

REVIEW OF AUDITOR-GENERAL'S REPORT No. 3 OF 2013:
ACT GOVERNMENT PARKING OPERATIONS

STANDING COMMITTEE ON PUBLIC ACCOUNTS

MARCH 2015

REPORT 10

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Ms Mary Porter AM MLA	Deputy Chair
Ms Nicole Lawder MLA	Member from 8 August 2013
Ms Meegan Fitzharris MLA	Member from 10 February 2015
Ms Yvette Berry MLA	Member from 5 August 2014 to 10 February 2015
Dr Chris Bourke MLA	Member to 5 August 2014
Mr Zed Seselja MLA	Chair to 6 June 2013
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RESOLUTION OF APPOINTMENT

The Legislative Assembly for the ACT appointed the Standing Committee on Public Accounts on 27 November 2012.

Specifically the resolution of 27 November 2012 establishing the Standing Committees of the 8th Assembly, as it relates to the Public Accounts Committee states:

- (1) The following general purpose standing committees be established and each committee inquire into and report on matters referred to it by the Assembly or matters that are considered by the committee to be of concern to the community:
 - (a) a Standing Committee on Public Accounts to:
 - (i) examine:
 - (A) the accounts of the receipts and expenditure of the Australian Capital Territory and its authorities; and
 - (B) all reports of the Auditor-General which have been presented to the Assembly;
 - (ii) report to the Assembly any items or matters in those accounts, statements and reports, or any circumstances connected with them, to which the Committee is of the opinion that the attention of the Assembly should be directed;
 - (iii) inquire into any question in connection with the public accounts which is referred to it by the Assembly and to report to the Assembly on that question; and
 - (iv) examine matters relating to economic and business development, small business, tourism, market and regulatory reform, public sector management, taxation and revenue;¹

TERMS OF REFERENCE

The Committee's terms of reference were to examine the Audit report and report to the Legislative Assembly.

¹ ACT Legislative Assembly, *Minutes of Proceedings*, No. 2, 27 November 2012, pp. 24–27.

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RECOMMENDATIONS

RECOMMENDATION 1

- 3.6** The Committee recommends that the ACT Government report to the ACT Legislative Assembly, by the last sitting day in October 2015, on the progress and effectiveness of the Government's implementation of the recommendations, made in Auditor-General's Report No. 3 of 2013: *ACT Government Parking Operations*, that have been accepted either in-whole or in-part. This should include: (i) a summary of action to date, either completed or in progress (including milestones completed); and (ii) the proposed action (including timetable), for implementing recommendations (or parts thereof), where action has not yet commenced.

RECOMMENDATION 2

- 3.19** The Committee recommends that the ACT Government upon completion of the installation of the 300 new smart technology parking machines: (i) evaluate the implementation of the smart parking payment technology in 12 months time—with particular reference to the smart parking methods that are now functional in the ACT; and (ii) provide a copy of the final evaluation report to the ACT Legislative Assembly within three months of completion.

RECOMMENDATION 3

- 3.30** The Committee recommends that the ACT Government ensure that all responsible directorates and agencies make sure that recommendations made in Auditor-General's Report No. 3 of 2013: *ACT Government Parking Operations* are appropriately monitored and addressed under the new ACT Public Service Directorate Structure.

1 INTRODUCTION AND CONDUCT OF INQUIRY

- 1.1 Auditor-General's Report No. 3 of 2013: *ACT Government Parking Operations* (the Audit report) was presented to the ACT Legislative Assembly on 30 May 2013.
- 1.2 In accordance with the resolution of appointment of the Standing Committee on Public Accounts (the Committee), the Audit report was referred to the Committee for examination.
- 1.3 The Audit report presents:
 - ...the results of a performance audit that examined the ACT Government's parking operations. The audit has focused on paid parking.²

TERMS OF REFERENCE

- 1.4 The Committee's terms of reference were to examine the Audit report and report to the Legislative Assembly.

