



TREASURY DIRECTORATE

ANNUAL REPORT

2011-2012

VOLUME 1





ACT
Government

Treasury

TREASURY DIRECTORATE

ANNUAL REPORT

2011-2012

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ISBN-13: 978-0-642-60594-8

ISBN-10: 0-642-60594-7

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Produced by Publishing Services for the:
Treasury Directorate, ACT Government

Enquiries about this publication should be directed to:

Treasury Directorate
GPO Box 158, Canberra City, ACT 2601
www.treasury.act.gov.au

Publication No 12/1155
<http://www.act.gov.au>

Telephone: Canberra Connect 132 281



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TRANSMITTAL CERTIFICATE



Mr Andrew Barr MLA
Treasurer
ACT Legislative Assembly
London Circuit
CANBERRA ACT 2601

Dear Treasurer,

I am pleased to present the Annual Report of Treasury for the year ended 30 June 2012. This Report has been prepared under section 5(1) of the *Annual Reports (Government Agencies) Act 2004* and in accordance with the requirements under the Annual Report Directions.

It has been prepared in conformity with other legislation applicable to the preparation of the Annual Report by Treasury.

I hereby certify that the attached Annual Report is an honest and accurate account and that all material information on the operations of Treasury during the period 1 July 2011 to 30 June 2012 has been included.

I hereby certify that fraud prevention has been managed in accordance with Public Sector Management Standards, Part 2.

Section 13 of the *Annual Reports (Government Agencies) Act 2004* requires that you cause a copy of the Report to be laid before the Legislative Assembly within three months of the end of the financial year.

Yours sincerely

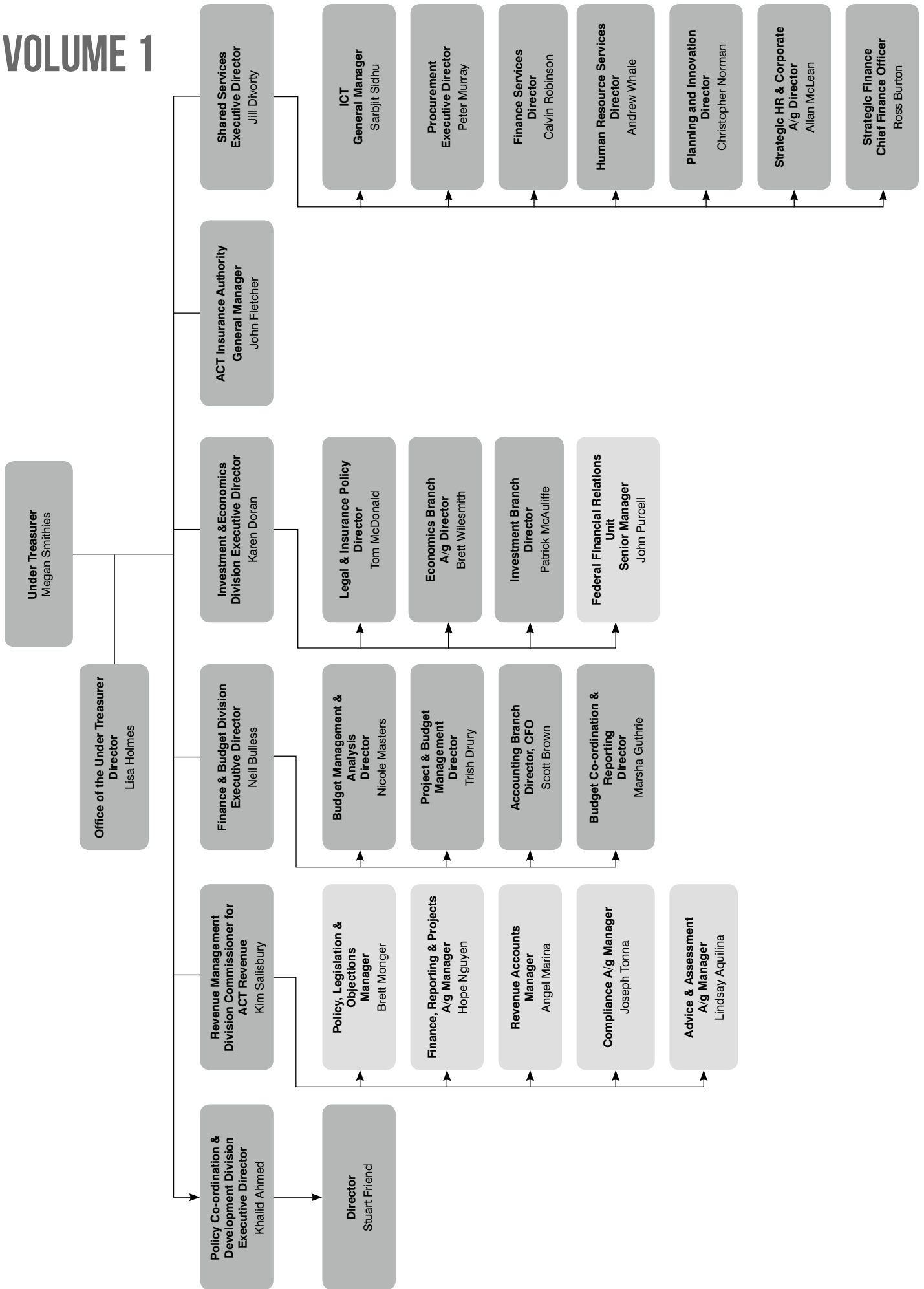
Megan Smithies
Director-General

18 September 2012

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PERFORMANCE AND FINANCIAL MANAGEMENT REPORTING





THE ORGANISATION

ROLE

Treasury provides strategic financial and economic policy advice to the Government with the aim of promoting the Territory's financial position and economic management.

Treasury plays a leading role in promoting accountability and transparency in the delivery of services to the community. This is achieved through sound financial policies, management practices and analysis.

In addition, Treasury provides a number of key cross government shared services, including ICT, procurement, human resources and financial services.

MISSION AND VALUES

Best practice leadership in economic, financial and resource management, and business services across government.

Treasury values respect, integrity, collaboration and innovation. In addition, Shared Services also recognises the importance of customer service.

ASPIRATIONS

- To be a primary **contributor** to a viable, sustainable and financially secure Territory through the sound management of Territory resources.
- To be a trusted, capable and pre-eminent **provider** of strategic economic and financial policy advice.
- To be a first class **provider** of shared services to government agencies and of taxation revenue management for the community.
- To be an **employer** of integrity who values teamwork, develops people, and celebrates achievement.

STAKEHOLDERS

Treasury's principal stakeholder is the Treasurer. Other key stakeholders are:

- the Cabinet and the Government;
- the Legislative Assembly;
- ACT Public Service directorates, ACT Government authorities and corporations; and
- the ACT community in general.

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UNDER TREASURER AND DIRECTOR-GENERAL

Ms Megan Smithies

Ph: (02) 6207 0260

Fax: (02) 6207 0304

FURTHER INFORMATION CAN BE OBTAINED FROM:

Director, Office of the Under Treasurer

Ms Lisa Holmes

Ph: (02) 6207 0280

Fax: (02) 6207 0304

Treasury Directorate

GPO Box 158

Canberra ACT 2601

<http://www.treasury.act.gov.au/index.shtml>

Publications

<http://www.treasury.act.gov.au/about/publications.shtml>

ACT Government website

<http://www.act.gov.au/>



OVERVIEW AND HIGHLIGHTS

Treasury's objective is to promote the Territory's financial position and economic management through strategic, financial and economic advice.

The Territory's economy and budget continued to perform relatively strongly, although economic growth continued to moderate. The Commonwealth Government's stronger fiscal consolidations measures continued to impact on the Territory's budget and financial markets continued to be volatile.

In this context, our 2011-12 activities have been targeted at reforms to support the economy and community, and adjust budget settings.

Major reform of the ACT taxation system was delivered as part of the 2012-13 Budget. The reform makes the ACT tax system fairer, simpler and more efficient, while supporting economic growth, housing affordability and our high standard of living. The taxation reform package followed from the ACT Taxation Review, released on 7 May 2012, which provided the most comprehensive review of the Territory's taxations system ever undertaken.

The Budget also reflected additional expenditure adjustments, with savings of around \$180.5 million over four years to adjust the Territory's budget settings to a more sustainable level.

The Compulsory Third Party reforms, aimed at improving health outcomes and reducing the cost to motorists, were progressed during the year. A review of the 2008 changes was released in March 2012.

Reform of the election costings process also continued in 2011-12, in advance of the October 2012 Elections. This reform provides a strong and transparent framework under which Treasury will cost commitments of the major political parties.

We continued to participate on various inter-jurisdictional working groups in areas such as health; school funding; early childhood education; national disability insurance scheme; housing affordability; Indigenous reform; and GST distributions.

We continued to improve taxation administration, with five legislation amendments, collected \$1.1 billion in taxation, provided \$14.8 million in home buyer and pensioner duty concessions and \$18.3 million in First Home Owner Grants. Our compliance activity in 2011-12 resulted in 430 assessments issued for \$7.3 million in revenue.

The Lease Variation Charge commenced as a tax on 1 July 2011. The reform and codification of this charge deliver significant benefits to developers in reduced processing times and increased certainty, while also ensuring that the benefits of development rights continue to be returned to the community.

Our work on integration of environmental, social and governance issues and risks in the Territory's investment practices continued, including work towards a revised responsible investment policy.

Shared Services was established in February 2007 to provide a full range of corporate services to the ACT Government. Five years on, Shared Services is meeting all accountability indicators in the Finance Services and HR Services area of its business, has highly reliable and responsive ICT infrastructure and services, and continues to maintain the integrity of underlying systems, platforms, and assets through an ongoing lifecycle management program.

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Shared Services highlights for the 2011-12 year included:

- Human Resource Services and Finance Services implemented process improvements as part of the Expenditure Review and Evaluation Committee (EREC) efficiencies. Both business units are on track to realise \$4.5 million in savings by the end of 2012-13;
- Human Resource Services implemented the new ACT Public Service centralised case management service to assist injured workers;
- ICT Services upgraded the ACT Government's 13,000-user phone service, providing significant feature enhancements, including successfully implementing complex systems for the Canberra Hospital and a number of ACT Government schools;
- ICT Services delivered a new service to synchronise corporate contacts, calendar and email information to personal and corporate Apple iPhones and iPads, increasing staff mobility and productivity while away from a traditional desktop PC; and
- Procurement Services managed and invoiced \$446 million to ACT Government directorates and agencies for capital works projects in 2011-12, and provided advice and assistance for goods and services contracts of around \$1.5 billion.

A positive work culture is essential to our success. We continue our focus on a positive and healthy workplace. We have also supported a number of local charities throughout the year with our workplace programs. Our graduate programs continue to attract highly capable and motivated graduates, and they continue to impress us all with their significant contributions to our workplace.

I would like to thank all Treasury staff for their hard work and commitment to the Directorate, and their dedication to achieving quality outcomes for the government and quality services to other agencies and to the community.



OUTLOOK

Treasury will continue to promote the Territory's financial position and economic management during 2012-13.

The Territory's October election brings with it additional responsibilities for us, including the need to cost major party commitments under the *Election Commitments Costings Act 2012*. We will also need to release a Pre-election Budget Update at least thirty days before polling day, to inform the electorate on the current financial position of the Territory. Financial reporting processes are also brought forward to allow the Territory's financial statements to be released before the election.

We will also focus on reforms that support the economy and jobs, and the Territory's return to surplus task.

In this context, our efforts will be focused on:

- financial and budget management proposals to assist the government in returning the Territory to surplus;
- continued taxation reform to provide a sustainable revenue base to support the service needs of the community;
- revenue protection, through input into the review of the GST distribution, continued robust tax administration and compliance activities; and
- continued reform of CTP to reduce costs to motorists and improve health outcomes.

In 2012-13 we will continue to facilitate various reform agendas such as assisting in the development of the National Injury Insurance Scheme and the National Disability Insurance Scheme in the ACT.

We will also focus on the Territory's taxation information technology systems, with upgrades to existing system modules as well as a future system business needs analysis scheduled to be undertaken.

Shared Services ICT will continue to make advances in the Territory's ICT infrastructure and services, including the implementation of the Government's data management strategy and an approach to market for a new leased data centre facility. The Mobile Remote Device function will expand to provide file and print services.

Shared Services Procurement will manage another significant capital works program in 2012-13, with \$813 million budgeted for delivery. There will be a continued focus on robust procurement process and managing risk in the pursuit of value for money. Safety on construction sites will also receive greater attention.

Procurement Services will continue to promote social procurement within the ACT Government and assist directorates and agencies to identify social procurement opportunities and establish social contracts. Procurement Services will also develop its environmentally sustainable procurement policy and processes and increase advice to directorates and agencies in this area.

Shared Services will continue to focus on workforce planning as a highly relevant risk management strategy to address skills shortages and to provide an internal capacity for succession planning and future leaders. The Shared Services Strategic Plan 2011-2014 has been developed to ensure that a focus is maintained on four key goals – Communication; People; Service Delivery; Services and Costs; to ensure that ongoing delivery for directorates and agencies is assured, and continues to meet all target areas.

Megan Smithies

Director-General

ANALYSIS OF AGENCY PERFORMANCE

OUTPUT 1.1 – ECONOMIC MANAGEMENT

Refer 2011-12 Budget Paper 4, page 148

DESCRIPTION

Develops and pursues initiatives to ensure the economic interests of the ACT and its residents are protected and maximised. This is primarily achieved through providing advice on economic and regulatory reform initiatives, facilitating appropriate intergovernmental financial relations and providing community insurance support. Also manages the Territory Banking Account and the Superannuation Provision Account.

KEY ACHIEVEMENTS

- Facilitated ACT Treasurer's involvement with the Commonwealth Government and State and Northern Territory Governments in relation to the administration and distribution of the Goods and Services Tax (GST) and the relevant components of the *Intergovernmental Agreement for Federal Financial Relations*.
- Updated forecasts for key economic variables and revenue heads for the 2011-12 Budget Review and the 2012-13 Budget.
- In conjunction with agencies, provided financial and economic analysis of a number of projects and policy proposals.

ORGANISATION

This output comprises the Economics Branch, Federal Financial Relations Unit, Legal and Insurance Policy Branch, and the Investment Branch, each of which is located in the Investment and Economics Division.

Economics Branch

The Economics Branch consists of two units, the Macroeconomic Analysis Unit and the Microeconomic Policy Unit. The Branch is Treasury's main source of economic analysis and advice. The Branch seeks to improve the wellbeing of the ACT community by monitoring and reporting on the state of the ACT economy, preparing economic and revenue forecasts, and examining policy issues and assisting agencies to develop and assess policies within a framework that promotes the productivity and competitiveness of the ACT economy.

In 2011-12 the Branch:

- prepared economic and revenue forecasts for the ACT Budget and Budget Review;
- monitored and reported on the state of the ACT economy;
- provided analysis and advice on economic aspects of projects and policy proposals covering water, energy and climate change;
- enabled the annual evaluation of the ACT's credit rating;
- coordinated the ACT's implementation of the Council of Australian Governments' (COAG) microeconomic reform initiative to deliver a Seamless National Economy and the development of a future reform agenda, including representing the ACT on related working groups and committees;



- represented the ACT on the National Tax Equivalent Regime (NTER) working party;
- assisted agencies in the preparation of Regulatory Impact Statements; and
- coordinated the ACT's contribution to the Productivity Commission's reports relating to COAG reforms, local government and regulatory impact analysis.

Federal Financial Relations Unit

The Federal Financial Relations Unit is responsible for overseeing the day-to-day operations of the Treasurer's participation in Commonwealth-State financial arrangements as stipulated in the *Intergovernmental Agreement on Federal Financial Relations*.

In 2011-12 the Unit:

- managed Treasury's ongoing participation in intergovernmental forums under the federal financial relations framework, including the Treasurer's attendance at the *Standing Council on Federal Financial Relations*;
- managed the ACT's ongoing participation in the deliberations with the Commonwealth Grants Commission, which is responsible for recommending the States' and Territories' annual shares of the GST; and
- represented the ACT's ongoing interests in the administration and policy formulation of the GST tax regime, including contributing to the GST Distribution Review.

