ACT
Government

Government Response to the Report of the Select Committee on Estimates 2011-2012 on the inquiry into the Appropriation Bill 2011-2012

June 2011
Katy Gallagher MLA
Treasurer

Tabled on 28 June 2011

INTRODUCTION

The Select Committee on Estimates presented its Report on the Appropriation Bill 2011-2012 on Tuesday, 21 June 2011.

Prior to the debate of the Appropriation Bill 2011-12, the Government tabled an amendment to the Bill, to reflect the transfer of appropriation between the Chief Minister and Cabinet Directorate and the Community Services Directorate to facilitate the transfer of the artsACT function in line with revised Administrative Arrangements released on 17 May 2011, the Committee was provided with an advance copy of this Amendment.

The Government thanks the Committee for its Report on the Appropriation Bill 2011-2012. The Committee has provided a report with 194 recommendations on a wide range of issues across all Government portfolios.

In its response, the Government has:

- agreed to 68 recommendations;
- agreed in principle to 18 recommendations;
- agreed in part to 4 recommendations;
- noted 78 recommendations; and
- not agreed to 26 recommendations.

The Government respects and values the crucial role played by the Select Committee on Estimates in scrutinising the proposed expenditures in the Budget. The Government, however, is concerned at the volume and scope of the Questions on Notice which arose from this year's estimates process. The Government, conscious of its responsibility, and has endeavoured to respond fully to the questions asked of it during the Estimates process.

The Government has provided a response to each of the recommendations of the Committee.

This Government remains committed to open, transparent and accountable practices, and will endeavour to provide additional information to support policy decisions and processes where that information is available.

The Government notes the Committee has again sought external advice on the Territory's Budget. The ACIL Tasman Review of the Budget provides some pleasing observations.

It notes the Gross State Product growth forecast as reasonable.

It considered the approach adopted and the forecast for employment growth in the Budget as reasonable.

It considered the long-term projections used in the ACT Budget as reasonable.

It notes that GST revenue forecasts are sound given the evidence of pool erosion, while general rates revenue forecast are reasonable

One issue raised by ACIL Tasman in the Report is *'that ACT Growth over 2011-12 is likely to be weighted-down by the efforts of the Commonwealth Government to return its budget to surplus with flow-on effects to household budgets combined with likely tighter monetary policy'.*

This is a risk that has been recognised throughout our Budget Papers, and within the Risk Statement, and one that the Government is working to counter with our own measures to support economic activity in the Territory.

RESPONSE TO RECOMMENDATIONS

RECOMMENDATION 1

The Committee recommends that all questions taken on notice, or placed on notice during the 2011-2012 Estimates hearings be answered before the resumption of the Budget Debate.

Government Response

Noted.

The Government will endeavour to answer all questions prior to resumption of the Budget Debate.

Regrettably, the Government has been unable to answer many of the questions within the mandated five day period. This is primarily due to the number (a total of 894 questions, many with multiple parts), volume and scope of the questions which in some cases has sought levels of detail which are not routinely collected by Government.

RECOMMENDATION 2

The Committee recommends that any unanswered questions when the Budget debate is completed be transferred to the notice paper.

Government Response

Noted.

This is a matter for the Legislative Assembly.

RECOMMENDATION 3

The Committee recommends that, when additional material is provided to the Committee, at least seven copies or sets of the material be provided to ensure that enough copies are available for members of the Committee and the secretariat, including an electronic copy as possible.

Government Response

Noted.

This is a matter for the Legislative Assembly, and could be incorporated as a requirement within Committee Procedures and Guidelines. Electronic submission of material could be considered.

RECOMMENDATION 4

The Committee recommends that documents prepared for use in a particular hearing be circulated at the commencement of the hearing, or at least 24 hours earlier if feasible, to enable appropriate scrutiny to take place on the day of the hearing.

<u>Government Response</u>

Noted.

This is a matter for the Legislative Assembly, and could be incorporated as a requirement within Committee Procedures and Guidelines.

RECOMMENDATION 5

The Committee recommends that the Speaker investigate the feasibility of extending Committees on Demand to all future committee hearings (subject to resourcing) and report to the Legislative Assembly by the first sitting day in December 2011.

<u>Government Response</u>

Noted.

This is a matter for the Speaker of the Legislative Assembly.

RECOMMENDATION 6

The Committee recommends that the ACT Government provide the ACT Legislative Assembly with additional information to support a decision on the Government office building.

<u>Government Response</u>

Noted.

The Government has already provided the committee with a wide range of detailed material, and a briefing from the consultants engaged in the development of the project to date. The Government will continue to make information publicly available as the project progresses.

RECOMMENDATION 7

The Committee recommends that the ACT Government commission a study into the options for refurbishment of existing building(s) for a government office building. This study should include lifecycle analysis of the environmental impact as well as financial impact.

<u>Government Response</u>

Noted.

The Government has considered the options for refurbishment of existing building(s) for a government office building and the Finlay Crisp Offices (FCO) were identified as the only alternative with the potential for significant co-location benefits. Analysis of the FCO showed that this was not a viable alternative. This commercially sensitive analysis has been provided to the Committee.

RECOMMENDATION 8

The Committee recommends that the ACT Government provide information on the different environmental impacts of different star ratings of a building of the proposed size and more information about what it means by 'carbon neutral enabled' and if this includes any commitment for off-site energy production.

<u>Government Response</u>

Noted.

This issue is addressed in the briefing and consultants material (CD) that has been widely distributed, including to all members of the Committee. Refer to the *ACT Government Office Issues Paper* of 11 September 2010, prepared by Cox Humphries Moss Architects and the attached *Sustainability Summary Report* prepared by ARUP.

RECOMMENDATION 9

The Committee recommends that the ACT Government provide financial modelling for the non-office parts of the building.

<u>Government Response</u>

Noted.

This issue is addressed in the briefing and consultants material (CD) provided to all members of the Committee. Refer to *Feasibility Analysis* prepared for ACT Government of ACT Government Office Strategy Model of 8 November 2010, prepared by CB Richard Ellis; and ACT Government Office Statement of Requirements of 4 May 2009, prepared by Cox Humphries Moss Architects and DEGW.

RECOMMENDATION 10

The Committee recommends that the ACT Government detail job losses as a result of the Government office building.

Government Response

Noted.

It is anticipated that the workforce changes will be achieved through workforce planning and natural attrition as part of a detailed Change Management Program. This plan will be initiated over the next five years to manage the transition into the new building. The workforce changes will occur over a five year period prior to agency relocation to the new building, expected to be in 2017.

RECOMMENDATION 11

The Committee recommends that that the ACT Government respond immediately respond to the interim Public Accounts Committee Report on the Government office building.

Government Response

Noted.

The Government Response is currently being considered by the Government and will be provided to the Public Accounts Committee as soon as it is finalised.

RECOMMENDATION 12

The Committee recommends that the ACT Treasury Directorate analyse the new Government office building under the proposed gateway reviews and that the ACT Government report to the Legislative Assembly before the project proceeds.

Government Response

Agreed in principle.

The Government Office Accommodation project would appropriately be the subject of a Gateway Review process.

Treasury is currently developing a framework and process for future implementation.

RECOMMENDATION 13

The Committee recommends that the ACT Government provide evidence of how and why the Government office building will reduce staff turnover and that the Government report to the Legislative Assembly before the project proceeds.

Government Response

Noted.

Please refer to Question on Notice No. 52.

RECOMMENDATION 14

The Committee recommends that the ACT Government clarify the cost of depreciation of the new Government office building and explain why there is a difference in the amount discussed in the Committee hearings and the amount in the budget impact analysis completed by the Treasury and that the Government report to the Legislative Assembly before the project proceeds.

Government Response

Agreed.

The depreciation on the new building is estimated to be $8.6 million and $5.9 million per annum for the original fit out. Depreciation savings from existing buildings is $4 million per annum. These figures are outlined in the Budget Impact Analysis prepared by Treasury.

The difference between depreciation for the office building and existing owned stock is $10.5 million (assuming that the building is depreciated over 40 years and the fit out over 15).

If the whole project is depreciated over 40 years on a straight line basis, the difference is estimated at an average annual $6.8 million. This was the amount discussed in estimates and reflects a rule of thumb estimate of straight line depreciation for the entire project, in the absence to detailed calculations.

RECOMMENDATION 15

The Committee recommends that the ACT Government clarify its intended ownership arrangements of the Government office building detailing under what circumstances the Government would consider selling the building and report to the Legislative Assembly before the project proceeds.

Government Response

Agreed.

The Government intends to own the building.

RECOMMENDATION 16

The Committee recommends that the ACT Government provide the correct analysis conducted by the consultants with savings assumptions that match the savings sheet provided to the Committee and that the Government report to the Legislative Assembly before the project proceeds.

Government Response

Noted.

Please refer to the answer for Question on Notice No. 91 and No. 116.

RECOMMENDATION 17

The Committee recommends that scenario options 2 and 4 be included in the CB Richard Ellis Cost Analysis report as they were 'excluded' at an earlier date and that the Government report to the Legislative Assembly before the project proceeds.

Government Response

Not agreed.

Those options were ruled out following an earlier study undertaken by CB Richard Ellis.

RECOMMENDATION 18

The Committee recommends that the ACT Government clearly present its analysis of the build own operate (BOO) and build own operate transfer (BOOT) options.

Government Response

Noted.

The publicly released cost analysis model prepared by CBRE in October 2010 (page 17), included a comparison of the ACT Government Office proposal under a self-financed model compared to a Public Private Partnership (PPP), effectively a BOOT model, alternative finance model.

This comparison indicates that the PPP adds approximately $160 million to the Net Present Cost of the Government Office Building compared to the self-financing ownership option.

This issue is addressed in the briefing material CD provided to all members of the Committee. Refer to the:

- *ACT Government Office Financing and Delivery Strategy* of 3 September 2009, prepared by Cox Humphries Moss Architects; and
- *ACT Government Office Project Extract of Market Sounding Review and Recommendations Report* of August 2010, prepared by Fife Capital.

RECOMMENDATION 19

The Committee recommends that a comprehensive analysis be completed on the effect the new government office building will have on the private property market and the potential crowding out of private investment and that the ACT Government report to the Legislative Assembly before the project proceeds.

Government Response

Noted.

Please refer to the answer for Question on Notice No. 120.

RECOMMENDATION 20

The Committee recommends that the ACT Government detail the potential increased cost of the Government office building at 88 per cent efficiency, if only 82 per cent efficiency at the current cost can be achieved, and explain why the consultants were asked to include it and that the Government report to the Legislative Assembly before the project proceeds.

Government Response

Noted.

The cost plan for the building is based on a net lettable area for the office component of 53,000 square metres and the current building efficiency of 82 per cent. Given that building efficiency is the ratio of net lettable area to gross floor area, and the net lettable area is fixed, as the efficiency of the building is improved during the design phase to the required 88 per cent, the impact will be a reduction in the gross floor area. This will not increase the cost of the building.

RECOMMENDATION 21

The Committee recommends that the ACT Treasury Directorate detail how all of the claimed efficiency savings will be achieved and the evidence to support these claims and that the Government report to the Legislative Assembly before the project proceeds.

Government Response

Agreed.

Closer to the commencement of the project, rent, staffing and running cost savings will be reassessed and the appropriate amounts will be withdrawn from agency budgets within the relevant budget year and across forward estimates – this information will be detailed in the Budget Papers.

The claimed efficiency savings are based on expert advice and experience from similar projects.

RECOMMENDATION 22

The Committee recommends that the ACT Treasury Directorate model the potential loss of revenue from sale and stamp duty on Section 19 over the next 25 years and that the ACT Government report to the Legislative Assembly before the project proceeds.

Government Response

Not agreed

This work has already been completed. Please refer to the comparison of the various scenarios in both the Budget Impact Analysis and the CB Richard Ellis- Cost Analysis (October 2010).

RECOMMENDATION 23

The Committee recommends that the Chief Minister provide clarification to the ACT Legislative Assembly on how any growth in the size of the Ministry would be accommodated within the proposed new Government office block.