CONDUCT OF INQUIRY

- 1.5 The Committee received a submission from the Government in relation to the findings of the Audit report.³ A copy of the submission can be downloaded from the Committee's website.⁴
- 1.6 The Committee also met with the Minister for Planning and relevant directorate officials to discuss progress on implementation of the Audit report recommendations and other matters.⁵ Arising from this meeting the Minister was asked to provide the Committee with a progress update on all recommendations of the Audit report including timelines to completion. A copy of this update (as at September 2014)⁶ and responses to other questions (September 2014)⁷ asked at this meeting can also be downloaded from the Committee's website.
- 1.7 As noted earlier, under its resolution of appointment, the Committee examines all reports of the Auditor-General which have been presented to the Legislative Assembly. Specifically, its

² ACT Auditor-General's Report No. 3 of 2013: *ACT Government Parking Operations*, May 2013, p.1.

³ Dated 6 January 2014

⁴ Government submission to the Standing Committee on Public Accounts in response to the Audit report dated 6 January 2014 is available at: http://www.parliament.act.gov.au/_data/assets/pdf_file/0004/551848/9.-Gov-sub-AG-Rpt-No-3-of-13-Authorised.pdf

⁵ 19 August 2014

⁶ http://www.parliament.act.gov.au/_data/assets/pdf_file/0007/648799/No-2.pdf

⁷ http://www.parliament.act.gov.au/_data/assets/pdf_file/0009/648801/No-3.pdf

resolution of appointment requires the Committee to ‘inquire into and report’ on all reports of the Auditor-General which have been presented to the Assembly. The Committee has established procedures for its examination of these reports pursuant to the Assembly resolution.⁸

- 1.8 In accordance with these procedures, the Committee resolved on 13 November 2014 to conclude its consideration of the Audit report with a summary report.
- 1.9 The Committee met on 10 and 12 March 2015 to discuss the Chair’s draft report which was adopted on 12 March 2015.

STRUCTURE OF THE REPORT

- 1.10 The Committee’s report is divided primarily into three sections:
- Chapter 1—Introduction and conduct of inquiry
 - Chapter 2—Audit background and findings
 - Chapter 3—Committee comment

ACKNOWLEDGEMENTS

- 1.11 The Committee thanks those who assisted the Committee in the course of its inquiry including the Auditor-General, the Minister for Planning and directorate and agency officials.

⁸ http://www.parliament.act.gov.au/in-committees/standing_committees/Public-Accounts/pac/referral

2 AUDIT BACKGROUND AND FINDINGS

AUDIT BACKGROUND AND OBJECTIVES

- 2.1 The objective of the Audit was:
- ...to provide an independent opinion to the Legislative Assembly on the efficiency and effectiveness of the ACT Government's management and administration of parking operations.⁹
- 2.2 The Audit involved consideration of the planning, management and implementation of parking operations.
- 2.3 The Audit was a multiple agency audit covering five separate ACT directorates—i.e.— Environment and Sustainable Development (ESD); the former Economic Development Directorate (EDD); Territory and Municipal Services Directorate (TAMSD); Justice and Community Safety Directorate (JACSD); and the former Chief Minister and Treasury Directorate (CMTD).

AUDIT CONCLUSIONS

- 2.4 The Audit conclusions concerned three main themes:
- governance and administrative responsibility;
 - planning and maintaining parking assets; and
 - fees and infringements.
- 2.5 The Audit concluded that shortcomings in these areas restricted the effectiveness and efficiency of the Government's management and administration of parking operations.
- 2.6 In relation to governance and administrative responsibility, the Audit's main conclusions were that the roles and responsibilities of Government agencies for parking operations were not readily available. A 'beginning-to-end' and 'One Government' approach to parking operations is impeded by deficiencies in communication and consultation between agencies. The Audit

⁹ ACT Auditor-General's Report No. 3 of 2013: *ACT Government Parking Operations*, May 2013, p. 2.

also concluded that an ACT Government transport pricing policy in the process of development should provide a timeline and process for parking fee determinations.¹⁰

