STANDING COMMITTEE ON PUBLIC ACCOUNTS

Report on Committee Activity—Seventh Assembly

AUGUST 2012

Report 30

Committee membership

Ms Caroline Le Couteur MLA	Chair
Mr John Hargreaves MLA	Deputy Chair from 5 August 2011
	Member from 20 November 2009 to 5 August 2011
Mr Brendan Smyth MLA	Member from 5 August 2011
	Deputy Chair to 5 August 2011
Ms Joy Burch MLA	Member to 19 November 2009

Secretariat

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Resolution of appointment

The ACT Legislative Assembly appointed the Standing Committee on Public Accounts on 9 December 2008 to:

(1) 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;

(2) 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;

(3) 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

(4) examine matters relating to economic and business development, small business, tourism, market and regulatory reform, public sector management, taxation and revenue.[1]

[1] Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 2, 9 December 2008, pp. 12–13.

TABLE OF CONTENTS

1 INTRODUCTION

1.1 On 1 December 2011, the Standing Committee on Public Accounts (the Committee) resolved to inform the ACT Legislative Assembly (the Legislative Assembly) of its activity during the course of the Seventh Assembly (7th Assembly).

1.2 The Committee adopted its draft report on 13 August 2012.

Structure of the report

1.3 The Committee's report is divided into six sections:

- Chapter 1—Introduction
- Chapter 2—Committee background
- Chapter 3—The Public Accounts Committee
- Chapter 4—The Auditor-General
- Chapter 5—Summary of committee activity
- Chapter 6—Conclusion

2 COMMITTEE BACKGROUND

Establishment

2.1 The ACT Standing Committee on Public Accounts (the Committee) is established by Legislative Assembly resolution and governed by standing orders.

2.2 The legislative authority for the Assembly to appoint committees and make rules governing the conduct of its business resides in the *Australian Capital Territory (Self-Government) Act 1988* (Commonwealth)[2] (the Self Government Act).

2.3 The procedural authority for the appointment of committees is provided for in standing orders.

Resolution of appointment

2.4 The Legislative Assembly appointed the Standing Committee on Public Accounts on 9 December 2008[3] to:

(1) examine:

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(2) 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

(3) inquire into any question in connection with the public accounts which

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[2] Section 24, *Australian Capital Territory (Self-Government) Act 1988* (Commonwealth).

[3] Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 2, 9 December 2008, pp. 12–13.

is referred to it by the Assembly and to report to the Assembly on that question, and

(4) examine matters relating to economic and business development, small business, tourism, market and regulatory reform, public sector management, taxation and revenue.

Committee responsibilities

2.5 In addition to those responsibilities as specified in the Committee's resolution of appointment, the Committee has significant responsibilities as the audit committee of the Assembly together with a range of other statutory responsibilities. These include:

Auditor-General Act 1996

2.6 Under the *Auditor-General Act 1996* (AG Act), amongst other things, the Committee has the following roles and responsibilities:

- exercising a veto over the appointment of the Auditor-General (section 8)
- receiving a special report from the Auditor-General containing information considered too sensitive to be provided in a report to the Legislative Assembly (section 19)
- advising the Treasurer on the budget estimates for the Auditor-General (sections 22, 22A)
- requesting an independent auditor to conduct a performance audit of the Auditor-General's operations (section 29), and
- being consulted over the appointment of an acting Auditor-General (schedule 1.5).

Legislation Act 2001

2.7 Under section 228 of the *Legislation Act 2001* the Committee is the 'default' committee for consideration of statutory appointments. While the Speaker nominates other committees for specific appointments, the Committee considers a significant proportion and has an oversight role in relation to the whole statutory appointment process.

2.8 Pursuant to section 228, a Minister is required to consult with the relevant standing committee of the Assembly when making appointments that are established by or under an Act. The Committee may make a recommendation to the Minister about the proposed appointment and in making the appointment, the Minister must have regard to any recommendation received.

Government Procurement Act 2001

2.9 Under the *Government Procurement Act 2001* (section 39), each government entity must report any contracts over $25 000[4] that contain confidential text to the Committee. Up till 1 April 2012 reportable contracts covered two reporting periods: (i) 1 October to 31 March and (ii) 1 April to 30 September.

2.10 The *Government Procurement Act 2001* was amended in 2011 to require agencies to provide the Committee with a list of 'reportable contracts' every twelve months, rather than six months. The new reporting period took effect from 1 April 2012 and ends on 31 March 2013.

2.11 The Committee welcomed the change in the reporting timeframe and whilst acknowledging that the information Directors-General provide in relation to 'reportable contracts' is readily available in the public domain on the Government Contracts Register, its role with regard to scrutiny is assisted by receiving a consolidated report every twelve months.

Annual Reports (Government Agencies) Act 2004

2.12 Under the *Annual Reports (Government Agencies) Act 2004*, before the responsible Minister can issue an annual report direction, the Minister must consult the Committee (section 8). The Committee may make a recommendation to the Minister about any proposed directions.

2.13 The Committee considered proposed technical and substantive amendments to the annual report directions in 2009, 2010, 2011 and 2012.

[4] The prescribed amount for notification of a contract threshold was changed from over $20 000 to $25 000 as a result of the Government Procurement Amendment Bill 2011 (presented 8 December 2011, passed 22 March 2012).

2.14 During the 7th Assembly, the Committee wrote to the Assembly's other standing committees to seek the views of these committees to factor into its consideration of the proposed directions.

3 THE PUBLIC ACCOUNTS COMMITTEE

> Across and beyond Commonwealth countries, Parliamentary Public Accounts Committees (PACs) occupy a key position at the apex of legislatures' scrutiny and oversight processes over the use by governments of public sector resources. This role draws upon the traditions of the British "Westminster" system of public financial accountability dating back to 1857 and to the establishment of the UK PAC in 1861...But in many countries the current practices depart markedly from this original model...because of a variety of pressures: the existence of strong informal practices alongside more formal constitutional mechanisms of accountability; the differing patterns of competitive multiparty politics; the development of presidential systems of government; and, demands from international organisations for new forms of accountability. The effectiveness of a PAC charged with oversight of government spending is thus dependent not only upon features of the committee itself but also on the political, economic, social and cultural contexts in which it operates.[5]

3.1 The structure and function of the Public Accounts Committee (PAC) can be traced back to what has been referred to as the 'Gladstonian' reforms, which were initiated by William Gladstone when he was British Chancellor of the Exchequer in the mid-19th century. These reforms followed on the recommendations of the Select Committee on Public Monies and planted the seeds for 'modern parliamentary financial scrutiny in Westminster style parliaments'.[6]

3.2 The first PAC was established in 1861 by a resolution of the British House of Commons. The Chancellor of the Exchequer's resolution proposed:

> …that a select committee on public accounts be established to review the accounts of public expenditure after they had gone through the process of examination in the hands of the Executive Government…members to be chosen with a view to give satisfaction to both sides of the House, and to fairly represent

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[5] Hedger, E. and Blick, A. (2008) Enhancing accountability for the use of public sector resources: How to improve the effectiveness of Public Accounts Committees, *Background paper for the 2008 Triennial Conference of Commonwealth Auditors General*, June, United Kingdom National Audit Office, p. 1.

[6] UK House of Commons, *Hansard,* Vol 162, 9th April 1861, col. 318; Loney, P. (2004) Beware the Gap—Parliamentary Oversight or Parliament Overlooked?', Paper for The Association of Public Accounts Committees, 4 October, pp. 1–9; von Trapp, L. (2007) Strengthening Parliament—Parliamentary Financial Scrutiny, Draft Seminar Report, 11–22 February 2007.

> all parties, while bringing as much talent, knowledge and experience as possible to discharge these important functions…[7]

3.3 Furthermore, the *Exchequer and Audit Departments Act 1866* (UK) created the position of an independent Auditor-General. The position was established as an Officer of Parliament and reported to parliament, and required all government departments to produce accounts for independent audit.[8] Stent (2004) highlighted that:

> It is on the basis of these two pillars, an independent Auditor-General that audits public accounts, and a parliamentary committee that reports to the House of Commons, that the Parliament of the UK has, since 1866, achieved full control over public money[9]. And it is on a similar basis that most parliaments that follow the Westminster system of government operate today.[10]

3.4 Replicated in virtually all Commonwealth and many non-Commonwealth countries, PACs are seen as the apex for financial scrutiny and have been promoted as a crucial mechanism to facilitate transparency in government financial operations.[11]

3.5 David McGee in his publication, *The Overseers—Public Accounts Committees and Public Spending*, observed that two important elements in the system of public financial accountability or stakeholders in the accountability environment are the public accounts committee and the office of the Auditor-General.[12]

3.6 The parliamentary mechanism of public financial accountability thus comprises two dimensions—public audit and parliamentary accountability.

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[7] Stent, W.R. (2004) 'Dry and Repulsive—The Parliamentary Component of Supreme Audit Institutions', Department of Economics and Finance, La Trobe University; Loney, P. (2004) Beware the Gap—Parliamentary Oversight or Parliament Overlooked?', Paper for The Association of Public Accounts Committees, 4 October, pp. 1–9.

[8] von Trapp, L. (2007) Strengthening Parliament—Parliamentary Financial Scrutiny, Draft Seminar Report, 11–22 February 2007.

[9] UK National Audit Office. (2001) *State Audit in the European Union*, p. 236.

[10] Stent, W.R. (2004) 'Dry and Repulsive—The Parliamentary Component of Supreme Audit Institutions', Department of Economics and Finance, La Trobe University.

[11] Stapenhurst, R. and Dye, K. (1998) Pillars of Integrity: The Importance of Supreme Audit Institutions in Curbing Corruption, in *New Perspectives on Combating Corruption*, Transparency International and the International Bank for Reconstruction and Development.

[12] McGee, D. (2002) *The Overseers—Public Accounts Committees and Public Spending*, Pluto Press, London.

Public financial accountability or legislative financial scrutiny is a critical foundation for parliament's oversight function.

The contemporary public sector environment

3.7 Today PACs and their respective Auditors-General operate in a very different context and public sector environment to that of 'Gladstonian' times. Notwithstanding this, the founding principles on which the parliamentary mechanism of public financial accountability was established have not changed.

3.8 The Organisation for Economic Co-operation and Development (OECD) noted in its 2005 Policy Brief, that new forms of public sector management, privatisation and new technologies have not only changed the way the public sector operates, but have also created a need for new ways of making both agencies and governments accountable for what they do.[13]

3.9 The modern public sector environment has created a range of challenges and increasing demands on PACs and public audit offices, including the following:

- Most jurisdictions have introduced the concept of open government in some form—which has flow-on effects for any institution charged with oversight/scrutiny functions and associated stakeholder expectations that have accompanied these reforms.
- Many jurisdictions have undertaken reviews of their audit legislation.
- Governments continue to consider and implement alternative service delivery arrangements.
- There is an increasing prevalence of federally funded initiatives where service delivery is conducted by the states and territories.

3.10 Evidence suggests that the delivery by government within the contemporary public sector environment, coupled with the global financial environment, has resulted in new pressures on accountability[14] with a corresponding increase in responsibilities for PACs and public audit offices. This includes:

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[13] OECD. (2005) *Public Sector Modernisation: Modernising Accountability and Control*, April; Robertson, G. (2009) *Independence of Auditors-General—A survey of Australian and New Zealand Legislation*, Commissioned by the Victorian Auditor-General's Office, July.

[14] Pearson, D. (2009) 'Issues for maintaining independence: A survey of Australia's public audit legislation', Address to the 10th Biennial Conference of Australasian Council of Public Accounts.

- Recent challenges to global and national financial systems and economic downturns have increased demand for oversight and scrutiny and a robust independent audit function.
- An increasing pace of change and innovation, in particular the uptake of and reliance on information technology (IT) to achieve outcomes. This is further compounded, in that; IT systems are becoming increasingly complex coupled with issues concerning data integrity, security and integrity, as critical considerations for those charged with oversight and auditors. This has also added to the cost and complexity of auditing.
- Technology driven change is also challenging traditional accountability methods, for example, records management and privacy considerations in an electronic age.
- The strategies being used to foster responsive government have been referred to as requiring agility and innovation in the delivery of public services. This creates the risk of agencies seeking workarounds for traditional governance structures and accountability mechanisms.
- Changes in government service delivery, as required by the responsive government paradigm, challenge traditional democratic accountability mechanisms and legislation. For example:
  - The delivery of government programs now often involves multiple agencies in order to respond to complex or 'wicked' policy problems, for example, climate change, indigenous disadvantage, land degradation and obesity.[15] The innovative and extensive solutions these problems require

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Committees, 16 April, Wellington, New Zealand; Robertson, G. (2009) *Independence of Auditors-General—A survey of Australian and New Zealand Legislation*, Commissioned by the Victorian Auditor-General's Office, July; APSC. (2007) *Tackling Wicked problems—A Public Policy Perspective*, Australian Government, Commonwealth of Australia; IBM Center for the Business of Government. (2007) *Ten Challenges Facing Public Managers;* Commonwealth Joint Committee on Public Accounts and Audit (JCPAA) (2008) *The efficiency dividend and small agencies: Size does matter*, Report No. 413, December, Parliament of the Commonwealth of Australia, Canberra.

