



PARLIAMENT OF TASMANIA

PARLIAMENTARY STANDING COMMITTEE OF PUBLIC ACCOUNTS

Annual Report 2021-22

Members of the Committee

(as at 30 June 2022)

Legislative Council

Hon Ruth Forrest MLC
(Chair)

Hon Meg Webb MLC

Hon Josh Willie MLC

House of Assembly

Dr Shane Broad MP
(Deputy Chair)

Mr Felix Ellis MP

Mr John Tucker MP

Abbreviations and Acronyms

A/AAG	Acting Assistant Auditor-General
AAG	Assistant Auditor-General
Academy	CPA Parliamentary Academy
ACPAC	Australasian Council of Public Accounts Committees
A-G	Auditor-General
CAPAC	Commonwealth Association of Public Accounts Committees
Committee	Parliamentary Standing Committee of Public Accounts
COVID-19	Coronavirus Disease 2019
CPA	Commonwealth Parliamentary Association
DAG	Deputy Auditor-General
DTaF	Department of Treasury and Finance
Hon	Honourable
MLC	Member of the Legislative Council
MP	Member of Parliament
SMPA	Senior Manager Performance Audit
SoU	Statement of Understanding
TAO	Tasmanian Audit Office
the Act	<i>Public Accounts Committee Act 1970</i>
Vic	Victoria

Table of Contents

Abbreviations and Acronyms	i
Public Accounts Committee	1
Background	1
Functions of the Committee	1
Role and Statutory Responsibilities of the Committee	1
Committee Activities.....	3
Year in Review 2021-22	4
Completed Inquiries.....	4
Inquiries in Progress.....	5
Briefings with Stakeholders	7
Meetings Held.....	7
Committee Secretariat.....	9
Liaison with External Bodies	10
Australasian Council of Public Accounts Committees.....	10
Commonwealth Association of Public Accounts Committees	10
Commonwealth Parliamentary Association.....	10

Public Accounts Committee

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 Act). Prior to the Act, the Committee has been in various forms since a House of Assembly Select Committee was appointed to enquire into the system of keeping and auditing Public Accounts on 28 August 1862. It first became a Standing Committee of the House of Assembly pursuant to a new Standing Order No. 408A being recommended by the House of Assembly Standing Orders Committee on 7 December 1960. On 11 November 1965, a similar amendment to the Legislative Council's Standing Orders saw for the first time the establishment of a Select Committee of Public Accounts and Finance in that Chamber under authority of Standing Order No. 248A.

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

Functions of the Committee

Under section 6 of the *Public Accounts Committee Act 1970* the Committee functions are as follows, 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.

Role and Statutory Responsibilities of the Committee

Under the *Audit Act 2008*, the Committee has the following statutory responsibilities:

- in relation to the appointment of the Auditor-General, the Treasurer must consult with the Public Accounts Committee and the President of the Legislative Council and the Speaker of the House of Assembly (section 9(2));
- consider and may comment on the draft Auditor-General's annual plan of work (section 11); and
- receive the findings of the periodic review of the efficiency, effectiveness and economy of Tasmanian Audit Office's operations (section 44) – the last review undertaken was conducted by Moore Stephens Audit (Vic) in February 2019 and covers the period 2014-2018 (available on the Tasmanian Audit Office's website).¹

¹ See <https://www.audit.tas.gov.au/wp-content/uploads/TAO-Report-Moore-Stephens-Section-44-Review-28-Feb-2019.pdf> [Accessed 6 September 2022]

The Committee and the Auditor-General have a Statement of Understanding (SoU), available on the Public Accounts Committee website.² This SoU informs the relationship between the Committee and the Office of the Auditor-General including matters related to the statutory obligations of the Committee and Auditor General.

The SoU also reinforces the Committee's support of the true independence of the Auditor-General and work of the Committee and Auditor General to ensure that this independence is not compromised and the Auditor-General is unfettered in reporting to Parliament objectively, thus enabling Parliament to make informed judgements

In support of the Auditor General's independence, the Committee will support the Office during the budget and forward estimates setting process, as described in the SoU. This support is provided as follows:

- the Auditor-General shall consult with the Committee during the preparation of the Office's budget submission to Cabinet Budget Committee;
- the Auditor-General will provide the Office's submission to Cabinet Budget Committee to the Treasurer and Committee at the same time;
- the Treasurer or the Treasurer's delegate may brief the Committee on the Office's budget submission at the Committee's discretion; and
- the Auditor-General and Chair of the Committee may brief Cabinet Budget Committee on the Office's submission at the Cabinet Budget Committee's discretion.