- 2.7 Regarding the planning and maintenance of parking assets—the Audit concluded that there were deficiencies in current processes for producing reliable parking demand data and arrangements for allocating disability parking permits needed to be reviewed.¹¹
- 2.8 Audit conclusions relating to parking fees and infringements were that actual annual revenue from parking operations had been less than that budgeted in recent years. The Audit concluded that about \$3 million had been lost in the three years ending in 2011–12 due to faulty parking machines. The introduction of modern parking machines and smart parking technology may reduce this revenue seepage.¹²

AUDIT FINDINGS

- 2.9 The Audit provided key findings to support its conclusions. The main elements of these findings—across the three audit themes—are outlined below:

GOVERNANCE AND ADMINISTRATIVE RESPONSIBILITY

- 2.10 The Audit found that the main responsibility for the management of parking in the ACT is shared by the Commonwealth (on National land) and the ACT Government (on other land). Private operators also provide parking. It found that the ACT Government had developed a Transport for Canberra Plan which outlines a Strategic Parking Framework for Canberra. Parking strategies are detailed in a Transport for Canberra Implementation Tracking document, but this document had a number of shortcomings. Furthermore, the ESDD recommends parking fees to the Attorney-General, but there is insufficient documentation to provide a rationale for these recommendations.¹³

PLANNING AND MAINTAINING PARKING ASSETS

- 2.11 The Audit found that the delay in finalising a report on survey data relating to parking demand in Canberra’s major centres presented a risk to ESDD’s planning processes and its ability to utilise timely and current survey data. Parking in Gungahlin is currently free and there are no strategies or plans for introducing paid parking there. The ACT also lacks policies or plans to inform the realignment of parking for long term or short term use. It is also unclear whether

¹⁰ ACT Auditor-General’s Report No. 3 of 2013: *ACT Government Parking Operations*, May 2013, pp. 2–3.

¹¹ ACT Auditor-General’s Report No. 3 of 2013: *ACT Government Parking Operations*, May 2013, p. 3.

¹² ACT Auditor-General’s Report No. 3 of 2013: *ACT Government Parking Operations*, May 2013, p. 3.

¹³ ACT Auditor-General’s Report No. 3 of 2013: *ACT Government Parking Operations*, May 2013, p. 4.

sufficient parking spaces have been allocated for people with mobility restrictions. Available data suggests that the ACT may be granting disability parking permits at a greater rate than other jurisdictions. Regarding the maintenance of parking assets, the Audit found that parking meters in the ACT were relatively old and required a lot of repairs and maintenance. Complaints about machine faults had been increasing in recent years.¹⁴

FEES AND INFRINGEMENTS

- 2.12 The Audit found that about \$24.5 million was raised in 2011–12 from parking fees, sale of pre-paid parking tickets and the issue of infringements. Actual revenue from parking operations has been less than budget forecasts, primarily due to shortfalls in the amount of parking fees collected. The ACT is owed over \$7 million in parking infringements, much of which relates to interstate vehicles. While parking restrictions are enforced by a team of parking inspectors, the optimum number of parking inspectors in the ACT is not known, nor is the number of parking spaces enforced by parking inspectors. The Audit found that the Government had entered into an agreement with the Woden Tradesmen's Union club to provide parking on some of its leased land but the revenue generated from this arrangement fell short and the agreement with the Club was terminated. It was also estimated that about \$1 million had been lost annually in recent years due to ticketing machine failure.¹⁵

AUDIT RECOMMENDATIONS

- 2.13 The Auditor-General made twelve recommendations to address the findings—four of these recommendations (i.e. recommendations 1, 4, 11 and 12) were considered to be of high priority.¹⁶
- 2.14 The four high priority recommendations concerned governance and administrative responsibility (recommendations 1 and 4) and fees and infringements (recommendations 11 and 12).
- 2.15 The Government agreed with all recommendations except recommendations 10 and 11, to which it agreed in part.¹⁷

¹⁴ ACT Auditor-General's Report No. 3 of 2013: *ACT Government Parking Operations*, May 2013, pp. 4–6.

¹⁵ ACT Auditor-General's Report No. 3 of 2013: *ACT Government Parking Operations*, May 2013, pp. 6–8.