Government Response

Noted.

The proposed Government Office Building has been designed to provide a more efficient approach to accommodating additional functions than would otherwise be the case, this includes the provision for ministerial offices.

The final number of ministerial offices will be determined as part of the preparation of the functional design brief. The design will be flexible to meet changing future needs and requirements.

RECOMMENDATION 24

The Committee recommends that, should the Government office block proceed, it not be linked by a skybridge to the Legislative Assembly building.

Government Response

Noted.

Linkages to the Assembly will be reconsidered as the design of the building progresses and the cost of such an option is assessed against the alternative final design options.

RECOMMENDATION 25

The Committee recommends that the ACT Treasury Directorate confirms the potential role of shared Services Procurement in the Government Office Block project by the recommencement of the Budget debate.

Government Response

Agreed.

The potential role of Shared Services Procurement in the Government Office Accommodation project will be consistent with its role to provide procurement services to the Economic Development Directorate as the project owner.

RECOMMENDATION 26

The Committee recommends that the ACT Government provide, in the Budget papers, a reconciliation of the movement of functions and the funds that are associated with those functions.

Government Response

Agreed in principle.

This information is already detailed in the Budget Papers.

Appendix B of Budget Paper No. 4 provides a summary of all transfers of functions/funding and assets between agencies. The appropriation transfers associated with those movements are also detailed in the Changes to Appropriation Tables within each agency chapter, also in Budget Paper No. 4.

RECOMMENDATION 27

The Committee recommends that the Arts function be transferred to the Economic Development Directorate.

Government Response

Noted.

Under the *Australian Capital Territory (Self-Government) Act 1988 (Cwlth)* and the *Public Sector Management Act 1994*, the Administrative Arrangements are a matter for the Chief Minister to determine.

RECOMMENDATION 28

The Committee recommends that the ACT Government table, by no later than the first sitting day in December 2011, the plan to enable the ACT to stand on its own two feet through diversifying its economic base, instead of being so totally dependent on Federal funding and land based taxation.

Government Response

Noted.

This has already been implemented. The Government's Budget Plan returns the budget to surplus in 2013-14, two years ahead of the original target.

The presence of the national seat of government is a dominant feature of our economy and is likely to remain so. Further, the lack of a mining, manufacturing and agricultural base in the ACT will always mean that the ACT will receive significant transfer payments from the Commonwealth.

The ACT Government continues to pursue a range of initiatives and reforms to enhance the comparative advantage of the ACT to attract, retain and expand businesses and broaden economic activity in the Territory.

The Government will work with business to develop a contemporary industry development strategy to support private sector growth in the ACT.

The supply of skilled workers is an important area where the Government is providing support for industry. The Government is committed to providing additional support for the skilled migration program to attracting more skilled workers to live in the ACT.

The Government will finalise an Educational Export Sector Strategy which will support further growth in ACT education exports by raising the profile of Canberra as an education destination of choice in overseas markets. The Government is working to strengthen the capacity of the tourism sector.

The Government will also complete a Clean Economy Strategy by April 2012.

RECOMMENDATION 29

The Committee recommends that the ACT Government provide a detailed analysis by Directorate of the actual savings in their respective annual report.

Government Response

Not agreed.

The savings have been incorporated in agency budgets. Reporting annual expenditure against budgets, as exists in the annual financial statements, is the appropriate vehicle to provide such reporting.

RECOMMENDATION 30

The Committee recommends that the ACT Government conduct a review of the efficacy of the efficiency dividend policy, in particular how the delivery of services has or will be affected.

Government Response

Not agreed.

The application of the efficiency dividend is not intended to impact the delivery of services to the community.

The efficiency dividend is a saving mechanism that is being utilised across the majority of State, Territory and Commonwealth budgets. By definition, efficiency improvements are delivered through reducing input costs for the same level of outputs, or increasing outputs for the same level of inputs.

As indicated in the Budget papers, proposed efficiency dividend measures are considered by the Budget Committee with advice from EREC to ensure that there are no impacts on service delivery.

RECOMMENDATION 31

The Committee recommends that the Treasury Directorate release the consultants work conducted on the effect that change of use charge will have on property prices and values.

Government Response

Agreed.

By way of clarification, the project was not about assessing the impact of the Change of Use Charge. The Charge has been in place for a long time, and as recognised by the 2010-2011 Estimates Committee's advisors, has a sound basis in economic theory.

The analysis undertaken relates to the codification of the Change of Use Charge. During the project, a rectification of the system was undertaken to correct a practice of applying fixed valuations. Its impact was also part of the assessment.

In response to the 2010-2011 Select Committee on Estimates, Treasury engaged two academics – Professor John Piggott and Professor Mardi Dungey to examine the impact of codification on the Territory.

Those reports were tabled in the Legislative Assembly in December 2010, and are also available at http://www.treasury.act.gov.au.

RECOMMENDATION 32

The Committee recommends that the ACT Treasury Directorate model the impact the change of use charge will have on rents in the ACT.

Government Response

Noted.

Treasury engaged Professor John Piggott from the University of NSW and Professor Mardi Dungey to undertake microeconomic and econometric analysis of the impact of codification on the housing market, including rents.

Those reports were tabled in the Legislative Assembly in December 2010, and are also available at http://www.treasury.act.gov.au.

Prices and rents depend on the levels of demand and supply, and what the market will bear. The experience during 2010-11 indicates that rectification has had no discernable impact on the supply of dwellings.

RECOMMENDATION 33

The Committee recommends that the ACT Treasury Directorate model the impact of the change of use charge on property values in areas marked for redevelopment.

Government Response

Noted.

Considerable analysis has already been undertaken which has not substantiated the suggestions of large impacts on property values.

Property values depend on a range of factors including the level of demand, and the available supply.

The Committee should note the value of land stock in the Territory is in the order of $40 billion. It is unlikely that the charge will have any impact on the property values.

RECOMMENDATION 34

The Committee recommends that the Treasury Directorate release all research and modelling conducted about potential devaluation of existing property and new dwelling prices increasing as a result of the change-of-use tax.

Government Response

Noted.

Considerable analysis has already been undertaken which has not substantiated the suggestions of large impacts on property values.

The Lease Variation Charge only applied to around 120 residential properties in the ACT during 2009-10. This represents less than 1 per cent of all housing stock in the Territory.

The Committee itself also noted the small impact of this charge on overall revenue, i.e. that the charge only provides around $20 million out of an overall revenue take of $1.2 billion. It is therefore unlikely that a charge of this magnitude will impact greatly on the Territory's entire housing stock.

RECOMMENDATION 35

The Committee recommends that the ACT Treasury Directorate conduct a comprehensive cost of living analysis of Government taxes, fees and rates on Canberra families since self government.

Government Response

Noted.

The Government carefully considers the impact of revenue and taxation collected as a matter of course through the annual budget process.

RECOMMENDATION 36

The Committee recommends that the ACT Government comply with the *Legislation Act 2001* in respect of Regulatory Impact Statements (RIS's).

Government Response

Agreed.

The Government will continue to comply with the Legislation Act 2001 in respect of Regulatory Impact Statements.

RECOMMENDATION 37

The Committee recommends that the ACT Government review the ACT component of the effect of the First Home Owner grant.

Government Response

Noted.

A review of the Commonwealth policies is currently being undertaken across State and Territory and Commonwealth Governments through the Housing Supply and Affordability Reform (HSAR) Working Party. The HSAR Working Party will report to Council of Australian Governments through the Ministerial Council on Federal Financial Relations by mid-2011.

It would be beneficial to undertake the ACT specific assessment following the completion of the national review.

RECOMMENDATION 38

The Committee recommends that the ACT Government outline how much its green energy power will increase each year until the 100 per cent target is reached, and what the cost will be to the taxpayer each year.

Government Response

Noted.

As outlined in the answer to the Question Taken on Notice No. 32 - if the Government were to move to a 100 per cent renewable (green) energy target immediately, the additional cost would be around $7.537 million for 2011-12. Outyear costs would then increase each year to account for increases in renewable energy costs.

If, however, the Government were to incrementally increase the percentage of green energy from the current level of 32.5 per cent in 2010-11 to 100 per cent by 2016-17, then taking into account the annual indexation, it would represent an average increase in energy costs of around $2.2 million per annum in each year.

The Government remains committed to achieving the 100 per cent target in the future. Further increases in renewable energy levels will be considered as part of *Weathering the Change Action Plan 2* and future Budget deliberations.

RECOMMENDATION 39

The Committee recommends that, where an output class has multiple functions within the class, a breakdown be provided in the Budget Papers of the proposed funding by function.

Government Response

Agreed in principle.

The Budget Papers provide for a breakdown of Output Classes into various Outputs within Budget Paper No. 4 and also provides details of the Total Cost and Government Payment for Outputs by these Outputs (See Output Classes Section of various agency chapters).

Treasury's Guide to the Performance Management Framework (updated March 2011), provides detailed advice and guidance on how to define outputs and output classes.

http://www.treasury.act.gov.au/accounting/download/PMF%20Guide.pdf

The Budget Papers provide significant details in relation to expenditure against outputs and output classes. This includes estimated projections and budgeted outcomes against output classes, change to costs and funding of outputs, and a range of performance indicators by output, appropriation tables, capital works tables, financial statements, including output class financial statements where relevant, and individual initiative descriptions.

The budget documentation of the ACT is of a high standard and is in line with the practices adopted by other jurisdictions.

RECOMMENDATION 40

The Committee recommends that, where in the financial statements a reporting line has the same figures for the out years, the ACT Government include in the Notes to the Budget Papers an explanation as to why this is the case.

Government Response

Not agreed.

The same figures for a reporting line across the forward estimates does not mean that the out year figures are incorrect.

The budget estimates provide the best available financial estimates against reporting lines utilising the most appropriate and current estimates available. In some cases it may be difficult, inappropriate or misleading to provide estimates across the forward years that are different to current estimates.

RECOMMENDATION 41

The Committee recommends that, where 'Other' accounts for the bulk of the funds in any of the financial statements, this should be broken into its major components or the details provided in a Note to the Budget Papers.

Government Response

Agreed in principle.

Treasury will consider further avenues to provide additional detail in these cases, and how this can be done with meeting the requirements of the Government Finance Statistics Uniform Presentation Framework (UPF).

RECOMMENDATION 42

The Committee recommends that, where an asset revaluation has occurred, a Note to the Budget Papers be included explaining this action.

Government Response

Agreed in principle.

Treasury will consider how additional information can be provided where there are material variations.

It should be noted that this information is also included in an Agency's Annual Report, where actual information is reported. The Budget papers incorporate estimates for a financial year, and may not represent an asset revaluation having actually occurred.

RECOMMENDATION 43

The Committee recommends that the ACT Government provide an explanation for a variation of plus or minus five per cent in the Notes to the Budget Papers.

Government Response

Not agreed.

The notes to the financial statements in Budget Papers are based on a materiality factor in excess of +/- 10 per cent or $100,000. This application of the materiality principles outline in budget guidance material, is commonly used by jurisdictions to determine variance thresholds, as outlined in Section 15 of AASB 1031 (Materiality), see extract below:

> *15 Quantitative thresholds used as guidance for determining the materiality of the amount of an item or an aggregate of items shall, of necessity, be drawn at arbitrary levels. Materiality is a matter of professional judgement influenced by the characteristics of the entity and the perceptions as to who are, or are likely to be, the users of the financial statements, and their information needs. Materiality judgements can only be properly made by those who have the facts. In this context, the following quantitative thresholds may be used as guidance in considering the materiality of the amount of items included in the comparisons referred to in paragraph 13 of this Standard:*
>
> *(a) an amount which is equal to or greater than 10 per cent of the appropriate base amount may be presumed to be material unless there is evidence or convincing argument to the contrary; and*
>
> *(b) an amount which is equal to or less than 5 per cent of the appropriate base amount may be presumed not to be material unless there is evidence, or convincing argument, to the contrary.*

The application of the $100,000 threshold in the ACT application of the standard, is set to pick up variances generally falling between the 5-10 per cent threshold, while eliminating those smaller variances within this threshold that are immaterial.

