in annual reporting on the implementation of audit recommendations.</p>		

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"> a) all priority actions identified in its Strategic Plan; b) all indicators of success for each Strategic Plan goal; and c) the completion of activities committed to in annual divisional business plans. 		
Government Response	Reported Status	Agree 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>		
Annual Report (ED)	Last Reported Status	Not reported
Not reported.		
Auditor-General’s Observation		
<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 its annual reports, there is a lack of information as to 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</i> framework to:</p> <ol style="list-style-type: none"> 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; reflect the requirements of the <i>Evidence and Data Plan for School Improvement</i> (2019); and require all schools to participate in school improvement activities as well as complete and publish all required school improvement documentation on their website. 		
Government Response	Reported Status	Agree
<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"> <i>Annual Action Plan/Impact Report,</i> <i>External School Reviews</i> <i>School Improvement Plans</i> 		
Annual Report (ED)	Last Reported Status	In progress
<p><u>2021-22 Annual Report:</u></p> <p>Not reported.</p> <p><u>2022-23 Annual Report:</u></p> <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><u>2023-24 Annual Report:</u></p> <p><i>The Test and Trial phase of the Student-Centred Improvement Framework commenced in Term 2, 2024. Feedback from this process has informed the review of the People, Practice and Performance Framework to ensure it is reflective of the ESO structure, school-based requirements and data informed practice.</i></p>		
Auditor-General's Observation		
<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 2023-24</i> indicates that this is being actioned through the Student-Centred Improvement Framework 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>		
Government Response	Reported Status	Agree in principle
<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>		

additional sources of evidence to inform revises

- implementation of Annual Action Plans and Impact Report to complement the five yearly school plans
- clarification of the role of a Director of School Improvement in the school improvement cycle
- Clarification of the expectations of school leaders in the continuous improvement process

Annual Report (ED)	Last Reported Status	In progress
<p><u>2021-22 Annual Report:</u> Not reported.</p> <p><u>2022-23 Annual Report:</u> 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.</p> <p><u>2023-24 Annual Report:</u> As outlined [in Recommendations 3], the Test and Trial phase of the new improvement framework commenced in in Term 2, 2024. The feedback received from this process provides support for school improvement outcomes along with continued effective evaluation mechanisms.</p>		
Auditor-General's Observation		
<p>The ACT Government response indicated agreement-in-principle with this recommendation.</p> <p>The Education Directorate's <i>Annual Report 2023-24</i> indicates that this is being actioned through the Student-Centred Improvement Framework and that this work is continuing.</p>		

Recommendation 5 – Directors of School Improvement

<p>The Education Directorate should review the role of Directors of School Improvement and in doing so:</p> <ol style="list-style-type: none"> 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 determine if the directors' span of control allows them to fulfil the requirements of the <i>People, Practice and Performance</i> framework. 		
Government Response	Reported Status	Agree
<p>The Education Directorate is reviewing the <i>People Practice and Performance Framework</i>. As part of this review, the role of Directors of School Improvement will be considered.</p>		
Annual Report (ED)	Last Reported Status	Complete
<p><u>2021-22 Annual Report:</u> Not reported.</p> <p><u>2022-23 Annual Report:</u> An implementation plan is currently being developed in consultation with Directors of School Improvement.</p> <p><u>2023-24 Annual Report:</u> The Directorate has reviewed the role of Directors of School Improvement.</p>		
Auditor-General's Observation		
<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> and that 'the role of Directors of School Improvement will be considered'.</p> <p>The Education Directorate's <i>Annual Report 2023-24</i> indicated that the role of Director has been reviewed, but there is no further information on the outcome of the review.</p>		

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 <i>Empowered Learning Professional Leadership Plan</i> during the initial years of their appointment.		
Government Response	Reported Status	Agree
<p><i>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.</i></p> <p><i>This work has now recommenced, with learning sessions for School Leader Cs conducted in Term 3 2021.</i></p>		
Annual Report (ED)	Last Reported Status	Complete
<p><u>2021-22 Annual Report:</u></p> <p>Not reported.</p> <p><u>2022-23 Annual Report:</u></p> <p><i>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.</i></p> <p><u>2023-24 Annual Report:</u></p> <p><i>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</i></p>		
Auditor-General's Observation		
<p>The ACT Government response indicated agreement with this recommendation and that work had commenced 'to establish a development program for new school executives'.</p> <p>The Education Directorate's <i>Annual Report 2022-23</i> and <i>Annual Report 2023-24</i> suggest that this is being achieved through the <i>Aspiring Senior Leaders Program</i> and implementation was recorded as complete in 2023-24. There is no further information in the annual reporting of recommendations implementation.</p>		

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	Reported Status	Agree
<p><i>The Education Directorate will continue to work with TQI to better utilise and promote engagement with Highly Accomplished and Lead Teacher (HALT) initiatives.</i></p> <p><i>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.</i></p> <p><i>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.</i></p>		
Annual Report (ED)	Last Reported Status	In progress
<p><u>2021-22 Annual Report:</u></p>		

Not reported.