15 APSC. (2007) *Tackling Wicked problems—A Public Policy Perspective*, Australian Government, Commonwealth of Australia.

can challenge traditional approaches to policy making and program implementation.[16]

- An increase in outsourcing, in particular the contracting out of services, risk-sharing and alliancing models such as Private Public Partnerships (PPPs).[17]
- Devolving government, for example, a trend towards creating legal entities 'outside' government as a means for more flexible government management.[18]

3.11 The modern public sector environment has thus created a range of challenges and increasing demands on PACs and public audit offices. In particular, to be effective in such an environment 'requires bigger teams, greater understanding and more resources'.[19]

3.12 Furthermore, whilst the principles underlying the establishment of a PAC are commonplace, the mandates for PACs can vary across jurisdictions which make it difficult to compare like with like—for example, there can be differences in the level of activity of committees across jurisdictions and thus differences in outputs across a number of parameters. There are also differences with regard to Auditors-General level of activity which has a flow-on effect for the respective PAC.

3.13 In summary, as to the importance of the parliamentary committee system, in particular PACs, to promoting good governance, accountability and integrity within democratic systems, the second Westminster Workshop on PACs held in 2012 emphasised that:

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[16] Pearson, D. (2009) 'Issues for maintaining independence: A survey of Australia's public audit legislation', Address to the 10th Biennial Conference of Australasian Council of Public Accounts Committees, 16 April, Wellington, New Zealand.

[17] *Ibid.*

[18] *Ibid.*

[19] Mr Ian McPhee, *Transcript of evidence*, Commonwealth Joint Committee on Public Accounts and Audit (JCPAA) (2008) Inquiry into the efficiency dividend, p. 8.

Parliamentary scrutiny allows parliament the opportunity to hold governments to account for their decisions and actions; and monitor the effectiveness and efficiencies of associated public service delivery. Parliaments often establish committees to assist them in discharging their duties. One of the most important of these is the Public Accounts Committee (PAC) responsible for overseeing government expenditures to ensure they are (among other things) effective and give value for money.

...

A viable committee system is the cornerstone of the modern legislature and essential for performing core legislative functions.

...

Across the Commonwealth, the Public Accounts Committee in particular is one of the principal vehicles to hold the Executive to account for its use of public money. PACs are intended to scrutinise expenditure by the Executive to assess whether funds have been used efficiently and effectively, and to monitor associated public service delivery. Clearly, the mandate and practices of PACs vary considerably from legislature to legislature in different countries.[20]

[20] Commonwealth Parliamentary Association (CPA) UK Branch, the National Audit Office—UK and the Commonwealth Secretariat Commonwealth Secretariat. (2012) *The 2nd Westminster Workshop on The Public Accounts Committee* (PAC)—*A note reflecting on workshop proceedings*, 12–15 March 2012, p. 2; pp. 3–4.

4 THE AUDITOR-GENERAL

4.1 As noted previously, as part of the 'Gladstonian' reforms, the *Exchequer and Audit Departments Act 1866* (UK) created the position of an independent Auditor-General. This position was established as an Officer of Parliament and reported to parliament, and required all government departments to produce accounts for independent audit.[21]

4.2 The work of the Auditor-General provides a link in the chain of accountability from government to parliament. The Auditor-General reports to parliament through the Speaker and not to the Government. This independence from the Government is a necessary requisite for the Auditor-General and their Office to carry out their work effectively. The Auditor-General:

> …must be free of obligations to any individual or institution and be free from fear of arbitrary dismissal or retaliation. The Auditor-General works for the Parliament, not the government of the day.[22]

4.3 In the ACT, the Auditor-General is:

> …responsible to the Legislative Assembly, for the audit of all public sector agencies. The Auditor-General provides assurance to the community, through the Legislative Assembly, that the ACT public sector is accountable and effectively and efficiently managed.[23]

4.4 The statutory office of the Auditor-General therefore plays an important role in public accountability. Reports of the Auditor-General are concerned with promoting public accountability in the public administration of the Territory.

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21 von Trapp, L. (2007) Strengthening Parliament—Parliamentary Financial Scrutiny, Draft Seminar Report, 11–22 February 2007; Loney, P. (2004) Beware the Gap—Parliamentary Oversight or Parliament Overlooked?', Paper for The Association of Public Accounts Committees, 4 October, pp. 1–9.

22 Sendt, B. (2002) 'Audit independence: Views from the public sector', *Paper presented at the Restoring Confidence in the Australian Auditing and Accounting Industry*.

23 ACT Auditor-General's Report No. 7 of 2009: *Annual Report 2008-2009*, p. 3.

Relationship of the Public Accounts Committee with the Auditor-General

Overseen by a parliamentary committee

4.5 One of the defining characteristics of the Office of the Auditor-General is that they are overseen by a parliamentary committee. In many Westminster style parliaments this role falls to the PAC. The PAC (as the Parliament's delegate) provides a nexus or link between the Auditor-General and the Parliament.[24]

4.6 Auditors-General need to be independent from the Executive; however, equally important, is the need to be accountable for that independence. As parliament's delegate, oversight committees are critical to the process of ensuring the Auditor-General is publicly accountable.

4.7 Oversight committees also have a number of other important roles in facilitating and oversighting the Parliament's relationship with an Auditor-General. This includes:

- safeguarding the independence of their respective Auditor-General and making sure that they have the appropriate legislative mandate and resources to carry out their role on behalf of parliament.
- providing their respective Auditor-General with a link to community attitudes and concerns. This linkage also reminds the Auditor-General, that they are subject to the people through the Parliament.[25]
- supporting their respective Auditor-General and protecting them from unjustified attacks.
- providing a vehicle by which an Auditor-General communicates with the Parliament.

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[24] Qld Public Accounts Committee. (2007) 'The role of PACs in strengthening the independence of Auditors-General', Paper presentation to the 9th ACPAC Biennial Conference, Canberra.

[25] Grierson, S. (2009) 'Different models for optimising cooperation between auditors-general, public accounts committees, and other accountability agencies', Paper presented at the 10th ACPAC Biennial Conference, April 2009; Griffith, G. (2006) 'Parliament and Accountability: The role of parliamentary oversight committees', *Australasian Parliamentary Review*, 21. 1. pp. 7–46.

- recommending changes to improve the operations of the Auditor-General, including resourcing and legislative mandate. Oversight committees, on behalf of parliament, also have a critical role in ensuring that the enabling legislation of an Auditor-General stays up to date.[26]

4.8 In the ACT, aside from reviewing reports of the Auditor-General, the Committee:

- examines the budget estimates for the Auditor-General and makes a recommendation to the Treasurer
- examines the operations and resources of the Audit Office via consideration of the Office's six monthly operational report
- considers the Audit Office's annual report as part of its inquiry into annual and financial reports, and
- provides input to the Audit Office's performance audit program.

4.9 Further detail on some of the roles and responsibilities the Committee has in relation to the Auditor-General together with related activity during the course of the 7th Assembly are detailed in the following sections.

Consideration of budget estimates

4.10 Pursuant to section 22 of the AG Act, the Committee is provided with a role in determining the annual appropriation available to the Auditor-General. The Committee considers the draft budget estimates of the Auditor-General and makes a recommendation to the Treasurer regarding the proposed appropriation and provides the Treasurer with the Auditor-General's draft budget.

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[26] Grove, R. (2002) 'Officers of Parliament and how their work impacts on the House', Paper presented by Clerk of the Legislative Assembly of NSW, 33rd Conference of Presiding Officers and Clerks, Brisbane, Queensland.

4.11 This provision creates a process whereby the Legislative Assembly, through the Committee, advises the Treasurer regarding the resources that should be made available for the operations of the Audit Office for the respective financial year. The Committee resolved in 2011 and 2012 to inform the Legislative Assembly of the outcome of its consideration of the Audit Office's Budget Submissions for 2011–12 and 2012–13 respectively and applicable forward years.

4.12 The Committee is pleased that a funding model to support growth in the performance audit function has been factored into the proposed budgets for the operations of the Auditor-General's Office for each of the financial years from 2012–13 to 2015–16.

4.13 The Committee notes that, prior to 2012, on each occasion it considered the annual budget submission of the Auditor-General it recommended, without success, that the Office be funded to support growth in the performance audit function. The Committee is firmly of the view that the Assembly and the ACT community would be served well by the cost-effectiveness of such an investment in terms of its contribution towards: (i) strengthening accountability for government performance; and (ii) identifying improvements in public administration and delivery of services.

4.14 The Committee also notes that its repeated requests for additional funding are supported by the following considerations:

- compared to other jurisdictions, the ACT Audit Office is significant in having a strong performance audit mandate as provided by legislation.
- performance auditing plays an important role in governance and accountability. This is on the basis that financial auditing provides some assurance at a point in time, but it does not provide audited agencies, parliament or communities with any assurances about the Government's service performance. Performance auditing provides such assurances.
- increasingly, on this basis, parliaments are seeking to support growth in their respective Auditor-General's performance audit functions.

4.15 The Committee is pleased that a funding model supporting growth in the performance audit program is proposed to be initiated as part of the 2012–13 Budget and looks forward to the ACT Auditor-General's Office being funded to support an expanded performance audit program.

Expiry of term of Auditor-General

4.16 During the 7th Assembly, the seven year term of the Auditor-General appointed in 2004 expired. The Committee farewelled Mrs Tu Pham PSM[27]—the third person to hold the Office of Auditor-General since the introduction of self-government in 1989. Mrs Pham's term as Auditor-General spanned the fifth, sixth and seventh Assemblies and three PACs.

4.17 Furthermore, Mrs Pham's appointment and term were significant in that she was the first female appointed to the position of Auditor-General in Australia and remained the only female Auditor-General for the term of her appointment.

4.18 At the expiration of Mrs Tu Pham's term as Auditor-General, the Committee acknowledged the good working relationship it had with her, as Auditor-General—a relationship that was, on the one hand, cooperative, open and frank, but on the other hand, a relationship that respected and maintained appropriate independence.

Consideration of proposed appointment to the Office of the Auditor-General

4.19 During the course of the 7th Assembly, the Committee considered the proposed appointment of Dr Maxine Cooper to the Office of Auditor-General.

4.20 The appointment of the Auditor-General is managed by the Chief Minister, who, on behalf of the Executive, convenes a process to identify and consider suitable candidates. Under section 8 of the AG Act, before appointing a person to be Auditor-General, the Minister must first invite the Chair of the PAC to comment on the proposed appointment.[28]

4.21 Dr Maxine Cooper was appointed as the fourth person to hold the Office of the Auditor-General on 8 August 2011. Dr Cooper's seven year term will end on 7 August 2018.

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[27] Mrs Tu Pham's appointment as Auditor-General expired in March 2011.

[28] Part 2, *ACT Auditor-General Act 1996*.

Performance audit program

4.22 As part of consultation on the 2010–11 performance audit program, the Committee resolved to write to the other Assembly Standing Committees to also seek comment on the draft program. This was an ongoing arrangement for the term of the 7th Assembly.

4.23 As part of its inquiry into the AG Act, the Auditor-General at the time proposed that the Committee may wish to consider whether a formal requirement for consultation in developing the Auditor-General's audit program would be a useful adjunct to any greater role the Committee may have in considering the budget for the Auditor-General's Office.[29]

4.24 The Committee's consideration of the draft performance audit program:

> …helps ensure the Audit Office delivers a program of audits that addresses the interests and priorities of the Legislative Assembly. Further, through this process, and the frequent contact the Auditor-General has with the PAC, the Committee is well informed of the performance audit activities of the Audit Office.[30]

4.25 The Committee has previously expressed its view that a formal requirement, whilst helping to ensure that the Audit Office delivers a program of audits that addresses the interests and priorities of the Legislative Assembly, also further strengthens the links between the Audit Office and the Assembly.

4.26 Furthermore, a formal requirement for consultation is reinforced because, compared to other jurisdictions, the Audit Office has a strong performance mandate as provided through the AG Act.[31]

Review of Auditor-General's Reports

4.27 As specified in its resolution of appointment, the Committee has a mandate to review Auditor-General reports and has the power to investigate any item or matters in connection with those reports. A key part of the Committee's work is reviewing issues raised in the reports by the Auditor-General. As part of its consideration of these reports, the Committee receives briefings from the

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[29] Submission No. 2, ACT Auditor-General's Office, January 2010, p. 16.

[30] Submission No. 2, ACT Auditor-General's Office, January 2010, p. 16.

[31] Mrs Tu Pham, *Transcript of evidence*, Select Committee on Estimates 2010–11, 24 May 2010, p. 1029.

Auditor-General and relevant audit team members on each report. These briefings are a useful opportunity for the Committee to clarify and explore issues raised in the reports and ask detailed questions of the audit team.

Procedures the Public Accounts Committee adopts in examining reports of the ACT Auditor-General

4.28 Under its resolution of appointment, the Committee examines all reports of the Auditor-General which have been presented to the Assembly. In consultation with key stakeholders, the Committee established new procedures for its examination of these reports on 29 September 2009. The new procedures streamline and enhance the options available to the Committee for examination of Audit reports.

4.29 The procedures outline four options available to the Committee when considering reports from the Auditor-General. The Committee may:

- inquire into a report as a specific inquiry (where submissions are called for, a number of hearings are held, and a full inquiry report is presented to the ACT Legislative Assembly)
- inquire into a report as part of a periodic public hearing program (audited agencies and the responsible Minister are invited to appear at the hearing and a summary report or Standing Order 246A statement is presented to the ACT Legislative Assembly)
- refer the report to another Standing Committee for consideration, or
- determine that the report does not warrant further inquiry.