Legal and Insurance Policy Branch

The Legal and Insurance Policy Branch is responsible for regulation of the ACT Compulsory Third Party Insurance Scheme and advises on reform of personal injury and compensation schemes generally and government superannuation liabilities. It is also responsible for formulating the Government's policy on broader community insurance related matters.

In 2011-12 the Branch:

- resolved all superannuation claims against Totalcare Industries Limited and deregistered the company through ASIC;
- completed the legislative review, mandated by section 275 of the *Road Transport (Third-Party Insurance) Act 2008* (CTP Law). The review was tabled in the Legislative Assembly on 20 March 2012;
- developed reform options for the CTP Law, by way of the *Road Transport (Third-Party Insurance) Amendment Bill 2011*, designed to improve health outcomes and secure competition in the CTP market;
- supported the functions of the CTP Regulator (refer to the Annual Report of the CTP Regulator); and
- defended a series of eight cases involving alleged outstanding superannuation liability.

Investment Branch

The Investment Branch is responsible for managing the borrowing and investments of the Territory Banking Account, managing the Government's unfunded employer superannuation liabilities, and managing the investment assets of the Superannuation Provision Account. Refer to output EBT 1 Territory Banking Account and output EBT 1 Superannuation Provision Account.

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PERFORMANCE AGAINST ACCOUNTABILITY INDICATORS 2011-12

Briefings on the ACT Economy

Against a target of 117 briefings on the ACT Economy, 116 briefings were completed and published on the Treasury website. Source data for the remaining briefing was not received by 30 June 2012.

Report on GST Revenue Sharing Relativities – 2012 Update

The Federal Financial Relations Unit oversighted the ACT's participation in the Commonwealth Grants Commission Report on GST Revenue Sharing Relativities which was subsequently released on 24 February 2012.

Submissions to credit rating agency

The estimated target of one submission (undertaken in the form of a presentation) to the ACT's credit rating agency, Standard and Poor's, was achieved.

FUTURE DIRECTIONS

In 2012-13, the Investment and Economics Division will work towards:

- preparing economic and revenue forecasts for the Pre-Election Budget Update, Budget Review and ACT Budget;
- ongoing participation in COAG microeconomic reform initiatives, including:
 - facilitating implementation of the Seamless National Economy reforms consistent with agreed milestones and timeframes; and
 - contributing to the development of a forward national competition and regulatory reform agenda.
- providing economic advice to support the development of ACT Government policy initiatives, including those related to energy, water and climate change;
- overseeing the operations of the *Intergovernmental Agreement on Federal Financial Relations*;
- ongoing participation in the GST distribution arrangements, including the GST Distribution Review; and
- ongoing investigation and settlements of superannuation liabilities across a selection of government directorates and agencies.

Further information can be obtained from:

Karen Doran	Executive Director, Investment and Economics Division	(02) 6207 0337	karen.doran@act.gov.au
Brett Wilesmith	A/g Director, Economics Branch	(02) 6207 3949	brett.wilesmith@act.gov.au
John Purcell	Senior Manager, Federal Financial Relations Unit	(02) 6207 0269	john.purcell@act.gov.au
Patrick McAuliffe	Director, Investment Branch	(02) 6207 0187	patrick.mcauliffe@act.gov.au
Tom McDonald	Director, Legal and Insurance Policy Branch	(02) 6207 0284	tom.mcdonald@act.gov.au



OUTPUT 1.2 – FINANCIAL MANAGEMENT

Refer 2011-12 Budget Paper 4, page 148.

DESCRIPTION

Provision of analysis, monitoring and reporting on the financial performance of agencies and the Territory's Budget, to assist the Government to achieve its policy objectives.

KEY ACHIEVEMENTS

- 2012-13 Budget delivered on 5 June 2012.
- *Appropriation Act 2011-2012 (No.2)* presented on 23 February 2012, and passed in the Assembly on 8 May 2012.
- 2012-13 Budget Consultation and Website launched on 9 December 2011. A total of 83 written submissions were received. The consultation process was also expanded to include social media outlets such as Facebook and Twitter.
- 2010-11 ACT Consolidated Annual Financial Statements for the Territory released on 3 November 2011.
- 2011-12 Budget Review released on 14 February 2012.
- The ACT Taxation Review and Government Response to the report released on 7 May 2012.
- The 5 Year ACT Taxation Reform Plan, *A fairer, simpler and more efficient taxation system* released on 5 June 2012.
- Completed a post-implementation review of the Land Rent Scheme and implemented legislative changes to improve the operation of the Scheme.
- Continued development of the election costings framework. The aim of this framework is to formalise and improve the election commitments costing process, by providing transparency of process and an aspect of third party review designed to assure the ACT electorate that costs are materially correct.
- Continued to represent Treasury on COAG working groups, including in areas such as health; school funding; early childhood education; national disability insurance scheme; housing affordability; and Indigenous reform.

ORGANISATION

This output relates to the Finance and Budget Division and the Policy Co-ordination and Development Division.

The **Finance and Budget Division (FABD)** is responsible for advising the Government and agencies on the development of the Territory's Budget, advising on financial issues relating to agencies and the Territory, and accounting policies and financial frameworks.

FABD comprises four branches: Accounting, Budget Management and Analysis, Budget Coordination and Reporting and Project and Budget Management.

The **Accounting Branch** is responsible for improving the Territory's financial management framework and providing accounting expertise and strategic financial advice. The Branch also has responsibility for undertaking significant amendments to the *Financial Management Act 1996 (FMA)*, providing financial training to agencies, and issuing sources of relevant financial instructions for the whole-of-government.

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The **Budget Management and Analysis Branch** is responsible for assisting in the development of the Territory's annual budget, monitoring, analysing and reporting to the Government and other stakeholders on the financial position of a broad range of Government agencies and businesses, and advising Government and agencies on financial management, resource allocation, and budget development issues.

The **Budget Coordination and Reporting Branch** is responsible for providing strategic advice on the Government's financial position, the co-ordination and development of the Government's Budget and Supplementary Budgets, the development of the Pre-Election Budget Update, the development of the Budget Review and the consolidation of budget financial statements and financial outcome reporting. The Branch also provides periodic reporting to the Australian Bureau of Statistics (ABS) and the Commonwealth Grants Commission (CGC) on behalf of the Government. The Branch distributes Treasury memoranda and is responsible for the administration of the FMA. The Branch coordinates the development and ongoing monitoring of the Territory's Capital Works Program, and is responsible for whole-of-government asset management policies.

The **Project and Budget Management Branch** is responsible for assisting in the development of the Territory's budget, analysing and reporting on agency and business financial performance and for managing a range of projects under the general oversight of the Finance and Budget Division. Projects include reviews of separate legal and/or government business entities, and the related implementation of government policy decisions. The Branch also provides policy advice about governance arrangements for those government businesses for which Treasury has direct portfolio responsibility.

The **Policy Co-ordination and Development Division** is responsible for coordinating major policy development within Treasury. The Division is also responsible for advising the Government in respect of significant service delivery and long-term financial issues and risks likely to impact on the Territory's budget.

PERFORMANCE AGAINST ACCOUNTABILITY INDICATORS

Budget presented in accordance with legislative timeframes

The 2012-13 Budget was delivered on 5 June 2012. The *Appropriation Bill 2012-2013* was debated and passed in the Legislative Assembly on 24 August 2012.

The Territory's budget continues to be shaped by the events and responses related to the global financial crisis. The economy has performed remarkably well over the past few years due to its strong fundamentals, and the Federal Government's stimulus measures.

A moderation in the economy was envisaged as the Federal Government constrained its expenditure growth to 2 per cent in real terms as part of its planned withdrawal of fiscal stimulus. The Commonwealth Government has resorted to stronger fiscal consolidation measures due to its weaker than expected revenues in 2011-12 and 2012-13.

The Territory's economy is forecast to continue to moderate. Own source revenues are forecast to soften, due to the moderation of the housing market and commercial activities mainly related to land supply and development.

The financial markets remain volatile due to the European debt crisis. This has impacted on the returns on the Territory's superannuation investments and interest earnings.

Together, softening revenues and increasing superannuation liabilities constitute around \$500 million impact on revenue and expenses over the budget and forward estimates period. Forecast expenses over the estimates period are also affected by outcomes of wage negotiations.



The Government's Budget Plan, developed following the onset of the global financial crisis, originally targeted a return to surplus in 2015-16. This was advanced by two years in the 2010-11 Budget. This Budget reverts to the original target.

Key features of the 2012-13 Budget include:

- a forecast General Government Sector Headline Net Operating Deficit of \$318.3 million in 2012-13;
- a targeted return to surplus in 2015-16;
- a strong General Government Sector Balance Sheet, with:
 - Net worth of \$15.9 billion;
 - Net Financial Worth of \$1.9 billion;
 - Net Financial Liabilities of \$3.8 billion; and
 - Net Debt of *positive* \$417.2 million.
- maintenance of Operating Cash surpluses across all years;
- new policy initiatives with a net impact of \$155 million across 2012-13 and the forward estimates;
- savings of around \$180.5 million over four years, namely:
 - savings in administrative costs of \$37.3 million, through continuing to improve the efficiency of back office functions and reducing input costs such as travel, accommodation, fleet, printing, stationery, advertising and marketing expenditure;
 - savings in employee costs of \$73.9 million, through the redirection of resources to higher areas of need and new priority initiatives;
 - savings from extending the operating life of ICT Equipment \$4.8 million;
 - future agency savings of \$45.9 million; and
 - reprioritisation of program expenditures of \$18.6 million, achieved through the cessation of lower priority program and initiatives from past budgets.
- significant capital investment capacity with new infrastructure programs and projects of \$429.5 million over four years;
- new information and communication technology projects of \$22.5 million and new plant and equipment of \$50.8 million; and
- general government borrowings for capital of \$350 million in 2011-12 and a further \$790 million over 2012-13 to 2013-14, an increase of \$490 million from the 2011-12 Budget. Of this, \$490 million is forecast to be repaid by the end of 2015-16 reflecting a short term need for additional borrowings.

Budget Review presented in accordance with legislative timeframes

The 2011-12 Budget Review was delivered on 14 February 2012.

Whole-of-Government Consolidated Financial Statements for the Territory

Quarterly Territory Consolidated Financial Reports and the Annual Territory Financial Report were provided to the Legislative Assembly in line with statutory timeframes. The reports contain detailed analysis of the Territory's financial position.

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Policy/Service Area Reviews

The Division provided policy advice on a range of Treasury and whole-of-government policy issues including:

- providing secretariat support for the ACT Taxation Review Panel. The Review investigated whether ACT taxes were appropriate, equitable and effectively distributed, and provided the stability and certainty required to continue to deliver important community services in the ACT;
- development of the 5 Year ACT Taxation Reform Plan, *A fairer, simpler and more efficient taxation system*, to ensure that the Territory's taxation system is sustainable over the long-term;
- working with the Community Services Directorate and the Chief Minister and Cabinet Directorate on the development of the National Disability Insurance Scheme;
- continuing to monitor the implementation of the codification of the Lease Variation Charge in conjunction with the Environment and Sustainable Development Directorate; and
- completing a post implementation review of the Land Rent Scheme, to examine the efficiency and effectiveness of the Scheme.

OTHER ISSUES

Provision of Financial Management Training

Treasury provided the following financial training modules during 2011-12:

- ACT Budget Process - An Introduction for ACT Government Officers and Treasury Graduates;
- 2011-12 Audited Financial Statements Process information session;
- 2011-12 Consolidated Annual Financial Report Outcomes information session;
- 2011-12 Budget Review Overview information session;
- 2012-13 Budget Overview information session;
- Model Financial Statements for 30 June 2012; and
- Tax Managers Forum Training.

External Government Reporting

The Territory's external financial reporting requirements to the ABS, CGC and the Loan Council were met, fulfilling the Territory's obligations under the Uniform Presentation Framework (UPF) Agreement.

FUTURE DIRECTIONS

In 2012-13, the Finance and Budget Division and Policy Co-ordination and Development Division will work towards:

- assisting the Government to maintain the Territory's AAA credit rating through sound and sustainable economic and financial management;
- continuing reviews of programs, functions and projects to support the savings adjustment required to return the Budget to surplus by 2015-16;
- continuing to support the implementation of taxation reform;



- assisting in the development of the National Disability Insurance Scheme in the ACT;
- introducing the *Election Commitments Costing Bill 2012*;
- presenting a pre-election budget update at least 30 days before the polling day;
- coordinating the official costing of election commitments;
- coordinating the Government's budget and reporting on financial outcomes;
- providing regular updates to the Budget Committee of Cabinet on the Territory's finances;
- continuing to improve the Territory's financial management framework;
- continuing to monitor and provide regular advice to the Government on the progress of its infrastructure program, including regular reports to the Budget Committee of Cabinet;
- continuing to strengthen the budget planning and management process, as well as monitoring of agency financial performance;
- continuing to improve the planning, scheduling and delivery of capital works projects across the Territory;
- upgrading Oracle to version Release 12; and
- continuing to expand the range of ACT-specific accounting policies developed to assist agencies with accounting issues.

Further information can be obtained from

Neil Bulless	Executive Director, Finance and Budget Division	(02) 6207 0264	neil.bulless@act.gov.au
Marsha Guthrie	Director, Budget Co-ordination and Reporting Branch	(02) 6207 3998	marsha.guthrie@act.gov.au
Nicole Masters	Director, Budget Management and Analysis	(02) 6205 0527	nicole.masters@act.gov.au
Trish Drury	Director, Project and Budget Management Branch	(02) 6207 5071	trish.drury@act.gov.au
Scott Brown	Director, Accounting Branch	(02) 6207 0207	scott.brown@act.gov.au
Khalid Ahmed	Executive Director, Policy Co-ordination and Development Division	(02) 6207 0228	khalid.ahmed@act.gov.au
Stuart Friend	Director, Policy Co-ordination and Development Division	(02) 6207 0213	stuart.friend@act.gov.au

VOLUME 1

OUTPUT 1.3 – REVENUE MANAGEMENT

(includes the subsumed report of the Commissioner for ACT Revenue)

Refer 2011-12 Budget Paper 4, page 149

DESCRIPTION

Optimise tax revenue concurrent with achieving a simple, equitable and efficient tax system, develop policy, and advise and assist clients to meet their obligations.

KEY ACHIEVEMENTS

- Collected \$1.1 billion in taxation revenue.
- Compliance activity in 2011-12 resulted in 430 assessments issued for \$7.3 million in revenue.
- Provided \$14.8 million in home buyer and pensioner duty concessions and \$18.3 million in First Home Owner Grants.
- Amended the following legislation:
- *Duties Amendment Act 2012 (No 2)* – effective 19 June 2012
This amendment abolished duty on short-term subleases (and as a consequence means duty on goods associated with a dutiable transaction is not payable).
 - *Duties (Landholders) Amendment Act 2012* – effective 1 July 2012
This amendment more closely aligns the ACT landholder provisions (including tracing provisions) with NSW and removes the requirement for a wholesale unit trust to register with the Commissioner.
 - *Duties (Land Rent) Amendment Act 2012* – effective 18 May 2012
This amendment clarified the law to reflect the policy intention – that duty is imposed on the transfer of a land rent lease at a value consistent with that of a normal Crown lease.
 - *Rates and Land Tax Legislation Amendment Act 2012* – effective 1 July 2012
This amendment addressed the application of rates and land tax to common areas of Community Title Schemes. Previously these common areas were being charged commercial rates and, therefore, land tax. The legislation now reflects the usage of these common areas and applies rates and land tax at more appropriate rates. For example, where there are only residential blocks within a Community Title Scheme, the common areas will only be charged residential rates and no land tax.
 - *Land Rent Amendment Act 2012* – effective 18 May 2012
The Land Rent Scheme commenced on 1 July 2008 with the purpose to assist households to who might otherwise not be able to buy their own home to have access to the housing market through paying rent on the land rather than purchasing it. A review of the Land Rent Scheme was undertaken during 2011-12 with a number of amendments made to the Act to improve the functioning of the scheme.
- Implemented the measures in the Government's 5-Year Reform Plan, *A fairer, simpler and more efficient taxation system*:
 - Abolition of duty on General Insurance and Life Insurance was commenced through the adoption of a 5 year schedule of decreasing duty rates. Duties will reduce by 20 per cent every year, and abolished fully in 2016-17.
 - Phase out of Conveyance Duty over twenty years commenced on 6 June 2012, with the adoption of a schedule of decreasing marginal tax rates over the 2012-13 budget and forward estimates period.