2022-23 Annual Report:

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.

2023-24 Annual Report:

The Education Directorate continues to work with the ACT Teacher Quality Institute (TQI) to better utilise and promote engagement with Highly Accomplished and Lead Teacher (HALT) initiatives. The cascading leadership series continues to provide sessions for School Leaders and HALTs.

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 2023-24* indicates that work is continuing in relation to the recommendation.

Recommendation 8 – Annual Professional Learning Programs

The Education Directorate should develop a practice for the Education Support Office to oversee:

- a) the completion of each school's annual professional learning program; and
- b) 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.

Government Response

Reported Status

Agree

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.

Annual Report (ED)

Last Reported Status

In progress

2021-22 Annual Report:

Not reported.

2022-23 Annual Report:

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.

2023-24 Annual Report:

The implementation of the Student-Centred Improvement Framework (SCIF) will closely align the Professional Learning Program with school improvement goals and student outcomes.

Planning actions will be aligned directly with evidence of student need and either a learning or wellbeing element of the SCIF, helping direct professional learning priorities.

The Student-Centred Improvement and Leadership team is providing support to schools to develop professional learning and data plans that align with their school's improvement agenda.

Auditor-General's Observation

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.

The Education Directorate's *Annual Report 2022-23* 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'.

The Education Directorate's *Annual Report 2023-24* indicates that work is continuing to implement this recommendation.

Recommendation 9 – Professional Learning Communities

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.

Government Response

Reported Status

Agree

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.

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.

Annual Report (ED)

Last Reported Status

Complete

2021-22 Annual Report:

Not reported.

2022-23 Annual Report:

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.

People Capability continue to work with delivery areas to capture all learning (including historical learning for compliance purposes) into HRIMS Learning.

2023-24 Annual Report:

The professional learning is embedded within the learning calendar of opportunities that are run each term. Current offerings relating to inquiry cycles and evidence informed decisions include:

- *Fundamentals of Professional Learning Communities (PLCs) – which covers using data to inform PLC goals.*
- *Discipline Dialogue Workshop – using discipline dialogue to strengthen data and evidence conversations, understand student learning evidence and planning for next steps in learning.*
- *Leading effective Professional Learning Communities - A holistic workshop for PLC leaders targeting reflective leadership, methods of inquiry and the guiding principles of PLCs.*

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 Directorate's *Annual Report 2023-24* indicates that relevant professional learning courses are offered to school leaders. No further information is provided on the Spirals of Inquiry Model and Multiple Sources of Evidence approaches and their implementation or take up.

Recommendation 10 – ACT Teacher Quality Institute Learning

<p>The Education Directorate should work with the ACT Teacher Quality Institute to:</p> <ul style="list-style-type: none"> 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 <i>Australian Professional Standards for Teachers</i>. 		
Government Response	Reported Status	Agree
<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>		
Annual Report (ED)	Last Reported Status	In progress
<p><u>2021-22 Annual Report:</u> Not reported.</p> <p><u>2022-23 Annual Report:</u> <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><u>2023-24 Annual Report:</u> <i>The evidence-based PLC pilot is underway in 8 schools. All pilot schools have had inductions, and each school has been supported by Instructional Mentors to grow leadership capacity with PLC implementation. Schools have received a Term 1, 2024 progress visit from Education Support Office. Quarterly meetings are held between the Education Directorate and the ACT Teacher Quality Institute to review relevant data and progress the accreditation of professional learning activities to support student outcomes.</i></p>		
Auditor-General's Observation		
<p>The ACT Government response indicated agreement with this recommendation.</p> <p>The Education Directorate's <i>Annual Report 2023-24</i> indicates that action on the recommendation is in progress. The <i>Annual Report 2022-23</i> annual report suggested that progress has been slow.</p>		

Recommendation 11 – New Educator Support Program

<p>The New Education Support Program should be reviewed and redesigned. The program should:</p> <ul style="list-style-type: none"> 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	Reported Status	Agree in principle
<p><i>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</i></p>		

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 (ED)	Last Reported Status	Complete
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2021-22 Annual Report:

Not reported.

2022-23 Annual Report:

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.

2023-24 Annual Report:

The Professional Learning Framework was published and has been operating since January 2023 offering a suite of targeted professional learning for new educators.

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* and *Annual Report 2023-24* identify 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 reports do not make it clear as to whether and how the specific elements of the recommendation have been addressed.