(For example, a $5,000 variance in expenditure from $80,000 to $85,000 falls between the 5-10 per cent threshold at 6.25 per cent, but below the $100,000 threshold and would not require a specific note to explain).

RECOMMENDATION 44

The Committee recommends that, where a function is moved between Directorates or from a discontinued agency, the history and targets for Accountability Indicators be transferred to the new location.

Government Response

Not agreed.

Under the *Financial Management Act 1996*, agencies are held accountable for the expenditure of appropriation received for the delivery of outputs on behalf of the Government. This accountability is measured by both financial and performance information.

Historical accountability indicators for transferring functions or discontinued agencies need to remain within the agency where the appropriation was received and expended, and be appropriately reported against in the discontinued Agency's Annual Report, to ensure the accountability of the responsible agency.

RECOMMENDATION 45

The Committee recommends that agencies review all indicators which are meant to provide a measure of performance to make sure that these indicators provide outcomes which can be measured and provide a means of judging the performance of the agency.

Government Response

Noted.

Improvement of performance indicators is an ongoing process of continuous improvement.

Individual agencies, the Treasury and the Chief Minister and Cabinet Directorates undertake regular reviews of strategic and accountability indicators in the development of the Budget Papers.

Additionally, the Chief Minister and Cabinet Directorate recently released the *Performance and Accountability Framework* as part of the Government's ongoing commitment to sustaining and strengthening performance and accountability across its operations.

http://www.cmd.act.gov.au/__data/assets/word_doc/0003/184602/Strengthening_Prefromance_and_Accountability_-_A_Framework_for_the_ACT_Government.doc

The Treasury Directorate also updated the *Guide to the Performance Management Framework* in March 2011 – in line with the release of the new framework, to further assist agencies in setting performance indicators.

http://www.treasury.act.gov.au/accounting/download/PMF%20Guide.pdf

RECOMMENDATION 46

The Committee recommends that where any error or omission is discovered, the advice of this matter be provided at the first opportunity to the Secretary of the Estimates Committee.

Government Response

Agreed.

When appropriate, relevant and material to Estimates Committee process, the Government will provide advice on errors and/or omissions discovered to the Chair of the Estimates Committee.

RECOMMENDATION 47

The Committee recommends that descriptions of capital and recurrent expenditure initiatives give full and accurate disclosures of the purposes for the initiatives.

Government Response

Agreed.

The Government always aims to provide accurate narrative disclosures for initiative descriptions.

For recurrent initiatives, agencies are asked to include a statement that details the proposed initiatives outcomes or benefits that directly flow on to the community as a result of the initiative, in addition to describing what the initiative does.

With regards to capital initiatives, agencies are required to provide individual tables and individual project descriptions for all capital projects including fixed physical infrastructure (Capital Works Program), ICT and plant and equipment.

RECOMMENDATION 48

The Committee recommends that the ACT Government report to the Legislative Assembly by the first sitting day in October 2011 about the potential liability for the provision of superannuation benefits due to the High Court decision on "Cornwell".

Government Response

Agreed in part.

The Government will inform the Legislative Assembly about any implications for the Territory when information is available in relation to 'Cornwall' type liabilities.

This may not meet the October 2011 timetable.

RECOMMENDATION 49

The Committee recommends that ACTEW Corporation consider how to make the best use of nutrients such as potassium and phosphorous in effluent.

Government Response

Noted.

The *Canberra Sewerage Strategy* (released February 2011) reviewed a number of different scenarios which would change the current way that nutrients such as phosphorous and potassium are managed in ACTEW's business. Scenarios assessed include increased recycling for open space irrigation, alternative treatment processes and biosolids management options.

The current manner in which nutrients are managed in ACTEW's effluent result in the majority of phosphorous and potassium ending up in a biosolids-by-product, such as Agriash. Agriash is a beneficial by-product which is 100 per cent reused in the local area as a soil conditioner. In this regard, all of the phosphorous and potassium are reused beneficially.

RECOMMENDATION 50

The Committee recommends that the ACT Government provide a breakdown of the $4.5 million in proposed savings in the Shared Services Centre.

Government Response

Noted.

The 2011-12 Budget Papers advised that the Expenditure Review and Evaluation Committee (EREC) review of Shared Services Finance and Human Resources Business processes identified potential savings totalling $4.5 million arising from reduced finance and human resources transaction processing costs.

The breakdown of potential savings is as follows:

- Finance process improvements mainly in the areas of Accounts Payable and Accounts Receivable processing ($1.677 million).
- Human Resource process improvements mainly in the areas of Payroll, Employee Relations, Human Resource Management System and Training and Development ($2.823 million).

These savings are expected to be achieved through expenditure restraint and process improvements and through implementation of the EREC review recommendations, which highlighted improvements to the Management Operating System, revised staffing arrangements, technology usage, and changes to staffing and team structures for more efficient processing services to agencies.

RECOMMENDATION 51

The Committee recommends that Shared Services ICT undertake appropriate consultations with agencies and their staff before undertaking the replacement of ICT equipment.

<u>Government Response</u>

Agreed.

Shared Services ICT will review the lifecycle and packaging options for desktop computing equipment in 2011-12. This review will consider the 4-year replacement model and explore options relating to the timing of replacement of the desktop computer and the separate peripherals (keyboard, monitor and mouse).

Shared Services ICT will continue to consult with Directorates prior to the replacement of any ICT equipment.

RECOMMENDATION 52

The Committee recommends that Shared Service ICT reconsider their 4 year computer replacement model in light of the economic and environmental whole of life costs.

<u>Government Response</u>

Agreed.

As per recommendation 51.

RECOMMENDATION 53

The Committee recommends that Shared Services ICT investigate no longer replacing keyboards and screens that are working effectively.

<u>Government Response</u>

Agreed.

As per recommendation 51.

RECOMMENDATION 54

The Committee recommends that Shared Services ICT investigate thin client computing models to reduce environmental and economic costs.

Government Response

Agreed.

Shared Service ICT will include investigation of thin client computing models as part of our ongoing strategic planning activities.

RECOMMENDATION 55

The Committee recommends that the ACT Government evaluate the effects of the Federal Government's reforms on payments to sub-contractors and report to the Legislative Assembly by the first sitting day in December 2011.

Government Response

Not agreed.

The Commonwealth Government's reforms have not yet commenced, with consultation on a discussion paper due to close on 26 June 2011. The effectiveness of these reforms is not able to be assessed within this timeframe.

The ACT Government is implementing a broader strategy for helping to ensure that contractors and sub-contractors working on ACT Government construction sites are complying with their industrial relations and employment obligations. From 1 January 2012, construction entities that wish to tender for work on ACT Government sites must be certified with Shared Services Procurement as compliant. Where a company working on an ACT Government site is found by an audit to be non-compliant with their obligations, the matter will be referred to the relevant ACT Government and/or Australian Government authorities for investigation.

RECOMMENDATION 56

The Committee recommends that the ACT Government identifies clearly the role of Shared Services Procurement, and the role of other parties, which are involved in the delivery of capital works projects.

Government Response

Agreed.

The role of Shared Services Procurement, and the role of other parties has been documented by Shared Services Procurement and forms the basis for roles/responsibilities within the delivery of projects. Recent reviews by the Expenditure Review and Estimates Committee (EREC) is expected to assist in providing further clarity in this area.

RECOMMENDATION 57

The Committee recommends that the fee received by Shared Services Procurement be negotiated by the parties to a capital works project prior to that project commencing.

Government Response

Not agreed.

The Government agreed in 2005 that a fee of 4 per cent should be payable to Shared Services Procurement for each capital works project.. For large infrastructure projects (i.e. $50 million plus), the fee is on occasion negotiated prior to the project commencing.

The procurement fee payable is funded centrally as part of the project budget, as considered appropriate at this time. Project budgets would be adjusted accordingly where an alternate rate is negotiated.

RECOMMENDATION 58

The Committee recommends that the Procurement Board conduct an immediate review of the processes which led to the design flaws and problems with delivery of the Jerrabomberra and Rivers Sheds and that the Treasurer table the report in the Legislative Assembly by the first sitting day in October 2011.

Government Response

Not agreed.

As part of usual good project management practice, Shared Services Procurement and the Justice and Community Services Directorate will conduct a post-project implementation review and workshop and incorporate any lessons learned in future governance and contract management processes.

RECOMMENDATION 59

The Committee recommends that the ACT Government review the ICRC legislation to ensure it is clear as to the extent and balance of economic, environmental and social analysis it should undertake in coming to its relevant determinations.

Government Response

Not agreed.

The Government does not support a review of the ICRC legislation. The Government does not consider that the legislation should be prescriptive as to how the ICRC balances efficiency and environmental and social considerations in undertaking its responsibilities.

The Government's view is that, as currently drafted, the legislation appropriately allows the ICRC to exercise its independent judgement and take into account specific contextual matters when considering the economic, social and environmental aspects of an issue.

RECOMMENDATION 60

The Committee recommends that the ACT Government report to the Legislative Assembly on the outcome of the ICRC legislation review by the last sitting day in 2011.

Government Response

Not agreed.

Refer to response on Recommendation 59.

RECOMMENDATION 61

The Committee recommends that the ACT Government establish a consistent publication timetable for the Canberra Infrastructure Plan.

Government Response

Agreed.

The Government has already committed to annually updating the ACT Government Infrastructure Plan, which is a ten year rolling strategy, around the time of the Budget.

RECOMMENDATION 62

The Committee recommends that the ACT Government report to the Legislative Assembly quarterly on funding options for the Majura Parkway, in the event that the ACT Government does not obtain funding from the Federal Government the Chief Minister report to the Legislative Assembly at the earliest opportunity.

Government Response

Agreed in principle.

The Government has indicated that a commitment from the Commonwealth Government, regarding funding of Majura Parkway, is required in the next 12 months. Any subsequent funding options or decisions, is a matter for consideration by the Government as part of the Budget development process.

The Government will provide a report to the Legislative Assembly on the Majura Parkway options once the decisions of Government on the project have been taken.

RECOMMENDATION 63

The Committee recommends that the ACT Government establish guidelines for maintaining and replacing ACT Government agency logos and branding and promulgate these guidelines on the ACT Government website.

Government Response

Agreed.

ACTPS Guidelines have been drafted in response to Recommendation 15 of the Governing the City State Report that recommended that the ACT Government adopt a single government brand. A single brand lifts the profile of the ACT Government as a whole within the community, rather than presenting as a collection of programs and services.

The draft guidelines have been placed on the Shared Services website to enable easy access by directorates.

Being mindful of negative perceptions around the cost of government re-branding, the current logos and draft guidelines have been developed entirely in-house. All directorates were consulted.

As new publications, stationery, signage and marketing material is ordered; it will incorporate the new logo and comply with the guidelines. This will ensure there is no additional cost in the implementation of new branding.

RECOMMENDATION 64

The Committee recommends that the ACT Government advise the Legislative Assembly on the change management implementation plan for the ACTPS in the light of the Government's move to a unified public service.

Government Response

Noted.

RECOMMENDATION 65

The Committee recommends that the ACT Government establish greater transparency in reporting documents with regard to staffing movement and changes by including measures of the effectiveness and efficiencies achieved in the delivery of services to the ACT community by the implementation of the unified public service model.

Government Response

Noted.

The Government is looking at how to review the impact of the implementation of the Hawke Review but notes, in this context, that the focus of the review was about effectiveness rather than efficiencies. Any review would of course reflect the Government's objectives in undertaking the review.

RECOMMENDATION 66

The Committee recommends that the ACT Government publish and table a full breakdown of the costs of implementing the Hawke Review recommendations by the last sitting day of December 2011.

Government Response

Agreed.

The 2011-12 Budget funded a number of initiatives to implement the Hawke Review. The Government will undertake to report against these by the last sitting day of December 2011.