¹⁶ ACT Auditor-General's Report No. 3 of 2013: *ACT Government Parking Operations*, May 2013, p. 8.

¹⁷ Government submission to the Standing Committee on Public Accounts in response to the Audit report dated 6 January 2014 is available at: http://www.parliament.act.gov.au/data/assets/pdf_file/0004/551848/9.-Gov-sub-AG-Rpt-No-3-of-13-Authorised.pdf

SUMMARY OF RECOMMENDATIONS

2.16 The following table provides a summary of the twelve recommendations across the three audit themes together with the Government position in response to each recommendation—as at 6 January 2014 and September 2014 respectively.

Table 2.1—Summary of Audit report recommendations—Government position and status on implementation

Audit theme	Recommendation number and broad coverage	Government position ¹⁸	Status ¹⁹
1. Governance and administrative responsibility	R 1 —ESDD, JACSD, TAMSD and CMTD should work together to strengthen ‘One Government’ governance arrangements for parking operations [High priority]	Agreed	Complete
	R 2 —ESDD should update the Transport for Canberra Implementation Tracking document re parking operations; develop and publish KPIs relating to the Strategic Parking Framework; develop an integrated implementation plan for the Strategic Parking Framework; and work with the NCA and others re implementation of paid parking in the Parliamentary triangle.	Agreed	In progress
	R 3 —ESDD should consult with other directorates and Attorney General to ensure changes to parking fees occur in a routine and timely manner.	Agreed	In progress
	R 4 —ESDD should finalise and release the ACT Government Transport Pricing Policy with specific criteria as recommended [High priority]	Agreed	In progress
2. Planning and maintaining parking assets	R 5 —ESDD should review and document its management of parking demand surveys.	Agreed	In progress
	R 6 —TAMSD should: (a) develop an administrative procedure to guide how it will achieve the objective of prioritising short stay parking allocations over long stay parking allocations; and (b) review disability parking allocations.	Agreed	In progress
	R 7 —JACSD should review allocation of disability permits to members of the ACT community.	Agreed	In progress
	R 8 —JACSD should develop robust data capture processes for ticket machine fault complaints and repair information.	Agreed	In progress
	R 9 —EDD should develop parking arrangements with private sector entities.	Agreed	In progress
3. Fees and infringements	R 10 —JACSD should review sanctions for non payment of fines and develop a process to recover revenue from interstate and diplomatic fines.	Agreed in part	Complete
	R 11 —JACSD should map the number and location of all parking bays patrolled by parking inspectors; analyse and identify the optimum number of inspectors required to provide adequate coverage; improve training of inspectors; and develop a formal risk based plan to guide the activities of inspectors. [High priority]	Agreed in part	Complete
	R 12 —CMTD in cooperation with ESDD and JACSD should: (a) identify smart car parking technology options; and (b) advise the Government on whether smart parking technology should replace existing parking meters and ticket machines. [High priority]	Agreed	In progress

¹⁸ As per Government submission to the PAC in response to the audit report dated 6 January 2014.

¹⁹ As at 10 September 2014—refer Minister for Planning—Government status update to the PAC, pp. 4–5.

3 COMMITTEE COMMENT

3.1 The Audit identified a number of areas of concern relating to parking policy, its management, and related operational and planning matters in the Territory. This included:

- **Lack of government co-ordination/management/planning for parking**—responsibility for parking spans a number of directorates which could work better together on parking planning, policies and objectives.
- **Public policy considerations in management of parking spaces**—including: the number of parking spaces in business and retail centres; whether and what people should be expected to pay; balancing parking requirements of workers and shoppers; linkages with public transport policy; and role of the private sector in providing parking.
- **Revenue issues**—lost revenue of at least \$1million per annum due to use of faulty and out dated machines. Revenue from parking has consistently fallen short of budget predictions and the ACT is owed approximately \$7 million in unpaid parking fines. As to measures to support a projected increase in revenue from parking fees and fines in the 2014–15 Budget, the Treasurer explained:

There are improvements in revenue as a result of the new parking arrangements vis-a-vis payment by credit card et cetera—the costs of operating the system in terms of manual collection, the breakdown rates et cetera. The Auditor-General estimated, I think, \$1 million a year in revenue that was being lost as a result of the old system not collecting the revenue that would be there for collection.