Recommendation 12 – Classroom Teaching Workforce Management

The Education Directorate should review and revise the mechanisms that support the distribution and monitoring of the teaching workforce across ACT public schools by:

- monitoring the distribution of experienced teachers across ACT public schools to ensure it aligns with Education Directorate priorities under the *Future of Education*; and
- developing processes to monitor and review principal decisions to extend teacher placements to ensure schools have appropriate and equitable access to experienced teachers.

Government Response	Reported Status	Agree in principle
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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.

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.

Annual Report (ED)	Last Reported Status	In progress
<p><u>2021-22 Annual Report:</u> Not reported.</p> <p><u>2022-23 Annual Report:</u> a) <i>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> b) <i>This will be addressed through the Teacher Transfer Round.</i></p> <p><u>2023-24 Annual Report:</u> <i>Commencing August 2022, the distribution of experienced teachers across ACT public schools has been reported to the Education Workforce Subcommittee on a quarterly basis.</i> <i>Further, the Guideline for filling Classroom Teacher Vacancies has been revised to strengthen provisions to enable the Directorate to distribute experienced teachers more equally across the system.</i></p>		

Auditor-General’s Observation

The ACT Government response indicated agreement-in-principle with this recommendation and that the launch of the inaugural *EDU Workforce Strategy 2021-23* 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.

The Education Directorate’s *Annual Report 2023-24* identifies actions that have been taken to address the recommendation and indicates implementation is still in progress.

Recommendation 13 – Teacher Workforce Separation

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.

Government Response	Reported Status	Agree
<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>		

Annual Report (ED)	Last Reported Status	Not reported
Not reported.		

Auditor-General’s Observation

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.

By not reporting on the implementation of this recommendation in annual reports, 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-focused 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

Reported Status

Agree

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 (ED)

Last Reported Status

In progress

2021-22 Annual Report:

Not reported.

2022-23 Annual Report:

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

2023-24 Annual Report:

- a. *The Education Directorate continues to implement the Education Directorate Classroom Teacher, School Leader and Principal Performance and Development Framework, which supports regular, development-focused teacher and school leader appraisals that are aligned to the Australian Professional Standards for Teachers and the Australian Professional Standards for Principals. Consistent with the ACT Public Service Performance Framework, it emphasises the importance of ongoing discussions regarding performance and development, supported by formal documented performance discussions at least twice per year. This is supported by Sections N7 and N8 of the Education Directorate Teaching Staff Enterprise Agreement 2023–2026, which requires schools to develop and annual professional learning program and outlines that school professional learning communities will be designed to support teachers to develop their professional knowledge, professional practice and professional engagement. This is in order to meet expectations of performance and professional responsibilities as they progress through each stage of teacher registration and further developing along the classroom practice continuum within the Proficient Teacher career stage. Annually, each school must complete an Enterprise Agreement Implementation Plan which clarifies that, in developing the annual professional learning plan, links between the plan, professional learning communities and ACT Teacher Quality Institute Act 2010 requirements are maximised.*
- b. *In line with the Teacher and School Leader Performance and Development Guidelines, all teachers and school leaders continue to be required to participate in 3 formal performance development discussions, each year. These discussions must be documented and retained by the teacher and the supervisor. The Education Directorate continues to increase the use of the HRIMS Learning Platform to capture data on professional learning that is completed by teachers and school leaders to support improved central oversight and centralised management of professional learning offerings.*
- c. *In 2024, the Education Directorate launched an underperformance process training package and guidance that has since been rolled out to school leaders and business managers with positive feedback. This training and guidance supports school leaders to manage*

underperformance for poor teaching practices, as well as improve management of underperformance more generally across ACT public schools. The Directorate will continue to deliver these supports on an ongoing basis.

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 2023-24* identifies various activities to implement the recommendation and that implementation is still in progress.

Auditor-General Report No.7 of 2021

Procurement Exemptions and Value for Money¹³

(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

¹³ https://www.audit.act.gov.au/_data/assets/pdf_file/0003/1785081/Report-No.-7-of-2021-Procurement-Exemptions-and-Value-for-Money.pdf

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.

Government response¹⁴

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.

¹⁴ 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

To support ACT Government entities to improve the quality and comprehensiveness of procurement documentation, Procurement ACT should:

- a) promote the use of the Procurement Plan Minute, Tender Evaluation Plan and Tender Evaluation Report templates for procurements using exemptions; and
- b) provide training to entities on the use of these templates and the assessment of value for money in procurements using exemptions.

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.