RECOMMENDATION 67

The Committee recommends with regard to ACT Public Service Workers' Compensation and Work Safety Improvement Plans that the ACT Government, by the last sitting day in December 2011 and again by the last sitting day in June 2012, table progress reports on the implementation of the improvement plan and the development of underlying policies and procedures, including data collection.

Government Response

Agreed.

RECOMMENDATION 68

The Committee recommends that the contribution rates used as the basis for calculating revenue flows for the relevant industries and sectors be included as a Note to the operating statements and shown for each of the columns in the statements.

Government Response

Agreed.

For inclusion in the Statement of Intent for the ACT Long Service Leave Authority.

RECOMMENDATION 69

The Committee recommends that the ACT Government provides a full account of negotiations on the history leading up to the provision of the $20 million 'gift' to the Arboretum to the ACT Legislative Assembly by the last sitting day in August 2011.

Government Response

Noted.

The Department of Land and Property Services provided the former Chief Minister and the Chair of National Arboretum with background information and costings on various components of the master plan for the National Arboretum. This information was provided in the context of ongoing discussions between the Territory and the Commonwealth on possible Commonwealth involvement in the Centenary of Canberra celebrations in 2013. The Prime Minister announced the $20 million gift to the National Arboretum Canberra at a tree planting ceremony on 19 April 2011, and this was subsequently confirmed in the 2011-12 Commonwealth Budget.

RECOMMENDATION 70

The Committee recommends that the ACT Government provide the Legislative Assembly with the Government's risk management plan and protection (insurance coverage) for the Arboretum by the first sitting day in August 2011.

Government Response

Noted.

The National Arboretum Canberra (NAC) is essentially in the construction phase and has limited public access. A risk management plan was incorporated into the procurement plan for the recently approved major capital works ($22.6 million) and endorsed by the Procurement Board. Capital works are covered by principal arranged contract works insurance through ACTIA, which cover material damage and public liability to third parties. The Friends of the NAC and other community groups associated with the Arboretum carry their own insurance as do all contractors working on site. The Directorate is undertaking a more comprehensive risk assessment and reviewing its insurance cover as more forests are moved from consolidation contracts and facilities developed, and as the NAC moves towards its official opening in 2013.

RECOMMENDATION 71

The Committee recommends that the ACT Government conduct an audit of arts and cultural facilities in the ACT as suggested in the Loxton Report, and report to the Legislative Assembly by the last sitting day in March 2012.

Government Response

Agreed in principle.

artsACT are currently conducting a full audit of facilities owned and managed by artsACT which will include building condition audits, asset, fire, energy, bushfire reports and conservation management plans. This is anticipated to be completed by December 2011. This will inform a government policy on arts facilities, provide a forward plan including ongoing financial requirements for management and maintenance. Once this project is complete, it will allow a more considered view to be formed for an all of Government arts and cultural facilities audit and management plan.

The Government will report back to the ACT Legislative Assembly on this matter during 2012.

RECOMMENDATION 72

The Committee recommends that the ACT Government revisit the plans with the aim to preserve the acoustic qualities of the Fitter's workshop and co-locate Megalo, so that no group is disadvantaged.

Government Response

Not agreed.

The Government is committed to re-locate the Megalo Access Arts Inc. to the Fitters' Workshop as part of the Kingston Cultural Precinct. The Government has also recently committed $3.2 million to upgrade the Albert Hall as a community venue which has a history of use for music. The Australian National University has also recently re-furbished the rehearsal room in the Llewellyn Hall facility as a performance venue for approximately 200 patrons. This new facility has highly specialised acoustic properties.

RECOMMENDATION 73

The Committee recommends that the ACT Government develop a master plan for the redevelopment of the Kingston arts precinct and present that plan to the Legislative Assembly no later than the first sitting day in December 2011.

Government Response

Agreed in principle.

The Government, through artsACT, commissioned the Kingston Arts Precinct Strategy (presented to the Government in May 2011). This has provided direction for the development of the cultural precinct. The Land Development Authority (LDA) has undertaken considerable work on a master plan with a focus on the physical form and quality of the public realm, land use and services for the Cultural Precinct. The LDA recently engaged a consultant to undertake community consultation on this master plan. The master plan has been informed by the Kingston Arts Precinct Strategy.

It is proposed to release the Kingston Arts Precinct Strategy to coincide with the LDA community consultation on the proposed redevelopment of the precinct over coming months, and it is anticipated that an Estate Development Plan and Development Application covering the proposed block and infrastructure in the precinct will be lodged by the LDA for public comment and consideration prior to December 2011. It is anticipated the plan will be presented to the Legislative Assembly by December 2011.

RECOMMENDATION 74

The Committee recommends that the ACT Government take no further action in regard to the future use of the Fitters' Workshop until the master plan has been completed and presented to the Legislative Assembly.

Government Response

Not agreed.

Government is committed to re-locate the Megalo Access Arts Inc. to the Fitters' Workshop as part of the Kingston Cultural Precinct. Funding was provided in the 2010-11 year for design work to be undertaken to undertake capital works to enable the transfer of Megalo Access Arts Inc. to allow occupation in 2013 as an element of the Centenary of Canberra.

RECOMMENDATION 75

The Committee recommends that the ACT Government table in the Legislative Assembly a timetable for the development of the Belconnen Arts Centre by the first sitting day in November 2011.

Government Response

Not agreed.

Whilst the Government is committed to the capital development of the Belconnen Arts Centre Stage Two, there are other more pressing commitments including the development of the Street Theatre, Kingston Cultural Precinct and Tuggeranong Arts Centre. The Belconnen Arts Centre has been identified as an Arts Hub and there is an anticipated focus on strengthening program delivery from the Belconnen Arts Centre in coming months.

RECOMMENDATION 76

The Committee recommends that the ACT Government provide details to the Legislative Assembly when responding to the scoping study about how the $1 million for the Australia Forum will be spent.

Government Response

Noted.

The Government will update the Assembly on the matters for which the ACT is responsible. The Budget provided funding to develop a precinct plan for West Basin which incorporates the proposed Australia Forum. This will be an iterative process involving studies to identify the specific infrastructure requirements of the Australia Forum, and at the same time tailoring it to meeting Government development objectives for the precinct. It is not appropriate to dictate the studies required to achieve this in advance.

RECOMMENDATION 77

The Committee recommends that the ACT Government update the Legislative Assembly on a six-monthly basis on the progress of the planning for and design of the Australia Forum.

Government Response

Noted.

The Government is developing a precinct plan for West Basin, not designing the Australia Forum. Results of this process will be released when the project plan has reached an appropriate stage of development.

RECOMMENDATION 78

The Committee recommends that the ACT Government update the Legislative Assembly on a six-monthly basis on the progress of obtaining Federal Government financial commitment to the Australia Forum.

Government Response

Agreed in part.

The Government will advise the Assembly of any commitment by the Federal Government to the Australia Forum.

RECOMMENDATION 79

The Committee recommends that the ACT Government table in the Legislative Assembly, by the first sitting day in December 2011, the industry development plans for the tourism, sport, aviation and education and training industries.

Government Response

Noted.

In its recent statement of priorities, the Government has committed to developing a contemporary industry development strategy for release in 2011-12. Consideration of sector development approaches will be part of the process to develop the new strategy. However, the Government has a view that its role with particular sectors should be one of facilitation, with leadership provided by the private sector.

RECOMMENDATION 80

The Committee recommends that the ACT Government table in the Legislative Assembly, by the first sitting day in April 2012, the industry development plans for the construction, information and communication technology, defence and science and technology industries.

Government Response

Noted.

See response to Recommendation 79.

RECOMMENDATION 81

The Committee recommends that the ACT Government provides to the Legislative Assembly an update on the progress in completing the demand analysis of the potential flight markets and, when the analysis is complete, that the analysis be tabled in the Legislative Assembly.

Government Response

Noted.

Information of a non-commercial nature will be provided on completion of the study.

RECOMMENDATION 82

The Committee recommends that the ACT Government table in the Legislative Assembly its industry development plan for the "clean economy" by the first sitting day in February 2012.

Government Response

Noted.

The Government will commit to releasing an enterprise focused industry development strategy for the 'clean economy sector' by April 2012 consistent with the Statement of Government Priorities for 2011-12.

RECOMMENDATION 83

The Committee recommends that the ACT Government examine how much it would cost to bring Civic up to current lighting standards, to ensure safety for users, as well as energy efficiency in order to meet the Government commitment to Action 13 of the ACT Government Climate Change Action Plan.

Government Response

Noted.

The Government will examine the costs of a range of the projects, including lighting, in conjunction with delivering the *Canberra City Area Action Plan 2010-2016.*

RECOMMENDATION 84

The Committee recommends that the Minister for Tourism, Sport and recreation table in the Legislative Assembly the guidelines for accessing the Blockbuster Fund before the recommencement of the Budget debate.

Government Response

Noted.

The guidelines for accessing the Blockbuster Fund are being developed and will be made public on completion.

RECOMMENDATION 85

The Committee recommends that the ACT Government tables in the Legislative Assembly their strategy for generating additional tourism visitation to the ACT from China and India by the first sitting day in March 2012.

Government Response

Noted.

Australian Capital Tourism continues to work with Tourism Australia on China and India market development.

RECOMMENDATION 86

The Committee recommends that the ACT Government details to the Legislative Assembly how it will improve the Enlighten event and over what timeframe.

Government Response

Noted.

The Minister for Tourism, Sport and Recreation will announce details of the 2012 Enlighten event later this year.

RECOMMENDATION 87

The Committee recommends that the ACT Government establishes clear guidelines for future utilisation of commercial-in-confidence protection.

Government Response

Agreed.

RECOMMENDATION 88

The Committee recommends that the ACT Government develop and table in the Legislative Assembly by the first sitting day in December 2011 a plan for new tourist attractions in the ACT.

Government Response

Noted.

The Government is constantly examining the opportunity for new tourist attractions in the ACT and will actively facilitate suitable proposals as they arise.

RECOMMENDATION 89

The Committee recommends that the ACT Government develop and table in the Legislative Assembly by the first sitting day in December 2011 a plan for new tourist events in the ACT.

Government Response

Noted.

While Australian Capital Tourism has a major events strategy, it is not a public document due to the competitive nature of the events space. It is noted that other jurisdictions do not share event strategies.

RECOMMENDATION 90

The Committee recommends that the ACT Government develop and table in the Legislative Assembly by the first sitting day in December 2011 a plan for the accommodation sector in the ACT.

Government Response

Noted.

The Government will continue to release accommodation sites as appropriate and report on land release for accommodation purposes.

RECOMMENDATION 91

The Committee recommends that the ACT Government develop a comprehensive transport plan to ensure that the additional seating capacity within the Manuka Oval can be accommodated.

Government Response

Noted.

This will be undertaken for all large events held at Manuka Oval.

RECOMMENDATION 92

The Committee recommends that the rejuvenation plan for Exhibition Park in Canberra be tabled in the Legislative Assembly.

Government Response

Agreed.

RECOMMENDATION 93

The Committee recommends that the ACT Government report to the Legislative Assembly on the redevelopment of the petrol station site adjacent to EPIC and on progress with the development of low cost accommodation on the Exhibition Park site by the last sitting day of September 2011.

Government Response

Agreed.

RECOMMENDATION 94

The Committee recommends that the ACT Government provide a reconciliation of expenditure against the $12 million of ACT funds appropriated in the 2009–10 Budget to attract GPs to the ACT.

Government Response

Agreed.

RECOMMENDATION 95

The Committee recommends that the ACT Government provides a comprehensive update to the Legislative Assembly by the first sitting day in August 2011 on the implementation of recommendations arising from the Auditor General's Report into Elective Surgery.

Government Response

Agreed.

RECOMMENDATION 96

The Committee recommends that the ACT Government provide to the Legislative Assembly, by the first sitting day in August 2011, a summary of all measures being implemented by ACT Health to reduce elective surgery wait times to meet national targets.

Government Response

Agreed.