Obviously, when someone makes a payment on their credit card that money is available instantly. It does not have to go to be banked and go through that process. It happens straight away. There are a number of other factors that contribute, including a 50c increase, as I understand it, from \$13.50 to \$14, in the category 1 car parks and 50c or thereabouts in a number of the other ones, although that detail obviously will be with the agency who administer the arrangements. There are a number of different factors that are contributing to the improved revenue performance, but I suspect that the most significant one is the change to the new system that reduces revenue leakage that we had experienced previously.

...There are a range of other things that contribute: the availability of space—there is extra capacity, as I understand it—the enforcement elements and the fee increase. They contribute to the overall increase. In terms of a very detailed breakdown of all of those elements, that will be with ORS who have parking operations.²⁰

²⁰ Mr Andrew Barr MLA, Select Committee on Estimates 2013–14, 16 June 2014, p. 250.

- **Parking machines/technology**—(a) problems with old parking machines—faulty and out dated machines are the source of a large number of complaints; and (b) need for the introduction of smart meter technology parking machines—in particular, the need for modern parking machines with a number of payment options—such as via credit cards and smartphones.
- **Parking for people with a disability**—lack of parking spaces for people with mobility restrictions and concern about the robustness of the system for issuing disability permits—suggesting possible rorting in the system. However, the Government advised in its progress update on the Audit report that:

JACS has undertaken a review on allocation of disability parking permits. The review found that the ACT has a lower rate of permit issue than the other Australian jurisdictions examined. A letter has been sent to the AMA ACT Branch reminding medical practitioners of their important role in certifying an application form for a disability parking permit.²¹

PROGRESS ON IMPLEMENTATION OF RECOMMENDATIONS

- 3.2 The Auditor-General made 12 recommendations to address the audit findings—designating four of the 12 as high priority. As at September 2014, the Government had completed four of these 12 recommendations with the remaining eight in progress with varying timeframes to completion. Key actions in progress to address the Audit findings include:
- the release of a draft Parking Strategy for consultation in 2015;
 - finalisation of a Transport Pricing Strategy setting out how parking pricing relates to public transport pricing for Government consideration in late 2014;
 - parking plans for the City Centre and Town centres to be considered by Government in November 2014;
 - parking demand surveys to be undertaken in the next two years;
 - work to increase parking spaces for people with a disability to at least three per cent of total spaces; and
 - the replacement of over 900 on-street parking meters in 2014–15.²²
- 3.3 The Committee emphasises that it is the action taken by applicable agencies to implement audit recommendations that is all important, in helping achieve better efficiency and improving accountability of the Government, not the recommendations *per se*.

²¹ Minister for Planning, Progress update on audit report recommendations, September 2014, p. 14.

²² Minister for Planning, Progress update on audit report recommendations, September 2014, p. 14.

- 3.4 The Committee has carefully considered the progress update for each of the recommendations reflecting their status (September 2014) as received from the Minister for Planning. The Committee notes that work against each of the recommendations has taken place, and progress has been achieved, with four complete, and others either close to completion, or well underway.
- 3.5 The Committee is generally satisfied that the lead Directorate for the Audit report—Environment and Planning—has either addressed, or is in the process of addressing, those matters identified by the Audit as requiring attention. Further, where action is pending, the Committee believes the Directorate has signalled a credible intention to follow through with implementation.