Government Response	Reported Status	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>		
Annual Report	Last Reported Status	Complete (JACS)
<p><u>2021-22 Annual Report:</u></p> <p>Justice and Community Safety Directorate</p> <p><i>The Directorate has undertaken a review of its procurement policy guidance including the Director-General financial instructions for procurements of goods and services, and the Procurement, Contract Management and Assurance Framework which promote the use of Procurement ACT templates and resources including the OSQAR tool.</i></p> <p><i>A review is being undertaken of the templates currently being used within the Directorate to ensure compliance against the Government Procurement Act.</i></p> <p><i>The Procurement Reform Program will also be undertaking a review of templates in June 2023 and the Directorate will implement the new templates as required.</i></p> <p>Other directorates</p> <p>Not reported.</p> <p><u>2022-23 Annual Report:</u></p> <p>Justice and Community Safety Directorate</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> <p>Other directorates</p> <p>Not reported.</p>		
Auditor-General’s Observation		
<p>JACS’ response indicates that action is being taken in response to the recommendation.</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.

By not reporting on this recommendation in CMTEDD's annual reports, there is a lack of visibility with respect to how Procurement ACT has specifically addressed this recommendation.

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.

Government Response	Reported Status	N/A
See earlier comment on the ACT Government's response to Recommendation 1.		
Annual Report	Last Reported Status	Education Directorate – Complete Justice and Community Safety Directorate – Complete
<p>Justice and Community Safety Directorate</p> <p><i>The Directorate will be rolling out mandatory e-learning modules developed by Procurement ACT – Community of Practice for delegates and staff when undertaking procurement activities including Introduction to Procurement module, Probity Training (including probity risk, identifying and monitoring conflicts of interest), Aboriginal and Torres Strait Islander Procurement Policy.</i></p> <p><i>Procurement ACT – Community of Practice has developed six more elearning modules released in April and June 2022. The Directorate will be ensuring all delegates and staff who undertake procurement activities undertake these modules.</i></p> <p>Other directorates</p> <p>Not reported.</p> <p><u>2022-23 Annual Report:</u></p> <p>Education Directorate</p> <p><i>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.</i></p> <p>Justice and Community Safety Directorate</p> <p><i>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.</i></p> <p><i>The Directorate currently promotes the existing PACT eLearning modules, including the Probity in Procurement module, for delegates and officers undertaking procurement activities.</i></p> <p><i>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.</i></p> <p>Other directorates</p>		

Not reported.
Auditor-General's Observation
<p>JACS and Education's responses indicate that action is being taken in response to the recommendation and that implementation is complete.</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>By not reporting on this recommendation in CMTEDD's annual reports, there is a lack of visibility with respect to how Procurement ACT has specifically addressed this recommendation.</p>

Recommendation 3 – Procurement Risk Assessments

<p>To support ACT Government entities to improve the quality and comprehensiveness of risk management in procurements using exemptions, Procurement ACT should:</p> <ul style="list-style-type: none"> a) prepare better practice guidance on the management of procurement risk; and 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. 		
Government Response	Reported Status	N/A
See earlier comment on the ACT Government's response to Recommendation 1.		
Annual Report (CMTEDD)	Last Reported Status	Not reported
Not reported.		
Auditor-General's Observation		
By not reporting on this recommendation in CMTEDD's annual reports, there is a lack of visibility with respect to how Procurement ACT has specifically addressed this recommendation.		

Recommendation 4 – Whole of Life Costs Policy

<p>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.</p>		
Government Response	Reported Status	N/A
See earlier comment on the ACT Government's response to Recommendation 1.		
Annual Report (CMTEDD)	Last Reported Status	Not reported
Not reported.		
Auditor-General's Observation		
By not reporting on this recommendation in CMTEDD's annual reports, 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 Analysis¹⁵

(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 response¹⁶

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.

¹⁵ 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

¹⁶ 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 1 – Economic Analysis

Major Projects Canberra should review and update the economic analysis associated with Light Rail Stage 2a. In doing so, Major Projects Canberra should:

- a) review the assumptions underpinning the economic analysis, including the identified costs and benefits associated with Light Rail Stage 2a, since the publication of the redacted Stage 2a Business Case in September 2019; and
- b) make publicly available the revised and updated economic analysis in an updated Stage 2a Business Case.