RECOMMENDATION 97

The Committee recommends that the ACT Government table in the Legislative Assembly the outcomes of the negotiations between the Health Directorate and Calvary Health Care determining role delineation for The Canberra Hospital and Calvary Public Hospital.

Government Response

Agreed.

The outcomes on negotiations will be tabled when completed.

RECOMMENDATION 98

The Committee recommends that the ACT Government resolve the Calvary staff entitlement issue and report the resolution to the Legislative Assembly during within the next sitting period.

Government Response

Agreed.

Outcome will be reported when available, however, the timeline for the next sitting period in June 2011 is not achievable.

RECOMMENDATION 99

The Committee recommends that, if the Calvary staff entitlement issue is not resolved by 1 December 2011, the Government report this to the Legislative Assembly by the last sitting day in 2011.

Government Response

Agreed.

RECOMMENDATION 100

The Committee recommends that the ACT Government provide to the Legislative Assembly, by the first sitting day in August 2011, a detailed breakdown of the 400 beds, by type, that form part of its plan to expand Calvary Public Hospital and establish a sub-acute facility.

Government Response

Not agreed.

The figure of 400 beds was an indicative figure and did not represent the final number of additional beds across the ACT. These numbers will be updated to take into consideration demographic changes, changes to technology and changes in treatments such as the Capital Asset Development Plan (CADP) over the next 10 years. The final breakdown will not be determined until further planning is completed.

RECOMMENDATION 101

The Committee recommends that the ACT Government further investigate whether there is demand for a birthing centre on the north side of Canberra, and if so, consider the provision at the proposed third hospital.

Government Response

Agreed in principle.

In relation to investigating the demand for birthing options on the north side of Canberra.

However, it should be noted that midwifery run models of care is not recommended at a sub-acute facility as it relies on quick and accessible access to delivery suites and theatres. Therefore this model of care is only suitable when co-located with an acute facility.

RECOMMENDATION 102

The Committee recommends that the ACT Government provide to the Legislative Assembly the rationale for the location of the proposed sub-acute facility.

Government Response

Agreed.

Noting that a location has not been identified and work is underway to progress this.

RECOMMENDATION 103

The Committee recommends that that the ACT Government report to the Legislative Assembly about the provision of clinical privileges for midwives by August 2011.

Government Response

Noted.

Extension of clinical privileging to private midwives will require a number of actions including possible amendment to the *Health Act 1993*, consideration of fee and private hospital insurance arrangements, establishment of collaborative working arrangements with public obstetricians should medical intervention be required, and issues related to prescribing. Under the Canberra Midwifery Program midwives who meet the eligibility criteria may also seek to enter into private practice and this would need to be considered in future nursing Enterprise Agreements.

RECOMMENDATION 104

The Committee recommends that the ACT Government provide to the Legislative Assembly by the first sitting day in September 2011 a summary of all measures implemented and intended to be implemented by the Health Directorate to reduce emergency department wait times to within national targets.

Government Response

Agreed.

RECOMMENDATION 105

The Committee recommends that the ACT Government provide a timeline for the completion of the promised secure mental health facility.

Government Response

Agreed in principle.

A decision on when the unit will be built will be made following a more detailed study of up to date demand requirements following the completion of the Adult Acute Mental Health Inpatient Unit, the impact of the Alexander Maconochie Centre and the availability of services in NSW to be conducted.

RECOMMENDATION 106

The Committee recommends that the ACT Government review the need to expand drug and alcohol rehabilitation services and report to the Legislative Assembly by March 2012.

Government Response

Agreed.

RECOMMENDATION 107

The Committee recommends that the ACT Government investigate the options of monitoring the health of post release remandees and prisoners.

Government Response

Noted.

A number of considerations would need to be taken into account including, consent to follow up, logistics with many different community providers involved following release and would be outside the capacity of the current Justice Health Service.

RECOMMENDATION 108

The Committee recommends that the ACT Government investigate the issues that prevent remandees receiving their health records and medication and appropriate information when they are released from the court, and report to the Legislative Assembly by the first sitting day in September 2011.

Government Response

Agreed.

RECOMMENDATION 109

The Committee recommends that the ACT Government take all steps to encourage prisoners to be tested for Hepatitis C immediately upon being processed into the AMC.

Government Response

Agreed in principle.

Currently all prisoners are offered BBV screening at induction into the AMC, and periodically during their incarceration. However, the time required for informed consent processes and pre-testing counselling are prohibitive to occurring at the time of processing. Both Health and Corrective Services have many processing tasks to undertake during this induction period. The BBV testing is followed up actively by Health in the few days following induction

RECOMMENDATION 110

The Committee recommends that the ACT Government table in the Legislative Assembly the Public Health Association report into a Needle and Syringe Program at the Alexander Maconochie Centre and that the findings are debated in the Legislative Assembly prior to a decision being made.

Government Response

Agreed.

RECOMMENDATION 111

The Committee recommends that the ACT Government investigate providing additional support to arthritis support services and report on the outcome to the Legislative Assembly by the first sitting day in September 2011.

Government Response

Noted.

The Clinical Services Plan, which is currently being developed, will inform discussions and decisions on this matter.

RECOMMENDATION 112

The Committee recommends that the ACT Government monitor unmet demand in health-based community groups and include an assessment of this demand in the Health Directorate annual report each year.

Government Response

Noted.

Noting this work is a complex undertaking and further consideration would need to be undertaken prior to this occurring.

RECOMMENDATION 113

The Committee recommends that the ACT Government identify gaps in the provision of specific men's health programs and based on the information obtained, develop programs accordingly.

Government Response

Noted.

Noting this work is a complex undertaking and further consideration would need to be undertaken prior to this occurring.

RECOMMENDATION 114

The Committee recommends that the ACT Government advises whether existing Federal funding covers the full cost of NSW students who are educated in the ACT, and what negotiations with NSW have occurred.

Government Response

Agreed.

The provision of school education services to cross-border students is currently recognised as an adjustment to the ACT's share of GST funding through horizontal fiscal equalisation (HFE), which is administered through the Commonwealth Grants Commission.

The ACT receives additional funding of around $12 million for cross-border students through HFE and approximately $2 million in direct Commonwealth per-capita payments.

RECOMMENDATION 115

The Committee recommends that the ACT Government provide details of all initiatives to be included in the ACT Secondary Schools Innovation Fund and how it will determine priorities for funding the various elements.

Government Response

Noted.

The Innovation Fund will provide seed funding to schools, clusters of schools and networks to develop innovative approaches to support secondary education renewal under the Excellence and Enterprise Framework. It is anticipated there will be two funding rounds per year with calls for submissions for the first round expected to be made in September 2011.

RECOMMENDATION 116

The Committee recommends that the ACT Government advise the Legislative Assembly, of the timetable for the 'blueprint for action' in their response to the report.

Government Response

Noted.

An Excellence and Enterprise Steering Group has been convened to provide guidance on the development of an implementation plan for the Excellence and Enterprise Framework. It is anticipated that the 'blueprint for action' with short, medium and long term strategies, will be available by the end of 2011.

RECOMMENDATION 117

The Committee recommends that the ACT Government consider including teacher subject area specialities on the teachers register established under the Teacher Quality Institute Act 2010.

Government Response

Noted.

Teacher specialities are already included in the data collection for the registration process. Under the provisions of the *ACT Teacher Quality Institute Act 2010* information provided through the teachers' register can only disclose whether the person holds full or provisional registration or a permit to teach. Additional information, including subject area specialties can be provided to employers.

RECOMMENDATION 118

The Committee recommends that, to respond to the shortage of qualified maths and science teachers within the ACT public education system, the ACT Government bring forward the introduction of the Teach Next initiative so that public school maths and science students are not disadvantaged by teachers shortages.

Government Response

Noted.

The 'Teach Next' initiative is a Commonwealth initiative. The request for tender was released to the market on 15 June 2011. Once the outcome of the tender process is known, the Government will be able to assess the initiative's capacity to assist in addressing its recruitment needs in the areas of mathematics and science.

RECOMMENDATION 119

The Committee recommends that the ACT Government provide further details of how the $11.8 million allocation for "educational reform and provision of enhanced career paths for teachers" is to be allocated.

Government Response

Agreed.

The initiative will fund elements of the new enterprise agreement for teachers.

Negotiations for the agreement are not yet concluded. However the Government's offer, which is available on the Education and Training Directorate's website, includes the following measures which may be funded from this initiative:

- Introduction from 2012, of a new classification of Teaching Leader with roles and responsibilities focussed on the classroom.
- Provision for accelerated progression through the salary scale for outstanding classroom teachers.

- Inclusion of deputy principal as the first step in the principal classification with a significant initial pay increase.

RECOMMENDATION 120

The Committee recommends that the Education and Training Directorate partner with Tourism, Sport and Recreation to ensure better provision of continuing sports programs in schools for students with disabilities.

Government Response

Agreed in principle.

The Government is already doing this. Examples where ACT ETD liaises with Tourism, Sport and Recreation include:

- Sports Ability – A Disability Sport Education Program to train teachers in the delivery of disability sport;
- Deaf Sports Day at Manuka Oval – held in August – in conjunction also with Deaf Sport Australia; and
- Health and PE Week – 19th -23rd September – with 1 day focused on disability health and physical education.

RECOMMENDATION 121

The Committee recommends that, when the Bradley review is completed, it be tabled in the Legislative Assembly on the next available sitting day.

Government Response

Noted.

RECOMMENDATION 122

The Committee recommends that the ACT Government develop a strategy to improve staff attraction and retention rates for the Office of the Director of Public Prosecution.

Government Response

Agreed in principle.

This is a matter for the Director of Public Prosecution, but the Government will support as appropriate. The DPP notes that the issues of staff retention and attraction are complex and the Office is looking at a range of options which influence staff retention and attraction.

RECOMMENDATION 123

The Committee recommends that the Justice and Community Safety Directorate report on the level of effectiveness of the wheel chair accessible taxi regime in their annual report.

Government Response

Agreed.

Reporting on the performance of wheelchair accessible taxi (WAT) services will be a requirement of the proposed WAT Centralised Booking Service, and performance information provided can be included in the Justice and Community Safety Directorate Annual Report.

RECOMMENDATION 124

The Committee recommends that, in the light of concerns arising from the Burnett Institute and Hamburger Reports, the ACT Budget include a strategic indicator that measures the number of prisoners that complete programs that address their offending behaviour, including drug rehabilitation programs and education programs.

Government Response

Agreed.

In parallel with development of reporting on rates of recidivism for inclusion in the 2013 Report on Government Services, the Justice and Community Safety Directorate will develop an accountability indicator for the 2012-13 financial year in relation to detainees participation in programs while in custody.

RECOMMENDATION 125

The Committee recommends that the ACT Government conduct an external review of the Alexander Maconochie Centre biannually to validate human rights compliance and that the report of this external review be tabled in the Legislative Assembly.

Government Response

Not agreed.

It is noted in the *Knowledge Consulting* report on the first 12 months operation of the Alexander Maconochie Centre that, in terms of appropriate external independent scrutiny, the AMC arguably is best practice in Australian jurisdictions. This includes ongoing regular scrutiny by the Official Visitor, the Ombudsman and, specifically in regard to Human Rights issues, the ACT Human Rights Commission, as well as ad hoc scrutiny such as occurred through the Knowledge Consulting and Burnet Institute reviews.

RECOMMENDATION 126

The Committee recommends that, at the completion of the review of the capacity of the Alexander Maconochie Centre, the Government provide details to the Legislative Assembly of projections of prisoners and remandees who can be accommodated at the AMC.

Government Response

Agreed.

Information regarding detainee number projections and Alexander Maconochie Centre capacity will be provided in August 2011 in response to a Legislative Assembly motion passed in April 2011.

RECOMMENDATION 127

The Committee recommends that statistics be compiled and published in the Justice and Community Safety annual reports and Budget Papers of those prisoners, by gender and offence, who have experienced interstate incarceration and that this figure be expressed as a percentage of the total AMC population.

Government Response

Not agreed.