4.30 As part of the new procedures, the Committee also developed a new web-page to make information publicly available regarding the outcome of its examination of Audit reports. The new web-page—'Referral of Auditor-General's reports to the PAC'—and procedures for examining referred Auditor-General reports are available at:
http://www.parliament.act.gov.au/committees/AGReports.asp

Independent performance audit of the operations of the ACT Auditor-General and the ACT Audit Office

4.31 Section 29 of the AG Act provides for a performance audit of the Auditor-General's Office operations by an independent auditor, following a written request to do so by the Chair of the Standing Committee on PAC. There is no legislative time frame or frequency specified in the AG Act for such a performance audit.

4.32 On 23 December 2009, invitations were issued by Procurement Solutions (on behalf of the Chief Minister's Department) for interested parties to conduct a performance audit of the Auditor-General's Office operations. As a result of the tender evaluation process, Bob Sendt Consulting Pty Ltd was engaged as the independent auditor.[32]

4.33 On 19 February 2010, and in accordance with section 29 of the AG Act, the Chair of the PAC wrote to the independent auditor to request an independent performance audit of the operations of the ACT Auditor-General and the ACT Audit Office.

4.34 The report of the independent performance audit of the operations of the ACT Auditor-General and the ACT Audit Office was presented to the Legislative Assembly on 5 May 2010.[33] The Report is available at: http://www.parliament.act.gov.au/committees/PerformanceAudit.asp.

4.35 This is the second time that an independent performance audit has been conducted of the operations of the ACT Auditor-General and the Audit Office. The first performance audit was undertaken after the ACT Legislative Assembly passed a motion calling on the PAC to request an independent auditor to conduct the performance audit. The Audit commenced in 1998 and reported to the Assembly in 1999.

Interim six monthly reports on the operations of the Audit Office

4.36 The provision of a six monthly operational report was a practice the Committee agreed to after consultation with the Auditor-General in April 2009. The Committee understands that the provision of these reports was commenced to parallel the requirement under the *Financial Management Act 1996* (the FM Act) whereby relevant Ministers table six monthly reports on

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[32] Section 27 of the Act provides that the responsible Minister may, on behalf of the Territory, engage a person as an independent auditor under a contract to conduct such an audit.

[33] Section 31 of the Act provides that the independent auditor shall give a report about the performance audit to the Speaker of the ACT Legislative Assembly as soon as practicable after completing the audit.

agency performance against targets. Pursuant to section 9 of the AG Act, 'the auditor-general is not subject to direction by the Executive or any Minister in the exercise of the functions of the auditor-general' and thus the requirement under the FM Act to report on agency performance is not applicable to the Audit Office.

4.37 The operational report provides the Committee with a mid-financial year report on the operations of the Audit Office, in addition to the Annual report tabled in the Assembly each year. The Committee is of the view that the operational report is valuable as it provides an update on the operations of the Office, including the major challenges and issues faced by the Office, during the applicable six monthly period.

5 SUMMARY OF COMMITTEE ACTIVITY

Meetings

5.1 To date the Committee has met formally 208 times during the course of the 7th Assembly. Of these formal meetings, 148 were private meetings and 59 were public hearings.

Referred Auditor-General's reports

5.2 Given the important role the Committee has as the audit committee of the Assembly, a significant part of its base workload is the examination of reports presented to the Legislative Assembly by the Auditor-General.

5.3 The Committee notes for the record that it has inquired into 34 of the 40 Auditor-General reports that were referred to it during the course of the 7th Assembly. The Committee considered these reports in accordance with the procedures it adopted for its examination of reports of the Auditor-General. The Committee resolved to inquire further into 16 of these 34 reports.

5.4 The Committee has not been able to commence or not been able to complete its inquiries into a number of referred Auditor-General's reports. As such, the Committee resolved on 10 July 2012 that the following Auditor-General's reports stand referred to the Eighth (8th) Assembly's Standing Committee on Public Accounts[34]:

- No. 6 of 2011: *Management of food safety in the ACT*
- No. 1 of 2012: *Monitoring and minimising harm caused by problem gambling in the ACT*
- No. 2 of 2012: *Whole-of-government information and communication technology security management and services*
- No. 3 of 2012: *Early childhood schooling*

[34] Whilst self-referred inquiries lapse on the day prior to an election, outstanding Auditor-General's Reports, that is, those reports still being considered by the Public Accounts Committee, continue to stand referred.

- No. 4 of 2012: *Development application and approval process for high density residential and commercial developments*, and
- No. 5 of 2012: *Management of recycling estates and E-waste*.

5.5 As noted previously, under its resolution of appointment, the Committee examines all reports of the Auditor-General which have been presented to the Assembly. The Committee has established procedures for its examination of these reports.[35]

5.6 In its 246A Statement to the Legislative Assembly on 24 August 2012, the Committee informed the Assembly that it had reached different stages in its inquiries on the aforementioned reports in accordance with these procedures.

5.7 In relation to Auditor-General's Report No. 6 of 2012: *Emergency Department Performance Information,* the Committee tabled an interim report out of session on 21 August 2012. In its report, the Committee was of the view that the circumstances surrounding the alteration and misreporting of performance information must be considered as part of a wider inquiry. Due to the time constraints, the Committee has not been in a position to progress an inquiry of this scale and scope.

5.8 The Committee therefore suggested that the 8th Assembly Standing Committee on Public Accounts give due consideration to conducting an inquiry into the process of future delivery of health care services across the ACT's two public hospitals. Accordingly, the Committee has resolved to leave Auditor-General's Report No. 6 of 2012: *Emergency Department Performance Information* to stand referred to the 8th Assembly PAC.

Inquiries and reports

5.9 In the course of the 7th Assembly the Committee has completed a heavy workload. It has tabled 30 reports containing 346 recommendations and extending over 1890 pages. Of these 30 reports, 16 inquired further into reports of the Auditor-General, which are automatically referred to the Committee, nine addressed matters referred to the Committee by the Legislative Assembly—five related to Bills and four related to annual reports,

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[35] Available at: http://www.parliament.act.gov.au/committees/AGReports.asp.

two addressed the Committee's participation in activities of the Australasian Council of Public Accounts Committees and two arose from self-referred inquiries. Detailed summaries of the Committee's inquiries and reports are set out at **Appendix A**.

5.10 An overview of the sources of the Committee's inquiries and reports are summarised in the table below.

Table 5.1—Overview of the sources of the Committee's inquiries—7th Assembly

Source of inquiry/report	No.	Inquiry report/details
Self-referred	2	▪ Inquiry into government procurement ▪ Inquiry into the *Auditor-General Act 1996*
Assembly	9	▪ Five Bills a) two supplementary appropriation Bills—2008–09 (No. 3) and 2011–12 (No. 2); b) Road Transport (TPI) Amendment Bill 2011 c) Gaming Machine Amendment Bill 2011, and d) Financial Management (Ethical Investment) Legislation Amendment Bill 2010 [exposure draft] ▪ Four annual reports inquiries— a) referred annual reports 2007–08 b) referred annual reports 2008–09 c) referred annual reports 2009–10, and d) referred annual reports 2010–11.
Auditor-General reports	16	Various—covering a wide range of ACT Government directorate and agency activities.
Other	3	▪ ACPAC 10th Biennial Conference—2009 ▪ ACPAC 11th Biennial Conference—2011 ▪ Summary committee activity—7th Assembly
Total	**30**	

5.11 A summary of the Government response[36] to recommendations of the Committee are set out in the table below.

[36] Up to report No. 22—Inquiry into Road Transport (TPI) Amendment Bill 2011 and including report No. 24—Inquiry into the Gaming Machine Amendment Bill 2011.

Table 5.2—Summary of Government response to recommendations of the Committee—7th Assembly

Position on recommendation	Number
▪ **Agreed, agreed in part, agreed in principle**	**150**
▪ **Noted**	**102** (of those noted by the Government, 7[37] were referred to the Speaker[38] for response)
▪ **Disagreed/not agreed**	**41**
▪ **Recommendations not yet responded to**	**48** (this includes all reports tabled in the August sitting)

Auditor-General

5.12 As noted earlier in this report, on behalf of the Assembly, the Committee has a range of roles and responsibilities in relation to the Auditor-General. These are summarised together with related activity in chapter three.

5.13 Some highlights of the Committee's activity in relation to these roles and responsibilities include:

- meeting with the Auditor-General and officials from the Audit Office on 34 occasions throughout the 7th Assembly (27 in relation to private briefings on Auditor-General reports; 4 in relation to consideration of budget estimates; and 3 in relation to the draft performance audit program).
- inquiring into 34 of the 40 Auditor-General reports—covering a wide range of ACT Government directorate and agency activities—referred during the 7th Assembly and further inquiry into 16 of these reports.
- establishing, in consultation with key stakeholders, new procedures for its examination of reports of the Auditor-General.
- considering, pursuant to section 8 of the AG Act, a proposed appointment to the Office of the Auditor-General. This was the fourth time since self-government that the PAC had considered a proposed appointment to the Office of Auditor-General.

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[37] Throughout the course of the 7th Assembly the Committee made 12 recommendations to the Legislative Assembly Secretariat (now Office of the Legislative Assembly)—Supplementary Appropriation Bill 2008–09 (No. 3)—1 recommendation; Inquiry into 2007–08 Annual Reports—4 recommendations; Inquiry into the *Auditor-General Act 1996*—4 recommendations; Inquiry into 2009–10 Annual Reports—3 recommendations.

[38] The Speaker provided a response to the Committee in relation to these 7 recommendations and a further 5 recommendations. The responses are available on the applicable inquiry homepage.

- requesting, pursuant to section 29 of the AG Act, an independent auditor to conduct a performance audit of the Auditor-General's operations. This was the second time that an independent performance audit had been conducted of the operations of the ACT Auditor-General and the Audit Office. Furthermore, it was the first time that the request to conduct the audit had been on the Committee's own initiative.

Australasian Council of Public Accounts Committees

5.14 The Committee has been represented at meetings of the Australasian Council of Public Accounts Committees (ACPAC) by the Chair, Deputy Chair, other committee members and the Committee secretary. The Committee has been an active participant in those meetings.

5.15 ACPAC, formed in 1989, facilitates the exchange of information and opinion relating to public accounts committees and discusses matters of mutual concern. ACPAC meets every two years in conference, and meets between conferences, in the form of a Mid-Term Meeting, to: (i) exchange information and opinion relating to public accounts committees; (ii) discuss matters of mutual concern and issues specifically pertaining to Australasian public accounts committees; and (iii) discuss and agree on an agenda for the biennial ACPAC conference.

10th Biennial ACPAC Conference—April 2009

5.16 The 2009 ACPAC Conference was hosted by the New Zealand Parliament's Finance and Expenditure Committee in Wellington from 15 to 17 April 2009.

5.17 The theme of the Conference was: *Sharing lessons—seeking improved accountability—facing new challenges*. Given the current global economic climate and the unpredictable environment with which PACs across the globe are faced, the Conference theme was very appropriate. The Conference Communiqué stated:

> It reflects the need for agile responses to unpredictable contingencies and a constant striving after better ways of discharging routine accountability functions.[39]

[39] ACPAC 10th Biennial ACPAC Conference Communiqué, 17 April 2009.

5.18 The Committee Chair presented a paper at the 10th Biennial ACPAC Conference entitled, 'Understanding Accountability'.

5.19 This paper discussed what accountability is and how it can include the consideration of sustainability issues for a PAC. It then examined some of the issues that PACs may encounter in looking at sustainability issues and concluded with suggesting some ways forward.

5.20 The paper advanced that PACs have a role in holding governments to account, in particular, for financial and whole-of-government issues, such as sustainability. It suggested that PACs have a role to play in holding the Executive to account for the full range of their actions, including the triple bottom line of financial, environmental and social issues, which make up sustainability.

5.21 The 10th Biennial Conference forum agreed to formalise a process for drafting and adopting a Communiqué as an official announcement regarding the Conference.

5.22 The Committee proposed that sustainability, as an issue that PACs need to be responsive to, should be included in the Conference Communiqué.[40] The Conference agreed to its inclusion.

11th Biennial ACPAC Conference—April 2011

5.23 The 2011 ACPAC Conference was jointly hosted by the Parliament of Western Australia's Legislative Assembly's Public Accounts Committee and the Legislative Council's Estimates and Financial Operations Committee from 27 April to 30 April 2011.

5.24 The theme of the Conference—*Seeking Improved Performance for Public Accounts Committees: What Works Well?*—focused on mechanisms for improving the performance of PACs by: exploring issues of independence and partisanship; examining the future of performance measurement; and evaluating access and freedom of information (FOI) and how these relate to the work of committees.

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[40] ACPAC 10th Biennial ACPAC Conference Communiqué, 17 April 2009.

5.25 The former Deputy Chair of the Committee—Mr Brendan Smyth MLA—participated as a panel member in a session on *PACs and Auditors-General—Maximising the benefit of these relationships*.