Recommendation 1

- 3.6 **The Committee recommends that the ACT Government report to the ACT Legislative Assembly, by the last sitting day in October 2015, on the progress and effectiveness of the Government's implementation of the recommendations, made in Auditor-General's Report No. 3 of 2013: *ACT Government Parking Operations*, that have been accepted either in-whole or in-part. This should include: (i) a summary of action to date, either completed or in progress (including milestones completed); and (ii) the proposed action (including timetable), for implementing recommendations (or parts thereof), where action has not yet commenced.**
- 3.7 Since presentation of the Audit report three significant aspects relating to parking policy and operation have occurred—: firstly, pay parking was introduced in the Parliamentary triangle zone (which commenced on 1 October 2014); secondly, there has been widespread roll out of smart parking meter and payment technology across the Territory; and thirdly, designation of a Minister for Roads and Parking.²³

²³ National Capital Authority, FAQs—accessed 11 March 2015 at: <http://www.nationalcapital.gov.au/index.php/frequently-asked-questions>; ACT Government. 2015 'Time to talk' homepage and *Smart Parking—Transforming Parking in the ACT Discussion paper*—accessed 11 March 2015 at: <http://timetotalk.act.gov.au/consultations/?engagement=smart-parking-transforming-parking-in-the-act-discussion-paper>; Mr Andrew Barr MLA, 20 January 2015—Media release: 'Urban renewal, transport, equality and jobs on agenda with new portfolios'.

INTRODUCTION OF PAID PARKING IN THE PARLIAMENTARY TRIANGLE

- 3.8 The Australian Government announced as part of its 2013–14 Budget that paid parking would be introduced on national land in Parkes, Barton, Russell and Acton initially from July 2014²⁴ but this was delayed until 1 October 2014.²⁵
- 3.9 The introduction of paid parking in the Parliamentary triangle was designed to alleviate parking pressure at some of the city’s cultural institutions. It is estimated that it will create 9000 paid parking spaces on Commonwealth Government owned car parks on national land in the ACT suburbs of Parkes, Barton, Russell and Acton.²⁶
- 3.10 The Australian Government has estimated that the new parking arrangements and subsequent fees to be directed to its Consolidated Revenue Fund will generate a:
- ...net additional revenue of \$11.8 million over four years, with increased revenue as a result of changes to the original fee schedule, partially offset by a loss of revenue arising from the delay in implementation from 1 July 2014 to 1 October 2014.²⁷
- 3.11 The ACT Government has advised that it has assisted the National Capital Authority (NCA) with the introduction of pay parking in the Parliamentary triangle by undertaking a range of measures to support pay parking on national land that includes:
- pay parking, timed parking and other parking restrictions in Territory areas adjacent to national land to discourage commuters from parking outside of pay parking areas;
 - working closely with the NCA to coordinate communications and public information;
 - providing enforcement of car parking on national land until pay parking commences, and increasing enforcement activities once pay parking commences; and
 - introducing new bus services into the Triangle as part of ACTION's network 14 in September 2014.²⁸

²⁴ Refer *Canberra Times* article 1 April 14—‘City’s new smart meters are just here to help’

²⁵ Australian Government. 2013 Budget 2013–14, Budget paper No. 2—Part 1: Revenue measures—Regional Australia, Local Government, Arts and Sport; Refer National Capital Authority FAQs—<http://www.nationalcapital.gov.au/index.php/frequently-asked-questions>

²⁶ Australian Government. 2013, Budget 2013–14, Budget paper No. 2—Part 1: Revenue measures—Regional Australia, Local Government, Arts and Sport; Refer National Capital Authority FAQs—<http://www.nationalcapital.gov.au/index.php/frequently-asked-questions>

²⁷ Australian Government. 2014, Budget 2014–15—Mid-Year Economic and Fiscal Outlook 2014–15

²⁸ Minister for Planning, Progress update on audit report recommendations, September 2014, p. 7.

- 3.12 The Committee understands that as part of ensuring a consistent approach to the market, the ACT Government was part of a joint tender with the NCA for the procurement of new smart technology machines. A joint approach to market was used to permit economies of scale and to promote a consistent approach to parking across the ACT—a combined tender for the supply, installation, commission and maintenance of 490 smart meter machines (300 to the ACT and 190 to the NCA).²⁹

INTRODUCTION OF SMART PARKING PAYMENT TECHNOLOGY

- 3.13 The replacement of old machines with smart meter technology (accepting notes and card technology) machines commenced in April 2014—with the first of 300 new Duncan MX “pay and display” parking machines installed. As at April 2014, City Hill was the first to receive the new technology to be followed by Woden, Dickson, Belconnen, Manuka, Kingston and Tuggeranong.³⁰