- Commercial Land Tax was abolished from 1 July 2012, and combined with the General Rates for the commercial sector on a revenue neutral basis to simplify the system.
- The Payroll Tax threshold was increased from \$1.5 million to \$1.75 million effective on 1 July 2012.
- The progressivity of the residential Land Tax system was improved through changes to the marginal tax rates for lower brackets.
- The General Rates were adopted, effective from 1 July 2012, as a revenue replacement base for the taxes being abolished and phased out. The system was made progressive through the adoption of tax brackets and increasing marginal tax rates.
- The tax rate for Utilities Network Facilities Tax was amended to reflect past growth in land value.
- Implemented a package of targeted assistance measures to ameliorate the impact of reform, and to support ageing in place.
 - The Home Buyer Concession Scheme property thresholds were updated on 1 July 2011, 1 January 2012 and 6 June 2012 to reflect market prices and the changes introduced by the Tax Reform. The income threshold for buyers of new homes was by 25 per cent to \$150,000.
 - The Pensioner Duty Concession Scheme has been extended for a further three years. The property value thresholds for eligibility into this scheme have been increased. Effective 6 June 2012, the lower threshold (up to which a full concession is available) was increased to \$570,250, and the upper threshold was increased to \$715,000.
 - The cap on General rates Rebate has been increased from \$481 to \$565.
 - Rates Deferral Scheme has been extended to non pensioners aged over 65, whether working or retired, subject to income, asset and equity tests.

ORGANISATION

Revenue Management Division collects revenue, develops tax policy and administers taxation legislation in the ACT. The Division also administers a number of Government financial assistance schemes, including the First Home Owner Grant Scheme, Home Buyer Concession, Deferred Duty and Pensioner Duty Concession Schemes.

http://www.revenue.act.gov.au/functions/about_us

Revenue Management Division comprises the following sections:

Policy, Legislation and Objections provides policy advice on ACT taxation matters and the development and amendment of the Territory's taxation legislation. It is also responsible for the Objections and Appeals Unit, which reviews decisions involving ACT taxes, and deals with any subsequent appeals.

Revenue Accounts administers rates, land tax, fire and emergency services levy (FESL), land rent, deferred duty, city centre marketing and improvements levy, payroll tax and other return taxes, and maintains revenue accounts including the debt recovery function.

Advice and Assessments operates the Customer Service Centre, administers and provides advice on ACT tax laws and financial assistance schemes.

Compliance maintains and enforces compliance with all taxes, grants and concessions administered by the ACT Revenue Office.

Finance, Reporting and Projects provides financial management reporting and web management services. In partnership with Shared Services ICT, plans, develops and improves IT systems and business processes.

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It administers the Home Loan Portfolio on behalf of the Commissioner for Social Housing, and the Mortgage Relief Fund.

PERFORMANCE AGAINST ACCOUNTABILITY INDICATORS

Debt Management - Level of Outstanding Debt

The average level of collectable debt to revenue ratio for 2011-12 was 2.47 per cent compared to the target of 2.5 per cent. The average ratio of collectable debt for 2011-12 has increased from the previous year's level of 2.32%.

Compliance Revenue per Inspector

The 2011-12 target of \$360,000 revenue per inspector was exceeded with an achievement of \$486,883 per inspector. The increase was due to better targeting of both payroll tax and land tax activity. Also, results for first home owner grant, home buyer concession and land holder duty were higher than expected.

OTHER ISSUES

In 2011-12 there were 2,884 successful First Home Owner Grant and Boost applications totalling \$19.441 million processed. Compliance and debt recovery activity and voluntary repayment by applicants resulted in approximately 160 grants being repaid, totalling \$1.4 million.

FUTURE DIRECTIONS

In 2012-13 the Revenue Management Division will work towards:

- upgrading to the Territory Revenue System to provide a more stable environment for recording revenue transactions;
- undertaking a feasibility study, system and business needs analysis and system design for the future replacement or upgrade of the existing systems;
- continuing to implement and administer the Government's tax reforms;
- considering various options for electronic lodgement of duty;
- continuing to harmonise ACT payroll tax administration with other jurisdictions;
- improving IT systems to capture data for compliance purposes and data matching; and
- participating in the National Payroll Tax Fringe Benefits Project with all States and Territories.

Further information can be obtained from:

Kim Salisbury	Commissioner for ACT Revenue	(02) 6207 0010	kim.salisbury@act.gov.au
Angel Marina	Manager, Revenue Accounts	(02) 6207 0063	angel.marina@act.gov.au
Lindsay Aquilina	A/g Manager, Advice and Assessments	(02) 6207 0066	lindsay.aquilina@act.gov.au
Joseph Tonna	A/g Manager, Compliance	(02) 6207 0103	joseph.tonna@act.gov.au
Brett Monger	Manager, Policy Legislation and Objections	(02) 6207 0293	brett.monger@act.gov.au
Hope Nguyen	A/g Manager, Finance, Reporting and Projects	(02) 6205 0578	hope.nguyen@act.gov.au



OUTPUT 1.1 – HOME LOAN PORTFOLIO

Refer 2011-12 Budget Paper 4, page 189

DESCRIPTION

Administration of the ACT Home Loan Portfolio.

KEY ACHIEVEMENTS

- Reduced the number of loans to 119 as at the end of June 2012 from 148 outstanding loans at the commencement of the financial year.
- Repaid Commonwealth loans in accordance with the payment schedule.
- Issued bi-annual loan statements to borrowers.
- Implemented the recommendations of the external review of the Home Loan Portfolio.
- Implemented a new financial management system in May 2012 that went live on 1 July 2012.

ORGANISATION

The Home Loan Portfolio is responsible for administering home loans granted by the Commissioner for Social Housing to assist low-income households in achieving home ownership. All homebuyer lending ceased in 1996.

The Portfolio's objective is to administer the remaining home loans effectively and efficiently.

PERFORMANCE AGAINST ACCOUNTABILITY INDICATORS

The lower level of administrative cost per home loan managed (actual \$2,553: budget \$2,880) is due to lower employment expenses than expected due to the retirement of one part-time staff member. This is partly offset by a lower number of outstanding loans than expected.

FUTURE DIRECTIONS

In 2012-13 the Home Loan Portfolio will work towards:

- actively managing deferred assistance provided to borrowers; and
- continuing to review and monitor loans in arrears.

Further information can be obtained from:

Kim Salisbury	Commissioner for ACT Revenue	(02) 6207 0010	kim.salisbury@act.gov.au
Hope Nguyen	A/g Manager, Finance, Reporting and Projects	(02) 6205 0578	hope.nguyen@act.gov.au

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OUTPUT EBT 1 – TERRITORY BANKING ACCOUNT

Refer 2011-12 Budget Paper 4, page 207

DESCRIPTION

Management of the Territory Banking Account (TBA) and the investment and borrowing activities of the ACT Government.

KEY ACHIEVEMENTS

- Ongoing management of the Territory's debt and TBA investment portfolios.
- Completed new General Government borrowings in the form of fixed rate nominal bonds (\$250 million, June 2018 maturity and \$100 million May 2020 maturity).
- Completed a new borrowing for ACTEW Corporation Limited in the form of fixed rate nominal bonds (\$215 million, May 2020 maturity).
- Establishment and implementation of a cash investment fund for the TBA investment portfolio.
- Net investment portfolio return performance that was greater than the performance benchmark.

ORGANISATION

Treasury provides services to the Government including financial asset and liability management through the establishment of investment and borrowing policies and objectives, and the co-ordination and implementation of investment and borrowing activities.

Treasury, through the TBA, holds the surplus cash balances of the Government and invests funds through external investment managers within known cash flow requirements and established investment policies. Treasury is also responsible for the administration of the Government's debt portfolio and the management of the Territory's debt servicing liabilities.

An objective of Treasury is to effectively manage the capital markets functions through the maximisation of returns on investments within relevant risk tolerances, and the achievement of competitive borrowing rates commensurate with the Territory's credit rating.

PERFORMANCE AGAINST ACCOUNTABILITY INDICATORS

Difference between the net investment earnings rate and the benchmark is to be ≥ 0

The investment portfolio's net performance for the 2011-12 financial year was greater than the performance benchmark, returning 6.3 per cent against the benchmark return of 6.2 per cent.

Exposure of debt portfolio to floating interest rates

At the end of the 2011-12 financial year, the debt management result against the target benchmark was a floating rate debt exposure of 26 per cent against the benchmark of no more than 30 per cent.

FUTURE DIRECTIONS

In 2012-13 Treasury will work towards:

- managing, monitoring and reporting on the borrowing portfolio;



- completing new borrowing transactions for ACTEW and the general government sector as required; and
- managing, monitoring and reviewing, as necessary, the TBA investment portfolio in accordance with established investment policies.

Further information can be obtained from:

Karen Doran	Executive Director, Investment and Economics Division	(02) 6207 0337	karen.doran@act.gov.au
Patrick McAuliffe	Director, Investment Branch	(02) 6207 0187	patrick.mcauliffe@act.gov.au

OUTPUT EBT 1 – SUPERANNUATION PROVISION ACCOUNT

Refer 2011-12 Budget Paper 4, page 197

DESCRIPTION

Management of the Superannuation Provision Account (SPA) and administration of the defined benefit superannuation arrangements for Members of the Legislative Assembly (MLAs).

KEY ACHIEVEMENTS

- Triennial actuarial review of the Territory’s defined benefit employer superannuation liabilities.
- Review of the defined benefit superannuation liability funding plan.
- Net investment portfolio return that was greater than the performance benchmark.
- Administration of benefit entitlements for Members of the Legislative Assembly ‘defined benefit’ Superannuation Scheme.
- Continued implementation, monitoring and reporting of the Government’s policy in relation to the application of environmental, social and governance issues and risks in the Territory’s investment practices.
- Development of a revised responsible investment policy in response to the Select Committee on Public Accounts Inquiry into the Exposure Draft *Financial Management (Ethical Investment) Legislation Amendment Bill 2010*.
- Establishment and implementation of a new Australian inflation-linked bond fund for the SPA investment portfolio.

ORGANISATION

Treasury assists the Government to effectively manage the defined benefit employer superannuation liabilities of the Territory, including the defined benefit superannuation liabilities of members of the ACT Legislative Assembly. This also includes the responsibility for the management of the investment funds set aside to meet the defined benefit employer superannuation liabilities of the Territory.

The SPA was established in 1991 with the purpose of accumulating financial assets to fund the ACT Government’s employer superannuation obligations for its employees who are members of the Australian Government’s defined benefit Commonwealth Superannuation Scheme (CSS) and Public Superannuation Scheme (PSS).

PERFORMANCE AGAINST ACCOUNTABILITY INDICATORS

Difference between the net investment earnings rate and the benchmark is to be ≥ 0

The investment portfolio's net performance for the 2011-12 financial year was greater than the performance benchmark, returning 1.1 per cent against the benchmark return of 0.8 per cent.

Annualised long-term return of CPI + 5 per cent real (net and fees)

The annualised real return of the portfolio (net of inflation and fees) achieved over time is updated annually. It is a measure of the average annual compounded return achieved over the measurement period.

The annual return achieved by the investment portfolio over the past sixteen years to 30 June 2012 is CPI + 4.1 per cent (net of fees). This outcome is below the long term performance target of CPI + 5 per cent (net of fees) due to the flat investment earnings result achieved during 2011-12, as well as the impact from the negative investment returns experienced in the 2007-08 and 2008-09 financial years resulting from the global credit and financial crisis.

Liability Funding Percentage

As at 30 June 2012 the liability funding percentage is 30 per cent, which is below the 2011-12 Budget target of 54 per cent.

This result is due to the current historically low level of domestic interest rates. The discount rate used to value the superannuation liabilities fell from 5.28 per cent as at 30 June 2011 to 3.41 per cent as at 30 June 2012. This fall in the discount rate has led to a significant increase in the liability valuation of \$2.3 billion.

APPLICATION OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE ISSUES TO TERRITORY INVESTMENT PRACTICES

The purpose and role of the Investment Portfolios is to derive competitive financial returns, based on prudent financial and portfolio management principles, with an investment structure that is low cost, efficient to manage, and effective in deriving market-based returns.

The ACT Government recognises that both financial as well as environmental, social and corporate governance (ESG) performance of companies can impact long-term investment value and performance. The Government believes that ESG risks and ownership responsibilities should be incorporated in investment decision-making processes in order to mitigate investment risk and improve the sustainability of the investments for the long term.

The responsible investment objective is to generate both financial and sustainable (long-term) value. The approach adopted to meet the responsible investment objective is to combine financial and non-financial criteria in the selection and management of the financial investment portfolio assets.

Reflecting the increasing relevance of ESG issues upon current investment practices, the Territory became a signatory to the Principles of Responsible Investment (PRI) on 1 July 2008 under the category of 'asset owner' in relation to the financial investment assets managed by Treasury.

The six Principles are expressed as follows:

- Principle 1: We will incorporate ESG issues into investment analysis and decision-making processes.
- Principle 2: We will be active owners and incorporate ESG issues into our ownership policies and practices.
- Principle 3: We will seek appropriate disclosure on ESG issues by the entities in which we invest.



Principle 4: We will promote acceptance and implementation of the Principles within the investment industry.

Principle 5: We will work together to enhance our effectiveness in implementing the Principles.

Principle 6: We will each report on our activities and progress towards implementing the Principles.

By signing the PRI, the ACT Government has committed to adopt and implement the Principles, where consistent with Treasury's investment responsibilities. The Government's Responsible Investment Policy in relation to the key elements of the PRI includes:

ESG Integration

The integration of ESG factors into the research and investment decision-making process will involve a variety of approaches utilising a wide range of available information sourced from individual companies, independent company or industry research, and direct company engagement. The Principles promote a policy of incorporating an assessment of ESG factors and risks into the investment decision-making process.

External investment managers are required to integrate ESG issues and risks into financial analysis and decision-making and invest funds consistent with the core investment objectives where financial investment assets are directly-owned by the Territory.

From 2012-13, the PRI framework applied to the management of directly-owned share investments will be enhanced by requiring the financial analysis and decision-making process to also take into account norms-based investment criteria that are consistent with the United Nations Global Compact. This norms-based criteria will be applied as part of the overall investment analysis, it is not an inclusion/exclusion criteria.

Share Voting

The ACT Government supports the voting of all directly-owned shares for the promotion of effective corporate governance, environmental and social practices, as well as long term value creation.

In 2012-13, the Government will develop an internal share voting policy and Treasury will establish governance arrangements to ensure votes are made in accordance with the voting policy for all directly-owned shares.

Exclusion-based (negative) screening

From 2012-13, the Responsible Investment Policy framework will include the selective use of an exclusion-based screening strategy.

The exclusions that will apply to the directly-owned share investments, based on reasonable grounds that all or a material part of the company's revenue or core business is attributable to the following activities, are:

- the manufacture of tobacco; and
- the manufacture of cluster munitions and landmines.

The following describes the main actions being undertaken by Treasury to implement the Responsible Investment Policy:

- A Responsible Investment policy statement to address ESG and Responsible investment issues has been established.
- Integration of ESG and norms-based investment criteria analysis into investment decision-making processes and the selective use of exclusion-based screening for directly-owned investments with the norms-based criteria and screening to commence in 2012-13.