5.26 The Deputy Chair of the Committee—Mr John Hargreaves MLA participated as a panel member in a session on *Opposition-led committees—Effective scrutiny for government?*

Mid-term meetings—2010 and 2012

5.27 The Committee was represented at the 2010 Mid-term meeting by Mr John Hargreaves MLA. The meeting was hosted by the Tasmanian Joint Standing Committee of Public Accounts.

5.28 The Committee hosted the 2012 Mid-Term meeting on 25 May 2012 at the Legislative Assembly. All Australian jurisdictions, together with New Zealand, were represented at the Meeting.

Joint Committee on Public Accounts and Audit Inquiry into National Funding Agreements

5.29 On 9 February 2011, the Commonwealth Joint Committee on Public Accounts and Audit (JCPAA) resolved to inquire into the operation of funding agreements between the Commonwealth and State and Territory Governments. The JCPAA undertook this inquiry to examine in more detail issues concerning national funding agreements that had been raised in its earlier review of the *Auditor-General Act 1997* (Cwlth)—namely, the need to balance flexibility with accountability.

5.30 The Committee provided a submission to the JCPAA inquiry dated 15 July 2011, which outlined the unique circumstances facing the ACT and argued:

> Notwithstanding the strength of Australia's taxation system, the Committee advances that, in the case of the ACT, the equalisation and compensatory formulas underpinning Commonwealth funding to the Territory do not fully take account of the unique or special circumstances of the ACT. The unique or special circumstances include: (i) Canberra as the national capital coupled with the legacies acquired from the Commonwealth Government at self-government; (ii) national seat of government influences; (iii) restrictions in the Australian

> Capital Territory Self-Government Act 1988; (iv) regional status and cross-border provision of services; and (v) responsibility for city-state elements.[41]

5.31 The JCPAA tabled its report on 24 November 2011, which included the following comment on the Committee's submission:

> Insufficient parliamentary scrutiny of national funding agreements was also raised in the ACT Standing Committee on Public Accounts' (ACT Standing Committee) submission.[90] The ACT Standing Committee suggested a number of avenues to improve or boost parliamentary scrutiny of national funding agreements, including further exploration of the:

- reforms suggested by the Centre of Public Law; and
- ACT Legislative Assembly's Standing Committee on Planning and Environment's 2008 recommendation—dual sittings of parliamentary standing committees regarding issues of 'common interest and importance'.[42]

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[41] Standing Committee on Public Accounts, *Submission No. 14—Inquiry into national funding agreements*, 15 July 2011, p. 5, accessed 23 August 2012, http://www.aph.gov.au/Parliamentary_Business/Committees/House_of_Representatives_Committees?url=jcpaa/natagree/subs.htm

[42] Joint Committee on Public Accounts and Audit, Report No. 427: *Inquiry into National Funding Agreement*, November 2011, p. 84, accessed 23 August 2011, http://www.aph.gov.au/Parliamentary_Business/Committees/House_of_Representatives_Committees?url=jcpaa/natagree/report/fullreport.pdf

6 CONCLUSION

6.1 As evidenced in this report, the Committee has had a significant workload and level of activity during the course of the 7th Assembly. This report gives some measure of the activities and responsibilities of the Committee and provides an insight into the demands which have been placed upon its members and secretariat.

6.2 In addition to the responsibilities specified in the Committee's resolution of appointment, the Committee has significant responsibilities as the audit committee of the Assembly together with a range of other statutory responsibilities.

6.3 Of the various portfolio responsibilities oversighted by the Assembly's standing committees, as measured by annual report referrals, approximately one-third were the responsibility of the Committee during the 7th Assembly.

6.4 To date, the Committee's activity has included:

- meeting 208 times, of which 148 were private meetings and 59 were public hearings.
- tabling 30 reports.
- tabling 30 statements pursuant to Standing Order 246A.
- inquiring into 34 of the 40 Auditor-General reports—covering a wide range of ACT Government directorate and agency activities—referred during the 7th Assembly and further inquiring into 16 of these reports. The Committee has reported to the Assembly on the outcome of these inquiries.
- processing over 1000 items of inwards and outwards correspondence.
- considering over 70 proposed statutory appointments.
- establishing, in consultation with key stakeholders, new procedures for its examination of reports of the Auditor-General.
- assuming responsibility for arranging and hosting the ACPAC 2012 Mid-Term Meeting.
- considering, pursuant to section 8 of the AG Act, a proposed appointment to the Office of the Auditor-General. This was the fourth time since self-government that the PAC had considered a proposed appointment to the Office of Auditor-General.

- requesting, pursuant to section 29 of the AG Act, an independent auditor to conduct a performance audit of the Auditor-General's operations. This was the second time that an independent performance audit had been conducted of the operations of the ACT Auditor-General and the Audit Office. It was, however, the first time that the request to conduct the audit had been on the Committee's own initiative.

6.5 As the Chair of the Committee, I would like to take this opportunity to thank my committee colleagues, the Deputy Chair—Mr John Hargreaves MLA—and Mr Brendan Smyth MLA for their commitment to the work of the Committee, expertise and wise counsel. Furthermore, I also thank Mr Smyth for the time he served as Deputy Chair. I also thank Ms Joy Burch MLA for her contribution as a Member of the Committee in the early stages of the Assembly.

6.6 The Committee also acknowledges that Mr Hargreaves after serving four Assembly terms will not be standing again in the election for the 8th Assembly. Mr Hargreaves has made a significant contribution to the work of the Assembly and its committees throughout his time as a Member of the Legislative Assembly. The Committee takes this opportunity to wish Mr Hargreaves well in his future endeavours and in what lies ahead after life as a parliamentarian.

6.7 The Committee notes that throughout the course of the current Assembly, Ministers and other officials have readily assisted the Committee, as has the current and former Auditor-General and her staff, and directorate and agency officials. The Committee expresses its appreciation for assistance so provided.

6.8 The Committee also acknowledges and thanks all those who contributed to its many inquiries by making submissions, providing additional information and appearing before it to give evidence. The Committee recognises the significant commitment of time and resources required to participate in a committee inquiry and at all times was grateful to be able to draw on the wide range of expertise and considered comment as contained within various contributions to its inquiries.

6.9 In particular, the Committee expresses its appreciation to the informal ‘editorial committee’ and also acknowledges and thanks Dr Andréa Cullen, the committee secretary for most of the life of the PAC of the 7th Assembly. Without her diligence, intelligence and high understanding of organisational culture and the issues before Public Accounts Committees it would not have been possible for us to do our job as well as we have done.

Caroline Le Couteur MLA

Chair

13 August 2012

APPENDIX A: Summaries of the Committee's inquiries and reports

This appendix contains summaries of the inquiries conducted and reports tabled by the Committee during the 7th Assembly. The summaries have been grouped according to the following categories: (i) self-referred inquiries; (ii) inquiries referred by the Assembly; (iii) referred Auditor-General's reports; and (iv) other reports.

(i) Self-referred inquiries

Inquiry into ACT Government Procurement

The Committee resolved on 30 April 2009 to conduct an inquiry into ACT Government procurement with the following terms of reference:

(1) the pursuit by ACT Government agencies of the 'Procurement principle—value for money', having regard to:
- probity and ethical behaviour
- management of risk
- open and effective competition, and
- optimising whole-of-life costs.

(2) the integration of sustainability considerations that encompass environmental, economic and social aspects throughout procurement processes
(3) agency approaches to procurement training and development activities
(4) the ability of local suppliers to compete for ACT Government procurement opportunities
(5) the effectiveness of recent reforms
(6) impact on tendering organisations, in particular speed, feedback, and finalisation, of government discontinuing the tender process, and
(7) any other relevant matter.[43]

The Committee called for submissions by advertising in the *Canberra Times* on 9 May and 1 July 2009, placing a notice on the Legislative Assembly's website, and by writing to the responsible Minister and other stakeholders. The Committee received

[43] Standing Committee on Public Accounts, *Inquiry into ACT Government procurement*, November 2010, pp. 7–8.

17 submissions. Public hearings were held on: 4 and 30 March 2010; 1, 27 and 29 April 2010; and 10 August 2010.[44]

The Committee tabled its report, which included 25 recommendations, on 18 November 2010.[45] The Government responded to the report on 28 June 2011 and agreed, agreed in part or agreed in principle to 16 recommendations; noted seven recommendations; and did not agree to two recommendations.[46]

The Government did not agree to recommendations 12 and 18, which respectively proposed a review of the legal powers and resourcing of regulatory bodies such as ACT Workcover and the ACT Long Service Leave Authority, and the inclusion of an explicit reference to sustainability in section 22A of the *Government Procurement Act 2001*.[47]

Inquiry into the ACT *Auditor-General Act 1996*

On 1 September 2009 the Committee resolved to inquire into the ACT *Auditor-General Act 1996* and adopted the following terms of reference:

> The Committee will inquire into, and report on the following matters:
> a) whether any amendments to the *Auditor-General Act 1996* (the Act) are required to take account of developments in both auditing standards and public administration in the ACT and other jurisdictions
> b) whether there should be changes to the coverage and scope of the ACT Auditor-General's audit mandate and, in particular, with the power to audit organisations that receive funds from the ACT Government
> c) whether the annual budget for the ACT Auditor-General should be set by the Legislative Assembly and not by the Executive Government
> d) any amendments that could be made which would strengthen the managerial autonomy and resourcing of the ACT Auditor-General
> e) any amendments which would strengthen the role of the ACT Auditor-General as an independent officer of Parliament
> f) what amendments, if any, are required to clarify the intention of sections 22—*Proposed appropriations* and 22A—*Additional amounts for certain audits*—of the Act

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44 Standing Committee on Public Accounts, *Inquiry into ACT Government procurement*, November 2010, p. 8.

45 Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 86, 18 November 2010, p. 1047.

46 ACT Government, *Government response— Inquiry into ACT Government procurement*, 28 June 2011, p. 1.

47 ACT Government, *Government response—Inquiry into ACT Government procurement*, 28 June 2011, p. 12; p. 9.

g) the recommendations of an independent performance audit of the Auditor-General to be conducted in accordance with Part 5 of the Act during 2009–10, and
h) any other relevant matter.[48]

The Committee called for submissions by advertising in the *Canberra Times* on 7 October 2009, placing a notice on the ACT Legislative Assembly's website, and by writing to the responsible Minister and other stakeholders.[49] The Committee received five submissions.

A public hearing was held on 12 March 2010, at which the Committee heard from: the Chief Minister and officials from the Chief Minister's Department; the Auditor-General and accompanying officials; the Convenor of the Australasian Council of Auditors-General (ACAG); and Emeritus Professor of Public Administration and Visiting Professor ANZSOG Institute of Governance, University of Canberra, Roger Wettenhall.[50]

The Committee tabled its report, which included 41 recommendations, on 17 February 2011.[51] The Government responded to the report on 16 August 2011 and agreed or agreed in principle to 21 recommendations, noted six recommendations and did not agree to 14 recommendations.[52]

The Government did not agree with the Committee's view that, under present arrangements, the Auditor-General remains vulnerable to influence from the Executive as its budget is determined by the Executive. The Government included in its response legal advice from the ACT Government Solicitor to the effect that the determination of the budget for the ACT Auditor-General's Office by the Legislative Assembly, as recommended by the Committee, would be unconstitutional.[53]

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[48] Standing Committee on Public Accounts, *Inquiry into the Auditor-General Act 1996*, February 2011, pp. 1–2.

[49] Standing Committee on Public Accounts, *Inquiry into the Auditor-General Act 1996*, February 2011, p. 2.

[50] Standing Committee on Public Accounts, *Inquiry into the Auditor-General Act 1996*, February 2011, p. 141.

[51] Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 92, 17 February 2011, p. 1151.

[52] ACT Government, *Government response—Inquiry into the Auditor-General Act 1996*, 16 August 2011, pp. 4–13.

[53] ACT Government, *Government response—Inquiry into the Auditor-General Act 1996*, 16 August 2011, Attachment A.

On this point, the Government stated that it believes:

- there are already provisions in the current ACT *Auditor-General Act 1996* to ensure the independence of the Auditor-General from the Executive;
- there are already provisions in the current ACT *Auditor-General Act 1996* that allow the Public Accounts Committee to provide input to the development of the annual Budget appropriation for the Auditor-General and the Audit Office;
- determination of the annual budget for the ACT Auditor-General by the ACT Legislative Assembly is unconstitutional because it is contrary to section 65 of the *Australian Capital Territory (Self Government) Act (1988)* (Cwlth), which provides appropriations can only be introduced by Ministers;
- determination of the annual budget for the ACT Auditor-General by the ACT Legislative Assembly is beyond the capacity of the Legislative Assembly in as much as it purports to provide for the Assembly to direct the Executive; and
- the Territory already funds the Auditor-General to an appropriate level, .based on per capita comparisons and comparison with small jurisdictions.[54]

(ii) Inquiries referred by the Assembly

Inquiry into the Gaming Machine Amendment Bill 2011

The *Gaming Machine Amendment Bill 2011* was presented to the Legislative Assembly on 17 November 2011 and referred to the Committee for inquiry and report.[55]

The Committee called for submissions by advertising in the *Canberra Times* on 7 December 2011, placing a notice on the Legislative Assembly's website, and by writing to the responsible Minister. A wide range of stakeholders were also invited by email and correspondence to participate in the inquiry. The Committee received

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[54] ACT Government, *Government response—Inquiry into the Auditor-General Act 1996*, 16 August 2011, pp. 1–2.