- 3.14 As to progress with regard to installation of the 300 new smart technology machines—the Minister for Planning advised that:

300 new pay parking ticket machines are being installed across Canberra. The final 18 machines are being installed in a new area of pay parking in Yarralumla around the Hyatt precinct. Public consultation by TAMS and works approval by the NCA is now complete. A centralised management system provides live data on the operational status of the machines enabling quicker response to faults. A tender process is currently underway to replace over 900 on-street parking meters.³¹

- 3.15 With regard to progress on the identification and procurement of smart parking technology—the Minister for Planning informed the Committee that:

Smart parking methods are now functional in the ACT. These include:

- The public now have the choice to pay by phone without the need to display a paper ticket, and this can be enforced by inspectors.
- A centralised management system provides live data on purchases and trends in parking.
- The operational status of machines is now available live, enabling a quicker response to faults.

²⁹ ACT Government. (2014) Government submission to PAC—Auditor-General's report No. 3 of 2013, January; Refer *Canberra Times* article 1 April 14—'City's new smart meters are just here to help'.

³⁰ Refer *Canberra Times* article 1 April 14—'City's new smart meters are just here to help'.

³¹ Minister for Planning, Progress update on audit report recommendations, September 2014, p. 15.

- New hand held devices (PDAs) for inspectors have been purchased to replace the retiring fleet of devices. This new technology enables parking officers live information about e-ticket sessions and access to Rego ACT to check vehicle details.³²

3.16 The Committee notes that the rollout of smart parking payment technology presents a significant change to parking administration, operations and infrastructure—not only for users but also parking operations employees. The Committee is of the view that, given the installation of the 300 new machines was close to completion at September 2014 (and now complete³³), there is merit in evaluating the implementation of the smart parking payment technology in 12 months time—with particular reference to the smart parking methods that are now functional in the ACT.

3.17 The Committee is aware that the ACT Government has indicated that it will commence a trial ‘in a limited area of Canberra’ of smart parking technology in the second half of 2015—specifically, the Government:

...will use the trial to work with the local business community and to test and seek feedback on Smart Parking technology.³⁴

3.18 The Committee is of the view that its proposed evaluation as discussed at paragraph 3.16 is more encompassing than would be covered in the Government’s trial—in that, it is focused on strategy, administration, operations and infrastructure.

Recommendation 2

3.19 The Committee recommends that the ACT Government upon completion of the installation of the 300 new smart technology parking machines: (i) evaluate the implementation of the smart parking payment technology in 12 months time—with particular reference to the smart parking methods that are now functional in the ACT; and (ii) provide a copy of the final evaluation report to the ACT Legislative Assembly within three months of completion.

DESIGNATION OF A MINISTER FOR ROADS AND PARKING

3.20 The Committee acknowledges, as previously noted, that changed administrative arrangements on 20 January 2015 designated a Minister for Roads and Parking.³⁵

³² Minister for Planning, Progress update on audit report recommendations, September 2014, p. 19.

³³ Refer ‘Time to Talk’ homepage at: <http://timetotalk.act.gov.au/consultations/?engagement=smart-parking-transforming-parking-in-the-act-discussion-paper>

³⁴ ACT Government. (2015) *Smart Parking—Transforming Parking in the ACT Discussion paper*, 6 February.

3.21 As part of the newly created portfolio for roads and parking—the responsible Minister released for consultation on 6 February 2015 the *Smart Parking—Transforming Parking in the ACT Discussion paper*. The paper sets out:

...key features of different smart parking technologies and the ACT Government is seeking feedback from the public and industry on the potential roll out of such technologies in the ACT.³⁶

3.22 The consultation period closed on 6 March 2015.³⁷

NEW DIRECTORATE STRUCTURE

3.23 Since the Audit report was tabled, the ACT Public Service (ACTPS) has undergone a significant reorganisation in terms of structure and administrative arrangements.