The national reporting methodology at this stage does not include the examination of movement of detainees across State and Territory borders. The Justice and Community Safety Directorate has advised that while to some extent it would be possible to collate data (e.g., in regard to detainee incarceration in NSW, where detainees may have previously been sent to serve sentences in NSW from the ACT), the data may not be robust. It would be significantly more complex and time consuming to report against previous periods of incarceration in other states or the Northern Territory and would require the cooperation of other jurisdictions.

RECOMMENDATION 128

The Committee recommends that the ACT Government tell the Legislative Assembly of the timetable for the provision of a permanent gymnasium and a chapel and quiet place at the Alexander Maconochie Centre.

Government Response

Agreed.

The Government provided funding in the 2011-12 Budget for a feasibility study to examine accommodation and other facilities requirements at the Alexander Maconochie Centre. The study will look at the issues of a gymnasium and chapel or quiet place and whether and in what form and over what period such facilities could be established.

RECOMMENDATION 129

The Committee recommends that the ACT Government report to the Legislative Assembly: a) the preferred option for a new Supreme court building; b) the timetable for completion of design work; c) the timetable for completion and commissioning of the project; and d) indicative costings for the project.

Government Response

Agreed.

The Government has not yet made a final decision on a preferred option for a new Supreme Court, but will publicly announce the timetable for future development in due course.

RECOMMENDATION 130

The Committee recommends that the ACT Government table the terms of reference for the single court study, tell the Legislative Assembly who will conduct the study and when the information paper on the study will be released for public comment.

Government Response

Noted.

In May 2010, the Attorney General released the *2010 Access to Justice Initiative* paper, which specifically addressed concern about the backlog of cases in the Supreme Court. In that paper, the Government proposed structural reform of the court system, which could have been a tangible first step in establishing a unified court structure.

The Attorney General has foreshadowed the release of a second consultative paper, examining additional proposals for the streamlining of Courts administration and jurisdiction in the ACT. The paper will look at what the Government has delivered this term to improve access to justice in the ACT, as well as options for further action.

RECOMMENDATION 131

The Committee recommends that, by the first sitting day in December 2011, the ACT Government table a report outlining the case backlog targets for 2011-12 and 2012-13 and outlining the Government's strategy to achieve cost efficiencies to meet these targets.

<u>Government Response</u>

Agreed.

The case backlog targets for 2011-12 and 2012-13 will remain at 0 per cent. This target is based on the Report on Government Services (ROGS) benchmarks for backlog. These targets are as follows:

- For the Magistrates and Children's Court no lodgements pending completion are to be more than 12 months old.
- For the Supreme Court no lodgements pending are to be more than 24 months old.

The Government's strategy to achieve efficiencies in the courts includes:

- Reduction in the number of matters coming before the Supreme Court by;
  - Reforms contained in the *Bail Amendment Bill 2010*, passed in February 2011, which will ensure the issue of bail is explored fully in the Magistrates Court while ensuring that appropriate access to the Supreme Court is retained (this should reduce the number of hearings in the Supreme Court);
  - Reforms contained in the *Courts Legislation Amendment Bill 2010* which will allow magistrates to be able to hear civil claims valued up to $250,000 (up from $50,000);
- Appointment of 3 acting judges to assist with the backlog in the short term;
- Conversion of Magistrates Court hearing rooms into a jury court room and jury retirement room to increase the Supreme Court's listing capacity;
- a review of case management practices in the ACT Supreme Court by Justice Penfold and the Director-General of Justice and Community Safety; and
- the implementation of a single registry for the ACT Law Courts.

RECOMMENDATION 132

The Committee recommends that the ACT Government undertake a study of options and feasibility for a community legal services hub, including a process of consultation with the community legal centres and investigation of assistance available from the Commonwealth; and report to the Legislative Assembly on the identified options by the first sitting day in December 2011.

Government Response

Agreed in principle.

Community legal centres and other services in the ACT receive funding from a number of sources, including the Justice and Community Safety Directorate, the Community Services Directorate, Legal Aid ACT, the ACT Law Society, the NSW Government and the Commonwealth Government.

Whereas, the Commonwealth has provided little additional funding under the Commonwealth National Partnership Agreement, the Government has confirmed its strong commitment to improving access to justice across the community. The Government recognises the important role of community legal centres in ensuring that people have access to legal services and representation, particularly if they do not qualify for assistance from other bodies such as Legal Aid.

The Government has provided some practical assistance to those services located in Havelock House, in the form of some renovations and fit-out work, and is continuing to facilitate discussions with community legal centres about a range of other issues relating to their accommodation. As part of this, the community legal centres have updated their assessment of their current requirements and advised these to the Government as part of the continuing process of the Government assisting them to find suitable accommodation.

RECOMMENDATION 133

The Committee recommends that the Auditor-General conduct a follow-on audit into all aspects related to the decision to locate the headquarters of the Emergency Services Agency at Fairbairn and, in particular, the advice provided to the ACT Government over the possibility of flooding at this site.

Government Response

Noted.

While a decision about whether to conduct an audit of this type is ultimately a matter for the Auditor-General, the Government notes that the ESA Headquarters located at Fairbairn was assessed and constructed consistent with ACT planning law that requires all new residential and commercial buildings in the ACT to be erected above the 1 in 100 year flood level.

RECOMMENDATION 134

The Committee recommends that the ACT Government provide the Legislative Assembly the timetable for the return of the Communications Centre to the Fairbairn headquarters.

Government Response

Agreed.

Subject to planned system and user acceptance testing procedures, it is currently anticipated that ACT Ambulance Service Communications Centre staff and ACT Fire Brigade Communications Centre staff will return to Fairbairn Headquarters in the third quarter of 2011.

RECOMMENDATION 135

The Committee recommends that the ACT Government provide the Legislative Assembly with the details of any defects or deficiencies which are still to be rectified at the Fairbairn headquarters and the cost of such rectification.

Government Response

Agreed.

In accordance with standard construction practice, defects at the Emergency Services Agency Headquarters building may continue to be identified within the 12 months defects liability period.

At the ESA Headquarters building (excluding inundation issues) these relate to a cabinet door, one plasterboard defect, one sliding door and one ceiling joint.

All accepted defects will be covered under warranty.

RECOMMENDATION 136

The Committee recommends that the ACT Government clarify the role of the Bushfire Council particularly in relation to the Bushfire Operational Plans.

Government Response

Agreed.

Under the *Emergencies Act 2004*, the ACT Bushfire Council does not have a formal role in approving bushfire operational plans (BOPs). Responsibility for approval of bushfire operational plans rests with the ESA Commissioner under Section 78 (3) of the Act.

Also in line with the provisions of the Act, however, the Commissioner may ask for bushfire council's advice in relation to the exercise of a function relating to bushfires. The Emergency Services Agency Commissioner did consult the ACT Bushfire Council regarding the approval of the 2010-11 BOP, through a comprehensive presentation of the BOP at Bushfire Council meetings.

RECOMMENDATION 137

The Committee recommends that the ACT Government table a list of the defects in the Jerrabomberra and Rivers fire sheds.

Government Response

Agreed.

In accordance with standard construction practice, defects at the Jerrabomberra and Rivers RFS Sheds may continue to be identified within the 12 months defects liability period.

Current outstanding defects at Rivers relate to site management, fixing sheeting, minor plumbing, fixing a hole in the concrete, replacing vinyl flooring, a sticking door and relocating an electrical fitting.

Current outstanding defects at Jerrabomberra relate to installation of door seal, concreting in vehicle bay apron and tank stand, a cracked tile, minor electrical plumbing and fixture issues.

All accepted defects will be covered under warranty.

RECOMMENDATION 138

The Committee recommends that the ACT Government table in the Legislative Assembly details by service of the amount of overtime performed by all Emergency Service Agency staff.

Government Response

Agreed.

The Justice and Community Safety Directorate will report on Emergency Services overtime for the 2010-11 financial year in its Annual Report.

RECOMMENDATION 139

The Committee recommends that future ACT Budget Papers include accountability indicators for ACT Police.

Government Response

Not agreed.

ACT Policing is held to account by way of performance measures included in the Annual Policing Agreement. This is required by the 5-yearly Policing Arrangement. The Arrangement is mandated by the *Australian Federal Police Act 1979 (Cwlth)*, s 8 (1A). It would be inappropriate to provide extra accountability indicators for ACT Policing in the Budget Papers.

RECOMMENDATION 140

The Committee recommends that the number of random roadside drug tests conducted and the number of positive tests recorded be included in the ACT Criminal Justice Statistical Profile.

Government Response

Agreed.

While ACT Police can collect and report upon data around the number of Random Roadside Drug Tests (RRDT) conducted and the number of positive tests recorded, it is important to note that this program is in its infancy. Legislation was introduced on 13 May 2011 and funding for RRDT commences on 1 July 2011. Operating processes and practices are currently being developed which means that ACT Policing is not yet at full capability to introduce RRDT broadly.

RECOMMENDATION 141

The Committee recommends that the ACT Government provide a progress report on the construction of the Belconnen Police Station, by the first sitting day in October 2011.

Government Response

Agreed.

A progress report will be provided.

RECOMMENDATION 142

The Committee recommends that the ACT Government report on the Government's intention for the Belconnen police station and remand centre site.

Government Response

Agreed.

At this stage a position on the future intentions for the current Belconnen Police Station and Remand Centre site has not been reached.

RECOMMENDATION 143

The Committee recommends that the ACT Government investigate BPAY processing times for payments with the intention of reducing delays.

Government Response

Agreed.

The Government has completed improvements to the MyWay smartcard ticketing system that has reduced processing times for BPAY and online payments from five working days to three working days.

RECOMMENDATION 144

The Committee recommends that the ACT Government provide a timetable to the Legislative Assembly for the provision of government shopfront services for the Gungahlin region by December 2011.

Government Response

Noted.

This matter is currently being considered by Government.

RECOMMENDATION 145

The Committee recommends that the ACT Government table in the Legislative Assembly, by the first sitting day in December 2011, its policy concerning the location of libraries and access to libraries.

Government Response

Noted.

The Government's approach to the location of, and access to, libraries is in line with the Australian Library and Information Association' Standards, Guidelines and policies. In addition, public libraries in the ACT are located in regional areas where the community naturally gathers, such as shopping precincts. The growing use of online access to the library's collection and services has been facilitated by the Government's approach to providing e-government options.

RECOMMENDATION 146

The Committee recommends that all options relating to the design and building of the Majura Parkway investigated by the ACT Government be made available to the Legislative Assembly before the project is commenced or appropriated funds are made available for the project.

Government Response

Agreed.

The Government will keep the Assembly advised through the estimates and annual report scrutiny processes.

RECOMMENDATION 147

The Committee recommends that the ACT Government analyse the freight travelling through Canberra and provide estimations of how much freight would be diverted by building Majura Parkway.

Government Response

Noted.

RECOMMENDATION 148

The Committee recommends that the ACT Government progress the Northbourne Avenue transitway feasibility study including all modes of transport and taking a long term view.

Government Response

Agreed.

The Gungahlin to City Corridor Study (including rapid transit options for Northbourne Avenue) will be completed in 2011-12.

RECOMMENDATION 149

The Committee recommends that the ACT Government table in the Legislative Assembly by the first sitting day in December 2011 its strategy to catch up on the maintenance program of the ACT road network.

Government Response

Noted.

As responded during the Estimates Hearings, any road maintenance works that are deferred in one year will be programmed in the next year. The Government will continue to make the best use of the available maintenance funds consistent with its strategic asset management approach for road infrastructure.

RECOMMENDATION 150

The Committee recommends that a total waste tonnage indicator be provided by type, including hazardous waste.

Government Response

Noted.

"Annual tonnes of waste to landfill" is already an indicator. Data on waste to landfill is collected against four waste streams. This streamed data is already provided on the website at:

http://www.tams.act.gov.au/__data/assets/pdf_file/0017/210563/Waste_to_Landfill_2009-10.pdf

Data is not collected against a 'hazardous waste' stream. It may be possible that data can be collected on 'hazardous waste', but it will require definition by reference to individual products.