[55] Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 129, 17 November 2011, p. 1670.

seven submissions.[56] The Minister for Gaming and Racing declined the Committee's invitation to provide a written submission to the inquiry.[57]

Public hearings were held on 9 February and 13 March 2012, at which the Committee heard from representatives of the club industry in the ACT and the Minister for Gaming and Racing and the Chief Executive of the Gambling and Racing Commission respectively.[58]

The Committee tabled its report, which contained 17 recommendations, on 7 June 2012.[59] The Government responded to the report on 22 August 2012 and agreed or agreed in principle to 8 recommendations, noted 6 recommendations and did not agree to 3 recommendations.[60]

Annual and Financial Reports (Public Accounts) 2010–2011

On 22 September 2011, the annual and financial reports of all government agencies were referred to relevant standing committees of the Legislative Assembly for the ACT. The annual and financial reports listed below were referred to the Committee:

- ACT Auditor-General's Office
- ACT Gambling and Racing Commission
- ACT Government Procurement Board
- ACT Insurance Authority
- ACT Legislative Assembly Secretariat
- ACT Long Service Leave Authority
- ACTEW Corporation Limited
- ACTTAB Limited
- Chief Minister and Cabinet Directorate
- Commissioner for Public Administration
- Economic Development Directorate

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[56] Standing Committee on Public Accounts, *Inquiry into the Gaming Machine Amendment Bill 2011*, June 2012, pp. 1–2.

[57] Standing Committee on Public Accounts, *Inquiry into the Gaming Machine Amendment Bill 2011*, June 2012, p. 2.

[58] Standing Committee on Public Accounts, *Inquiry into the Gaming Machine Amendment Bill 2011*, June 2012, p. 2; p. 121.

[59] Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 153, 7 June 2012, p. 2022.

[60] ACT Government, *Government response—Inquiry into the Gaming Machine Amendment Bill 2011*, 22 August 2012.

- Exhibition Park Corporation
- Independent Competition and Regulatory Commission
- Rhodium Asset Solutions
- Totalcare Industries
- Treasury Directorate[61]

The Committee held public hearings on 3, 21, 24 and 29 November and 16 December 2011 and heard from Ministers, accompanying directorate and agency officers, and members of governing boards.[62]

The Committee tabled its report, which contained 10 recommendations, on 7 June 2012.[63]

Inquiry into *Road Transport (Third-Party Insurance) Amendment Bill 2011*

The *Road Transport (Third-Party Insurance) Amendment Bill 2011* was tabled in the Legislative Assembly on 17 February 2011.[64] On 31 March 2011, the Assembly referred the Bill to the Committee for inquiry. The Committee's terms of reference were to inquire into and report on the Bill by the first sitting week in March 2012.[65]

On 20 March 2012, the Committee made a statement to the Legislative Assembly pursuant to standing order 246A that the statutory review pursuant to section 275 of the *Road Transport (Third-Party Insurance) Act 2008* had not been tabled, as advised by the Treasurer, in the February 2012 sitting.[66]

Statutory review periods are designed to ensure a timely evaluation of the implementation and performance against specific legislation. The Committee's examination of the statutory review, prior to reporting, was a critical aspect of its consideration of the referred Bill. On this basis, the Committee asked the Assembly for an extension of time to report. This extension was to be until such time as the statutory review had been provided and the Committee had sufficient time to

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[61] Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 120, 22 September 2011, pp. 1532–1536.

[62] Standing Committee on Public Accounts, *Report on Annual and Financial Reports 2010-11*, May 2012, p. 2.

[63] Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 153, 7 June 2012, p. 2022.

[64] Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 92, 17 February 2011, p. 1150.

[65] Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 98, 31 March 2011, pp. 1233–1234.

[66] Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 98, 31 March 2011, pp. 1233–1234.

consider it in detail.[67] On 20 March 2012, the Assembly agreed to amend the reporting date to 'by the second sitting week in May 2012'.[68]

Whilst the inquiry's terms of reference included the Bill and its explanatory statement, on 7 June 2011 the Committee also adopted the following terms of reference pursuant to standing order 216:

1) review the operation of the *Road Transport (Third-Party Insurance) Act 2008*. In conducting this review, the Committee shall:
   a) evaluate the effect of the Act on the recovery and rehabilitation of people who have been injured as a result of a road crash
   b) evaluate the effectiveness of the Act in meeting the Objects as set out in section 5A
   c) evaluate the effectiveness of the Act on premiums for third party insurance
   d) evaluate the effectiveness of the Act in encouraging increased competition in the provision of third party insurance in the ACT, and
   e) evaluate any other aspects of the effectiveness of the Act
2) review the possible effects of the Bill on the provision of third party insurance in the ACT
3) review the operation of third party insurance (TPI) schemes in other Australian jurisdictions
4) examine any other factors that may influence the cost of registering a motor vehicle in the ACT
5) consider innovative or alternative compulsory TPI scheme designs in other jurisdictions
6) examine the impact of TPI premiums on the sustainability of transport
7) consider the long-term viability of the TPI scheme in the ACT, and
8) any other relevant matter.

The Committee called for submissions by placing a notice on the Legislative Assembly's website, and by writing to the responsible Minister. A wide range of stakeholders were also invited by email and correspondence to participate in the inquiry. The Committee received eight submissions and six supplementary

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[67] The Statutory Review—Review of the ACT's Compulsory Third-Party (CTP) insurance scheme as prescribed under section 275 of the *Road Transport (Third-Party Insurance) Act 2008*—was tabled by the Treasurer on 20 March 2012.

[68] Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 139, 20 March 2012, pp. 1792–1793.

submissions.[69] Public hearings were held on 6, 12 and 31 October 2011 and 10 November 2011.[70]

The Committee tabled its report, which included 13 recommendations, on 10 May 2012.[71] The Government responded to the report on 22 August 2012 and agreed or agreed in principle to 6 recommendations, noted 6 recommendations and did not agree to 1 recommendation.[72]

Inquiry into *Appropriation Bill 2011–2012 (No. 2)*

Appropriation Bill 2011–2012 (No. 2) was tabled in the ACT Legislative Assembly on 23 February 2012. After passing the agreement in principle stage, the Bill was referred to the Committee for inquiry and report.[73] The inquiry's terms of reference were the Bill and the explanatory statement. This also extended to the accompanying Supplementary Budget Papers, as required by the *Financial Management Act 1996*, which provide detail on the items covered by the Bill.[74]

The Committee held one public hearing on the proposed legislation on 15 March 2012. The Treasurer, Mr Andrew Barr MLA, appeared before the Committee accompanied by officials from the Treasury, Territory and Municipal Services, and Education and Training directorates.[75]

The Committee tabled its report, which included four recommendations, on 1 May 2012.[76] The Government responded to the report on 8 May 2012 and agreed to or supported all of the Committee's recommendations.[77]

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69 Standing Committee on Public Accounts, *Inquiry into Road Transport (Third-Party Insurance) Amendment Bill 2011*, April 2012, p. 3.

70 Standing Committee on Public Accounts, *Inquiry into Road Transport (Third-Party Insurance) Amendment Bill 2011*, April 2012, p. 4.

71 Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 150, 10 May 2012, p. 1947.

72 ACT Government, *Government response—Inquiry into the Road Transport (TPI) Amendment Bill 2011* 22 August 2012.

73 Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 139, 20 March 2012, pp. 1792–1793.

74 Standing Committee on Public Accounts, *Inquiry into Appropriation Bill 2011–2012 (No. 2)*, April 2012, p. 1.

75 Standing Committee on Public Accounts, *Inquiry into Appropriation Bill 2011–2012 (No. 2)*, April 2012, p. 1.

76 Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 145, 1 May 2012, p. 1865.

77 ACT Government, *Government response—Inquiry into Appropriation Bill 2011–2012 (No. 2)*, 8 May 2012, pp. 2–3.

Inquiry into exposure draft of the *Financial Management (Ethical Investment) Legislation Amendment Bill 2010*

The exposure draft of the *Financial Management (Ethical Investment) Legislation Amendment Bill 2010* was tabled in the Legislative Assembly on 22 September 2010 and referred to the Committee for inquiry and report.[78]

On 28 October 2010 the Chair of the Committee made a statement to the Legislative Assembly pursuant to standing order 246A regarding the Committee's proposed method of addressing real or perceived conflicts of interest arising from the inquiry:

> It is on the public record that I hold 4.98 per cent of the shares in Australian Ethical Investment and that I was an executive director of Australian Ethical Investment for 17 years. Australian Ethical Investment is an ASX listed company based in Canberra that is a retail funds manager specialising in ethical investments.
>
> Since the first meeting at which the committee considered the referral, it has carefully reflected on and discussed whether or not there is any possible—real or perceived—conflict of interest by a member in the inquiry. As part of this process I also provided advice, which I had previously sought, to the committee from the Assembly's ethics adviser indicating that, in his opinion, no conflict of interest existed.
>
> The committee unanimously agreed that no member has a real conflict of interest. The committee came to this conclusion because no recommendations of the committee could directly cause investment changes by the ACT government or any other entity. The committee also believes that even if the Legislative Assembly was to fully or partly pass the Financial Management (Ethical Investment) Legislation Amendment Bill 2010 there is no reason to believe that I would benefit financially from that decision.
> However, to avoid any possible perception of a conflict of interest, I, as chair of the committee, offered to relinquish this role for the purposes of this inquiry and the deputy chair agreed to chair the inquiry.
>
> The committee is also aware of standing order 224, pecuniary interest, which states:
>
> > A member may not sit on a committee if that member has any direct pecuniary interest in the inquiry before such committee.
>
> The committee has also carefully considered the requirements of standing order 224 and has unanimously resolved that my participation in the inquiry would not contravene standing order 224.[79]

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[78] Legislative Assembly for the ACT, *Minutes of Proceedings,* No. 76, 22 September 2010, pp. 891–892.
[79] Legislative Assembly for the ACT, *Debates*, 28 October 2010, pp. 5258–5259.

On 17 August 2011, following the resignation of Mr Brendan Smyth MLA from the position of Deputy Chair of the Committee, the Chair made a further statement to the Legislative Assembly pursuant to standing order 246A:

> An election for a new deputy chair was held on 5 August 2011. Mr John Hargreaves MLA was nominated, accepted the nomination and was elected unopposed as deputy chair of the committee.
>
> The committee has resolved, for the purposes of progressing its inquiry into the exposure draft of the Financial Management (Ethical Investment) Legislation Amendment Bill 2010, that, notwithstanding standing order 226, Mr Brendan Smyth shall chair the inquiry. I seek leave to move a motion on this matter.[80]

The Legislative Assembly then agreed to the following motion proposed by the Chair of the Committee:

> That the Assembly approves the action taken by the Standing Committee on Public Accounts in relation to the chairing arrangements for the Committee's inquiry into the exposure draft of the Financial Management (Ethical Investment) Legislation Amendment Bill 2010.[81]

The Committee called for submissions by advertising in the *Canberra Times* on 3 November 2010 and 2 February 2011, placing a notice on the Legislative Assembly's website, and by writing to the responsible Minister. A wide range of stakeholders were also invited by email and correspondence to participate in the inquiry. The Committee received seven submissions. Public hearings were held on 22 March 2011, 5 and 7 July 2011 and 2 August 2011.[82]

The Committee tabled its report, which included nine recommendations, on 6 December 2011. The Government responded to the report on 20 March 2012 and agreed or agreed in principle to seven recommendations and noted two recommendations.[83]

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[80] Legislative Assembly for the ACT, *Debates*, 17 August 2011, pp. 3321–3322.

[81] Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 113, 17 August 2011, p. 1430.

[82] Standing Committee on Public Accounts, *Inquiry into the exposure draft of the Financial Management (Ethical Investment) Legislation Amendment Bill 2010*, December 2011, pp. 1–2.

[83] Act Government, *Government response—Inquiry into the exposure draft of the Financial Management (Ethical Investment) Legislation Amendment Bill 2010*, 20 March 2011.

Annual and Financial Reports (Public Accounts) 2009–2010

The Legislative Assembly referred the annual and financial reports of all government agencies to the relevant standing committees for inquiry and report in a resolution passed on 23 September 2010. The annual and financial reports of the following agencies were referred to the Standing Committee on Public Accounts:

- ACT Auditor-General
- ACT Government Procurement Board
- ACT Gambling and Racing Commission
- ACT Insurance Authority
- ACT Legislative Assembly Secretariat
- ACT Long Service Leave Authority
- ACTEW Corporation Limited
- ACTTAB Limited
- Chief Minister's Department4
- Commissioner for Public Administration
- Department of Territory and Municipal Services
- Department of Treasury
- Exhibition Park Corporation
- Rhodium Asset Solutions Limited
- Totalcare Industries Limited[84]

The Committee heard from Ministers, accompanying departmental and agency officials and members of governing boards at public hearings held on 4, 9, 25 and 30 November 2010, and 15 December 2010.[85]

The Committee tabled its report, which included 34 recommendations, on 5 May 2011. The Government responded to the report on 20 September 2011 and agreed, agreed in part or agreed in principle to 14 recommendations, noted 15 recommendations and did not agree with 5 recommendations.[86]

The Government noted that recommendations 20 to 22 were matters for the Legislative Assembly Secretariat. The Speaker provided a separate response on

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[84] Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 77, 23 September 2010, pp. 906–909.