Government Response	Reported Status	Agree in principle / Not agreed
<p>a) AGREE IN PRINCIPLE</p> <p><i>Major Projects Canberra will continue to identify project costs as procurement and construction works continue. This will include the presentation of project costs to Cabinet for consideration and agreement, and the public notification of project contracts – including associated contract costs – in line with ACT Government procurement requirements.</i></p> <p><i>The ACT Government will consider performance against the assumed project benefits as part of the establishment of a Benefits Realisation Plan, as discussed below.</i></p> <p>b) NOT AGREED</p> <p><i>The economic analysis for Light Rail Stage 2A was prepared as a point-in-time undertaking as part of the City to Woden Light Rail: Stage 2A City to Commonwealth Park Business Case in accordance with the Capital Framework. The economic modelling was developed as a part of the business case in accordance with established national guidance and used to inform Government’s investment decision in 2019 for Light Rail Stage 2A.</i></p> <p><i>The ACT Government does not propose to re-acquit the 2019 business case or associated economic analysis as the project has moved past this formative stage. This analysis was only one of a number of inputs that informed the ACT Government’s decision to progress with Light Rail Stage 2A. The government is now focused on project procurement and delivery.</i></p> <p><i>Major Projects Canberra will continue to monitor all aspects of the development of Light Rail Stage 2A, in accordance with the governance arrangements as defined in the approved business case. This includes monitoring costs as part of the ongoing procurement and delivery of Stage 2A.</i></p> <p><i>The ACT Government is committed to delivering light rail to Woden, with the focus now being on the efficient procurement and cost-effective delivery of the first stage of this city shaping infrastructure project.</i></p>		

Annual Report (MPC)	Last Reported Status	Not reported
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Not reported.

Auditor-General’s Observation

The ACT Government agreed-in-principle to the recommendation to ‘review the assumptions underpinning the economic analysis ... since the publication of the redacted Stage 2a Business Case in September 2019’ but did not agree to make the analysis public. The ACT Government response identified:

- the economic modelling was developed for the purpose of the business case;
- the business case was ‘only one of a number of inputs that informed the ACT Government’s decision to progress with Light Rail Stage 2A’; and
- the ACT Government ‘does not propose to re-acquit the 2019 business case or associated economic analysis as the project has moved past this formative stage’.

By not reviewing and updating the economic analysis, including those elements identified in the performance audit report as insufficiently explained, publicly available information on the costs and benefits of Light Rail Stage 2a remains outdated and misleading.

By not reporting against this recommendation in its annual reports Major Projects Canberra has not provided information on its activities with respect to ‘[i]dentifying] project costs as procurement and construction works continue’.

Recommendation 2 – Development Costs and Benefits

<p>As part of the revised and updated and publicly available economic analysis for Light Rail Stage 2a, Major Projects Canberra should explicitly identify the nature of the development costs and benefits associated with the project. This should include detailed identification of:</p> <p>a) the different components of the development costs and their timing, the methodology for quantification and the assumptions underpinning the calculation; and</p> <p>b) the different components of the land use and city shaping benefits to be derived from Light Rail Stage 2a and their relationship to the development of the Acton Waterfront.</p>		
Government Response	Reported Status	Agreed in principle / Agreed in principle
<p>a) AGREED IN PRINCIPLE</p> <p>b) AGREED IN PRINCIPLE</p> <p><i>As noted in the ACT Government's response to recommendation 1, the ACT Government does not propose to revise the historic economic analysis contained within the Light Rail Stage 2A business case. The focus of the ACT Government is now upon the procurement and delivery of light rail to Woden, with Stage 2A as its first step.</i></p> <p><i>The ACT Government agrees in principle to:</i></p> <ul style="list-style-type: none"> <i>Continue to provide open and transparent public disclosure of ACT Government corridor developments (including their costs and benefits) as those developments progress, through existing reporting and established public disclosure channels; and</i> <i>Continue to communicate the land use and city shaping benefits to be derived from Light Rail Stage 2A, including benefits relating to the Acton Waterfront.</i> 		
Annual Report (MPC)	Last Reported Status	Not reported
Not reported.		
Auditor-General's Observation		
<p>The ACT Government agreed-in-principle to the recommendation to 'explicitly identify the nature of development costs and benefits associated with the project'.</p> <p>The ACT Government response identified its agreement-in-principle to 'provide open and transparent public disclosure of ACT Government corridor developments (including their costs and benefits)' would be provided 'as those developments progress' and 'through existing reporting and established public disclosure channels'.</p> <p>The audit report was seeking this information 'as part of the revised and updated and publicly available economic analysis' as per Recommendation 1. By only reviewing and updating this information 'as developments progress' and 'through existing reporting and established public disclosure channels' the publicly available information on the development costs and benefits of Light Rail Stage 2a remains outdated and misleading.</p> <p>By not reporting against this recommendation in its annual reports, Major Projects Canberra has not provided information on its activities with respect to 'explicitly [identifying] the nature of development costs and benefits associated with the project'.</p>		

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>		
Government Response	Reported Status	Agreed
<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>		

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.

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.

