



## **PARLIAMENTARY STANDING COMMITTEE OF PUBLIC ACCOUNTS**

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# **ANNUAL REPORT 2015-16**

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### **Members of the Public Accounts Committee**

#### **Legislative Council**

Hon Ivan Dean MLC (Chair)

Hon Ruth Forrest MLC

Hon Michael Gaffney MLC (from 24 May 2016)

Hon Adriana Taylor MLC (to 6 April 2016)

#### **House of Assembly**

Mr Scott Bacon MP

Ms Sarah Courtney MP (Deputy Chair)

Mrs Joan Rylah MP

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## THE PUBLIC ACCOUNTS COMMITTEE

### A. Background

The Public Accounts Committee (the Committee) is a Joint Standing Committee of the Tasmanian Parliament constituted under the *Public Accounts Committee Act 1970*.

The Committee comprises six Members of Parliament, three Members drawn from the Legislative Council and three Members from the House of Assembly.

Under section 6 of the *Public Accounts Committee Act 1970* the Committee:

- must inquire into, consider and report to the Parliament on any matter referred to the Committee by either House relating to the management, administration or use of public sector finances; or the accounts of any public authority or other organisation controlled by the State or in which the State has an interest; and
- may inquire into, consider and report to the Parliament on any matter arising in connection with public sector finances that the Committee considers appropriate; and any matter referred to the Committee by the Auditor-General.

The Committee also has oversight responsibilities regarding the independence of the Auditor-General, which are derived from the *Audit Act 2008*.

An important area of focus for the Committee is following up Auditor-General's reports to Parliament under Section 6.2(b) of the Act.

In scrutinising the work of the Auditor-General, the Committee believes it can provide greater awareness within the Parliament and the community, leading to increased information and greater transparency.

## **B. Responsibility of the Committee**

The Committee has responsibility in key areas encompassing Public Accounts and Auditor-General independence oversight.

### **(i) Public Accounts**

The Committee has key roles in this area including undertaking general inquiries into some aspects of administration or public sector management, including inquiries into the accounts of any public authority or other organisation controlled by the State or in which the State has an interest (these inquiries can be resulting from a referral from either House or can be self-initiated); and following up matters referred by the Auditor-General to the Committee.

An important area of focus for the Committee is following up Auditor-General's reports to Parliament in accordance with section 6.2(b) of the Act. The Committee is pleased to report that it has continued its series of rolling reviews of Auditor-General's Reports in 2014-15.

The Committee and the Auditor-General share a common mission "to enhance public sector accountability and performance" which is reinforced in their 2012 Memorandum of Understanding. While the work of both parties is complementary, the Memorandum of Understanding reinforces the independence of each party in the carrying out of duties under their respective legislation.

### **(ii) Auditor-General Independence Oversight**

The Committee has a statutory responsibility under the *Audit Act 2008* to:

- Section 9 - consult with the Treasurer regarding the appointment of the Auditor-General;
- Section 11 - review the Auditor-General's draft annual plan, and provide comments on it to the Auditor-General prior to its finalisation and tabling in Parliament; and
- Section 44 - review the findings of the periodic review of the efficiency, effectiveness and economy of the Tasmanian Audit Office operations.

### **C. Committee Activities**

The Committee activities include a mix of self-initiated inquiries and referred inquiries. The Committee receives submissions and conducts briefings and hearings on such matters as required.

Results of inquiries are presented in reports that are tabled in both the House of Assembly and the Legislative Council. Those reports are available to the public and are posted on the Committee website:

<http://www.parliament.tas.gov.au/ctee/joint/pacc.htm>.

The website provides background information on the Committee's roles and functions, and provides details of members, administration, current inquiries, meeting dates, recent reports and past inquiries.

The Committee also has an email address: [pac@parliament.tas.gov.au](mailto:pac@parliament.tas.gov.au), which is used for outside correspondence with the public and external bodies.

The Committee receives administrative and other support from its Secretariat, and timely and valuable research assistance from the Parliamentary Research Service.

## YEAR IN REVIEW – 2015-16

### A. Current Inquiries

The Committee is currently working on the following Inquiries:

1. A self-initiated inquiry into the financial position and performance of Government owned energy entities.

A motion to establish a Legislative Council Select Committee to inquire into the financial position and performance of the Government owned energy entities had been tabled in the Legislative Council on 15 March 2016.

The Leader of the Government wrote to the Chair of the Committee stating that:

*A number of MLCs have suggested to me that this is a matter which should be dealt with by the Parliamentary Standing Committee of Public Accounts (PAC) given the terms of reference of the proposed inquiry and its focus on financial matters.*

The Committee resolved to undertake the inquiry on 17 March 2016.