[85] Standing Committee on Public Accounts, *Report on Annual and Financial Reports 2009–2010*, April 2011, p. 1.

[86] ACT Government, *Government Response—Report on Annual and Financial Reports 2009–2010*, tabled 20 September 2011.

21 September 2011 to these recommendations, which dealt with the process of employing an expert consultant for the Select Committee on Estimates and the provision of internet services to the Legislative Assembly.[87]

Annual and Financial Reports (Public Accounts) 2008–2009

The Legislative Assembly referred the annual and financial reports of all government agencies to the relevant standing committees for inquiry and report in a resolution passed on 13 October 2009 and a subsequent amendment passed on 10 November 2009. The annual and financial reports of the following agencies were referred to the Standing Committee on Public Accounts:

- ACT Auditor-General
- ACT Cleaning Industry Long Service Leave Authority
- ACT Construction Industry Long Service Leave Authority
- ACT Gambling and Racing Commission
- ACT Government Procurement Board
- ACT Insurance Authority (Office of the Nominal Defendant of the ACT)
- ACT Legislative Assembly Secretariat
- ACTEW Corporation Limited
- ACTTAB Limited
- Chief Minister's Department (ACT Executive, the Default Insurance Fund, Business and Economic Development and the Occupational Health and Safety Council)
- Commissioner for Public Administration
- Department of Territory and Municipal Services (Australian Capital Tourism and Shared Services)
- Department of Treasury
- Exhibition Park Corporation
- Rhodium Asset Solutions Limited
- Totalcare Industries Limited[88]

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[87] Legislative Assembly for the ACT, *Speaker's Response— Report on Annual and Financial Reports 2009–2010*, tabled 21 September 2011, pp. 2–3.

[88] Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 36, 13 October 2009, pp. 396–399; Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 39, 10 November 2009, pp. 436–438.

The Committee heard from Ministers, accompanying departmental and agency officials and members of governing boards at public hearings held on: 26 November 2009; 1, 2 and 3 December 2009; and 18 February 2010.[89]

The Committee tabled its report, which included 36 recommendations, on 25 March 2010.[90] The Government responded to the report on 24 August 2010 and agreed, agreed in part or agreed in principle to 11 recommendations, noted 21 recommendations and did not agree with four recommendations.[91]

Annual and Financial Reports (Public Accounts) 2007–2008

On 11 December 2008 the Legislative Assembly referred the annual and financial reports of all government agencies to the relevant standing committees for inquiry and report. The annual and financial reports of the following agencies were referred to the Standing Committee on Public Accounts:

- ACT Auditor-General
- ACT Cleaning Industry Long Service Leave Board
- ACT Construction Industry Long Service Leave Board
- ACTEW Corporation Limited
- ACT Gambling and Racing Commission
- ACT Government Procurement Board
- ACT Insurance Authority
- ACT Legislative Assembly Secretariat
- ACTTAB Limited
- Chief Minister's Department
- Commissioner for Public Administration
- Department of Territory and Municipal Services (Australian Capital Tourism)
- Department of Treasury
- Exhibition Park Corporation
- Nominal Defendant
- Rhodium Asset Solutions Limited

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[89] Standing Committee on Public Accounts, *Report on Annual and Financial Reports 2008–2009*, March 2010, p. 2.

[90] Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 59, 25 March 2010, p. 665.

[91] ACT Government, *Government Response—Report on Annual and Financial Reports 2008–2009*, tabled 24 August 2010.

- Totalcare Industries Limited[92]

The Committee heard from Ministers, accompanying departmental and agency officials and members of governing boards at public hearings held on 22, 27 and 28 January 2009; 6, 18 and 19 February 2009; and 4 March 2009.[93] The Committee tabled its report in the Assembly on 7 May 2009.[94]

The Committee made 27 recommendations in its report.[95] In response, the Government agreed, agreed in part or agreed in principle to 13 recommendations; disagreed with three recommendations; and noted 11 recommendations.[96]

The Government noted that recommendations 13 to 16 concerned matters for which the Legislative Assembly Secretariat had responsibility. The Speaker of the Legislative Assembly provided a separate response to these recommendations and agreed or agreed in part with all four recommendations.[97]

Appropriation Bill 2008–2009 (No. 3)

Appropriation Bill 2008-2009 (No. 3) was tabled in the Legislative Assembly on 26 February 2009 and referred to the Committee for inquiry.[98] During its inquiry the Committee sought submissions from the public and from peak interest groups, and conducted public hearings with all Ministers and their respective officials on 4, 11 and 13 March 2009.[99] The Committee tabled its report, including additional comments from Ms Joy Burch MLA, in the Assembly on 24 March 2009.[100]

The Bill was drafted in response to the global financial crisis and sought additional appropriations in order to provide a stimulus to the local economy through increased

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[92] Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 4, 11 December 2008, pp. 47–50.

[93] Standing Committee on Public Accounts, *Report on Annual and Financial Reports 2007–2008*, April 2009, p. 2.

[94] Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 19, 7 May 2009, p. 218.

[95] Standing Committee on Public Accounts, *Report on Annual and Financial Reports 2007–2008*, April 2009, pp. v–ix.

[96] ACT Government, *Government response to the Standing Committee on Public Accounts report No. 2: Report on Annual and Financial Reports 2007-2008*, tabled 15 October 2009.

[97] Legislative Assembly for the ACT, *Speaker's response to the Public Accounts Committee Report on Annual and Financial Reports 2007-2008*, tabled 15 October 2009.

[98] Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 10, 26 February 2009, pp. 115–116.

[99] Standing Committee on Public Accounts, *Appropriation Bill 2008—2009 (No. 3)*, March 2009, p. 5.

[100] Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 11, 24 March 2009, p. 131.

spending on infrastructure. This approach to the global financial crisis mirrored that of the Commonwealth's much larger economic stimulus package, of which $350 million was earmarked for the ACT.[101]

The Committee made 16 recommendations in its report. In response, the Government noted 12 recommendations, agreed with three recommendations and disagreed with one recommendation.[102]

(iii) Referred Auditor-General's reports

Review of Auditor-General's Report No. 2 of 2011: *Residential Land Supply and Development*

Auditor-General's Report No. 2 of 2012: *Residential Land Supply and Development* was presented to the Speaker of the Legislative Assembly on 24 February 2011.[103] In accordance with the resolution of appointment of the Committee, the Audit report was referred to the Committee for examination.

On 9 August 2011 the Committee received a briefing from the Auditor-General on the Audit report. The Committee received a submission from the Government, dated 12 July 2011, in relation to the findings of the Audit report. The Committee resolved on 12 October 2011 to inquire further into the Audit report. Pursuant to standing order 246A, this decision was reported to the Legislative Assembly on 27 October 2011.[104]

The Committee held one public hearing on the Audit report findings and recommendations on Thursday, 2 February 2012. The Minister for Economic

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[101] Standing Committee on Public Accounts, *Appropriation Bill 2008—2009 (No. 3)*, March 2009, pp. 7–8.

[102] Standing Committee on Public Accounts, *Appropriation Bill 2008—2009 (No. 3)*, March 2009, pp. 1–3; ACT Government, *Government response to the report of the Standing Committee on Public Accounts on the inquiry into Appropriation Bill 2008–2009 (No. 3)*, 26 March 2009.

[103] The report was subsequently presented to the Legislative Assembly on the next available sitting day, 8 March 2011; see Legislative Assembly for the ACT, *Minutes of proceedings*, No. 93, 8 March 2011, p. 1157.

[104] Legislative Assembly for the ACT, 'Public Accounts—Statement by chair', *Debates*, 27 October 2011, pp. 5146–5147.

Development, Mr Andrew Barr MLA, appeared before the Committee accompanied by officials from the Economic Development Directorate.[105]

The Committee tabled its report, which included eight recommendations, on 22 August 2012.

Review of Auditor-General's Report No. 1 of 2011: *Waiting Lists for Elective Surgery and Medical Treatment*

Auditor-General's Report No. 1 of 2011: *Waiting Lists for Elective Surgery and Medical Treatment* was presented to the Speaker of the Legislative Assembly on 17 January 2011.[106] In accordance with the resolution of appointment of the Committee, the Audit report was referred to the Committee for examination.

The Audit report presented the results of a performance audit that reviewed ACT Health's management of the waiting lists for elective surgery and medical treatment involving non-emergency medical procedures across the ACT's public hospitals.[107]

On 24 February 2011 the Committee received a briefing from the Auditor-General on the Audit report. On 22 July 2011 the Committee received a submission from the Government in relation to the findings of the Audit report. The Committee resolved on 12 October 2011 to inquire further into the Audit report. Pursuant to standing order 246A, this decision was reported to the Legislative Assembly on 27 October 2011. The Committee's terms of reference were to examine the Audit report and report to the Legislative Assembly.

The Committee held one public hearing on the Audit report findings and recommendations on Thursday 15 March 2012. The Minister for Health appeared before the Committee, accompanied by officials from the Health Directorate and Calvary Public Hospital.

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105 < http://www.parliament.act.gov.au/committees/index1.asp?committee=116>

106 The report was subsequently presented to the Legislative Assembly on the next available sitting day, 15 February 2011; see Legislative Assembly for the ACT, *Minutes of proceedings*, No. 90, 15 February 2011, p. 1121.

107 ACT Auditor-General's Office, Report No.1 of 2011: *Waiting lists for elective surgery and medical treatment*, January 2011, p. 3.

The Committee tabled its report, which included one recommendation, on 22 August 2012.

Review of Auditor-General's Report No. 5 of 2011: *2010–11 Financial Audits*

The *2010-11 Financial Audits* report was presented to the Speaker on 21 December 2011.[108] In accordance with the resolution of appointment of the Committee, the Audit report was referred to the Committee for examination.

The Audit report provided a summary of the results of the Auditor-General's annual program of audits of financial statements and reviews of statements of performance for 2010–11 and an assessment of the quality and timeliness of reporting by agencies. It also provides a summary of major audit findings and details on progress that has been made by agencies on addressing findings made in previous audits.[109]

On 10 July 2011, the Committee resolved to inquire further into the Audit report. The Committee's terms of reference were to examine the Audit report and report to the Legislative Assembly.

On 9 February 2012 the Committee received a briefing from the Auditor-General on the Audit report. The Committee received a submission from the Government dated 22 March 2011 in relation to the findings of the Audit report.

The Committee tabled its report, which included four recommendations, on 23 August 2012.

Review of Auditor-General's Report No. 3 of 2011: *The North Weston Pond Project*

Auditor-General' Report No. 6 of 2011: *The North Weston Pond Project* was forwarded to the Speaker on 26 May 2011.[110] The Audit report presented:

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[108] The report was subsequently presented to the Legislative Assembly on the next available sitting day, 14 February 2011; see Legislative Assembly for the ACT, *Minutes of proceedings*, No. 133, 14 February 2012, p. 1726.

[109] ACT Auditor General's Office, Report No. 5 of 2011*: 2010–11 Financial Audits*, December 2011, p. 3.

[110] The report was subsequently presented to the Legislative Assembly on the next available sitting day, 21 June 2011; see Legislative Assembly for the ACT, *Minutes of Proceedings,* No. 106, 21 June 2011, pp. 1315–1316.

> …the results of a performance audit that reviewed the effectiveness of processes used by ACT Government agencies in planning, designing and constructing the North Weston Pond (the pond) in the Molonglo Valley.[111]

In accordance with the resolution of appointment of the Committee, the Audit report was referred to the Committee for examination. On 10 July 2012, the Committee resolved to inquire further into the Audit report. The Committee's terms of reference were to examine the Audit report and report to the Legislative Assembly.

On 2 August 2011 the Committee received a briefing from the Acting Auditor-General at the time[112], on the Audit report. The Committee received a submission from the Government on 15 May 2012 in relation to the findings of the Audit report.

The Committee tabled its report, which contained nine recommendations, on 22 August 2012.

Review of Auditor-General's Report No. 6 of 2012: *Emergency Department Performance Information*

Auditor-General's Report No. 6 of 2012: *Emergency Department Performance Information* was forwarded to the Speaker of the Legislative Assembly on 3 July 2012. In accordance with the resolution of appointment of the Committee, the Audit report was referred to the Committee for examination.

The Audit report presented:

> …the results of a performance audit that examined the circumstances associated with the alleged manipulation and misreporting of Emergency Department performance information at the Canberra Hospital.[113]

On 10 July 2012 the Committee received a private briefing from the Auditor-General. The Committee resolved to inquire further into the Audit report on 10 July 2012. The Committee's terms of reference were to examine the Audit report and report to the Legislative Assembly.

On 19 July 2012 the Committee conducted a public hearing at which it heard from the Auditor-General. The Committee conducted a second public hearing on 20 July

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[111] ACT Auditor General's Office, Report No. 3 of 2011: *The North Weston Pond Project*, May 2011, p. 5.

[112] Mr Bernie Sheville

[113] ACT Auditor General's Office, Report No. 6 of 2012: *Emergency Department performance information*, July 2012, p. 3.

2012 at which it heard from the Minister for Health and officials from the Health Directorate.

The Committee tabled its report, which included 16 recommendations, out of session on 21 August 2012.