Annual Report (CMTEDD, TCCS and MPC)	Last Reported Status	MPC – Unclear
<p><u>2021-22 Annual Report:</u></p> <p>Chief Minister, Treasury and Economic Development Directorate</p> <p>Not reported.</p> <p>Transport Canberra and City Services Directorate</p> <p>Not reported.</p> <p>Major Projects Canberra</p> <p><u>Action</u></p> <p>In collaboration with MPC, CMTEDD is continuing to develop a Benefits Realisation Plan for Light Rail Stage 2A.</p> <p><u>Status</u></p> <p>To be developed subsequent to the LRS2A main works contract being entered into.</p> <p><u>2022-23 Annual Report:</u></p> <p>Not reported.</p> <p><u>2023-24 Annual Report:</u></p> <p>Not reported.</p>		

Auditor-General’s Observation

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’.

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.

MPC initially reported against this recommendation, notwithstanding that it was principally directed to CMTEDD. MPC’s annual report is confusing. It suggests that a Benefits Realisation Plan is ‘continuing to [be developed]’ but that the Plan is to be developed subsequently. The status of the implementation of the recommendation was unclear in 2021-22 and it has not been reported since.

By not reporting on this recommendation in CMTEDD and TCCS reports, there is a lack of visibility with respect to how the Directorates have specifically addressed this recommendation.

Auditor-General Report No.11 of 2021 Digital Records Management¹⁷ (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 response¹⁸

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

¹⁷ https://www.audit.act.gov.au/_data/assets/pdf_file/0011/1901729/Report-No.-11-of-2021-Digital-Records-Management.pdf

¹⁸

https://www.parliament.act.gov.au/_data/assets/pdf_file/0003/1964730/a4c3037b993624a9a6954ee9d13bf02177fa0ece.pdf

Recommendation 1 – Standalone TRIM instances

The Chief Minister, Treasury and Economic Development Directorate, through the Digital Records Governance Committee, should agree a strategy with directorates and agencies for the migration of standalone TRIM versions to the whole of government TRIM.		
Government Response	Reported Status	Agreed
<i>Planning for the consolidation and decommissioning of TRIM instances is already underway; however, has been impacted by the COVID-19 pandemic which diverted resources to more urgent work. There would; however, be benefit in agreeing a forward program for this work. Digital Records Support will continue to negotiate and document timeframes for migration and decommissioning work, and will establish a standing agenda item for the Digital Records Governance Committee.</i>		
Annual Report (CMTEDD)	Last Reported Status	Complete
<p><u>2021-22 Annual Report:</u></p> <p><i>Shared Services through the Digital Records Governance Committee has implemented a governance strategy framework for the migration to work with directorates/agencies for migration and decommission of standalone TRIM versions.</i></p>		
Auditor-General's Observation		
<p>The ACT Government response identified agreement with the recommendation and partially addressed the scope of the recommendation. It recognised the benefit of agreeing a forward program of work and undertook to continue to negotiate timeframes and raise its visibility through the Digital Records Governance Committee.</p> <p>In its <i>Annual Report 2021-22</i>, the Chief Minister, Treasury and Economic Development Directorate has identified work on the recommendation is complete and a governance strategy framework has been implemented as initially recommended.</p>		

Recommendation 2 – EDRMS Performance

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.		
Government Response	Reported Status	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>		
Annual Report (CMTEDD)	Last Reported Status	Complete
<p><u>2021-22 Annual Report:</u></p> <p><i>Shared Services through the Digital Records Governance Committee is implementing a governance strategy and performance framework focusing on the realisation of the benefits of moving to an EDRMS.</i></p> <p><i>This is being 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> <p><u>2022-23 Annual Report:</u></p>		

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).

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.

Auditor-General's Observation

The ACT Government response identified agreement with the recommendation and the development of a 'systems performance plan that will assist in performance monitoring for centralised services and processes'.

CMTEDD's reporting against this recommendation in its *Annual Report 2021-22* and *Annual Report 2022-23* was similar. It is not clear what additional work was performed between 2021-22 and 2022-23 to change the status of the implementation of the recommendation from In Progress to Complete.

Recommendation 3 – EDRMS Funding

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.

Government Response

Reported Status

Agreed

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.

Annual Report (CMTEDD)

Last Reported Status

In progress

2021-22 Annual Report:

Shared Services is revising the funding model for EDRMS support services in light of the upcoming changes to the hosting arrangements for both Content Manager/TRIM and Objective. This will provide an opportunity to pursue new funding arrangements for both paper and digital records, if necessary, in the 2023-24 Budget context.

2022-23 Annual Report:

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.

These projects are in progress and once ongoing costs are clearly defined funding arrangements can be revisited for the 2024-25 financial year.

2023-24 Annual Report:

Digital, Data and Technology Solutions is progressing the funding model review for EDRMS support services. Once ongoing costs are clearly defined funding arrangements can be revisited for the 2024-25 financial year.