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- Treasury's asset consultant is required to integrate ESG factors into evolving capital market and investment manager research and advice.
- Ongoing consideration of research and developments in relation to the integration of ESG issues into the management of not only listed equities, but other asset classes as well, including private equity, fixed income and unlisted property.
- Quarterly assessment of all directly-owned company holdings incorporating environmental, social and corporate governance considerations.
- Direct company engagement and dialogue on ESG risks and disclosure through an out-sourced service provider.
 - Regnan Governance Research and Engagement activities over the 2011-12 financial year included:
 - » Total number companies engaged was 67 on 110 (2010-11: 53) distinct occasions.
 - » Number of distinct topics categorised: 229 (2010-11: 140), including:
 - › Remuneration: 47
 - › Climate Change: 38
 - › ESG Disclosure: 33
 - › Human Capital: 19
 - › Board: 18
 - › Workplace Health & Safety: 9
 - › Other ESG: 65
 - » Engagement approach (primary device):
 - › Meetings: 61 per cent
 - › Teleconference: 8 per cent
 - › Letters: 31 per cent
 - » 60 per cent of total engagement was with Board/Directors.
- The exercising of all ownership voting rights for directly-owned shares.

Proxy Voting Summary Table 2011-12

	Voted Companies	Voting Items	For Mgt	Against Mgt	For S/ Holder	Against S/ Holder	Abstain
Qtr 1	41	417	367	7	5	9	29
Qtr 2	121	749	688	55		4	2
Qtr 3	41	370	344	19	1	6	
Qtr 4	314	4,421	4,037	173	44	155	12
Total	517	5,957	5,436	254	50	174	43

- Treasury's investment managers voted 99 per cent of all eligible voting items.



- Incorporation of an assessment of ESG capabilities of investment related service providers in procurement activity.
- Incorporation of ESG integration and reporting requirements in all relevant service provider contractual arrangements.
- Participation in PRI activities and Reporting and Assessment Tools where practicable.
 - In 2011-12 the PRI Annual Reporting and Assessment Tool was discontinued with the PRI Secretariat commencing a project to develop a new signatory reporting tool to be used from 2013.
- Disclosure of Responsible investment activities through Annual Reporting.

FUTURE DIRECTIONS

In 2012-13 the Investment Branch, in relation to the Superannuation Provision Account, will work towards:

- managing, monitoring and reviewing , as necessary, the SPA investment portfolio in accordance with established investment policies;
- continuing to monitor and implement required investment policy changes in relation to the Government's responsible investment policies, as well as implementing the Government's revised responsible investment policy initiatives; and
- completing the annual actuarial review of the defined benefit employer superannuation liabilities of the Territory.

Further information can be obtained from:

Karen Doran	Executive Director, Investment and Economics Division	(02) 6207 0337	karen.doran@act.gov.au
Patrick McAuliffe	Director, Investment Branch	(02) 6207 0187	patrick.mcauliffe@act.gov.au

SHARED SERVICES

The Shared Services Centre (Shared Services) provides information and communication technology (ICT), procurement, publishing and records services, as well as tactical and transactional human resource and finance services to ACT Government agencies.

Shared Services consolidates these core administrative functions to achieve economies of scale, standardised and streamlined processes and an overall reduction in costs to the Territory. This enables agencies to better focus on their core business of providing services to the community.

Shared Services achieves its objectives by working in partnership with its clients to identify appropriate services, agree on service standards and agree on mechanisms for delivery that are efficient and cost effective.

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OUTPUT 1.1 – SHARED SERVICES ICT

Refer 2011-12 Budget Paper 4, page 170.

DESCRIPTION

Shared Services ICT provides a complete range of ICT services to the Government, including:

- management of the government's infrastructure, data and communications network;
- lifecycle management of the government's fleet of ICT assets;
- business systems support;
- assistance to directorates and agencies to provide assurance relating to ICT security;
- assistance to directorates and agencies to develop and implement ICT initiatives;
- active support and assistance to directorates and agencies through embedded ICT teams; and
- general service and help desk functions.

KEY ACHIEVEMENTS – ACTPS WIDE

- The upgrade of the ACT Government phone service was completed, introducing new features to assist Territory business operations.
- Execution of a new Microsoft Enterprise Agreement improving delivery and licensing arrangements across the Territory.
- Delivery of a new service to synchronise corporate contacts, calendar and email information to personal and corporate Apple iPhones and iPads, increasing staff mobility and productiveness while away from a traditional desktop PC.
- Implementation of a new style Engagement Office which aids directorates and agencies to develop ICT-related concepts and assures readiness to undertake their ICT-related project successfully.
- Successful implementation of the multi-agency Occupational Health and Safety Information System (OHASIS).

KEY ACHIEVEMENTS – DIRECTORATE SPECIFIC

ACT Health

- Implementation of Phase 1 of the ACT Health Wireless Network was completed in December 2011 and is currently being used in production for the new Intensive Care Unit.
- Delivery of ICT associated with the opening of the Adult Acute Mental Health Intake Unit, which incorporates a significant number of new technology capabilities including positional duress, nurse call, building management systems, security systems, video conferencing and a patient entertainment system.
- Implementation of phase 1 of the new food management system for the Canberra Hospital, providing an integrated food ordering, delivery, and management system that integrates with patient and bed management systems.
- Implementation of phase 1 of the Cancer Information System, providing administrative and clinical patient information for treatment of cancer patients across in and outpatient units.



- A significant number of back-office system upgrades have been performed within the Health Directorate, including Patient Administrations systems and Rhapsody Integration engines.

Justice and Community Safety Directorate

- Completion of the Fairbairn Comcen rebuild after flood damage in December 2010, including enhancements to the capabilities of the Incident Management Rooms and Emergency Coordination Centre.
- The Electronic Patient Records (VACIS) project was completed for the ACT Ambulance Service to enable automatic integration and transfer of patient data into Health systems.

Education and Training Directorate

- Implementation of collaborative web conferencing enabling video conferencing, screen sharing and online discussion between the Education and Training Directorate Executive and schools.
- Implementation of a centralised library management system (Oliver) for schools.
- Provision of wireless access points providing Internet and network coverage for main learning areas of ACT Public Schools.
- Completion of the rollout of over 3000 Windows 7 computers for teachers and administrative staff in schools.
- Implementation of the MyPC Booking System, which allows students to remotely book a library resource (PC) for a specified period of time. This means a student can book a study period that suits their day and attend the campus assured of access to the required resources.
- Delivery of ICT components associated with the opening of Harrison High School campus.
- Implementation of the Horticulture Genesis System, which enables remote access to the environmental controls of the CIT greenhouses via a web interface utilising access control lists, and allows students to gain hands-on experience in Greenhouse management via a subset of controls. The system also allows the CIT facilities and horticulture staff to have complete management and monitoring capabilities over the greenhouses.

ORGANISATION

Shared Services ICT implemented a new organisational structure based on outcomes from focus groups held in 2010. A significant change program progressed business reform across the business unit with the aim of delivering significantly improved customer interactions, better project outcomes, and greater cost efficiencies through streamlined processes.

Shared Services ICT has dedicated ICT staff “embedded” in ACT Government directorates and agencies, complementing central and mobile staff. This allows Shared Services ICT to respond very quickly to the priorities of each directorate while sharing infrastructure and a whole-of-government focus.

PERFORMANCE AGAINST ACCOUNTABILITY INDICATORS

In 2011-12 Shared Services ICT met the following accountability indicators:

- email availability for ACT Government staff was maintained at over 99 per cent during core business hours (target 99 per cent);
- 92 per cent of requests made via the ICT Service Desk were resolved within timeframes specified in negotiated service levels (target 85 per cent);

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- costs compared well to those of peer organisations, as benchmarked by an independent organisation. Overall, costs for 2011-12 were within five per cent of peer organisations; and
- the average time taken for telephone service requests to be answered by a Service Desk officer was 16 seconds, which was better than the target measure of 20 seconds. This was achieved through the implementation of operational changes within the ICT Service Desk – enhancing its ability to manage an increase in calls relating to significant ICT issues and major infrastructure changes – coupled with a stable environment over the reporting period.

OTHER KEY OUTCOMES

- During 2011-12 Shared Services ICT developed a draft ACT Government Sustainability Plan 2012-17 (the Plan). It is anticipated that the draft Plan will be finalised in the 2012.
- ACTSOE (the rolling refresh program of the standard operating environment for desktop and laptop computers for the ACT Government) delivered on schedule with the planned 2011-12 program of installations completed.

FUTURE DIRECTIONS

In 2012-13 Shared Services ICT will work towards:

- enhancing the Territory's ICT data management capability, by developing cloud strategies and server virtualisation policies;
- approaching the market for a modern, energy efficient and highly scalable data centre facility to meet current and future data storage requirements;
- continuing the lifecycle management of the ACT Government's fibre network to ensure ongoing reliability and responsiveness of ICT services;
- delivering increased mobile device capability to support increased workforce productivity, through the implementation of technology that enables secure access to government information utilising mobile devices;
- enhancing service delivery across Shared Services through the implementation of 'single point of contact' relationship managers; and
- implementing identity and access management systems to improve timeliness of access for new staff to government systems and improve system efficiency and administration.

Further information can be obtained from:

Jill Divorty	Executive Director, Shared Services	(02) 6207 5757	jill.divorty@act.gov.au
Sarbjit Sidhu	Executive Director, ICT	(02) 6207 6489	sarbjit.sidhu@act.gov.au



OUTPUT 2.1 – SHARED SERVICES PROCUREMENT

Refer 2011-12 Budget Paper 4, page 171.

DESCRIPTION

Shared Services Procurement undertakes procurement and project management on behalf of ACT Government directorates and agencies for infrastructure, capital works and goods and services requirements.

Activities include:

- provision of comprehensive procurement service including goods and services and capital works delivery for the ACT Government;
- advising the ACT Government on procurement and related construction industry policy;
- developing and implementing the Government's procurement policy;
- administering pre-qualification schemes and online procurement support systems;
- establishing and managing whole-of-government contracts; and
- providing secretariat support to the ACT Government Procurement Board.

KEY ACHIEVEMENTS

Capital Works Procurement

- Managed \$446 million of capital works projects in 2011-12.
- Managed the construction of a wide range of infrastructure projects, including:
 - Ngunnawal Primary School;
 - Namadgi P-10 School;
 - Harrison Secondary School (the first school in the ACT to receive a 5 Star Greenstar design rating);
 - Gungahlin College;
 - the Adult Mental Health Unit;
 - Gungahlin Drive Extension, Stage 2;
 - Belconnen Police Station;
 - Dickson-Lyneham Wetlands;
 - Forensic Medical Centre;
 - Point-to-point Cameras on Hindmarsh Drive;
 - Wells Station Road;
 - Clarrie Hermes Drive Extension;
 - Gibraltar Rocks Walking Trail;
 - Molonglo River Corridor Concept Plan; and
 - the detailed design for Molonglo River Park.

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- Projects recognised in the 2012 Master Builders Association and Boral Excellence in Building Awards. Awards presented to industry for ACT Government projects included:
 - Commercial Building over \$20 million (Harrison Secondary School);
 - Excellence in Work Health and Safety (Harrison Secondary School and Gungahlin Community Health Centre);
 - Landscaping (Canberra Discovery Garden);
 - Subcontractor Best Practices (Gibraltar Walking Trail);
 - Civil Road Works (Ginninderra Drive/ Aikman Drive Intersection Upgrade); and
 - Civil Other (Bridge Safety Screens, Adelaide Avenue).
- Implemented the Compliance with Industrial Relations and Employment Obligations Strategy to help ensure that construction firms working on ACT Government construction sites are complying with their industrial relations and employment obligations. At 30 June 2012, 959 Certificates of Compliance had been issued since the introduction of the new framework on 1 July 2011.

Goods and Services Procurement and Policy

- Facilitated significant goods and services procurements, including:
 - Total Facilities Management for ACT Housing;
 - the purchase of Linear Accelerators for the Health Directorate;
 - panels for school cleaning services;
 - a range of community services under Service Funding Agreements;
 - supply of Infusion Pumps and Syringe Drivers for the Health Directorate; and
 - a range of goods and services for the Centenary of Canberra.
- Established two new whole-of-government common use contracts: Campaign Marketing and Advertising services; and Form of Payment Provider.
- Improved directorate and agency access to relevant panel contracts established in other jurisdictions.
- Amended the *Government Procurement Act 2001* and the Government Procurement Regulation 2007 to set the notifiable contracts threshold at \$25,000.
- Reduced the reporting frequency for reportable contracts to once a year.
- Continued to focus on developing awareness and expertise in social procurement, in addition to fostering specific social procurements, and supporting directorates and agencies to achieve social outcomes through procurement.

ORGANISATION

Shared Services Procurement operates as a centralised centre of excellence in policy, procedures and practices related to procurement for the ACT Government.

Where considered necessary, procurement staff may be embedded in directorates and agencies to assist with large scale, highly complex and/or long running procurement functions. For the 2011-12 year, staff were embedded at The Canberra Hospital (Health Infrastructure Program) and Chief Minister and Cabinet Directorate (Centenary of Canberra).



PERFORMANCE AGAINST ACCOUNTABILITY INDICATORS

Two external audits of Shared Services Procurement's ISO 9001:2008 Quality Management System were conducted in 2011-12. Each audit presented one minor non-conformance against an accountability indicator target of fewer than 2 major non-conformances.

During 2011-12 the proportion of the Government-funded annual Capital Works program supported by Shared Services Procurement was on target at 90 per cent.

OTHER KEY OUTCOMES

As at 30 June 2012 there were 594 capital works projects and 396 goods and services procurements underway.

Major projects in the pre-construction phase as at 30 June 2012 included:

- Constitution Avenue Redevelopment;
- ACT Supreme Court;
- Manuka Oval Lighting Upgrade;
- Coombs P-10 School;
- Majura Parkway;
- Community Health Centre at Tuggeranong;
- Gungahlin Leisure Centre;
- ESA Station Relocations at Charnwood – Ambulance and Fire;
- Real Time Passenger Information System for ACTION;
- Taylor Primary School Refurbishment; and
- Canberra College Canberra Cares Program.

FUTURE DIRECTIONS

In 2012-13 Shared Services Procurement will work towards:

- continuing awareness and education programs related to the development of procurements projects that offer opportunities for social procurements;
- introducing a local industry procurement policy aimed at encouraging local content and involvement in the delivery of Goods and Services; and
- enhancing service delivery across Shared Services through the implementation of 'single point of contact' relationship managers.

Further information can be obtained from:

Jill Divorty	Executive Director, Shared Services	(02) 6207 5757	jill.divorty@act.gov.au
Peter Murray	Executive Director, Procurement	(02) 6207 5650	PeterR.Murray@act.gov.au

VOLUME 1

OUTPUT 3.1 – SHARED SERVICES HUMAN RESOURCE SERVICES

Refer 2011-12 Budget Paper 4, page 172.

DESCRIPTION

Shared Services Human Resources Services provides a range of tactical and human resource services as well as records management and mailroom services to ACT Government directorates and agencies.

KEY ACHIEVEMENTS

- Accurate and timely processing of salary-related transactions for approximately 19,000 ACT Government employees each fortnight and around 5,000 salary packaging customers.
- Ensured all pay increases, including back pay and allowances, flowing from new directorate Enterprise Agreements were paid in full and on time.
- Undertook a review of process within Human Resource Services as part of achieving a savings target of \$2.8 million over two years as identified by the EREC review. These process and structural improvements have placed HR Services on track to achieve the savings by the end of 2012-13.
- Completed a feasibility study examining the current and future needs of the ACT Government's Human Resource Information Management System.
- Implemented the whole-of-government centralised case management function to improve the outcomes for injured and ill ACT Government employees.

ORGANISATION

Shared Services Human Resources operates as a centre of excellence in providing a comprehensive range of Human resource functions including payroll, recruitment, reporting, injury prevention and management, employee relations and salary packaging services. Services also include the government's mail room and courier services as well as Record Services.

PERFORMANCE AGAINST ACCOUNTABILITY INDICATORS

In 2011-12 Shared Services Human Resource Services achieved the following outcomes in performance accountability indicators:

- 95 per cent of service requests made via the Integrated Customer Service System were resolved within 5 working days (target 90%);
- 100 per cent of the requested data for Annual Reports and the Workforce profile were supplied in accordance with the agreed timeframe (target 100%); and
- 98 per cent of the service specifications were achieved against the performance standards in Recruitment Services for permanent and temporary vacancies (target 95%).