3.24 On 4 July 2014, the Head of Service (the HoS) announced a number of changes to the ACTPS Directorate Structure which became effective on 7 July 2014.³⁸ The HoS stated:

Economic Development Directorate joins Chief Minister and Treasury Directorate to build on the core focus of keeping the ACT economy strong. Commerce and Works becomes part of the central Chief Minister, Treasury and Economic Development Directorate. This provides a further step in enhancing our internal effectiveness and efficiency and assists in driving a strong digital focus within government.³⁹

3.25 The new structure organises directorates into clusters to 'emphasise key collaborative relationships'⁴⁰ and builds on the single department model adopted by the Government on 24 March 2011 and which took effect from 17 May 2011.

3.26 The Committee notes that whilst the Environment and Planning Directorate (EPD) has carriage of the Audit report, responsibility for parking policy, planning and operations falls across a number of directorates.

3.27 The Committee understands that parking is now coordinated across relevant directorates through the Parking Coordination Group (PCG). The PCG:

³⁵ Mr Andrew Barr MLA, 20 January 2015—Media release: 'Urban renewal, transport, equality and jobs on agenda with new portfolios'.

³⁶ ACT Government. (2015) *Smart Parking—transforming parking in the ACT discussion paper*, 6 February.

³⁷ Refer Time to talk homepage at: <http://timetotalk.act.gov.au/consultations/?engagement=smart-parking-transforming-parking-in-the-act-discussion-paper>

³⁸ Refer Head of Service—A Message from the Head of Service: Administrative Arrangements, 4 July 2014.

³⁹ Refer Head of Service—A Message from the Head of Service: Administrative Arrangements, 4 July 2014.

⁴⁰ Refer Head of Service—A Message from the Head of Service: Administrative Arrangements, 4 July 2014.

...meets monthly and reports to the Strategic Board. The PCG is chaired by the Parking Coordinator-General in the Environment and Planning Directorate (EPD), and comprises SES-level representatives from the directorates with parking responsibility. The parking roles and responsibilities have been documented and agreed upon for the directorates:

- EPD: parking coordination, policy, planning, assessment through DA;
- Territory and Municipal Service (TAMS): parking infrastructure including signage, line markings, maintenance, new construction;
- Justice and Community Services (JACS): parking operations, including enforcement and regulation; Chief Minister, Treasury, and Economic Development Directorate (CMTEDD): parking associated with land release/development, financial and budget implications of parking, and central oversight;
- Health Directorate: hospital parking; and
- Education and Training Directorate (ETD): school parking.⁴¹

3.28 Given the significant reorganisation in terms of the ACTPS structure and administrative arrangements, the Committee reminds responsible directorates and agencies of the importance of ensuring that recommendations of the Auditor-General are appropriately monitored and addressed.

3.29 The Committee emphasises that failure to implement agreed audit recommendations in circumstances where administrative restructures, or machinery of government changes, have occurred means that the Government will continue to be exposed to risks associated with the deficiencies and weaknesses identified in the audited areas.⁴²

Recommendation 3

3.30 The Committee recommends that the ACT Government ensure that all responsible directorates and agencies make sure that recommendations made in Auditor-General's Report No. 3 of 2013: *ACT Government Parking Operations* are appropriately monitored and addressed under the new ACT Public Service Directorate Structure.

⁴¹ Minister for Planning, Progress update on audit report recommendations, September 2014, p. 6.

⁴² Auditor-General's Report No. 2 of 2007: *Agency Implementation of Audit Recommendations*, p. 3.

CONCLUSION

- 3.31 The planning, management and implementation of parking operations—as a public policy matter—affects all citizens in some capacity. The Committee is therefore of the view that the Audit has been important in assessing the efficiency and effectiveness of the Government's management and administration of parking operations in the Territory.
- 3.32 The Committee would like to thank the Auditor-General, the Minister for Planning, and accompanying directorate and agency officials, for their time, expertise and cooperation during the course of this inquiry.
- 3.33 The Committee has made **three** recommendations in relation to its inquiry into Auditor-General's report No. 3 of 2013: *ACT Government Parking Operations*.

Brendan Smyth MLA

Chair

12 March 2015