Auditor-General's Observation

The ACT Government response identified agreement with the recommendation and that the Partnership Services Group would provide a recommendation to the Digital Records Governance Committee on potential funding arrangements.

Progress on reviewing the funding model is slow.

In its *Annual Report 2021-22*, CMTEDD 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. In its *Annual Report 2023-24*, CMTEDD identified that recommendation implementation is still in progress and may be progressed further through 2024-25.

Recommendation 4 – Digitisation of Hardcopy Files

<p>The Community Services Directorate should:</p> <ul style="list-style-type: none"> a) identify and document the outcome of the <i>Better Government: Digitising Government Records</i> Budget initiative goal of digitising 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. 		
Government Response	Reported Status	Agreed in principle
<p><i>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.</i></p>		
Annual Report (CSD)	Last Reported Status	Not reported
<p>Not reported.</p>		
Auditor-General's Observation		
<p>The ACT Government response indicated agreement-in-principle to the recommendation. The response indicated the Directorate would document the outcomes and learnings from its digitisation work and this would inform future steps.</p> <p>By not reporting on this recommendation in its annual reports, there is a lack of clarity with respect to the Directorate's progress to date and intended future actions.</p>		

Recommendation 5 – Model for the Digitisation of Hardcopy Files

<p>The Community Services Directorate, in conjunction with the Digital Records Governance Committee, should:</p> <ul style="list-style-type: none"> a) review and evaluate the outcome of the <i>Better Government: Digitising Government Records</i> 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. 		
Government Response	Reported Status	Agreed
<p><i>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.</i></p>		
Annual Report (CSD)	Last Reported Status	Not reported
<p>Not reported.</p>		
Auditor-General's Observation		
<p>The ACT Government response identified that CSD 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.</p> <p>By not reporting on this recommendation in its annual reports, there is a lack of clarity with respect to the Directorate's progress to date and the outcomes of its work.</p>		

Auditor-General Report No.13 of 2021

Campbell Primary School Modernisation Project Procurement¹⁹

(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 response²⁰

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.

¹⁹ https://www.audit.act.gov.au/_data/assets/pdf_file/0005/1925222/Report-No.-13-of-2021-Campbell-Primary-School-Modernisation-Project-Procurement.pdf

²⁰ 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	Reported Status	Agreed in Principle
<p><u>The ACT Government has already taken a number of actions that address this recommendation.</u></p>		
<p>Probity</p>		
<p>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.</p>		
<p>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.</p>		
<p>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.</p>		
<p>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</p>		
<ul style="list-style-type: none"> • 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. 		
<p>The role of the probity advisor outlined in the Guide may include providing advice on, or assisting with, one or more of the following:</p>		
<ul style="list-style-type: none"> • 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. 		
<p>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.</p>		
<p>Procurement guidance documentation and associated templates have been updated to reflect the Guide.</p>		
<p>Value for money</p>		
<p>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.</p>		
<p>The standard Tender Evaluation Plan templates articulate that a Delegate for a procurement can:</p>		
<ul style="list-style-type: none"> • 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. 		
<p>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</p>		

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.

Value for money principles	Key considerations
Probity and ethical behaviour	<ul style="list-style-type: none"> • 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) • 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?)
Management of risk	<ul style="list-style-type: none"> • Have risks been identified and managed throughout the procurement process? • Does the supplier's offer sufficiently manage, mitigate, or eliminate any identified risks?
Open and effective competition	<ul style="list-style-type: none"> • 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?) • Is the supplier's offer competitive for the market?
Whole of life costs	<ul style="list-style-type: none"> • 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) • Does the supplier's offer provide the best balance of quality and whole of life cost? • 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?)
Anything else prescribed by the regulation	<ul style="list-style-type: none"> • 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?)

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 (MPC and CMTEDD)	Last Reported Status	MPC – not reported CMTEDD – Complete
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2021-22 Annual Report:

Major Projects Canberra

Not reported.

Chief Minister, Treasury and Economic Development Directorate

An initial review of guidance documentation and templates has been 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 has been developed by Procurement ACT on procurement probity and delegations. Further work will be undertaken by the Template Improvement Project, as part of the Procurement Reform Program, which will involve a comprehensive template review and refresh to ensure templates are aligned with streamlined processes, including collaboration with MPC regarding capital works procurement processes and templates. The Procurement Reform Program is also ensuring clearly defined roles and responsibilities through the development of an Accreditation Framework and tiered service delivery model which will be supported by the templates that are developed.

2022-23 Annual Report:

Major Projects Canberra

Not reported.

Chief Minister, Treasury and Economic Development Directorate

Not reported.

2023-24 Annual Report:

Major Projects Canberra

Not reported.