FUTURE DIRECTIONS

In 2012-13 Shared Services Human Resources will work towards:

- implement process improvements arising from the 2011-12 review of human resource business processes to achieve efficiencies;



- enhance Injury Management Services to improve options for staff re-entering the workforce after lengthy and/or significant injury, including targeted case management programs and development of incremental return to work programs;
- undertake a comprehensive study of the Human Resource Information Management System to inform whether to either upgrade or replace the current system; and
- enhance service delivery across Shared Services through the implementation of 'single point of contact' relationship managers.

Further information can be obtained from:

Jill Divorty	Executive Director, Shared Services	(02) 6207 5757	jill.divorty@act.gov.au
Andrew Whale	Director, Human Resource Services	(02) 6205 3680	andrew.whale@act.gov.au

OUTPUT 4.1 – SHARED SERVICES FINANCE SERVICES

Refer 2011-12 Budget Paper 4, page 173.

DESCRIPTION

Shared Services Finance Services provides tactical and transactional finance services and publishing services to ACT Government directorates and agencies.

KEY ACHIEVEMENTS

- Received recognition from the Australian Society of Certified Practising Accountants as a Recognised Knowledge Partner.
- Progressed agreed outcomes from the EREC review, including savings targets of \$745,000.
- Continued to build on the efficiencies in accounts processing functions, with 88% of suppliers now being paid electronically.
- Commenced the implementation of TM1 as a reporting tool with a view to gaining efficiencies and further streamlining business processes.
- Successfully transferred several smaller agencies accounts processing functions into Shared Services, including NoWaste and Libraries ACT.
- Conducted a feasibility study into the automation of invoice processing, with a final report expected in August 2012.

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ORGANISATION

Shared Services Finance operates as a centre of excellence in the provision of financial accounting services to all ACT Directorates, including taxation management services, accounts processing, banking services, publishing services, and financial applications systems support.

PERFORMANCE AGAINST ACCOUNTABILITY INDICATORS

In 2011–12, Shared Services Finance Services fully met the following accountability indicators, (minimum target 95 per cent):

- 100 per cent of Business Activity Statements were completed in accordance with Australian Tax Office (ATO) deadlines;
- 100 per cent of Fringe Benefit Tax Returns were completed in accordance with ATO deadlines;
- 100 per cent of annual financial statements were completed and sent to directorates and agencies by the due date of the ninth working day of July; and
- 100 per cent availability of monthly financial information to directorates and agencies was achieved.

Shared Services Finance Services also processed invoices for payment into Oracle, the ACT Government's Financial Management Information System, within an average time of two working days from receipt of the invoice at Finance Services (against a target of two working days).

FUTURE DIRECTIONS

In 2012-13 Shared Services Finance will work towards:

- implementing process improvements arising from the 2011-12 review of finance business processes to achieve efficiencies;
- providing resourcing and support to the upgrade of Oracle to version Release 12;
- effectively utilise the newly acquired TM1 software to produce key financial reports including the annual financial statements;
- implementing agreed recommendations from the feasibility study into invoice automation to further improve the efficiency and effectiveness of the accounts payment process; and
- enhancing service delivery across Shared Services through the implementation of 'single point of contact' relationship managers.

Further information can be obtained from:

Jill Divorty	Executive Director, Shared Services	(02) 6207 5757	jill.divorty@act.gov.au
Calvin Robinson	Director, Finance Services	(02) 6205 3819	calvin.robinson@act.gov.au



TRIPLE BOTTOM LINE REPORT

CORE TREASURY

	INDICATOR	2010-11 Result	2011-12 Result	% Change
ECONOMIC	Employee Expenses			
	• Number of staff employed (head count)	189	177	-6.3%
	• Total employee expenditure (dollars)	\$16.610m	\$16.396m	-1.3%
	Operating Statement			
	• Total expenditure (dollars)	\$44.079m	\$41.024m	-6.9%
	• Total own source revenue (dollars)	\$3.193m	\$4.603m	44.2%
	• Total net cost of services (dollars)	\$40.886m	\$36.421m	-10.9%
	Economic Viability			
	• Total assets (dollars)	\$51.270m	\$97.430m	90.0%
	• Total liabilities (dollars)	\$51.560m	\$99.133m	92.3%
ENVIRONMENTAL	Transport			
	• Total number of fleet vehicles	6	5	-16.67%
	• Total transport fuel used (kilolitres)	6.44	5.87	-8.85%
	• Total direct greenhouse emissions of the fleet (tonnes of CO ₂ e)	15.907**	14.5	-8.85%
	Energy Use			
	• Total office energy use (megajoules)	1,086,954.55	1,036,286.71	-4.66%
	• Office energy use per FTE (megajoules/FTE)	5,165.64	5,181.43	0.3%
	• Office energy use per square metre (megajoules/m ²)	295.67	281.89	-4.66%
	Greenhouse Emissions			
	• Total office greenhouse emissions – direct and indirect (tonnes of CO ₂ e)	206.26 [#]	194.07	-5.91%
	• Total office greenhouse emissions per FTE (tonnes of CO ₂ e/FTE)	0.98 [#]	1.11	13%
	• Total office greenhouse emissions per square metre (tonnes of CO ₂ e/ m ²)	0.06 [#]	0.05	-16%
	Water Consumption			
	• Total water use (kilolitres)	1,880.45	1,886.48	0.3%
	• Office water use per FTE (kilolitres/FTE)	8.94	9.43	0.3%
	• Office water use per square metre (kilolitres/ m ²)	0.51	0.51	0%

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	INDICATOR	2010-11 Result	2011-12 Result	% Change
	Resource Efficiency and Waste			
	• Estimate of co-mingled office waste per FTE (litres)	834.63	1,029.76	23.4%
	• Estimate of paper recycled (litres)	100,510.73	80,866.37	-19.5%
	• Estimate of paper used (by reams) per FTE (litres)	15.58	17.17	13.6%
SOCIAL	The Diversity of Our Workforce			
	• Women (Female FTEs as a percentage of the total workforce)	56%	55%	-1.8%
	• People with a disability (as a percentage of the total workforce)	2.2%	1.7%	-22.7%
	• Aboriginal and Torres Strait Islander people (as a percentage of the total workforce)	0.7%	0%	-100%
	• Staff with English as a second language (as a percentage of the total workforce)	15.6%	20.3%	30.1%
	Staff Health and Wellbeing			
	• OH&S Incident Reports	18	13	-27.8%
	• Accepted claims for compensation	2	0	-100%
	• Staff receiving influenza vaccinations	97	83	-14.42%
	• Workstation assessments requested	23	21	-8.7%

** 2010-11 figures have been updated to reflect more accurate data.

Change to GreenPower methodology since previous annual report was printed.



SHARED SERVICES

	INDICATOR	2010-11 Result	2011-12 Result	% Change
ECONOMIC	Employee Expenses			
	• Number of staff employed (head count including contractors)	1,069	1,097 ¹	2.6%
	• Total employee expenditure (dollars)	\$105.784 m	\$116.817 m	10.4%
	Operating Statement			
	• Total expenditure (dollars)	\$184.512 m	\$196.064 m	6.3%
	• Total own source revenue (dollars)	\$189.102 m	\$189.896 m	0.4%
	• Total net cost of services (dollars)	\$-4.590 m	\$6.168 m	234.4%
	Economic Viability			
	• Total assets (dollars)	\$155.419 m	\$192.450 m	23.8%
	• Total liabilities (dollars)	\$84.456 m	\$119.402 m	41.4%
ENVIRONMENTAL	Transport			
	• Total number of fleet vehicles	40	42	5.0%
	• Total transport fuel used (kilolitres)	44.41	38.15	-14.1%
	• Total direct greenhouse emissions of the fleet (tonnes of CO ₂ e)	115	106.54	-7.3%
	Energy Use			
	• Total office energy use (megajoules)	17,301,981**	13,298,760	-23.1%
	• Office energy use per FTE (megajoules/FTE)	16,493**	12,557	-23.8%
	• Office energy use per square metre (megajoules/m ²)	1,376**	971	-29.4%
	Greenhouse Emissions			
	• Total office greenhouse emissions – direct and indirect (tonnes of CO ₂ e)	3,113**	2,256	-27.5%
	• Total office greenhouse emissions per FTE (tonnes of CO ₂ e/FTE)	2.97**	2.13	-28.3%
	• Total office greenhouse emissions per square metre (tonnes of CO ₂ e/m ²)	0.25**	0.16	-36.0%
	Water Consumption			
	• Total water use (kilolitres)	5,994**	4,073 ²	-32.1%
	• Office water use per FTE (kilolitres)	10.86**	12.62 ³	16.2%
	• Office water use per square metre (kilolitres/m ²)	1.35**	1.00 ³	-25.9%
		Resource Efficiency and Waste		
• Total co-mingled office waste per FTE (litres)		89	108	21.3%
• Total paper recycled (litres)		200,820	228,864	13.9%
• Total paper used (by reams) per FTE (litres)		7.85	10.20	29.9%

	INDICATOR	2010-11 Result	2011-12 Result	% Change
SOCIAL	The Diversity of Our Workforce			
	• Women (Female FTEs as a percentage of the total workforce)	46%	45.7%	-0.6%
	• People with a disability (as a percentage of the total workforce)	2.2%	2.3%	13.6 %
	• Aboriginal and Torres Strait Islander people (as a percentage of the total workforce)	0.7%	1.0%	42.8%
	• Staff with English as a second language (as a percentage of the total workforce)	15.6%	16.8%	7.7%
	Staff Health and Wellbeing			
	• OH&S Incident Reports	29	30	3.4%
	• Accepted claims for compensation	4	1	-75.0%
	• Staff receiving influenza vaccinations	304	344	13.15%
	• Workstation assessments requested	Not Available ⁴	26	Not Available

** 2010-11 figures have been updated to reflect more accurate data.

1. Total number of staff (head count) for 2011-2012 includes 156 labour hire contractors.
2. This figure represents water usage for Callam Offices, as this is the only site with a separate water meter. The figure is derived from a percentage of total building water use relative to Shared Services staff occupancy level.
3. The calculation for water intensities for Callam water usage is based on an FTE figure of 322.8 and lettable area of 4440 m².
4. The number of workstation assessments requested was previously not available.



CONSULTATION AND SCRUTINY REPORTING

COMMUNITY ENGAGEMENT

Line Area	Project	Consultation Process (tools used)	Groups/ Individuals consulted	Approximate number consulted	Outcome
Finance and Budget Division	2012-13 Budget Consultation Process	<p>The 2012-13 Budget Consultation process was launched on Friday 9 December 2011, by encouraging interested community groups, organisations and individual Canberrans to share their views and suggestions on how the ACT Government's resources are allocated, where services could be enhanced, and where possible efficiencies could be made.</p> <p>Advertisements were placed in the Canberra Times on Saturday, 10 December 2011 and the Chronicle on Tuesday, 13 December 2011, calling for input into the Budget process.</p> <p>The community was also encouraged to submit all ideas and comments directly through the Budget Consultation Website at: http://www.treasury.act.gov.au/budgetconsultation/.</p> <p>In addition, around 260 community groups, business and unions received a letter from the Treasurer inviting participation in the 2012-13 Budget consultation process.</p> <p>The Budget Consultation process was also publicised through social media channels including Facebook and Twitter.</p> <p>A pre-budget briefing and lock-up on the 2012-13 Budget Day (5 June 2012) was conducted for peak community and business organisations.</p>	Community and business groups, unions, individual Canberrans and other stakeholders	Available to all members of the community	<p>The community consultation process for the 2012-13 Budget closed on 24 February 2012. The Government received 83 written submissions, covering a diverse range of issues including the disability, health and education sectors, community services, sports and recreation, arts and entertainment, the building industry, public infrastructure, sustainability and public transport as well as ACT finances. These submissions were made publicly available and provided to agencies for comment and action. Directorates were asked to consider submissions in the context of developing proposals for the 2012-13 Budget.</p> <p>Most submissions received were requests for additional resources and funding for community organisations. However, a few submissions provided options on how ACT resources could be used more effectively, where priorities should be targeted and how possible savings and efficiencies could be achieved.</p> <p>The views and suggestions of the ACT community are used to guide and inform the decision making process of the Budget by drawing on the knowledge and experience of both users and providers of Government services.</p>
Policy, Coordination and Development Division	Review of the Land Rent Scheme	<p>The Government engaged a consultant to undertake a review with key stakeholders through focus groups and an online survey.</p> <p>This consultation built on the significant consultation already undertaken with industry bodies and the general community in 2009-10 and 2010-11.</p>	ACT Shelter, CHC Affordable Housing, Canberra Institute of Technology, Community CPS Australia, and the Housing Industry Association – ACT branch.	Over 80 responses to the online survey.	Community input and survey responses were taken into account in the development of the review and final report.



Line Area	Project	Consultation Process (tools used)	Groups/ Individuals consulted	Approximate number consulted	Outcome
Policy, Coordination and Development Division	ACT Taxation Review	The Government convened three community roundtables with key stakeholders on the review.	<p>Rountable participants included:</p> <p>Chamber of Commerce,</p> <p>Westpac, CHC,</p> <p>CPSU, Havlock Housing, ACT Shelter,</p> <p>Canberra CBD Limited,</p> <p>Council of Small Business of Australia,</p> <p>Tax Institute,</p> <p>Tourism Industry Council,</p> <p>Australian Information, Industry Association,</p> <p>ACT Council of Social Services, National Disability Services,</p> <p>Council of the Ageing, Gungahlin Community Council,</p> <p>Tuggeranong Community Council,</p> <p>Woden Valley Community Council,</p> <p>Property Owners and Ratepayers Association of the ACT Inc,</p> <p>Canberra Business Council, ACT Exporters Network, Master Builders Association, Property Council of Australia,</p> <p>Housing Industry Association,</p> <p>ACT Motor Trades Association, Insurance Council of Australia,</p> <p>ANZ Bank, Australian Hotels Association,</p> <p>Andrew Leigh MP, Member for Fraser</p> <p>National Centre for Social and Economic Modelling</p> <p>Glen McCrea, ALP Candidate,</p> <p>B2B Magazine,</p> <p>Clubs ACT, Real Estate Institute of Australia,</p> <p>RSM Bird Cameron Chartered Accountants and Aspen Medical.</p>	Over 30 businesses and community members.	Consultation informed the development of the Government Response and the Taxation Reform Package.

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Line Area	Project	Consultation Process (tools used)	Groups/ Individuals consulted	Approximate number consulted	Outcome
ACT Revenue Office	Measure the level of satisfaction with ACT Revenue Office customer service and the website.	An online survey was published on the ACT Revenue Office website on 17 October 2011. The survey closed on 16 December 2011 and results were published on the Revenue website on 3 February 2012.	An email alert was sent to all ACT Revenue Office subscribers and a news item was posted on 17 October 2011. A news item was also posted on the ACT Government and ACT Community Engagement websites with links to the online survey. Hardcopy versions of the survey were made available to ACT Revenue Office customer service clients and they were encouraged to complete the surveys. Peak bodies were also emailed.	42 online and 15 hardcopy responses.	The level of satisfaction with customer service items ranged from 63 per cent to 90 per cent. The level of satisfaction with the website ranged from 79 per cent to 91 per cent. All client comments were examined and changes to customer service and/or the website are complete or are in progress. The ACT Revenue Office intends surveying clients again in October 2012.