RECOMMENDATION 151

The Committee recommends that the ACT Government establish targets and timing for its waste strategy and advise the Legislative Assembly by the first sitting day in August 2011.

Government Response

Agreed in principle.

The draft *ACT Sustainable Waste Strategy* contained targets. Details on finalisation of the Strategy were provided to the Assembly on 21 June 2011.

RECOMMENDATION 152

The Committee recommends that No Waste ensure that it complies with the ACT Government's social procurement policy.

Government Response

Agreed.

This is already the case.

RECOMMENDATION 153

The ACT Government shall report to the Legislative Assembly as to the selection criteria (and their weightings) for future e-waste contracts.

Government Response

Agreed.

Copies of future Request for Tender documentation relating to e-waste contracts will be provided to the Assembly.

RECOMMENDATION 154

The Committee recommends that the Auditor-General should investigate the previously granted e-waste and other waste contracts.

Government Response

Noted.

This is a matter for the Auditor-General.

The Audit Office has recently commenced an audit on waste management. The audit is in its planning phase and its scope will may include a consideration of performance against the waste management strategy, procurement and contract management issues, management of the re-use/recycling facilities, as well as the treatment of specific waste materials (e.g. hazardous waste). As part of the planning for this audit consideration will be given to investigating the matters referred to by the Committee.

RECOMMENDATION 155

The Committee recommends that the annual operational plans for weeds management and vertebrate pest management are made publicly available each year so that they are accessible to Park Care groups and other volunteers and land managers.

Government Response

Noted.

Information of this nature is already provided to and shared with Park Care Groups and others.

RECOMMENDATION 156

The Committee recommends that the ACT Government consider integrating the officials involved with the management of non-urban parks, nature parks and national parks, as well as those involved with the management of weeds and pests with the Environment and Sustainable Development Directorate.

Government Response

Noted.

This matter has already been considered by Government and the land management function will not be split between the Territory and Municipal Services Directorate and the Environment and Sustainability Development Directorate.

RECOMMENDATION 157

The Committee recommends that the ACT Government investigate indicators that measure ecological values, biodiversity outcomes and water quality.

Government Response

Agreed in principle.

Recent community feedback on the Discussion Paper for the Review of the *Nature Conservation Act 1980* identified a need for improved monitoring and reporting on the state of the ACT's biodiversity, including parks and reserves. Monitoring of biodiversity is increasingly important and the Government will consider the most appropriate indicators to use, which would be linked to reporting against a revised nature conservation strategy. Information would feed into the State of the Environment Report and could also meet other needs, including budget and annual reporting.

RECOMMENDATION 158

The Committee recommends that the ACT Government negotiate with the RSPCA about the appropriate funding which should be provided for the services undertaken by the RSPCA and report to the Legislative Assembly by the first sitting day in September 2011.

Government Response

Agreed.

This is already underway.

RECOMMENDATION 159

The Committee recommends that the ACT Government finalise with the RSPCA, by the first sitting day in November 2011, the site for the relocation of the RSPCA.

Government Response

Noted.

The Government is working closely with the RSPCA on the relocation issue and a site will be finalised as soon as possible.

RECOMMENDATION 160

The Committee recommends that the ACT Government review the delivery of domestic animal services to determine the most effective and efficient way to ensure animal welfare.

Government Response

Agreed in principle.

Negotiations with the RSPCA will clarify this matter.

RECOMMENDATION 161

The Committee recommends that the ACT Government remove the financial penalty for failing to tag-off in the MyWay bus ticketing system.

Government Response

Not agreed.

Passengers have access to both standard and discounted fares when travelling on ACTION bus services. Discounted fares are available to passengers by obtaining a MyWay card. The requirement to tag on and tag off is contained within the conditions of use for MyWay cards.

The 'no penalty period' has been extended to 31 December 2011 to allow passengers to get used to the new system. Travel pattern information collected when passengers tag on and off is essential in planning better networks.

RECOMMENDATION 162

The Committee recommends that ACTION provide detailed data on passenger numbers and farebox recovery on a quarterly basis to the Legislative Assembly.

Government Response

Not agreed.

This information is available through the Annual Reports and Estimates processes.

RECOMMENDATION 163

The Committee recommends that an agreement be negotiated with NSW with regard to a uniform concession rate scale for public transport users.

Government Response

Noted.

This is a complex issue that requires discussion and resolution through national forums.

RECOMMENDATION 164

The Committee recommends that the issue of uniform concessions be raised at the Australian Transport Council for consideration to achieve mutual recognition of concessions across jurisdictions.

Government Response

Noted.

This is a complex issue that requires discussion and resolution through national forums.

RECOMMENDATION 165

The Committee recommends that the ACT Government investigate methods for advising passengers of the availability of bike racks on buses by route.

Government Response

Noted.

The Government will investigate options for including bike rack bus information as part of the Real Time Passenger Information project.

RECOMMENDATION 166

The Committee recommends that the ACT Government increase its targets and achieved level of reliability and timeliness for ACTION.

Government Response

Noted.

This will be reviewed as MyWay trip and travel data is constructed and analysed.

RECOMMENDATION 167

The Committee recommends that the ACT Government table the business case for a crematorium at the southern cemetery.

Government Response

Not agreed.

As the business case contains commercial-in-confidence data, its release could significantly impact planning and prejudice future negotiations.

RECOMMENDATION 168

The Committee recommends that the ACT Government indicate to the Legislative Assembly by the last sitting day in 2011 the amount of existing perpetual care liability and its proposal to address the liability.

Government Response

Agreed.

RECOMMENDATION 169

The Committee recommends that consistent with the proposed move towards outcome based measures for community contracts that the Community Services Directorate also adopt outcome based accountability measures.

Government Response

Agreed.

The *Purchasing Framework* anticipates a consistent application across both the community sector and Community Services Directorate.

RECOMMENDATION 170

The Committee recommends that in consideration of the outcomes of the pay equity case, the ACT Government consider the impact on pay short falls on community sector service delivery.

Government Response

Agreed.

The Full Bench of Fair Work Australia has found that gender based unequal remuneration, in comparison with state and local government, exists within the community sector. The impact on employers in the sector in the ACT cannot be finally assessed until Fair Work Australia makes a decision on what remedy they intend to apply, and how the remedy should be applied.

Once the decision by Fair Work Australia is known, it will be possible to make judgements as to the extent to which employers in the ACT will be affected and on the potential for the impact to affect the delivery of services to disadvantaged Canberrans.

RECOMMENDATION 171

That the ACT Government report to the Legislative Assembly how it will address the potential funding gap due to the equal pay case decision, and how it will address the impact in future years.

Government Response

Agreed.

The Full Bench of Fair Work Australia has found that gender based unequal remuneration, in comparison with state and local government, exists within the community sector. The impact on employers in the sector in the ACT cannot be finally assessed until Fair Work Australia makes a decision on what remedy they intend to apply, and how the remedy should be applied.

Once the decision by Fair Work Australia is known, it will be possible to make judgements as to the extent to which employers in the ACT will be affected and on the potential for the impact to affect the delivery of services to disadvantaged Canberrans. It will also be possible at that point for the Government to make decisions regarding the nature and extent of any response to the impact through the budget process.

RECOMMENDATION 172

The Committee recommends that the ACT Government review the post school options services available for students with a disability and their families and report to the Legislative Assembly by the first sitting day in December 2011.

Government Response

Noted.

Demand for service by school leavers equates to an average of 20 students each year who require an ongoing service response. The new funding for disability services in 2011-12 of $10.3 million over 4 years provides adequate funding for school leaver demand until 2013.

The Community Services Directorate response to young people leaving school is individualised, the school leaver options are not one service provider or model. Services are developed around individuals. Disability ACT provides the following services for young people with a disability who are leaving school: the transition service through House with No Steps and Community Access Support Services.

In addition, some school leavers also receive independent living skills, futures planning which may be funded through the 'Good life planning grants'. The Community Services Directorate, through Disability ACT, works with the Social Enterprise Hub to help to create employment opportunities for people with disabilities including young people leaving school.

The development of the National Disability Insurance Scheme will provide the opportunity to examine how services are structured and funded and the Government is working with the Commonwealth Government on this major initiative. The Australian Government is due to table its response to the Productivity Commission Report in November 2011.

RECOMMENDATION 173

The Committee recommends that the ACT Government provide, by the first sitting day in August 2011, further details on the breakdown of the anticipated extra hours of community access as outlined in the Budget, how this figure was arrived at, the extent to which there remains an unmet need and what provision is being made to resolve these matters.

Government Response

Agreed.

The Community Services Directorate each year, in association with new funding availability, allocates funding to respective service categories and provides a breakdown for the growth in the hours of community access in the 2011-12 Budget. Disability ACT will supply 2009-10 estimates of unmet demand for this service type and its continued strategy for addressing demand for community access services.

RECOMMENDATION 174

The Committee recommends that the ACT Government develop a reporting framework for operators of child and family centre services to enable it to monitor the services provided.

Government Response

Noted.

The Child and Family Centres currently operate within a robust reporting framework under Output Class 2: Early Intervention Output 2: Child and Family Centre Program. Reporting against the seven items covered under this Output occurs on a quarterly basis. This process is audited on a regular basis under the Government's auditing framework.

There are also additional reporting obligations to the Australian Government in relation to the third Child and Family Centre which was built in partnership with the Commonwealth. Additionally, the Indigenous Parenting Support Service, across the Gungahlin and West Belconnen child and family centre, a program provided in partnership with the Smith Family also has reporting obligations to the Commonwealth Government.

RECOMMENDATION 175

The Committee recommends that the ACT Government consider what support it can provide or facilitate to ensure equitable funding across the sector, specifically what support it can provide to small (less than 60 places) community run not-for-profit childcare facilities not occupying government-owned premises and report to the Legislative Assembly by the first sitting day in September 2011.

Government Response

Noted.

The Community Services Directorate regulates and licenses childcare facilities in the ACT. A number of childcare centres operate within facilities owned by the Directorate.

The Government does not deliver childcare. Childcare centres in the ACT are run on a business model by the organisations that operate them.

Some funding has been made available for all non-for-profit childcare centres for restructuring works associated with the new National Standards through the Community Support and Infrastructure Grants Program.

The primary responsibility for upgrading an asset belongs to the owner of the asset.

RECOMMENDATION 176

The Committee recommends that, at the first sitting in October 2011, the ACT Government table a paper outlining its strategy for community consultation on the design, operations and management of the community services hub at the Flynn Community Centre, together with the timetable for completion and commissioning of the works.

Government Response

Agreed.

The Community Services Directorate is consulting fully with the community on the design, operations and management of the community services hub at the Flynn Community Centre. The timetable for completion and commissioning of the works has already been provided to the community at the recent community consultation meeting in May 2011.

RECOMMENDATION 177

The Committee recommends that the ACT Government provide further details on how their 'whole of government language policy' is to be delivered, and particularly how schools will be resourced to be able to deliver on the policy objective 'that every child in year 3-8 be taught a second language'.

Government Response

Agreed.

The Government has committed funding since 2008 to achieve the target that every child in year 3-8 be taught a second language. The funding is for high quality interactive language training for primary school teachers and language teachers.

RECOMMENDATION 178

The Committee recommends that the ACT Government establish an Interpreter Register which will identify multicultural community people who are available to provide interpreter services to Government and the community.

Government Response

Agreed.

The Government will develop an Interpreter Register which will identify appropriately accredited people (or those that are willing to undertake accreditation) from Canberra's multicultural communities who are available to provide interpreter services to Government and the community.

This initiative will be implemented by 30 June 2012.

RECOMMENDATION 179

The Committee recommends that the ACT Government report to the Legislative Assembly when contractual arrangements have been finalised with Billabong Aboriginal Development Corporation.

Government Response

Agreed.

Contractual arrangements will be finalised with Billabong Aboriginal Development Corporation when its housing subsidiary is registered as a community housing provider under the *Housing Assistance Act 2008*.