Under the SoU the Auditor-General refers all tabled reports prepared by that Office to the Committee for consideration.

As described under the SoU, the Committee and the Auditor-General share a common mission to enhance Tasmanian public sector accountability and performance. Through cooperation, the Committee and the Auditor-General will promote probity, efficiency and effectiveness in the management of, and reporting on, public resources.

The Auditor-General may refer matters to the Committee that the Auditor-General determines warrant consideration by the Committee in addition to, or in place of, an investigation by the Auditor-General. Conversely, under section 25 of the *Audit Act 2008*, the Committee may refer matters to the Auditor-General that it determines warrant consideration by the Auditor-General in addition to or in place of investigation by the Committee. The Auditor-General will give serious consideration to investigating the matter referred and inform the Committee on the Auditor-General's response to the referral.

The Committee and the Auditor General consider and comment on the Annual Plan of Work for the Audit Office as required under the *Audit Act 2008* and the SoU.

An ongoing and important area of focus for the Committee relates to the follow up reviews undertaken of the Tasmanian Auditor-General's reports to Parliament with this work continuing through 2021-22.

² <https://www.parliament.tas.gov.au/ctee/joint/PAC/AG/20210902%20PAC%20Statement%20of%20Understanding%20signed.pdf>
[accessed 16/09/2022]

The Committee under its 'own motion' powers has initiated inquiries into major capital works projects considered and approved by the Parliamentary Joint Standing Committee on Public Works. These reviews have included following-up of completed works or the reviewing of progress of selected major public works. Through these reviews, the Committee can bring to the public record any issues identified relating to budget variations, scheduled completion, management of delays to completion, delivery of stated outcomes and benefits etc. and make recommendations for affected Departments to consider as appropriate.

Finally, the Committee may also inquire into, consider and report to the Parliament on any matter arising in connection with public sector finances that the Committee considers appropriate: areas of interest may come from within the Committee or brought to the Committee' by external third parties from time to time.

Committee Activities

The Committee activities for 2021-22 include a combination of self-initiated inquiries and referred inquiries. The Committee receives submissions and briefings, and conducts public 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 on the Committee website: <https://www.parliament.tas.gov.au/ctee/joint/PAC/PAC.html>.

The website provides background information on the Committee's roles and functions, 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, which is used for external correspondence.

The Committee receives administrative and other support from its Secretariat (Committee Secretary and Executive Assistant) and from the Parliamentary Research Service.

Year in Review 2021-22

Apart from the continuing impact of COVID-19 on the Committee's activities, the Committee's planned work was deferred due to the prorogation of Parliament between the 5 April and 3 May 2022 as a result of the resignation of the Premier, Hon Peter Gutwein MP.

Completed Inquiries

The Committee tabled the following seven (7) reports over the period:

Tabled	Title	Terms of Reference
24 August 2021 (No.13 of 2021)	Final Report: Inquiry into the Government's Economic Response to the COVID-19 Pandemic	<ul style="list-style-type: none"> • The Committee self-initiated an inquiry into the Government's economic response to the COVID-19 pandemic, with particular reference to: <ul style="list-style-type: none"> ○ the timeliness and efficacy of the Government's economic response including stimulus funding and targeted financial support programs/payments; ○ health expenditure with specific reference to preparation and response to the COVID-19 pandemic; ○ the impact, progress and outcome of the Government's economic recovery plan for Tasmania; and ○ any other matters incidental thereto. • The Committee made eleven findings and one recommendation as a result of this inquiry.
25 August 2021 (No.15 of 2021)	Review of the Tasmanian Government Fiscal Sustainability Report 2021	<ul style="list-style-type: none"> • The Committee received a briefing in the form of a public hearing from the Secretary of the Department of Treasury and Finance (the Department) on the Tasmanian Government Fiscal Sustainability Report 2021. • A report was published as a result of that briefing and consideration of the Department's responses to questions.
8 November 2021 (No.31 of 2021)	Review of Auditor-General's Report No.4 of 2016-17: Event Funding	<ul style="list-style-type: none"> • The Committee followed-up on the implementation of the recommendations of the Auditor-General's Report through the Minister for Tourism, Hospitality and Events. • The Committee did not make any recommendations.
19 November 2021 (No.32 of 2021)	Review of Auditor General's Report No.8 of 2018-19: Student Attendance and Engagement Years 7-10	<ul style="list-style-type: none"> • The Committee followed-up on the implementation of the recommendations of the Auditor-General's Report through the Minister for Education and Secretary of the Department of Education. The Committee made 33 findings and 6 overarching recommendations as well as 11 specific recommendation as a result of this inquiry.