INTERNAL AND EXTERNAL SCRUTINY

ACT AUDITOR-GENERAL'S OFFICE REPORTS

Nature of Inquiry/Report Title	Recommendations/ Outcome of Inquiry	Response to the Outcome of Inquiry	Directorate Implementation
<p>Report Number 11 - Review of Auditor-General's Report No. 8 of 2009: 2008-09 Financial Audits Report tabled 23 September 2010 Government Response tabled 7 December 2010</p>	<p>The Committee recommends that ACT Government agencies ensure that their information systems operate as intended, are accurately and appropriately used, and that the information contained within them is valid, complete, and secure for the purpose of supporting agency operations and requirements.</p>	<p>Agreed. Shared Services has implemented an on-going process for testing the restoration of backed up data and systems. Agencies are able to request this service on either an ongoing or ad hoc basis with the costs incurred directly recovered from agencies by InTACT. The current version of Chris 21 has improved capacity to monitor audit log changes. In conjunction with InTACT and the TAMS Security and Risk unit, implementation of a fully workable solution using data mining software is on-going. The Revenue Office will work with InTACT and the vendor on completion of the Territory Revenue System (TRS) upgrade to improve audit logging.</p>	<p>Treasury is currently undertaking the upgrade of TRS which is expected to be completed in the first quarter of 2013. SSICT is providing audit log reporting based on recommendations and business requirements. ACT Revenue Office will be implementing processes to review these logs.</p>
<p>Report Number 3 of 2011 – The North Weston Pond Project Report tabled 26 May 2011 Government Response tabled 15 May 2012</p>	<p>The Government provided its submission to the Committee on 15 May 2012. As at 30 June 2012 the Committee had yet to table its report.</p>	<p>As at 30 June 2012 the Committee had yet to table its report.</p>	
<p>Report 5 of 2011 – 2010-11 Financial Audits Report tabled 21 December 2011 Government Response tabled 30 March 2012</p>	<p>The Government provided its submission to the Committee on 30 March 2012. As at 30 June 2012 the Committee had yet to table its report.</p>	<p>As at 30 June 2012 the Committee had yet to table its report.</p>	
<p>Report 2 of 2012 – Whole-of-Government Information and Communication Technology Security Management and Services Report tabled 8 June 2012</p>	<p>As at 30 June 2012 the Government had not yet provided its submission to the Committee.</p>	<p>As at 30 June 2012 the Committee had yet to table its report.</p>	

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ACT OMBUDSMAN REPORTS

No reports were made by the ACT Ombudsman during the reporting period.

ACT REVENUE: Objections and Appeals Litigation Report for July 2011-June 2012

During the reporting period the Objections Unit (Revenue Management Division) handled the following matters in the ACT Civil and Administrative Tribunal (ACAT) which were finalised.

Date of Decision	Appellant/Plaintiff	Matter Number
11/08/2011	Min & Lui Property Pty Ltd	AT 11/27
12/08/2011	Dawn Richardson	AT 11/37
17/08/2011	S Pelle Pty Ltd	AT 09/95
17/08/2011	S Pelle Pty Ltd	AT 09/106
15/09/2011	Trust Company of Australia Ltd	AT 11/45
27/09/2011	Commissioner for Social Housing	AT 11/29
29/11/2011	BL & SS Williams	AT 11/92
30/11/2011	Christian Rabbath	AT 10/74
12/01/2012	National Pharmacy Building Pty Ltd	AT 11/98
16/03/2012	Nikias Nominees Pty Ltd & Long Term Investments Pty Ltd	AT 11/121
28/03/2012	Ronald Jokhan (matter 1)	AT 11/111
28/03/2012	Ronald Jokhan (matter 2)	AT 11/111
28/03/2012	Ronald Jokhan (matter 3)	AT 11/111
02/04/2012	King Financial Services Pty Ltd	AT 12/1
05/04/2012	The Proprietors of UTP 2995	AT 11/18
16/04/2012	PAAN Investments Pty Ltd (in liquidation)	AT 11/58
22/05/2012	Leader Nominees Pty Ltd	AT 11/121
22/05/2012	KD Pty Ltd	AT 11/127
22/05/2012	Bricks & Mortar Real Estate Pty Ltd	AT 11/129
19/06/2012	Long Nguyen	AT 12/7

The Objections and Appeals Unit had one matter finalised in the ACT Supreme Court of Appeal during 2011-2012:

Date of Decision	Appellant/Plaintiff	Matter Number
28/07/2011	Dataflex Pty Ltd	ACTAA 43/201

During the reporting period the Objections and Appeals Unit handled the following matters in the ACAT which are continuing.



Appellant/Plaintiff	Matter Number
Sharleen Downey	AT 09/101
HJA Holdings Pty Ltd	AT's 10/53, 11/76, 11/120
Konstantinou Developments Pty Ltd	AT's 10/54, 11/116, 12/48
Technology Warehouse Australia Pty Ltd	AT's 10/55, 11/75, 11/119
FSF (Holdings) Pty Ltd	AT's 10/56, 11/82, 11/118
Konstantinou Holdings Pty Ltd	AT's 10/57, 11/81, 11/115
Advance Project Developments	AT's 10/58, 11/79, 11/117
The Club Group Pty Ltd	AT 11/77
Velocity Internet Pty Ltd	AT 11/78
Sports Centres Management Australia Pty Ltd	AT 11/80
Tony Hanley	AT 11/107
ISPT Pty Ltd	AT 11/138
Capital Chemist Tuggeranong Pty Ltd	AT 11/131
Highstand Pty Ltd	AT 11/132
Pharmacy Services ACT Pty Ltd	AT 11/133
Joanne Heather Fryar	AT's 12/4, 12/9
Johrosa Pty Ltd	AT's 12/11, 12/47
Limmerance Pty Ltd	AT 12/12
Canberra South Real Estate Pty Ltd	AT 12/13
Canberra North Real Estate Pty Ltd	AT 12/14
All Homes Pty Ltd	AT 12/15
Valerie Sinclair	AT's 12/16, 12/44
Giusida Pty Ltd	AT 12/19
Subhangi Chakravarty	AT's 12/24, 12/50
Chrislakis Alexandrou	AT's 12/25, 12/26, 12/27, 12/28
Campbell McArthur	AT 12/31
PAAN Investments Pty Ltd (In Liquidation)	TBA
Kym Thayer	AT 12/38
Sports Centres Australia Pty Ltd	AT12/49

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During the reporting period the Objections and Appeals Unit handled the following matter in the Supreme Court which is continuing.

Appellant/Plaintiff	Matter Number
Roozbeh Araghi & Luke Dorsett	AA 10/41



LEGISLATIVE ASSEMBLY COMMITTEE INQUIRIES AND REPORTS

STANDING COMMITTEE ON PUBLIC ACCOUNTS

REPORT No.	Title	Date Presented
11	Review of Auditor-General's Report No. 8 of 2009: 2008-09 Financial Audits	Report tabled 23 September 2010 Government Response tabled 7 December 2010

Committee Report

<http://www.parliament.act.gov.au/downloads/reports/PAC11%20AG%20of%2009%20-%202008-09%20Financial%20Audits.pdf>

Government Response

<http://www.parliament.act.gov.au/downloads/reports/7th%20PAC11%20Fin%20Audit%20071210.pdf>

No.	Recommendation	Government Response	Directorate Implementation
10	The Committee recommends that, where applicable, ACT Government agencies should review their capital works project management to identify areas where improvements can be made, in particular by: (i) enhancing the overall management of projects by adopting a formalised project management framework, (ii) providing training to staff in project management, and (iii) allocating appropriate resources to projects.	<p><i>Agreed.</i></p> <p>Agencies either have existing project management frameworks, or are in the process of formalising them. In addition, the Government has an established centralised area of project and contract management with Procurement Solutions. The processes, practices and management framework utilised within Procurement Solutions is independently audited and ISO 9001:2008 Quality Management Certified.</p> <p>Appropriate training for project management staff is a fundamental aspect in the successful delivery of capital works projects. This is a practice that is widely used across Government.</p> <p>Procurement Solutions provides expert advice on project management and procurement activities. Procurement Solutions is structured into multidisciplinary areas of specific skills encompassing a range of expertise including qualified architects, landscape architects, engineers and project management specialists. These officers are assigned projects in accordance with their area of expertise. Procurement Solutions provides ongoing training to its project officers on behalf of agencies to ensure that all applicable infrastructure projects are managed by a subject matter expert.</p>	<p>Shared Services Procurement is fostering improvements to capital works planning and approval processes.</p> <p>Workshops are being undertaken during the second quarter of 2012-13 to formalise the project management framework and provide advanced training to staff.</p> <p>Resourcing levels will be examined as part of this process.</p>

No.	Recommendation	Government Response	Directorate Implementation
11	The Committee recommends that ACT Government agencies ensure that their information systems operate as intended, are accurately and appropriately used, and that the information contained within them is valid, complete, and secure for the purpose of supporting agency operations and requirements.	<p><i>Agreed.</i></p> <p>Shared Services has implemented an on-going process for testing the restoration of backed up data and systems. Agencies are able to request this service on either an ongoing or ad hoc basis with the costs incurred directly recovered from agencies by InTACT. The current version of Chris 21 has improved capacity to monitor audit log changes. In conjunction with InTACT and the TAMS Security and Risk unit, implementation of a fully workable solution using data mining software is on-going.</p> <p>The Revenue Office will work with InTACT and the vendor on completion of the Territory Revenue System (TRS) upgrade to improve audit logging.</p>	<p>1. Completed.</p> <p>An in-house solution was developed to monitor audit log changes to Chris 21.</p> <p>2. In Progress.</p> <p>The Revenue Office, Shared Services ICT and the vendor are investigating the establishment of auditing logging on configuration changes.</p>

REPORT No.	Title	Date Presented
13	Inquiry into ACT Government Procurement (Including Review of Auditor-General's Report No. 1 of 2009: Road Projects: Fairbairn Avenue Upgrade and Horse Park Drive)	Report tabled 18 November 2010. Government response tabled 28 June 2011.

Committee report

<http://www.legassembly.act.gov.au/committees/index1.asp?committee=116&inquiry=834>

Government response

<http://www.parliament.act.gov.au/downloads/reports/7th%20PAC13%20Procurement.pdf>

No.	Recommendation	Government Response	Directorate Implementation
2	The Committee recommends that the threshold at which agencies are required to seek more than one quotation before proceeding with a purchasing decision, and the threshold at which agencies are required to seek ACT Procurement Solutions' management services for a purchase be aligned.	<p><i>Agreed.</i></p> <p>The Government will raise the threshold for agencies to seek the assistance of Shared Services Procurement (formerly ACT Procurement Solutions) in managing their procurement to \$25,000, to align it with the lower threshold for seeking three quotations. The Government will also take the opportunity to raise the threshold at which contracts must be published on the Contracts Register to \$25,000. In principle these three thresholds should remain aligned when any future changes are made.</p>	<p>Completed.</p> <p>All three procurement thresholds are now aligned.</p>



No.	Recommendation	Government Response	Directorate Implementation
3	The Committee recommends that these thresholds be reviewed and adjusted on a regular basis.	<p><i>Agreed.</i></p> <p>Realistic thresholds eliminate unnecessary obstacles to industry and encourage participation.</p> <p>While the recommendation does not suggest the frequency of reviews and adjustments that the Committee is contemplating, the Government agrees that it may be practicable to review thresholds not less than once every three years and, if required, the thresholds should be adjusted to reflect significant changes in the volume or risk profile of contracts within thresholds and ensure that they are in line with other jurisdictions.</p> <p>A review of the thresholds may not necessarily dictate that an adjustment to the threshold is warranted. Further, it would be impractical to adjust thresholds too frequently. The confusion and cost (for example, in communication within government and externally, and updating documentation and electronic media) would not be justified for incremental changes that would be likely if thresholds were adjusted more frequently than every few years.</p>	<p>Shared Services Division is monitoring whether the thresholds and work associated with those thresholds continue to be appropriate.</p>
9	The Committee recommends that ACT Procurement Solutions investigate the viability of adopting the Commonwealth's online tender system or modifying its own system to provide a similar targeted service to users.	<p><i>Noted.</i></p> <p>The ACT Government is currently trialling a simple e-tendering system to facilitate the seeking, processing and evaluation of low value, low risk quotations for goods and services procurements across the Government. The e-tendering system offers benefits through streamlined services that speed the sourcing process and facilitate effective evaluation of the quotations with minimal manual intervention.</p> <p>The Government will consider the implementation of a full online tendering system in the light of emerging budget priorities.</p>	<p>In Progress.</p> <p>The Government is continuing to investigate electronic tendering solutions.</p>

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REPORT No.	Title	Date Presented
16	Annual and Financial Reports (Public Accounts) 2009-2010	Report tabled 5 May 2011 Response Tabled 20 September 2011

Committee Report

<http://www.parliament.act.gov.au/committees/index1.asp?committee=116&inquiry=989&category=19>

Government Response

<http://www.parliament.act.gov.au/downloads/reports/7th%20PAC16%20AR09%20Govt%20response.pdf>

No.	Recommendation	Government Response	Directorate Implementation
7	3.14 The Committee recommends that the Treasurer inform the ACT Legislative Assembly on the outcome of the Department of Treasury's post implementation program/initiative evaluations through the Expenditure Review and Evaluation Committee (EREC).	An update on the Expenditure Review and Evaluation Committee's work was provided in Chapter 1.6 of 2011-12 Budget Paper No. 3.	Complete.
9	3.26 The Committee recommends that the Department of Treasury in preparing its advice to Cabinet on the efficiency dividend percentage target should consider the relevance to ACT Government agencies of the findings of the Joint Committee on Public Accounts and Audit (JCPAA) inquiry into the Commonwealth Government's efficiency dividend and its impact on small agencies.	<i>Noted.</i>	No further action required.
19	4.81 The Committee recommends that ACT Treasury give urgent attention to: (i) resolving the long standing issue of the transfer of long service leave entitlements, including cash entitlements, for the affected officer of the Long Service Leave Authority; and (ii) determine a policy for the transfer of long service leave entitlements, including cash entitlements, for all small ACT Government agencies.	<i>Agreed.</i> The Long Service Leave Authority was provided funding in 2010-11 for leave entitlements paid out in 2010-11 which were associated with service provided by employees prior to transferring to the Authority.	No further action required.
27	4.157 The Committee recommends that the Department of Treasury review the first year of operation of the Mortgage Relief Fund to determine the effectiveness of the Fund with particular reference to the appropriateness of the eligibility criteria.	<i>Not agreed.</i> The Treasury Directorate's monitoring and feedback received to date has not highlighted a need to conduct an early review. The Mortgage Relief Fund is proposed to be reviewed once there is the benefit of additional data and time to allow for a thorough assessment of the effectiveness of the fund.	Complete.



No.	Recommendation	Government Response	Directorate Implementation
29	4.179 The Committee recommends that the Treasurer inform the ACT Legislative Assembly on the outcome of the Department of Treasury's review of ACTEW Corporation Limited's dividend policy.	<p><i>Agreed.</i></p> <p>The review undertaken by the Treasury Directorate found that although ACTEW's short to medium term funding requirements are relatively high in order to fund major infrastructure works, the gearing ratio (Net Debt to Total Capital) is projected to remain at an acceptable level considering the nature of ACTEW's business operations. The Voting Shareholders have subsequently agreed to maintain the dividend policy but have indicated they will retain the discretion to revise the dividend policy at any time based on prevailing circumstances.</p>	Complete.
30	4.184 The Committee recommends that the ACT Government consider the cost benefit to the Territory of continuing to pursue the recovery of Rhodium Asset Solutions Limited outstanding debts.	<p><i>Noted.</i></p> <p>During the wind down phase Rhodium considered the relative costs and benefits of specific debt recovery action at each Board meeting. This practice is also being applied to the remaining debtors that were assigned by Rhodium to Treasury on behalf of the Territory. Analysis is being undertaken each month as to the cost effectiveness of maintaining various debt recovery actions, and to date the current process remains cost effective.</p>	<p>Rhodium Wound-up and deregistered 19 June 2011.</p> <p>Analysis of outstanding debts continues to be undertaken each month.</p>
31	4.186 The Committee recommends that the Treasurer inform the ACT Legislative Assembly in twelve months time on progress of winding up Rhodium Asset Solutions Limited, in accordance with the Corporations Act 2001, by the end of the 2010–11 financial year.	<p>As anticipated in the 2011-12 Budget papers, Rhodium was wound up and deregistered as a company in accordance with the requirements of the <i>Corporations Act 2001</i> on 19 June 2011. Rhodium's final annual report, which is for the period 2010-11, will be tabled in the Legislative Assembly in 2011.</p>	Rhodium Wound-up and deregistered 19 June 2011.
32	4.197 The Committee recommends that the Treasurer inform the ACT Legislative Assembly in six months time on progress of winding up Totalcare Industries Limited, in accordance with the Corporations Act 2001, by the end of the 2010–11 financial year.	<p>Totalcare was not wound up by 30 June 2011 due to the complex nature of the superannuation settlement process. The company will be wound up as soon as practically possible.</p>	Totalcare Wound-up and deregistered 2 May 2012.
33	4.199 The Committee recommends that the Department of Treasury, in conjunction with representatives from Totalcare Industries Limited and Rhodium Asset Solutions Limited, examine and evaluate the practices employed by each of the companies in winding up their respective affairs with a view to identifying and assessing good practice, and areas where improvements could be made. This information should be presented in a format for future reference and be publicly available.	<p><i>Agreed.</i></p> <p>It is important to note that although guidelines may assist in broadly identifying potential issues to be resolved, they should not be relied on as a substitute for legal advice on the facts as they present themselves in each circumstance.</p>	<p>Appropriate and detailed records were kept during the respective winding-up processes of Rhodium and Totalcare which are available for future reference.</p> <p>Draft Guidelines have been developed.</p>
34	4.200 The Committee recommends that the ACT Government, in any future wind-up of a Territory-owned Corporation, should consider the benefits to the Territory of pursuing the residual issue of recovery of outstanding debts.	<p><i>Noted.</i></p> <p>In keeping with the analysis that was applied to each of the residual debtors relating to Rhodium, the need to consider the treatment of any outstanding debts will be incorporated into the guidelines to be developed in accordance with Recommendation 33.</p>	Has been incorporated in the Draft Guidelines.