RECOMMENDATION 180

The Committee recommends that the ACT Government report to the Legislative Assembly on measures to increase engagement and participation in elections for the ACT Indigenous Elected Body.

Government Response

Agreed.

The Community Services Directorate Annual Report will report on measures taken to increase engagement and participation in the 2011 election for the ACT Aboriginal and Torres Strait Islander Elected Body.

In consultation with the members of the newly elected ACT Aboriginal and Torres Strait Islander Elected Body, the Government will develop measures to increase engagement and participation in the next election - 2014 Election.

RECOMMENDATION 181

The Committee recommends that the ACT Government develop a strategy to reduce the number of Category 1 incidents at Bimberi and table the strategy in the Legislative Assembly by the first sitting day in November 2011.

Government Response

Noted.

Bimberi already works within the Injury *Prevention and Management Framework* for the Community Services Directorate. There are a number of factors that influence the number of Category 1 incidents at Bimberi, including health issues faced by young people. In addition, the number of incidents has varied from year to year. Additional strategies to reduce the number of Category 1 incidents will be considered in the context of the Government's response to the Human Rights Commission Inquiry into Youth Justice Services in the ACT which will be tabled in the Legislative Assembly.

RECOMMENDATION 182

The Committee recommends that, by the first sitting day in December 2011, the ACT Government table its strategies to reach the target of 100 per cent of young people transitioning care and protection with a transition plan.

Government Response

Agreed.

Care and Protection Services have implemented a tracking system to ensure that all young people leaving out of home care have a leaving care plan and that this plan is provided both the Children's Court and the Public Advocate's Office.

The Care and Protection Services Case Conferencing Unit are responsible for arranging and conducting, at a minimum, one leaving care case conference for each young person prior to their Court Orders expiring. This conference includes participation from the young person, relevant service providers, carers and family members.

RECOMMENDATION 183

The Committee recommends that the ACT Government ensure that the entire appropriation for grandparent and kinship carers be directed to non-government organisations services allocated in 2008 and that additional money from the 2009–10 Budget be rolled over for use in future years.

Government Response

Not agreed.

The Government has committed a total of $200,000 annually to support grandparent and kinship carers in the ACT and to strengthen information and support networks for all carers. The needs of kinship carers in the ACT are addressed through a range of non-government and government services. Following extensive consultation with stakeholders, a suite of services specifically for kinship/grandparent carers has been developed to support the statutory placement of children and young people with their wider family.

This suite of services includes:

- establishment of a Carer Liaison Officer (in-house);
- kinship Carers Advocacy and Support Service (provided by Marymead Child and Family Centre);
- kinship Care Mediation and Counselling Service (provided by Relationships Australia);
- grandparent Support Network (provided by Marymead Child and Family Centre);
- funding to support attendance of grandparent and kinship carers at conferences and workshops; and
- establishment of an Indigenous Carer Liaison Officer (in-house).

In addition, as part of the 2011-12 Budget, the Government has committed funding of $1.693 million over four years for the Community Kinship Care Program. This initiative recognises the importance of children and young people staying with a kin and will provide a specialised support service model that targets the needs of kinship carers. The funding provides for dedicated outreach workers to support carers and children and young people in kinship care. It is possible that some money will be retained for employment of Community Services Directorate based staff and some will be provided to the non-government sector.

Unspent funding of approximately $50,000 in 2010-11, relating to kinship care support programs that commenced after 1 July 2010, has been maintained in the Out of Home Care budget and has been used to offset the cost of providing out of home care services to children and young people in care.

RECOMMENDATION 184

The Committee recommends that the ACT Government table annually in the Legislative Assembly details the contracts for the provision of maintenance services to Housing ACT and include the schedule of rates.

Government Response

Agreed in part.

The Community Services Directorate Annual Report includes the details of all contracts with the Directorate. The current contract with Spotless Facilities Management allows for the publication of the base schedule of rates. That contract ends on 30 June 2012.

The Housing ACT Total Facilities Management Contract is under tender at this time, and the terms of any future contract, including matters which are commercial-in-confidence will not be determined until the tender process is complete. The current and any future contract will be publicly available on the Shared Services Procurement Website.

RECOMMENDATION 185

The Committee recommends that the ACT Government report to the Legislative Assembly, by the first sitting day in August 2011, on the updated final estimate of the North Weston Pond Project.

Government Response

Agreed.

RECOMMENDATION 186

The Committee recommends that the ACT Government table its legal advice on the provisions of the *Water Act 2007 (Cwlth).*

Government Response

Not agreed.

The Government declines to table the document on the grounds that it comprises confidential legal advice provided to the Government.

The subject matter of the advice is sensitive and confidential, relating to the legal and constitutional relationship between the Territory and the Commonwealth, and the disclosure of that advice may be prejudicial to that relationship and the interests of the Territory.

RECOMMENDATION 187

The Committee recommends that the ACT Government consolidates the costs of its sustainability measures to the ACT Government, into a single document for easy reference.

Government Response

Not agreed.

The cost of sustainability measures the Government has agreed to, are reflected in the budget papers on a line-by-line basis.

The budget papers provide a summary of the sustainability measures that the Government is undertaking. This summary can be found in chapter 8 of Budget Paper 3 – A Sustainable Territory. This captures the majority of the sustainability initiatives undertaken by the Government.

RECOMMENDATION 188

The Committee recommends that the ACT Government outline steps which had been taken to allow for solar panel businesses to plan for the Government's discontinuation of the micro feed-in tariff on 1 June 2011.

Government Response

Noted.

The Micro Category of the Feed-in tariff Scheme was closed on 31 May 2011 due to the filling of its statutory cap of 15MW.

The concept of a cap, included in legislative amendments passed by the Assembly in February 2011, were consulted upon extensively with industry and consumers during 2010. All industry participants were made aware of this outcome through the despatch of letters from the then Department of The Environment, Climate Change, Energy and Water at the time the Bill was passed.

The filling of the cap occurred faster than anticipated due to:

- the fast-tracking by the Commonwealth of its previously announced schedule to reduce their up-front Solar Bonus payment; and
- an excess of solar PV panels arising from the closure of the NSW Feed-in Scheme.

The solar industry heavily promoted both of these market situations, with the outcome that, at the time of Scheme closure, as many applications were being received each week as had previously been received each quarter.

The Medium category of the Scheme cap remains unfilled. As the technology differs little from household installations, most prudent businesses will have planned for this shift in market demand.

RECOMMENDATION 189

The Committee recommends that Heritage be made a separate Output Class.

Government Response

Agreed.

RECOMMENDATION 190

The Committee recommends that the Environment Protection Authority (EPA) publish and maintain a list of contaminated sites and progress of clean up, and that this information be made available to the public. The list should indicate who is responsible for the site's rehabilitation.

Government Response

Agreed in part.

The Environment Protection Authority (EPA) maintains a list of known and potentially contaminated sites, including information on their status, in its Contaminated Sites Management Database and Geographic Information System.

This information is provided to the EPA by lessees, developers and land managers and is generally provided in confidence.

Detailed site-specific information can only be released with the express permission of the owner of the information unless the EPA has issued a statutory sign off of the findings of an assessment of remediation under the Act.

Members of the public can access the list and general information on the status of these sites through a Contaminated Land Search available through the Canberra Connect website or the EPA office. The report provided on the status of a site includes details of all information relating to the site. Where confidential information is recorded, permission of the owner of the information is sought prior to release to third parties.

Under Section 21(a) of the *Environment Protection Act 1997 (the Act)*, the EPA is required to keep a Register of contaminated sites. Only sites that have been subject to an order by the EPA under section 91C (1), section 91D (1) or section 125 (4) of the Act would be placed on the Register. At this time, there are no sites entered on the Register because no orders have been issued by the EPA directing that contaminated land be assessed or remediated. All current remediation in the ACT has been undertaken on a voluntary basis by owners/developers of the affected land.

The approach detailed above for maintaining and managing information on contaminated sites is consistent with the approach adopted nationally by all jurisdictions.

The Act and the *Contaminated Sites Environment Protection Policy 2009* introduces a concept of an appropriate person to rank the responsibility for contaminated land. The appropriate person(s) is chosen in the following order:

- the person(s) who was responsible for contamination of the land; or; if not practicable:
- a lessee of the land (whether or not the person had any responsibility for such contamination); or, if not practicable:
- a notional lessee of the land (whether or not the person had any responsibility for such contamination).

Where an appropriate person cannot be identified, the Government in the case of Territory land and the Commonwealth Government in the case of national land shall take the necessary action to remediate the land.

The EPA generally does not have access to the site specific details of the appropriate person (i.e. the lessee) until the site is redeveloped and as such these details could not be published.

For unleased Territory and Commonwealth land the relevant Territory land custodian or Commonwealth agency is the appropriate person, unless the polluter or person responsible for the contamination, as detailed above, can be identified. Details of the appropriate person would be available for sites entered on the Register of contaminated sites.

RECOMMENDATION 191

The Committee recommends that the ACT Government update the Legislative Assembly, on a six monthly basis, on the progress of the clean-up of each of these sites, the costs of the clean up and any contribution made by the Federal Government.

Government Response

Not agreed.

The most recent data analysis of the Environment Protection Authority's (EPA) Contaminated Sites Management Database and Geographic Information System shows a total of 892 known or potentially contaminated sites recorded in these systems. Due to the number of sites and resources required it would not be practical for the EPA to provide a six monthly update on the status of each individual site.

As the regulator of contaminated sites in the ACT, the EPA does not collect information on clean up costs from the parties responsible for the assessment and remediation of contaminated sites.

RECOMMENDATION 192

The Committee recommends that the ACT Government tell the Legislative Assembly, by the first sitting day in November 2011, of the social, environmental, and financial implications of changes to the plans for the suburbs of Kenny and Throsby, in particular the Government's plans for the peninsular development into Mulligan's Flat and Goorooyaro nature reserves.

Government Response

Noted.

Variation to the Territory Plan No. 231 (East Gungahlin) was approved by the Legislative Assembly in 2006. It was supported by a Preliminary Assessment and a public inquiry by the Assembly's Standing Committee on Planning and Environment. The Variation created the Goorooyarroo Nature Reserve, which protected over 750 hectares of high conservation value Yellow Box/Red Gum Grassy Woodlands and other ecological communities. The Variation also reduced the amount of land available for residential development by 300 hectares.

This Variation now forms part of the Territory Plan's East Gungahlin Structure Plan. The Structure Plan proposes 4,100 dwellings in Throsby and 3,500 dwellings in Kenny. The Structure Plan specifically requires further environmental investigations be undertaken to confirm the development area and boundary of Throsby adjacent to Goorooyarroo and Mulligans Flat Nature Reserves. This is to ensure that ecological values are appropriately considered.

Throsby contains endangered box gum woodland and significant habitat for the golden sun moth, superb parrot and band lapwing. A number of environmental surveys are currently underway. Once all the information has been collected, the Government will consider how Throsby should proceed.

However, there are two Government priority proposals currently programmed within Throsby, being the proposed Throsby District Playing Fields and the direct sale application for a Catholic secondary school, noting that headwork infrastructure has been designed and in some cases developed in anticipation of parts of Throsby proceeding following the 2006 process.

Kenny contains box gum woodland, golden sun moth and striped legless lizard habitat. The environmental values of Kenny will be considered further as part of the Kenny planning and design framework study, which will be undertaken by the Environment and Sustainable Development Directorate in 2011-12 financial year.

The financial implications cannot be determined until the Government has considered Throsby, and the Kenny planning and design framework is completed.

In addition, development will be subject to Commonwealth and ACT statutory environmental approvals.

RECOMMENDATION 193

The Committee recommends that the ACT Government examine options to ensure greater staff retention at the Office of the Auditor-General.

Government Response

Agreed.

RECOMMENDATION 194

The Committee recommends that the ACT Government provides a funding path which will allow the number of performance audits to be increased by two per year over the next five years.

Government Response

Agreed in principle.

The Government will consider options for increasing capacity for performance audits in future budget development processes, in line with Government priorities and resource allocation.