Tabled	Title	Terms of Reference
24 November 2021 (No.34 of 2021)	Review of Auditor-General's Report No. 1 of 2016-17: Ambulance Emergency Services	<ul style="list-style-type: none"> The Committee followed-up on the implementation of the recommendations of the Auditor-General's Report through the Department of Health and Human Services. The Committee made 24 findings and 9 recommendations as a result of this inquiry.
23 February 2022 (No.9 of 2022)	Review of Auditor-General's Report No.11 of 2018-19: Performance of Tasmania's Four Major Hospitals in the Delivery of Emergency Department Services	<ul style="list-style-type: none"> The Committee followed-up on the implementation of the recommendations of the Auditor-General's Report through the Department of Health and Tasmanian Health Service. The Committee made 35 findings and 11 recommendations as a result of this inquiry.
25 May 2022 (No.17 of 2022)	Review of Selected Public Works Committee Reports: Midland Highway Works (No. 27 and 28 of 2015)	<ul style="list-style-type: none"> The Committee followed up on the Public Works Committee Reports 27 of 2015: Midland Highway, Mangalore to Bagdad Stage 1 and Midland Highway, Kempton to Melton Mowbray Stage 1; and 28 of 2015: Midland Highway, Perth to Breadalbane Duplication through the Department of State Growth. The Committee made eleven findings and one recommendation as a result of this inquiry.

Inquiries in Progress

The Committee had three (3) inquiries afoot that were still in progress at the end of the reporting period:

Inquiry	Terms of Reference
Hydro Tasmania and the Termination of the Basslink Services Agreement	<p>To inquire into and report upon Hydro Tasmania's recent decision to terminate the Basslink Services Agreement with particular regard to the:</p> <ul style="list-style-type: none"> timing of the decision; rationale behind the decision; impact on Hydro Tasmania's financial position; and potential future impact on Tasmania's energy security and fibre optic telecommunications.
Tasmanian Government's continuing response to the COVID-19 pandemic	<p>To inquire into and report upon the Tasmanian Government's continuing response to the COVID-19 pandemic (and any other matter incidental thereto) with particular emphasis on:</p> <ul style="list-style-type: none"> Reopening of the Tasmanian Border <ul style="list-style-type: none"> the financial and public health measures taken by Government to prepare for the re-opening of the Tasmanian border to other mainland States on 15 December 2021; the Public Health advice that supported the re-opening plan; and the financial and social impacts associated with measures implemented to support the border re-opening including (but not limited to) impact on: <ul style="list-style-type: none"> access to health services; patient outcomes; health professionals; and the broader Tasmanian community and economy.

Inquiry	Terms of Reference
	<ul style="list-style-type: none"> • Return to School Plan <ul style="list-style-type: none"> ○ the financial and public health measures taken by Government to prepare for return to school for students and staff for the 2022 educational year; ○ the Public Health advice that supported the return to school plan; ○ the financial, social and educational impacts associated with measures implemented to support the return to school plan including (but not limited to) impact on: <ul style="list-style-type: none"> ▪ students and educational outcomes; ▪ parents and carers; ▪ staff; and ▪ the broader Tasmanian community and economy. • COVID-19 Vaccination Uptake and Rollout <ul style="list-style-type: none"> ○ the financial and public health measures taken by Government to support and encourage COVID-19 vaccination uptake; ○ the Public Health advice that supported these measures including accessibility to vaccinations across all age cohorts; ○ the financial implications of the vaccine rollout to the State; and ○ the impact on employment in sectors where vaccination was mandated to continue employment. • Targeted Financial Support Programs and Payments <ul style="list-style-type: none"> ○ the financial and public health measures taken by Government to support businesses impacted by COVID-19 since August 2021; ○ the financial impacts associated with these measures; and ○ the uptake, timeliness and adequacy of the financial support measures. • COVID-19 Check-in App <ul style="list-style-type: none"> ○ the Government's role related to the Tasmanian COVID-19 Check-in App with regard to the application's: <ul style="list-style-type: none"> ▪ development; ▪ effectiveness; ▪ use; and ▪ associated costs ○ the Public Health advice that supported the use and development of the COVID-19 Check-in App; ○ the advice around the effectiveness and privacy considerations of the COVID-19 manual check in process; and ○ the future planning around tracking and tracing.
<p>Review of Selected Public Works Committee Reports: Progress of Sorell Emergency Services Hub and the Major Redevelopment of Sorell School (No. 41 and 15 of 2020)</p>	<p>To inquire into and report upon the Tasmanian Government's progress of public works projects, approved by the Joint Standing Committee on Public Works, related to the Sorell Emergency Services Hub and the Major Redevelopment of Sorell School that were both approved in 2020 (and any other matter incidental thereto), with particular regard to:</p> <ul style="list-style-type: none"> • the progress of the respective development applications and building approvals for the respective public works projects;