REPORT No.	Title	Date Presented
18	Review of Auditor-General's Report No. 1 of 2010: Performance Reporting	Report tabled 25 August 2011 Government Response tabled 6 December 2011

Committee report

<http://www.parliament.act.gov.au/downloads/reports/PAC18%20AG%201%20of%2010%20-%20performance%20report.pdf>

Government response

<http://www.parliament.act.gov.au/downloads/reports/7th%20PAC18%20Performance%20reporting.pdf>

No.	Recommendation	Government Response	Directorate Implementation
2	The Committee recommends that the ACT Government ensure the continuity and completeness of performance reporting for all new and discontinued entities under the new ACT Public Service Directorate Structure and 'One ACT Public Service' identity.	<i>Agreed.</i> The ACT Government will continue to provide consistent and complete presentation of performance reporting through the budget and annual reports whenever changes to administrative arrangements occur.	Treasury issues advice every budget on agency performance reporting. In addition Treasury has issued a guidance paper on performance reporting.

REPORT No.	Title	Date Presented
20	Inquiry into the exposure draft of the Financial Management (Ethical Investment) Legislation Amendment Bill 2010	Report tabled 6 December 2011 Government Response tabled 20 March 2012

Committee report

<http://www.parliament.act.gov.au/downloads/reports/PAC20%20Ethical%20Investment%20Bill.pdf>

Government response

<http://www.parliament.act.gov.au/downloads/reports/7th%20PAC20%20Ethnic%20investment.pdf>

No.	Recommendation	Government Response	Directorate Implementation
1	The Committee recommends that the proposed Financial Management (Ethical Investment) Legislation Amendment Bill 2010 not be tabled in the ACT Legislative Assembly, and if tabled, not supported by the ACT Legislative Assembly.	<i>Agreed.</i> The Government supports this recommendation. Further developments and enhancements to the Territory's responsible investment practices can be achieved and articulated through amendments to current investment management policies and guidelines.	No further action required.
2	The Committee recommends that the ACT Government table in the ACT Legislative Assembly its 2009; 2010 and 2011 United Nations Principles of Responsible Investment annual reporting and assessment survey responses.	<i>Noted.</i> The Territory's 2009, 2010 and 2011 Annual Reporting and Assessment survey responses are available publicly at the United Nations Principles of Responsible Investment website http://www.unpri.org/reporting/result.php . Members of the Assembly are able to source this information from that site.	No further action required.



No.	Recommendation	Government Response	Directorate Implementation
3	The Committee recommends that the ACT Government report annually (as an appendix to the Treasury Directorate annual report) on changes it has made to its investment portfolio as a consequence of its signatory status to the United Nations' Principles of Responsible Investment, for example, divestment of shares and changes to investment practices.	<i>Agreed.</i> The Government will continue to report on the financial and responsible investment activities of the Territory as part of Treasury Directorate's Annual Report.	Ongoing.
4	The Committee recommends that the ACT Government, as an institutional investor should actively pursue a policy of responsible investment with selective use of exclusion-based or negative screening strategies in the context of public policy.	<i>Agreed.</i> The Government will continue to report on the financial and responsible investment activities of the Territory as part of Treasury Directorate's Annual Report.	Ongoing.
5	The Committee recommends to ensure consistency with recognised investment terminology, and to promote a common understanding, that the ACT Government's 'doing well by doing good' investment policy framework be referred to henceforth as—responsible investment.	<i>Agreed.</i>	Completed.
6	The Committee recommends that the ACT Government should develop a policy of responsible investment that reflects a principled based approach to this form of investment.	<i>Agreed-in-principle.</i> The Government's responsible investment policy will incorporate and reflect the framework established by the United Nations Principles for Responsible Investment and will utilise universally agreed and accepted norms-based investment criteria.	Revised Responsible Investment Policy to be implemented in 2012-13.

No.	Recommendation	Government Response	Directorate Implementation
7	<p>The Committee recommends that the implementation and reporting requirements for the proposed responsible investment policy be detailed in the policy. Amongst other things, the policy should:</p> <p>a) set out norms-based investment criteria for the Territory's investments that are consistent with internationally recognised norms and conventions relevant to ethical investment and responsible investment and the ACT Government's status as a signatory to the United Nations Principles of Responsible Investment</p> <p>b) in the main, use engagement and integration investment strategies supplemented by the selective use of exclusion-based screening strategies consistent with the ACT Government's articulated public policy context</p> <p>c) require the ACT Government to instruct its fund managers to invest according to the specified norms-based investment criteria</p> <p>d) specify an annual reporting and disclosure requirement to ensure transparency with regard to the Territory's investments. Reporting and disclosure requirements should use an "if not, why not?" test,</p> <p>e) require that funds are not invested in ways that are inconsistent with the core investment objectives of the Territory, and</p> <p>f) require the ACT Government to comply with the policy and report annually on it to the ACT Legislative Assembly.</p>	<p><i>Agreed-in-principle.</i></p> <p>The Government's responsible investment policy will incorporate norms-based and exclusion-based investment criteria. The policy will also incorporate ESG integration, engagement, annual reporting requirements, and fund managers' investment requirements.</p>	<p>Revised Responsible Investment Policy to be implemented in 2012-13.</p>
8	<p>The Committee recommends that the ACT Government publish a list of the companies in which it holds shares, as part of the annual requirement to report on the proposed responsible investment policy.</p>	<p><i>Agreed-in-principle.</i></p> <p>The Government supports the disclosure of the companies in which the Territory owns shares. The extent and/or timing of this disclosure may be subject to commercial and contractual restrictions and negotiations with relevant external investment service providers.</p>	<p>Revised Responsible Investment Policy to be implemented in 2012 13.</p>
9	<p>The Committee recommends that the ACT Government, as part of the proposed responsible investment policy, sponsor or co-sponsor public engagements and shareholder resolutions on matters of concern. The matters of concern should be drawn from the norms-based criteria to be set out in the Government's responsible investment policy. The Government should report on this activity—companies engaged with and the issues involved—as part of the annual requirement to report on the responsible investment policy.</p>	<p><i>Noted.</i></p> <p>The Government will report on any activities undertaken in this area as part of the annual reporting requirements.</p>	<p>Ongoing.</p>



REPORT No.	Title	Date Presented
21	Inquiry into Appropriation Bill 2011–12 (No. 2)	Report tabled 1 May 2012 Government Response Tabled 8 May 2012 No recommendations relevant to the Treasury Directorate Bill Passed 8 May 2012

Committee Report

[http://www.legassembly.act.gov.au/downloads/reports/PAC21%20Appropriation%20bill%202011\(No2\).pdf](http://www.legassembly.act.gov.au/downloads/reports/PAC21%20Appropriation%20bill%202011(No2).pdf)

Government Response

[http://www.parliament.act.gov.au/downloads/reports/7th%20PAC21%20ApproBill%202010\(No2\).pdf](http://www.parliament.act.gov.au/downloads/reports/7th%20PAC21%20ApproBill%202010(No2).pdf)

REPORT No.	Title	Date Presented
22	Road Transport (Third-Party Insurance) Amendment Bill 2011	Report tabled 10 May 2012 Government Response expected to be tabled in the August 2012 Legislative Assembly sitting period

Committee Report

<http://www.parliament.act.gov.au/downloads/reports/PAC22%20Road%20Transp%20Bill.pdf>

REPORT No.	Title	Date Presented
23	Annual and Financial Reports (Public Accounts) 2010-11	Report tabled 7 June 2012 The Government has not as yet responded to this report.

Committee report

<http://www.parliament.act.gov.au/downloads/reports/PAC23%20AR10.pdf>

REPORT No.	Title	Date Presented
	Review of Auditor-General's Report No. 5 of 2011: 2010-11 Financial Audits	Ongoing Consideration – No Report yet tabled by the Committee

SELECT COMMITTEE ON ESTIMATES 2011-12

REPORT No.	Title	Date Presented
	<i>Appropriation Bill 2011-2012</i>	Report tabled 22 June 2011 Government Response tabled 28 June 2011

Committee Report

<http://www.parliament.act.gov.au/downloads/reports/Estimates%202011-12.pdf>

Government Response

<http://www.parliament.act.gov.au/downloads/reports/7th%202011-12%20Estimates%20Govt%20response.pdf>

No.	Recommendation	Government Response	Directorate Implementation
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.	<i>Agreed in principle.</i> 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.	Funding for the Government Office Building project was redirected to provide capacity to invest in higher priority infrastructure projects.
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.	<i>Agreed.</i> 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.	Complete – these savings have been removed from agency budgets.
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.	<i>Agreed in principle.</i> 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).	Advice on the use of 'Other' has been given to agencies. Work will be commencing on the use of additional accounts to further break up 'Other'. A further breakdown of the 'Other' Revenue Line was provided in the 2012-13 Budget Papers.
42	The Committee recommends that, where an asset revaluation has occurred, a Note to the Budget Papers be included explaining this action.	<i>Agreed in principle.</i> 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.	Agency Annual Reports provide the detail of actual asset revaluations.
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".	<i>Agreed in part.</i> 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.	Ongoing.
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.	<i>Agreed.</i> As per recommendation 51	Completed. Replacement model has been extended from four year to five years.
53	The Committee recommends that Shared Services ICT investigate no longer replacing keyboards and screens that are working effectively.	<i>Agreed.</i> As per recommendation 51.	Implemented.
54	The Committee recommends that Shared Services ICT investigate thin client computing models to reduce environmental and economic costs.	<i>Agreed.</i> Shared Service ICT will include investigation of thin client computing models as part of our ongoing strategic planning activities.	In progress. Shared Services ICT is actively engaged in developing thin client computing models.



No.	Recommendation	Government Response	Directorate Implementation
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.	<p><i>Agreed.</i></p> <p>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 Evaluation Committee (EREC) is expected to assist in providing further clarity in this area.</p>	<p>In Progress. Workshops will be undertaken during the second quarter of 2012-13 with Directorates as part of the Single Partnership Agreement discussions.</p>
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.	<p><i>Agreed in principle.</i></p> <p>The Government will consider options for increasing capacity for performance audits in future budget development processes, in line with Government priorities and resource allocation.</p>	<p>The Auditor-General's Office was provided with additional funding in the 2012-13 Budget to increase resourcing for performance audits.</p>

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SELECT COMMITTEE ON ESTIMATES 2012-13

REPORT No.	Title	Date Presented
	<i>Appropriation Bill 2012-13</i>	Ongoing consideration – no report yet tabled by the Committee The Committee is due to Report during August 2012 sittings

SELECT COMMITTEE ON THE ELECTION COMMITMENTS COSTING BILL 2011 EXPOSURE DRAFT

REPORT No.	Title	Date Presented
	Select Committee on the Election Commitments Costing Bill 2011 Exposure Draft: Inquiry into <i>Election Commitments Costing Bill 2011</i> Exposure Draft	Report tabled 7 June 2012. Government Response expected to be tabled in the August 2012 Legislative Assembly sitting period.

Committee report

<http://www.parliament.act.gov.au/downloads/reports/Election%20commitment%20costing%20bill.pdf>



LEGISLATION REPORT

LEGISLATION ADMINISTERED BY THE DEPARTMENT

ACTEW/AGL Partnership Facilitation Act 2000

Appropriation Acts

Competition Policy Reform Act 1996

Duties Act 1999

Emergencies Act 2004, schedule 1

Financial Agreement Act 1994

Financial Management Act 1996

First Home Owner Grant Act 2000

Government Procurement Act 2001

Independent Competition and Regulatory Commission Act 1997

Insurance Authority Act 2005

Land Rent Act 2008

Land Tax Act 2004

Legislation Act 2001, chapter 5

Legislative Assembly (Members' Superannuation) Act 1991

Motor Sport (Public Safety) Act 2006

Payroll Tax Act 2011

Rates Act 2004

Road Transport (ThirdParty Insurance) Act 2008

Taxation Administration Act 1999

Taxation (Government Business Enterprises) Act 2003

Territory Owned Corporations Act 1990

Territory Records Act 2002, except part 3A

Territory Superannuation Provision Protection Act 2000

Utilities (Network Facilities Tax) Act 2006

Utilities Act 2000, part 3A

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LEGISLATIVE AND POLICY BASED REPORTING

RISK MANAGEMENT AND INTERNAL AUDIT

INTERNAL AUDIT COMMITTEE

Internal audit for Core Treasury is managed by a joint Audit Committee, which provides services to Treasury and the Chief Minister and Cabinet Directorate. The Committee's functions are governed by the Audit Committee Charter.

Membership includes appointees from the two directorates and an independent Chair. Observers, including a representative from the ACT Auditor-General's Office, also regularly attend meetings. Mr John Gordon was appointed as the Independent Chair in January 2009.

Twelve meetings were held during the year. The number of meetings attended by committee members and observers is as follows:

Name of Member	Position	Duration	Meetings Attended
Mr John Gordon	Independent Chair	July 2011 to June 2012	12 / 12
Mr Andrew Kefford	CMCD Member	July 2011 to June 2012	12 / 12
Ms Sue Hall	CMCD Member	July 2011 to June 2012	6 / 7
Ms Kirsten Thompson	TD Member	July 2011 to August 2011	5 / 5
Ms Lisa Holmes	TD Member	August 2011 to June 2012	6 / 7
Ms Marsha Guthrie	TD Member	July 2011 to June 2012	8 / 9
Mr Chris Cole	CMCD Alternate Member	July 2011 to June 2012	4 / 5
Mr Glenn Bain	TD Alternate Member	July 2011 to August 2011	2 / 3
Mr Paul Ogden	Observer (CMCD CFO)	July 2011 to June 2012	10 / 12
Ms Lisa Holmes	Observer (TD CFO)	July 2011 to August 2011	1 / 2
Ms Anita Hargreaves	Observer (TD A/g CFO)	July 2011 to August 2011	3 / 3
Mr Scott Brown	Observer (TD CFO)	March 2012 to June 2012	3 / 3
Representative from the Auditor-General's Office	Observer	July 2011 to June 2012	5 / 11

Internal audit services were provided by private accounting firms. Internal audits were selected from an internal audit program developed by the Directorate after identifying areas of operational and financial risk. The proposed internal audit program was then approved by the Director-General and overseen by the Committee.

Internal audits completed during the year include reviews of:

- tax workbook processes; and
- taxation compliance.

In addition, field work was completed in relation to the review of the administration of the ACT Compulsory Third Party Insurance Scheme and field work was substantially completed in relation to the review of the administration of the Land Rent Scheme.



Internal audit for Shared Services is managed by Shared Services Internal Audit Committee. The Committee's functions are governed by the Audit Committee Charter.

