



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2022-2023

Mr James Milligan MLA (Chair), Mr Andrew Braddock MLA (Deputy Chair),
Dr Marisa Paterson MLA

ANSWER TO QUESTION TAKEN ON NOTICE DURING PUBLIC HEARINGS

Asked by Elizabeth Lee MLA on 22 August 2022: Kate Lundy took on notice the following question(s):

[Ref: Hansard Transcript 22/8/22 [PAGE #68]]

In relation to:

MS LEE: Thank you for the indulgence. Minister, can I take you back to the ministerial direction that you signed on Saturday on the weekend just gone. I notice that in direction 2, you have got some thresholds in relation to procurements. Can you confirm, please, what the current thresholds are in terms of reporting to the board?

Mr Steel: That is a legal question. If you are asking for legal advice, I cannot provide that but certainly we can—

MS LEE: No, it is a factual question. You have got here, at 2(a)—this is your direction, which you signed off on—procurements for goods and services at over \$1 million and (b), procurements for consultancies of over \$500,000. If that is different to what is currently in place, can you confirm what they are?

Mr Steel: It is a matter for the board, so I might hand over to Kate Lundy in just a minute, but just to correct the facts that you outlined in your question, I did not sign that off on Saturday; that direction was signed on 18 August.

MS LEE: Well, it was published on Saturday. **Mr Steel:** The CIT has to comply with the Financial Management Act. There is a range of accountability measures outlined under that financial management framework, and this is a further strengthening of those accountabilities. I will hand over to Ms Lundy to provide some further detail about the delegation.

Ms Lundy: Yes, thank you. Minister, you are correct; we have delegations of authority that have been strengthened, and the board has adopted those additional restrictions on financial delegations expenditure from CIT. We are able to provide that to the committee if that is appropriate, but I can confirm those amounts.

MS LEE: I am just going back to the original question which was: what was it before this direction was signed off? The direction refers to reporting to the board of procurement for goods and services over \$1 million and procurement for consultancies of over \$500,000. Before the direction came out, what were the thresholds?

Ms Lundy: The board had already adopted the strengthened thresholds for the financial delegations but prior to that they were in accordance, I think, with the standard public sector

delegations. I think, Ms Lee, for the purposes of accuracy, it would be helpful if we could take your question on notice to show the steps that we have taken to strengthen those financial delegations.

MS LEE: All right; including the figures, please, if you have them. Thank you. Minister, can I take you to paragraph 3 of the direction. Sorry, not paragraph 3—

Chris Steel MLA: The answer to the Member's question is as follows: —

CIT, an independent body with a governing board, advises that under the previous financial delegations approved by the Board Chair which were issued on 01 July 2019 and remained in force until 03 August 2022, the CEO had an unlimited threshold to the extent of funds remaining in approved contract/budget.

The new delegation issued on 04 August 2022 the CEO has a \$1,000,000 threshold for the cumulative total value. This includes the execution of Service Agreements and Contracts to the extent of funds remaining in the Board approved operating and capital budgets.

Approved for circulation to the Select Committee on Estimates 2022-2023

Signature:



Date:

29/8/22

By the Minister for Skills, Chris Steel MLA