Inquiry	Terms of Reference
	<ul style="list-style-type: none"> • the potential impact of any delays to the commencement of the projects to the: <ul style="list-style-type: none"> ○ Tasmanian community; ○ contractors involved in or engaged for the respective public works projects; and ○ financial impact/outcome of respective public works projects; and • the contingencies in place to deal with any potential contract variations noting the apparent difficulty in sourcing building and construction materials in the current Tasmanian market.

Briefings with Stakeholders

The Committee received briefings throughout the year from the following stakeholders:

Date	Parties	Commentary
25 Aug 2021	Rod Whitehead (A-G) Gary Emery (AAG)	Briefed the Committee on the following Tasmanian Auditor-General Reports under inquiry by Committee: <ul style="list-style-type: none"> • Ambulance Emergency Services (No.1 of 2016-17); • Event Funding (No.4 of 2016-17); • Student Attendance and Engagement: Years 7 to 10 (No.8 of 2018-19); and • Performance of Tasmania’s four major hospitals in the delivery of Emergency Department services (No.11 of 2018-19)
27 Oct 2021	Rod Whitehead (A-G) Gary Emery (AAG) Janine McGuinness (SMPA)	Briefed the Committee in relation to potential Tasmanian Audit Office (TAO) performance audits for 2023-2024
22 Nov 2021	Rod Whitehead (A-G) Gary Emery (AAG)	Briefed the Committee on the Auditor-General’s annual plan of work 2021-22
23 Feb 2022	Tony Ferrall (Secretary - DTaF)	Briefed the Committee in relation to the TAO budget submission
04 Apr 2022	Rod Whitehead (A-G) Gary Emery (DAG) David Bond (AAG)	Briefed the Committee in relation to the following: <ul style="list-style-type: none"> • Auditor-General’s Report on the Financial Statements of State Entities Volume 2 - Audit of State entities and audited subsidiaries of State entities 31 December 2020 and 30 June 2021 • Draft Annual Plan of Work 2022-23 • Future topics for performance audits
25 May 2022	Rod Whitehead (A-G) Janine McGuinness (A/AAG)	Briefed the Committee in relation to Auditor-General’s draft Annual Plan of Work 2022-23

Meetings Held

Committee meetings and public hearings were scheduled and conducted throughout the reporting year, with the exception of the period from 4 April to 3 May 2022, when Parliament was prorogued due to the resignation of Hon Peter Gutwein MP (Premier).

A list of full Committee meetings and attendance over the period 1 July 2021 to 30 June 2022 is provided below:

Date	Legislative Council			House of Assembly					
	Hon Ruth Forrest MLC (Ind. Member for Murchison)	Hon Meg Webb MLC (Ind. Member for Nelson)	Hon Josh Willie MLC (ALP Member for Elwick)	Madeleine Ogilvie MP (Lib Member for Clark)	Nic Street MP (Lib Member for Franklin)	Rebecca White MP (ALP Member for Lyons)	Dr Shane Broad MP (ALP Member for Braddon)	Felix Ellis MP (Lib Member for Braddon)	John Tucker MP (Lib Member for Lyons)
12 Jul 2021	WebEx								
28 Jul 2021						Absent			
02 Aug 2021						Absent			
05 Aug 2021		Absent				Absent			
10 Aug 2021						Absent			
13 Aug 2021				WebEx		Absent			
25 Aug 2021									
01 Sep 2021									
24 Sep 2021									
27 Oct 2021									
29 Oct 2021				Absent			Absent		
08 Nov 2021		Absent							
19 Nov 2021				Absent					
22 Nov 2021									
24 Nov 2021									
16 Feb 2022									
23 Feb 2022		Absent							
17 Mar 2022							Dep		
04 Apr 2022	WebEx	WebEx	Absent				WebEx	WebEx	
12 May 2022			*				WebEx	WebEx	WebEx
25 May 2022							Dep	WebEx	
17 Jun 2022	WebEx						Absent		
24 Jun 2022							Absent	WebEx	
Attendance	23/23	20/23	21/22	15/17	16/16	0/5	13/16	6/6	6/6
	100%	87%	95%	88%	100%	0%	81%	100%	100%