Chief Minister, Treasury and Economic Development Directorate

Under the Procurement Reform Program, Procurement ACT undertook a templates modernisation project. The project considered the entire suite of procurement templates across Government. Updated templates for goods and services procurements have been finalised and made available to Major Projects Canberra, for incorporation into any bespoke procurements. The relevant templates explicitly require the preparation of independent probity advice where a delegate or decision-maker seeks to overrule the recommendation of the tender evaluation team to be reviewed.

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.

CMTEDD’s *Annual Report 2023-24* identified that implementation of the recommendation is complete and has been achieved through the Procurement Reform Program.

Recommendation 2 – Documentation of Roles and Responsibilities

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

- a) the identification and acknowledgement of all participants in the procurement process, including the Delegate and those with managerial and supervisory responsibilities; and
- b) the identification and documentation of the specific roles and responsibilities of all participants in the process.

Government Response	Reported Status	Agreed
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The ACT Government has undertaken a number of actions that address this recommendation.

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.

In this regard, the Audit Report acknowledges (pp 56) that the Tender Evaluation Plan for the Campbell Primary School Modernisation Project procurement identified that:

- The Tender Evaluation Team may, as required, utilise specialist advice to assist in the evaluation process; and
- 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.

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:

- 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
- The Work Health Safety Superintendent of Works (or their delegate) for assessment and scoring Work Health and Safety System tender submissions.

The MPC Tender Evaluation Plan documentation and template currently sets out the role of the Tender Evaluation Team where it is responsible for:

- Maintaining probity, including ensuring compliance with the Probity in Procurement Guide, issued by Procurement ACT;
- Evaluating the responses in accordance with the criteria and methodology;
- Documenting the evaluation process;
- Obtaining Director-General (or their Delegate) sign-off for confidential text, if applicable;
- Preparing an evaluation report;
- Seeking Delegate approval to commence post negotiations with the preferred tenderer;
- Seeking Delegate approval to proceed with a contract with the preferred tenderer; and
- 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:

- Technical analysis, including advice from consultants and MPC Branch Managers/Directors;
- Past performance, including advice from officers within ACT Government;
- Financial assessment provided by the Contracts and Prequalification team with MPC;
- 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 (MPC and CMTEDD)	Last Reported Status	Not reported
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Not reported.

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. However, the response also noted 'MPC will review and further update its planning and evaluation templates and guidance documents as recommended'.

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

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

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.

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 (MPC and CMTEDD)	Last Reported Status	Not reported
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Not reported.

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 has reported on activities to progress the implementation of this recommendation.

Recommendation 4 – Confidentiality and Conflict of Interest Undertakings

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 *Confidentiality and Conflict of Interest Undertaking* forms to be completed for all staff who have a role in a procurement process.

Government Response	Reported Status	Agreed
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The ACT Government has undertaken a number of actions that address this recommendation.

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.

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.

The Guide provides information for procurement officers in relation to:

- Identifying conflicts of interest
- Conflict of Interest Disclosures
- Managing Conflicts of Interests

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.

Annual Report (MPC and CMTEDD)	Last Reported Status	Not reported
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Not reported.

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 has 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

Reported 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 (MPC, ED and CMTEDD)

Last Reported Status

MPC – not reported
Education– Complete
CMTEDD - Complete

2021-22 Annual Report:

Major Projects Canberra

Not reported.

Education Directorate

Not reported.

Chief Minister, Treasury and Economic Development Directorate

Consideration is being given to mandatory procurement training, including in relation to probity, under the Procurement Reform Program. 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.

2022-23 Annual Report:

Major Projects Canberra

Not reported.

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.

2023-24 Annual Report:

Major Projects Canberra

Not reported.

Education Directorate

Probity training was organised by the Directorate for the Executive cohort (delivered by Procurement ACT on 16 May 2024). Periodic reminders are placed in the school bulletin. Online training is also available.

Chief Minister, Treasury and Economic Development Directorate

Procurement ACT has provided face to face probity training for Major Projects Canberra and Education, in addition to the Probity in Procurement eLearning module that is maintained by Procurement ACT. The Probity in Procurement Guide also requires officers undertaking procurement to complete the module.

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 Education Directorate's *Annual Report 2023-24* and CMTEDD *Annual Report 2023-24* indicates that the recommendation has been implemented.

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:

- 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
- the identification and authorisation of communication methods that allow records of communication to be captured in a timely and accurate manner.

Government Response

Reported 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 (MPC and CMTEDD)	Last Reported Status	Not reported
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Not reported.

Auditor-General's Observation

The ACT Government response indicated agreement-in-principle 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'.

None of the agencies have reported on activities to progress the implementation of this recommendation.