2. A self-initiated inquiry to review the *Public Accounts Committee Act 1970*.
3. A follow-up review of Auditor-General Special Reports:
  - **No. 11 of 2013-14:** Compliance with the Alcohol, Tobacco and Other Drugs Plan 2008-13;
  - **No. 1 of 2013-14:** Fraud control in local government;
  - **No. 12 of 2013-14:** Quality of Metro Services; and
  - **No. 3 of 2014-15:** Motor vehicle fleet management in government departments.

The follow-up of Auditor-General's reports to Parliament, in accordance with section 6.2(b) of the Act, is an important aspect of the Committee's work. The Committee can follow up on matters raised by the Auditor General in various reports to the Parliament. The Committee can take further evidence on the progress achieved by public sector agencies on the Auditor General's recommendations where attention has been drawn to financial concerns or issues of efficiency.

4. A follow-up review of a number of Public Works Committee approved project works including:

- West Tamar Highway near Brady's Lookout;
- Mathinna/Evercreech bridge replacements;
- Midland Highway, Symmons Plains and Bass Highway, North of Gannons Hill;
- Murchison Highway Upgrades;
- North West Freight Roads;
- Rokeby Main Road;
- Tarkine Forest Drive;
- Three Capes Track;
- North West Cancer Care Centre and Department of Emergency Medicine; and
- Prisons Infrastructure Redevelopment Program, Stage D1.

#### **B. Reports Issued**

During 2015-16 the Committee met on twenty seven occasions and has tabled the following reports:

- **Report No 24 of 2015:** Government funding of Australian Rules community football in Tasmania was tabled in Parliament on 13 October 2015.
- **Report No 26 of 2015:** Review of Auditor-General's Special Report No. 95: Fraud Control was tabled in Parliament on 29 October 2015.
- **Report No 33 of 2015:** Review of the Tasmanian Auditor-General's Report No. 10 of 2013-14: Government Radio Communications was tabled in Parliament on 19 November 2015
- **Report No 32 of 2015:** Annual Report 2014-15 was tabled in Parliament on 19 November 2015.



## **AUSTRALASIAN COUNCIL OF PUBLIC ACCOUNTS COMMITTEE**

### **A. Background**

The Australasian Council of Public Accounts Committees (ACPAC) was established in 1989. ACPAC is an ‘umbrella’ organisation of Public Accounts Committees with membership open to all Australasian Parliamentary Public Accounts Committees.

The aims of ACPAC include the following: to facilitate the exchange of information and opinion relating to Public Accounts Committees, to discuss matters of mutual concern and to improve the quality and performance of Public Accounts Committees in Australasia.

An APCAC conference is held every two years, and in the intervening year a mid-term meeting is held to develop an agenda for the next ACPAC conference, as well as to discuss other issues of mutual concern around Public Accounts Committee-related themes. The Tasmanian Parliamentary Standing Committee of Public Accounts is a full member of ACPAC and as such, is committed to support its role and function.

### **B. ACPAC Activities 2015-16**

The Committee maintains an active involvement in ACPAC affairs and has supported ACPAC during the past year as follows:

#### **2016 ACPAC Mid-term meeting**

The 2016 mid-term meeting was held in Alice Springs, Northern Territory on 28 April 2016.

The Chair, Hon Ivan Dean MLC and Secretary, Ms Gabrielle Woods attended.

Hon Ivan Dean MLC led the discussion on two “matters of mutual concern and improving the quality and performance of Public Accounts Committees”. They were:

- Public Accounts Committee follow up on Public Works Committee projects; and
- Updating financial accountability legislation – reviews of Audit, Financial Management and Public Accounts Committee Acts.

Other matters discussed included:



- External reviews of Audit Offices – update on contemporary legislation (led by the ACT); and
- Highlights from jurisdiction reports: Innovations, opportunities , Emerging issues

Further details of the conference can be found on the ACPAC website:

<http://www.acpac.asn.au/conferences.htm>

## ADMINISTRATION

### A. Members' Attendance

Committee Meetings and Hearings were scheduled and conducted throughout the year.

Attendance by Committee members at full committee meetings over the period 1 July 2015 to 30 June 2016 is recorded below:

	Full Committee Meetings	
	Eligible to Attend	Attended
<b>48<sup>th</sup> Parliament</b>		
Ivan Dean MLC (Chair)	27	27
Scott Bacon MP	27	22
Sarah Courtney MP	27	24
Michael Gaffney MLC	7	7
Ruth Forrest MLC	27	27
Joan Rylah MP	27	25
Adriana Taylor MLC	19	19

### B. Committee Secretariat

The Committee was assisted by the following secretariat:

Secretary	Ms Gabrielle Woods
Executive Assistant	Ms Allison Waddington
Research Officer	Dr Bryan Stait



**Hon Ivan Dean MLC**  
**Chair**

**26 October 2016**