Review of Auditor-General's Report No. 1 of 2010: *Performance Reporting*

Auditor-General's Report No. 1 of 2010: *Performance Reporting* was presented to the Speaker on 13 April 2010.[114] In accordance with the Committee's resolution of appointment, the Audit report was referred to the Committee for examination. The Committee resolved to inquire further into the Audit report on 28 September 2010.

The Audit report presented:

> …the results of a performance audit that reviewed performance reporting by selected agencies, mainly for the period 2008-09. The agencies reviewed were:
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> - Chief Minister's Department (CMD);
> - Department of Education and Training (DET);
> - Department of Territory and Municipal Services (TAMS);
> - ACT Health;
> - the former Construction Industry Long Service Leave Authority, and Cleaning Industry Long Service Leave Authority, now combined as the Long Service Leave Authority;
> - Exhibition Park Corporation (EPC); and
> - ACT Insurance Authority (ACTIA).
>
> In addition, Audit consulted Department of Treasury (Treasury) with respect to advice provided to agencies on performance measures.[115]

The Committee received a private briefing from the Auditor-General on 12 August 2010 and a submission from the Government dated 27 July 2010.[116]

The Committee tabled its report, which included seven recommendations, on 25 August 2011.[117] The Government responded to the report on 6 December 2011 and

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[114] The report was subsequently presented to the Legislative Assembly on the next available sitting day, 4 May 2010; see Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 60, 4 May 2010, p. 680.

[115] ACT Auditor-General's Office, Report No. 1 of 2010: *Performance reporting*, April 2010, p. 3.

[116] Standing Committee on Public Accounts, *Review of Auditor-General's Report No. 1 of 2010: Performance reporting*, August 2011, p. 1.

[117] Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 117, 25 August 2011, p. 1481.

agreed, agreed in principle or agreed in part with six recommendations, and did not agree with one recommendation.[118]

Review of Auditor-General's Report No. 7 of 2010: *Management of Feedback and Complaints*

Auditor-General's Report No. 7 of 2010: *Management of Feedback and Complaints* was presented to the ACT Legislative Assembly on 27 October 2010.[119] In accordance with the Committee's resolution of appointment, the Audit report was referred to the Committee for examination. The Committee resolved to inquire further into the Audit report on 22 March 2011.

The report presents:

> …the results of a performance audit that reviewed the effectiveness of feedback and complaints management mechanisms within the Department of Territory and Municipal Services (TAMS).[120]

The Committee received a private briefing from the Auditor-General on 10 February 2011 and a submission from the Government dated 22 February 2011.[121]

The Committee tabled its report, which included four recommendations, on 17 August 2011.[122] The Government responded on 14 February 2012 and agreed to all of the Committee's recommendations.[123]

Review of Auditor-General's Report No. 6 of 2009: *Government Office Accommodation*

Auditor-General's Report No. 6 of 2009: *Government Office Accommodation* was presented to the Speaker on 28 August 2009.[124] In accordance with the Committee's

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[118] ACT Government, *Government response—Review of Auditor-General's Report No. 1 of 2010: Performance reporting*, 14 February 2012.

[119] Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 82, 27 October 2010, p. 983.

[120] ACT Auditor-General's Office, Report No. 7 of 2010: *Management of Feedback and Complaints*, October 2010, p. 3.

[121] Standing Committee on Public Accounts, *Review of Auditor-General's Report No. 7 of 2010: Management of Feedback and Complaints*, August 2011, p. 1.

[122] Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 113, 17 August 2011, p. 1430.

[123] ACT Government, *Government response—Review of Auditor-General's Report No. 7 of 2010: Management of Feedback and Complaints*, 14 February 2012.

resolution of appointment, the Audit report was referred to the Committee for examination. The Committee resolved on 3 August 2010 to inquire further into the Audit report.[125]

The Audit report presented:

> …the results of a performance audit that reviewed whether ACT Government office accommodation has been strategically managed in an efficient and effective manner. The audit specifically focussed on the strategic planning and the management processes, and the compliance with requirements specified in the whole-of-government accommodation strategy.[126]

The Committee's terms of reference were to examine the Audit report and report to the Legislative Assembly; however, the inquiry was specifically focused on best practice planning, acquisition, management, delivery and utilisation of government office accommodation.[127]

The Committee received a private briefing from the Auditor-General on 7 October 2009 and a submission from the Government dated 13 May 2010. A public hearing was held on 12 November 2010 with the Minister for Land and Property Services and officials from the Department of Land and Property Services.[128]

The Committee tabled an interim report containing three recommendations on 15 February 2011, accompanied by the following explanation from the Chair:

> After considering the evidence received to date, the committee decided to table an interim report because it believes that its position with regard to the new government office building proposal should be brought to the attention of the ACT Legislative Assembly.[129]

The Government responded to the interim report on 16 August 2011 and did not agree with any of its three recommendations.[130] When presenting the Government's

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[124] The report was subsequently presented to the Legislative Assembly on the next available sitting day, 15 September 2009; see Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 33, 15 September 2009, p. 366.

[125] Standing Committee on Public Accounts, *Review of Auditor-General's Report No. 6 of 2009: Government office accommodation,* Interim report, February 2011, p. 1.

[126] ACT Auditor-General's Office, Report No. 6 of 2009: *Government office accommodation*, August 2009, p. 3.

[127] Standing Committee on Public Accounts, *Review of Auditor-General's Report No. 6 of 2009: Government office accommodation,* Interim report, February 2011, p. 2.

[128] Standing Committee on Public Accounts, *Review of Auditor-General's Report No. 6 of 2009: Government office accommodation,* Interim report, February 2011, pp. 2–3.

[129] Ms Caroline Le Couteur MLA, 'Public Accounts—Standing Committee, Report 14', Legislative Assembly for the ACT, *Debates*, 15 February 2011, p. 4.

response to the Legislative Assembly, the Minister for Economic Development stated:

> The three recommendations essentially sought to politicise this process. As such, the government has not agreed with the recommendations of this interim report.[131]

On 20 September 2011, the Chair of the Committee made a statement to the Legislative Assembly pursuant to standing order 246A. The Chair reported:

> Given the Assembly motion on the Government Office Block Project, as agreed to on 24 August 2011, together with the Government's recent announcement that it will market test the delivery of new office accommodation in Gungahlin and Civic, the Committee has resolved, that at this stage, any further inquiry into the Audit report is not warranted. However, the Committee will continue to monitor the outcome of the Government's market testing processes and the progress report on the Government Office Block Project by December 2011 as required by the Assembly motion.[132]

Review of Auditor-General's Report No. 2 of 2009: *Follow-up audit—Implementation of Audit Recommendations on Road Safety*

Auditor-General's Report No. 2 of 2009: *Follow-up audit—Implementation of Audit Recommendations on Road Safety* was presented to the Speaker on 1 May 2009.[133] In accordance with the Committee's resolution of appointment, the Audit report was referred to the Committee for examination. The Committee resolved on 2 September 2010 to inquire further into the Audit report.

The Audit report presented:

> …the results of a follow-up audit that reviewed whether the Department of Territory and Municipal Services (TAMS) had addressed recommendations from the Performance Audit Report No. 4 of 2006, Road Safety, presented to the Legislative Assembly on 27 June 2006…[134]

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[130] ACT Government, *Government response—Review of Auditor-General's Report No. 6 of 2009: Government office accommodation*, 16 August 2011.

[131] Mr Andrew Barr MLA, 'Committee report—government response, Paper and statement by minister', Legislative Assembly for the ACT, *Debates*, 16 August 2011, p. 3273.

[132] Ms Caroline Le Couteur MLA, 'Public Accounts—Standing Committee, Report 14', Legislative Assembly for the ACT, *Debates*, 15 February 2011, p. 4.

[133] The report was subsequently presented to the Legislative Assembly on the next available sitting day, 5 May 2009; see Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 17, 5 May 2009, p. 199.

[134] ACT Auditor-General's Office, Report No. 2 of 2009: *Follow-up audit—implementation of audit recommendations on road safety*, May 2009, p. 3.

The Committee received a private briefing from the Auditor-General on the Audit report on 6 August 2009 and a government submission dated 16 June 2010.[135]

The Committee tabled its report, which included one recommendation, on 23 September 2010.[136] The recommendation called on the Minister for Transport to report to the Legislative Assembly by the last sitting day in March 2011 on:

(i) the outcome of the evaluation of road safety engineering treatments and policy initiatives, in particular the program evaluating Black Spot treatments, the process for the evaluation of awareness measures, and the evaluation of road safety programs
(ii) the implementation of a computerised SmartForm to allow electronic reporting of ACT traffic crashes
(iii) the integration of SmartForm inputs into TAMS' data entry and data processing functions, and
(iv) the outcome of the review of ACT licensing, training and testing requirements for novice drivers.[137]

The Minister for Transport complied with this recommendation by delivering a statement to the Legislative Assembly on 31 March 2011.[138]

Review of Auditor-General's Report No. 8 of 2009: *2008–09 Financial Audits*

Auditor-General's Report No. 8 of 2009: *2008-09 Financial Audits* was presented to the Speaker on 18 December 2009.[139] In accordance with the Committee's resolution of appointment, the Audit report was referred to the Committee for examination. The Committee resolved on 1 June 2010 to inquire further into the Audit report.[140]

The Audit report presented:

> …a summary of the results of the audits of financial reports and reviews of statements of performance completed during 2008-09, covering the Territory and its agencies.[141]

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[135] Standing Committee on Public Accounts, *Review of Auditor-General's Report No. 8 of 2009: Follow-up audit—implementation of audit recommendations on road safety*, September 2010, p. 1.

[136] Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 77, 23 September 2010, p. 910.

[137] Standing Committee on Public Accounts, *Review of Auditor-General's Report No. 8 of 2009: Follow-up audit—implementation of audit recommendations on road safety*, September 2010, p. v.

[138] Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 98, 31 March 2011, pp. 1234–1235.

[139] The report was subsequently presented to the Legislative Assembly on the next available sitting day, 9 February 2010; see Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 48, 9 February 2010, p. 554.

[140] Standing Committee on Public Accounts, *Review of Auditor-General's Report No. 8 of 2009: 2008–09 Financial Audits*, August 2010, p. 1.

[141] ACT Auditor-General's Office, Report No. 8 of 2009: *2008-09 Financial Audits*, December 2009, p. 3.

The Committee received a private briefing from the Auditor-General regarding the report on 9 March 2010 and a submission from the ACT Government on 16 April 2010.[142]

The Committee tabled its report, which included 11 recommendations on 23 September 2010.[143] The Government responded to the report on 7 December 2010 and agreed to seven recommendations and noted four recommendations.[144]

Review of Auditor-General's Report No. 3 of 2008: *Records Management in ACT Government Agencies*

Auditor-General's Report No. 3 of 2008: *Records Management in ACT Government Agencies* was presented to the Legislative Assembly on 26 June 2008.[145] In accordance with the Committee's resolution of appointment, the Audit report was referred to the Committee for examination. The Committee resolved on 24 November 2009 to inquire further into the Audit report.

The Audit report presented:

> …the results of a performance audit that reviewed compliance with records management requirements by selected ACT Government agencies.[146]

The Committee received a briefing from the Auditor-General regarding the report on 19 March 2009 and a submission from the ACT Government on 29 October 2009.[147]

The Committee tabled its report, which included three recommendations, on 26 August 2010.[148] These recommendations called upon the Minister for Territory and Municipal Services to report to the assembly on progress with regard to the implementation of reforms to record management in ACT Government agencies.

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142 Standing Committee on Public Accounts, *Review of Auditor-General's Report No. 8 of 2009: 2008–09 Financial Audits*, August 2010, p. 2.

143 Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 77, 23 September 2010, p. 910.

144 ACT Government, *Government response—Review of Auditor-General's Report No. 8 of 2009: 2008–09 Financial Audits*, tabled 7 December 2010.

145 Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 144, 26 June 2008, p. 1555.

146 ACT Auditor-General's Office, Report No. 3 of 2008: *Records management in ACT Government agencies*, June 2008, p. 3.

147 ACT Auditor-General's Office, Report No. 3 of 2008: *Records management in ACT Government agencies*, June 2008, p. 1.

148 Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 74, 26 August 2010, p. 862.

The Minister responded to the first of the recommendation by presenting a report to the Legislative Assembly on 9 December 2010.[149]

Review of Auditor-General's Report No. 4 of 2009: *Delivery of Ambulance Services to the ACT Community*

Auditor-General's Report No. 4 of 2009: *Delivery of Ambulance Services to the ACT Community* was presented to the Legislative Assembly on 18 June 2009.[150] In accordance with the Committee's resolution of appointment, the Audit report was referred to the Committee for examination. The Committee resolved on 15 December 2009 to inquire further into the Audit report.[151]

The Audit report presented:

> …the results of a performance audit that reviewed the operations of the ACT Ambulance Service (ACTAS). The audit focused on ACTAS' ability to deliver ambulance services to the Canberra community, and its operational performance.[152]

The Committee received a briefing from the Auditor-General regarding the report on 8 September 2009 and a submission from the ACT Government on 8 December 2009. Public hearings were held on 3 and 29 March 2010, at which the Committee heard from the Minister for Police and Emergency Services and accompanying officials, the Auditor-General and representatives of the Transport Workers Union.[153] The Auditor-General provided a submission on 18 March 2010 rebutting claims made by the Minister for Police and Emergency Services during his appearance before the Committee on 3 March 2010.[154]

The Committee tabled its report, which included 13 recommendations, on 26 August 2010.[155] The Government responded to the report on 9 December 2010 and agreed or

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[149] Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 89, 9 December 2010, p. 1102.