Notes:

- Attendance at Committee meetings is either in person or remotely through the Parliament's secure web meeting host (Web Ex).
- Hon Ruth Forrest MLC was Chair from 1 July 2021 to 4 April 2022 and re-elected from 12 May 2022.
- Hon Josh Willie MLC tenure on the Committee ceased on 6 May 2022 pending the outcome of the Legislative Council election for the seat of Elwick held on Saturday, 7 May 2022. He was successful returned on 8 May 2022 and recommenced his position on the Committee on 24 May 2022.

4. Nic Street MP was Deputy Chair from 1 July 2021 to 22 February 2022 due to his resignation from the Committee after taking up ministerial roles with the Government.
5. Madeleine Ogilvie MP resigned from the Committee on 25 February 2022 after taking up ministerial roles with the Government.
6. Rebecca White MP ceased her appointment to the Committee on 24 August 2021.
7. Dr Shane Broad MP was appointed to the Committee on 24 August 2021. He was elected Deputy Chair from 17 March to 4 April 2022 and re-elected from 25 May 2022.
8. Felix Ellis MP was appointed to the Committee on 1 March 2022.
9. John Tucker MP was appointed to the Committee on 1 March 2022.

Committee Secretariat

The Committee acknowledges the assistance during the period by the following officers:

Position	Officer
Committee Secretary	Natasha Exel (1 June to November 2021) Tim Mills (November to February 2022) Simon Scott (8 February 2022 onwards)
Executive Assistant	Alison Scott

The Committee also acknowledges the assistance of the Parliamentary Research Office by Dr Bryan Stait and staff.

Liaison with External Bodies

Australasian Council of Public Accounts Committees

The Australasian Council of Public Accounts Committees (ACPAC) was established in 1989 and provides a unique forum for the exchange of information and opinions relating to Public Accounts Committees, providing committees with the opportunity to share experiences, best practice and matters of mutual interest. Its aim is to improve the quality and performance of Public Accounts Committees, particularly in Australasia.

An ACPAC conference is nominally held every two years, and in the intervening year a mid-term meeting is held to develop an agenda for the next ACPAC conference. The Tasmanian Parliamentary Standing Committee of Public Accounts is a full member of ACPAC and is committed to supporting its role and function.

The Committee Secretary attended planning meetings by videoconference in February and May 2022, in preparation for the 16th Biennial Conference scheduled to be held in Wellington, New Zealand on 21 – 22 July 2022. The Chair and Secretary plan to attend the Conference in person.

Commonwealth Association of Public Accounts Committees

The Commonwealth Association of Public Accounts Committees (CAPAC) was founded in June 2015 with the aim of ensuring that ‘all Commonwealth Parliaments and the citizens they serve benefit from strong and independent Public Accounts or equivalent committees to sustain and promote the highest principles of public finance.’

In May 2022, Tasmania was approached to become a member of CAPAC: our acceptance is subject to ratification at the CAPAC Conference scheduled to be held in Malé, Maldives (30 – 31 August 2022). Other local jurisdiction members include: Commonwealth, New South Wales, Western Australia and New Zealand.

Commonwealth Parliamentary Association

The Commonwealth Parliamentary Association (CPA) is one of the oldest established organisations in the Commonwealth. Founded in 1911, it is a membership association which brings together Members, irrespective of gender, race, religion or culture, who are united by community of interest, respect for the rule of law and individual rights and freedoms, and by the pursuit of the positive ideals of parliamentary democracy. The Association is made up of over 180 legislatures (or Branches) divided up between nine geographic regions of the Commonwealth.

Connected to the CPA is the CPA Parliamentary Academy (Academy): the Academy was initially intended as a central learning hub for Commonwealth parliamentarians, clerks and

parliamentary officials. Today, that purpose has been extended to anyone who wishes to learn about parliaments and key thematic topics.

In May 2021, the Academy launched its first set of nine online courses. One of those courses, the Public Accounts Committee Course (which underpins the CPA Public Financial Management Certificate) was assisted by the Committee Chair sharing her views by video-presentation on how the Government responds to Committee reports.³



Hon Ruth Forrest MLC

Chair

Independent Member for Murchison

28 September 2022

³ See <https://www.youtube.com/embed/whitk3le8CM> 'CPA Parliamentary Academy: PAC Effective Follow Up Example' [Accessed 16 September 2022]