[150] Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 23, 18 June 2009, p. 253.

[151] Standing Committee on Public Accounts, *Review of Auditor-General's Report No. 4 of 2009: Delivery of ambulance services to the ACT community*, August 2010, p. 1.

[152] ACT Auditor-General's Office, Report No. 4 of 2009: *Delivery of ambulance services to the ACT community*, June 2009, p. 3.

[153] Standing Committee on Public Accounts, *Review of Auditor-General's Report No. 4 of 2009: Delivery of ambulance services to the ACT community*, August 2010, pp. 1–2; 55.

[154] ACT Auditor-General's Office, Submission No. 2, 18 March 2010

[155] Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 74, 26 August 2010, p. 860.

agreed in principle to six recommendations, noted six recommendations and did not agree to one recommendation.[156]

Review of Auditor-General's Report No. 5 of 2009: *Administration of employment issues for staff of Members of the Legislative Assembly*

Auditor General's Report No. 5 of 2009: *Administration of employment issues for staff of Members of the Legislative Assembly* was presented to the Speaker on 7 August 2009.[157] In accordance with the Committee's resolution of appointment, the Audit report was referred to the Committee for examination.

The Audit report covered the following employment issues in the Legislative Assembly:

- termination payments to MLAs' staff not re-employed after elections;
- use of staff, who have received termination payments, as volunteers; and
- management of attendance records by MLAs' staff.[158]

Following a private briefing from the Clerk on 15 December 2009 regarding potential conflict of interest issues arising from section 15 of the *Australian Capital Territory (Self-Government) Act 1988* (Cwlth) and Standing Order 156, the Chair put the following motion to the Assembly on 9 February 2010:

> That this Assembly:
> (1) notes the provisions of section 15 of the *Australian Capital Territory (Self-Government) Act 1988* relating to conflict of interest and those of standing order 156 which provide that the Assembly may decide how those provisions may be applied;
> (2) notes that all Members have employment contracts with staff; and
> (3) decides that, notwithstanding these employment contracts, it is in the public interest to allow all Members to participate in any future discussion of a matter, or vote on a question, in relation to Auditor-General's Report No. 5 of 2009, entitled *Administration of employment issues for staff of Members of the Legislative Assembly*, either in the Assembly or the Standing Committee on Public Accounts.[159]

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[156] ACT Government, *Government response—Review of Auditor-General's Report No. 4 of 2009: Delivery of ambulance services to the ACT community*, 9 December 2010.

[157] The report was subsequently presented to the Legislative Assembly on the next available sitting day, 18 August 2009; see Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 27, 18 August 2009, p. 288.

[158] ACT Auditor-General's Office, Report No. 5 of 2009: *Administration of employment issues for staff of members of the Legislative Assembly*, August 2009, p. 3.

[159] Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 48, 9 February 2010, p. 551.

Following the passage of this motion, the Committee inquired further into the Audit report. Submissions were received from the ACT Government and the ACT Legislative Assembly Secretariat on 29 June 2010 and 6 April 2010 respectively.[160]

The Committee tabled its report on 18 August 2010, which concluded that the Audit report had provided 'a necessary review of the administration of, and compliance with, the employment framework, policies, procedures, and guidelines in place for engagement of MLAs' staff,' and that it had been important in providing transparency to the ACT community with regard to:

(i) the operation of the Assembly, and
(ii) specifically, the community expectation that all MLAs and their personal staff discharge their duties in compliance with the applicable legislative framework and existing Assembly policies and guidelines.[161]

As the Committee's report did not contain any recommendations, the Chief Minister advised the Legislative Assembly on 7 December 2010 that its position remained as outlined in its submission to the Committee's inquiry.[162]

Review of Auditor-General's Report No. 7 of 2008: *Proposal for a gas-fired power station and data centre—site selection process*

Auditor-General's Report No. 7 of 2008: *Proposal for a gas-fired power station and data centre—site selection process* was presented to the Legislative Assembly on 10 December 2008.[163] In accordance with the Committee's resolution of appointment, the Audit report was referred to the Committee for examination. The Committee resolved on 22 April 2009 to inquire further into the Audit report with a particular focus on the administrative processes used for the consideration and facilitation of strategic projects in the Australian Capital Territory.[164]

The Audit report presented:

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[160] Standing Committee on Public Accounts, *Review of Auditor-General's Report No. 5 of 2009: Administration of Employment Issues for Staff of Members of the ACT Legislative Assembly*, August 2010, p. 3.

[161] Standing Committee on Public Accounts, *Review of Auditor-General's Report No. 5 of 2009: Administration of Employment Issues for Staff of Members of the ACT Legislative Assembly*, August 2010, p. 13.

[162] Legislative Assembly for the ACT, *Debates*, 7 December 2010, p. 5794.

[163] Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 3, 10 December 2008, p. 36.

[164] Standing Committee on Public Accounts, *Review of Auditor-General's Report No. 7 of 2008:* Proposal for a gas-fired power station and data centre—site selection process, February 2010, p. 1.

> …the results of a performance audit that reviewed the Government decision-making process relating to the selection and offer of a site for the proposed gas-fired power station and data centre.[165]

The Committee received a Government submission in relation to the findings of the Audit report dated 29 April 2009 and five other submissions. The Committee also received a briefing from the ACT Auditor-General on the Audit report on 19 March 2009. Public hearings were held on 4, 5, 12 and 13 August; 30 September; 7 and 28 October; and 27 November 2009.[166]

The Committee tabled its report, which included 18 recommendations, on 9 February 2010.[167] The Government responded to the report on 6 May 2010 and agreed or agreed in part to 11 recommendations, noted four recommendations and did not agree with three recommendations.[168]

Review of Auditor-General's Performance Audit Report No. 4 of 2008: *Maintenance of Public Housing*

Auditor-General's Report No. 4 of 2008: *Maintenance of Public Housing* was presented to the Legislative Assembly on 7 August 2008.[169] In accordance with the Committee's resolution of appointment, the Audit report was referred to the Committee for examination. The Committee resolved on 22 July 2009 to inquire further into the Audit report.[170]

The Audit report presented the results of a performance audit that reviewed the maintenance of Housing ACT's properties.[171]

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[165] ACT Auditor-General's Office, Report No. 7 of 2008: *Proposal for a gas-fired power station and data centre - site selection process*, December 2008, p. 3.

[166] Standing Committee on Public Accounts, *Review of Auditor-General's Report No. 7 of 2008:* Proposal for a gas-fired power station and data centre—site selection process, February 2010, pp. 1–2.

[167] Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 48, 9 February 2010, p. 550.

[168] ACT Government, *Government response—Review of Auditor-General's Report No. 7 of 2008:* Proposal for a gas-fired power station and data centre—site selection process, 6 May 2010.

[169] Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 151, 7 August 2008, p. 1668.

[170] Standing Committee on Public Accounts, Review of Auditor-General's Report No. 4 of 2008*: Maintenance of Public Housing*, December 2009, p. 1.

[171] ACT Auditor-General's Office, Report No. 4 of 2008: *Maintenance of public housing*, August 2008, p. 3.

The Committee received a briefing from the ACT Auditor-General on the Audit report on the 19 March 2009 and a Government submission in relation to the findings and recommendations of the Audit report on 16 June 2009. The Committee also held a public hearing on 8 September 2009 at which it heard from the Minister for Disability and Housing and officials from the Department of Housing and Community Services.[172]

The Committee tabled its report, which contained 5 recommendations, on 8 December 2009.[173] The Government responded to the report on 6 May 2010 and agreed or agreed in part to three recommendations and noted two recommendations.[174]

Review of Auditor-General's Report No. 8 of 2008: *2007–08 Financial Audits*

Auditor-General's report No. 8 of 2008: *2007-08 Financial Audits* was provided to the Speaker on 17 December 2008.[175] In accordance with the Committee's resolution of appointment, the Audit report was referred to the Committee for examination. The Committee resolved on 22 April 2009 to inquire further into the Audit report.[176]

The Audit report provided:

> …a summary of the results of the audits of financial reports and reviews of statements of performance completed during 2007-08, covering the Territory and its agencies.[177]

The Committee received a Government submission in relation to the findings of the Audit report on 31 March 2009. The Committee also received a briefing from the Auditor-General on the Audit report on 19 March 2009.[178]

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[172] Standing Committee on Public Accounts, Review of Auditor-General's Report No. 4 of 2008: *Maintenance of Public Housing*, December 2009, p. 1; 19.

[173] Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 45, 8 December 2009, p.498.

[174] ACT Government, *ACT Government response to the Standing Committee on Public Accounts Report No. 5 2009—Review of Auditor-General's No. 4 2008 into public housing maintenance*, 6 May 2010.

[175] The report was subsequently presented to the Legislative Assembly on the next available sitting day, 10 February 2009; see Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 5, 10 February 2009, p. 65.

[176] Standing Committee on Public Accounts, *Review of Auditor-General's Report No. 8 of 2008:* 2007–08 Financial Audits, August 2009, p. 1.

[177] ACT Auditor-General's Office, Report No. 8 of 2008: *2007-08 Financial Audits*, December 2008, p. 3.

[178] Standing Committee on Public Accounts, *Review of Auditor-General's Report No. 8 of 2008:* 2007–08 Financial Audits, August 2009, p. 3.

The Committee tabled its report, which contained 10 recommendations, on 15 September 2009.[179] The Government responded to the report on 8 December 2009 and agreed to all of the Committee's recommendations.[180]

(iv) Other reports

Report on the 11th Biennial Conference of the ACPAC

On 10 May 2011 the Committee resolved to report on its participation and attendance at the 11th Biennial Conference of the Australasian Council of Public Accounts Committees (ACPAC), which ran from 27 April to 30 April 2011. The Conference was hosted by the Parliament of Western Australia's Legislative Assembly's Public Accounts Committee and the Legislative Council's Estimates and Financial Operations Committee.[181]

Over 100 Australian and international delegates and observers attended the conference, including members and staff of public accounts committees, Auditors-General, academics and professional bodies. The Committee and its secretary represented the ACT Legislative Assembly at the conference. In addition to Australian and New Zealand delegates, the conference included representatives from the Republic of Indonesia, Tonga, Namibia, Malaysia, Kiribati, Timor-Leste and South Africa.[182]

The theme of the conference—*Seeking Improved Performance for Public Accounts Committees: What Works Well?*—focused on mechanisms for improving the performance of public accounts committees by: exploring issues of independence and partisanship; examining the future of performance measurement; and evaluating access and freedom of information and how these relate to the work of committees.[183]

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[179] Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 33, 15 September 2009, p. 364.

[180] ACT Government, *Government Response to the Standing Committee on Public Accounts Review of Auditor-General's Report No. 8*: 2007–08 Financial Audits, 8 December 2009.

[181] Standing Committee on Public Accounts, *Report on the 11th Biennial Conference of the Australasian Council of Public Accounts Committees (ACPAC)*, August 2011, p. 1.

[182] Standing Committee on Public Accounts, *Report on the 11th Biennial Conference of the Australasian Council of Public Accounts Committees (ACPAC)*, August 2011, p. 1.

[183] Standing Committee on Public Accounts, *Report on the 11th Biennial Conference of the Australasian Council of Public Accounts Committees (ACPAC)*, August 2011, p. 1.

The Committee tabled its report on 25 August 2011.[184]

Report on the 10th Biennial Conference of the ACPAC

On 22 April 2009, the Committee resolved to report on its attendance and participation in the 10th Biennial Conference of the Australasian Council of Public Accounts Committees, which was hosted by the New Zealand Parliament's Finance and Expenditure Committee in Wellington from 15 to 17 April 2009.[185]

The theme of the Conference was: *Sharing lessons—seeking improved accountability—facing new challenges*. One hundred and one New Zealand and international delegates and observers attended the Conference, including members and staff of public accounts committees, Auditors-General, academics and members of professional bodies. In addition to New Zealand and Australian delegates, the Conference included representatives from the countries of: Fiji, Republic of Indonesia, Papua New Guinea, Solomon Islands, United Kingdom, Namibia, Vanuatu, Kiribati, Democratic Republic of Timor-Leste and South Africa.[186]

The Chair of the Committee, Ms Caroline Le Couteur MLA, delivered a paper at the conference: *Understanding Accountability.* T he paper discussed the nature of accountability and how it can include the consideration of sustainability issues by public accounts committees. It then examined some of the issues that public accounts committees may encounter in looking at sustainability issues.[187]

The Committee tabled its report in the Assembly on 26 June 2009.[188]

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[184] Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 117, 25 August 2011, p. 1481.

[185] Standing Committee on Public Accounts, *Report on the 10th Biennial Conference of the Australasian Council of Public Accounts Committees (ACPAC)*, June 2009, p. 1.

[186] Standing Committee on Public Accounts, *Report on the 10th Biennial Conference of the Australasian Council of Public Accounts Committees (ACPAC)*, June 2009, p. 1; 25-30

[187] Standing Committee on Public Accounts, *Report on the 10th Biennial Conference of the Australasian Council of Public Accounts Committees (ACPAC)*, June 2009, p. 6; 31-48.

[188] Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 26, 26 June 2009, p.274.