Membership includes representatives from two directorates, one Shared Services member, plus two independent members with one of these being an independent Chair. Observers, including a representative from the ACT Auditor-General's Office, also regularly attend meetings. Mr William Laurie was appointed as the Independent Chair in July 2011.

Name of Member	Position	Duration	Meetings Attended
William Laurie	Independent Member and Chair	July 2011 to June 2012	4/4
Carol Lilley	Independent Member and Deputy Chair	July 2011 to June 2012	4/4
Andrew Whale	Member	July 2011 to June 2012	4/4
David Collett	Member	July 2011 to June 2012	4/4
Anita Hargreaves	Member	July 2011 to Oct 2011 (resigned)	1/4
Mark Whybrow	Member	Nov 2011 to Jun 2012	3/4
Jill Divorty	Observer	July 2011 to June 2012	4/4
Ken Moore	Observer	July 2011 to Dec 2011	2/4
Ross Burton	Observer	July 2011 to June 2012	4/4
Representative from Auditor-General's Office	Observer	July 2011 to June 2012	4/4

The Shared Services Internal Audit Committee (IAC) reports to the Director-General on governance, risk and the internal control environment. The Shared Services IAC oversees the development and implementation of the 12-month Audit Work Plan 2011-12. The Plan is developed using a risk-based methodology to identify areas of strategic and operational risk.

The Shared Services IAC sources internal audit services from companies on the ACT Government's Whole-of-Government Internal Audit Services panel, which includes performance, compliance and information technology categories.

Internal Audits completed during the financial year include:

- a review of the IT Infrastructure and Maintenance Program;
- System Review of CHRIS21;
- System Review of the Procurement Business System (PBS); and
- a review of ICT Project Management.

In addition, field work was completed for the audit of the CHRIS21 Payroll File Import Process to Oracle Financials and the Data Centre shutdown process.

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RISK MANAGEMENT FRAMEWORK AND ASSESSMENT

Core Treasury has a highlevel risk management framework, in accordance with the requirements of the Risk Management Framework developed by ACT Insurance Authority (ACTIA). A strategic business risk assessment has been undertaken by Acumen Alliance in accordance with the Australia/New Zealand Risk Standard. The risk assessment identified five strategic risks that must be managed in order to achieve its business objectives. Overall the risk assessment found that the types and levels of risk faced were consistent with those of other organisations of a similar size and complexity.

Individual business unit risk management plans flow down from Core Treasury's high-level risk management framework. The plans include risk identification and analysis, the development of risk treatment schedules and provide a holistic approach to managing risk at project and business unit level. The treatment and status of these strategic risks are routinely discussed by the Executive. These risks and mitigation strategies are also discussed at the Internal Audit Committee.

Shared Services identifies and manages risk at all business unit levels. The Shared Services Risk Management Framework is based on the Australia/New Zealand Risk Standard and utilises a risk management toolkit developed by ACTIA. Shared Services IAC and the Security and Risk Management Committee have oversight of risk management within Shared Services.

The Framework is managed by Strategic HR and Corporate branch, with regular progress reports to the Security and Risk Management Committee providing updates on the risk register and assisting to identify and assess risks across Shared Services. Business units report on emerging risks which are reviewed to determine if they should be included in the Strategic Risk Management Register.

BUSINESS CONTINUITY PLANS

Core Treasury's Business Continuity Plan was reviewed in June 2011 to ensure that the Plan correctly reflected current directorate structures, staffing, the relative importance of the functions outlined and our reliance on new facilities and systems. No significant change has occurred in the Directorate's structure, functions or systems since this last review. A scenario walkthrough was undertaken during 2010-11.

A number of Business Continuity Plans for Shared Services were updated during the year. A comprehensive review of Business Continuity and Disaster Recovery Planning has commenced within ICT with scheduled completion by November 2012.

As part of the review all business continuity plans will be scheduled for testing utilising scenario walkthrough exercises and emergency simulations.



FRAUD PREVENTION

The ACT Integrity Policy requires ACT Government directorates to prepare a Fraud and Corruption Prevention Plan and Risk Assessment every two years. As part of the review process, an integrity risk assessment must be undertaken assessing changes to the organisation's operations and environment since the last plan.

In 2010-11 Core Treasury reviewed and established a new Fraud and Corruption Plan. In conjunction with the development of the new Fraud and Corruption Plan, Core Treasury completed a fraud risk assessment. The assessment of the fraud environment is that overall there is a low fraud risk exposure.

Fraud awareness and ethics remain key themes for training and development within Core Treasury, including induction programs for new recruits and graduates. In 2012-13 fraud awareness education programs will continue to be made available to all employees.

The Shared Services Internal Audit Committee and Security and Risk Management Committee oversee the development and implementation of fraud prevention activities in line with the Shared Services Fraud and Corruption Prevention Plan. The Risk Management Plan and Register identify fraud and corruption risks and include strategies and corrective actions to minimise the impact of these risks.

A review of the Shared Services Fraud and Corruption Prevention Plan and associated fraud risk assessment was completed during 2011-12.

Awareness training is provided to new employees during the staff induction process. As part of the Fraud and Corruption Action Plan, an awareness training program has been developed and will be implemented in 2012-13 targeting high-risk areas.

One specific awareness session – Corruption Controls in Procurement – The Management Challenge – was delivered during the year. Around 60 Shared Services staff attended this session.

The plan and actions will be further promoted to all Shared Services staff and reinforced regularly through internal communications and team meetings.

INCIDENTS OF FRAUD REPORTED IN 2011-12

No cases of alleged fraud were reported in Core Treasury during 2011-12.

One instance of fraud was reported and investigated by Shared Services during 2011-12. The case was investigated under provisions provided by the ACT Public Service Treasury Directorate Enterprise Agreement 2011-13. Two employees were involved: one employee resigned prior to the investigation and allegations against the other employee were found not proven. The outcome being that this matter was to be discussed with staff involved.

PUBLIC INTEREST DISCLOSURE

The *Public Interest Disclosure Act 1994* provides a mechanism for people to report wrongdoing in the ACT public sector. This action is referred to as making a 'public interest disclosure', and is less formally known as 'whistle blowing'. An agency leaflet is available, which provides information on making a disclosure.

The leaflet includes summary information on:

- who can make a disclosure;
- what can be disclosed;
- what protection is available if a disclosure is made;
- who can receive a disclosure; and
- what Directorates must do under the *Public Interest Disclosure Act 1994*.

The leaflet also provides contact details to obtain further information in making a disclosure. The leaflet can be found at: <http://www.treasury.act.gov.au/documents/PID%20Guidelines.pdf>

In 2011-12, Treasury did not have any public interest disclosures on conduct as described in section 4(2) of the Act.

One disclosure relating to 2010-11 was completed in 2011-12.

Further information may be obtained from:

Lisa Holmes

Director, Office of the Under
Treasurer

Ph: (02) 6207 0280

lisa.holmes@act.gov.au



FREEDOM OF INFORMATION

The ACT *Freedom of Information Act 1989* (the FOI Act) provides a legally enforceable right of access by citizens to all documentation in the possession of the ACT Government, subject only to exemptions to protect the legitimate interest of the ACT Government, and of the third parties who deal with the ACT Government. The FOI Act requires information about the operations of ACT agencies to be made publicly available, in particular, the rules and practices affecting citizens in their dealings with those agencies.

Section 7 of the FOI Act requires Treasury to prepare and publish a statement outlining its organisation, functions and powers, the categories of documents available and facilities provided for access to documents.

SECTION 7 STATEMENT

Public Participation in Decision-making

Arrangements in Treasury for public participation in decision-making include:

- facilitating submissions to public inquiries;
- consulting clients on proposed policies, procedures and legislation;
- interacting with peak industry and professional bodies;
- constituting public meetings to enable open discussion;
- enabling access to records through Freedom of Information (FOI) requests;
- commenting on draft documents proposed for public exposure;
- commenting on Bills before the Assembly; and
- enabling contact by the public with the relevant Minister.

Categories of Documents

Treasury holds several basic categories of documents:

- those that are freely available on request and without charge;
- those available for sale including those that are part of a public register; and
- other records and documents that may be available under the FOI Act.

Documents available on request and without charge

Documents within this category include publications produced by Treasury on various aspects of its activities.

These documents can be accessed through Treasury's website <http://www.treasury.act.gov.au/index.shtml>.

Records and documents that may be available under the ACT *Freedom of Information Act 1989*

These records and documents comprise:

- general files including internal, interdepartmental and public documents, minutes of meetings of management and other committees, agendas and background papers, policy statements, financial and staffing estimates;

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- diaries, rosters, work sheets;
- program and policy files;
- records held on microfilm, computer or paper in connection with specialised divisional functions;
- photographs, videos and films;
- financial and accounting records;
- files on applicants and clients;
- records of government including the machinery of government;
- leases and deeds of agreement; and
- brochures.

Facilities for Access

Before submitting a formal FOI request, persons seeking information are encouraged to contact Treasury. In many cases, information can be provided more quickly and efficiently through such an approach.

Physical Location

The physical location of Treasury is Canberra Nara Centre, Cnr Constitution Avenue and London Circuit, Canberra City ACT 2601. Several bus stops are close to the Nara Centre on London Circuit. Short-term car parking is located opposite the Centre and a disabled car park space is available in Nangari Street alongside the Centre.

All FOI requests should be directed to:

The FOI Coordinator
ACT Treasury
Canberra Nara Centre
1 Constitution Avenue
CANBERRA ACT 2601
Ph: (02) 6205 0623
Fax: (02) 6207 0304

Section 8 Statement

Treasury makes available a Section 8 statement under the *Freedom of Information Act 1989* (ACT), being an index of documents provided by the agency for the purpose of making a decision or recommendation under an enactment or scheme. The statement is available from Treasury's Freedom of Information (FOI) Coordinator or the Treasury website at <http://www.treasury.act.gov.au/about/publications.shtml>

Summary of Outcomes of FOI Requests (Section 79)

This report is prepared in accordance with section 79 of the FOI Act. The following table summarises the results of FOI requests across Treasury and the time taken to determine requests in 2011-12.



Applications made under FOI Act during 2011-12

Decision	Number
Initial applications lodged	29
Full release	1
Partial release	8
Entire Exemption	3
Technical refusal	9
Withdrawn	1
Transfer	-
Not yet complete	7

FOI response times 2011-12

Time taken to determine requests	Days
Less than 31 days	8
31-45 days	2
46-60 days	2
61-90 days	1
More than 90 days	8

Review of decisions under section 59 FOI Act

Review of Decisions	Number
Requests for Internal Review	2
Reviews affirmed	2
Partial release	-
Reviews overturned	-

Referrals to the ACT Civil and Administrative Tribunal

Requests to ACAT	Affirmed	Overtured	Ongoing
2	-	-	2

Fees and charges (for requests with > 10 hours processing time)¹

Request for personal affairs remission		Request for Financial Hardship remission		Request for public interest remission	
Accepted	Refused	Accepted	Refused	Accepted	Refused
-	-	-	-	-	-

¹ No processing charges were collected during the reporting period.

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Applicant type

Member of public	Solicitor	Association/ Organisation	Politician	Company
2	-	1	20	6

Treasury did not have any requests to amend personal records under section 48 of the Act.

Freedom of Information Guidelines

Treasury FOI guidelines are available through the Treasury website <http://www.treasury.act.gov.au/about/publications.shtml>. The purpose of these guidelines is to inform decision-makers and action officers about the ACT *Freedom of Information Act 1989* and their roles in managing responses to applications in accordance with the Act in a comprehensive and timely way.

Further information may be obtained from:

The FOI Coordinator

ACT Treasury

Telephone: (02) 620 50623

Fax: (02) 620 70304



INTERNAL ACCOUNTABILITY

ORGANISATIONAL STRUCTURE

The senior management and organisation structure for Treasury is shown in the Organisation Chart at *The Organisation*.

Core Treasury has four divisions: Policy Co-ordination and Development; Finance and Budget; Revenue Management; and Investment and Economics.

Shared Services is a Division of Treasury that provides tactical and transactional finance and human resources services, publishing and record services, comprehensive procurement and ICT services to ACT Government directorates and agencies.

PROFILES OF THE SENIOR EXECUTIVE

Megan Smithies, Under Treasurer

Megan Smithies is the Under Treasurer and Director-General for Treasury. She is also accountable for the ACT Insurance Authority (ACTIA) and has portfolio responsibility for the Independent Competition and Regulatory Commission (ICRC).

As the Director-General, Megan is responsible for the provision of strategic financial and economic policy advice and services to the Government with the aim of improving the Territory's financial position and economic management. This is achieved through the efficient management of the Directorate and its corporate and strategic objectives. Megan is also responsible for the provision of shared services to ACT Government directorates.

Karen Doran, Executive Director, Investment and Economics Division

(Output 1.1 Economic Management)

Karen Doran is responsible for the development and pursuit of initiatives to ensure the economic interests of the ACT and its residents. This is achieved through the provision of advice on economic and regulatory reform, and major projects, facilitation of appropriate intergovernmental financial relations and provision of community insurance support. Karen also oversees the Territory's insurance arrangements, and management of the Territory Banking Account and the Superannuation Provision Account.

Khalid Ahmed, Executive Director, Policy Co-ordination and Development Division

(Output 1.2 Financial Management)

Khalid Ahmed is responsible for coordinating major policy development within Treasury and advising the Government in respect of significant long-term financial issues and risks likely to impact on the Territory's budget.

Neil Bulless, Executive Director, Finance and Budget Division

(Output 1.2 Financial Management)

Neil Bulless is responsible for advising the Government and agencies on the development of the Territory's budget, advising on financial issues relating to agencies and the Territory, and accounting policies, financial frameworks and governance issues.

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Kim Salisbury, Commissioner for ACT Revenue

(Output 1.3 Revenue Management)

Kim Salisbury is responsible for providing advice on revenue and taxation policy; management of the Territory's taxation base including the development of revenue and taxation legislation; compliance activities; debt management; administering the Territory's rates and land tax including valuations, remissions and rebates (pensioners); administering the First Home Owner Grant Scheme in the ACT; and administering the Home Loan Portfolio.

The Commissioner for ACT Revenue is a statutory position and is filled by appointment by the Treasurer, under the *Taxation Administration Act 1999*.

Jill Divorty, Executive Director, Shared Services

(Shared Services Output 1.1, 2.1, 3.1, 4.1)

Jill Divorty is responsible for the overall management of Shared Services which provides a range of services to ACT Government directorates and agencies including finance, human resources, records services, publishing services, information, communications and technology (ICT) and procurement services.

REMUNERATION FOR SENIOR EXECUTIVES

The ACT Remuneration Tribunal determines remuneration and allowances for Senior Executives of the Directorate.



SENIOR COMMITTEES

Name of Committee	Role of Committee	Membership
Treasury Executive	The Executive meet on a weekly basis to provide advice on current and emerging issues at the directorate or whole of government level, and monitors the outcomes of business plans, actions from the Risk Management Plan and the Fraud and Corruption Prevention Plan, and recommendations from reviews undertaken by the Audit Office or Internal Audit Committee.	<ul style="list-style-type: none"> • Under Treasurer • Executive Director, Policy Co-ordination and Development Division • Executive Director, Finance and Budget Division • Executive Director, Investment and Economic Division • Commissioner for ACT Revenue • Executive Director, Shared Services • Director, Office of the Under Treasurer
Internal Audit Committee (Core Treasury)	Internal audit for Treasury is managed by a joint Audit Committee, which provides services to Treasury and the Chief Minister and Cabinet Directorate. The Committee's functions are governed by the Audit Committee Charter.	<p>Membership includes appointees from the two directorates and an independent Chair. Observers, including a representative from the ACT Auditor-General's Office, also regularly attend meetings.</p> <p>Further details on the committee's role and membership can be found at <i>Risk Management and Internal Audit</i>.</p>
Treasury Consultative Committee (TCC)	The TCC provides the mechanism for consultation on proposals to introduce or review changes in the directorate or to existing work practices and to consider the work safety implications of such changes before implementation.	<p>Membership includes three executives, three division representatives, two work safety representatives and the Treasury Strategic HR Manager.</p> <p>Shared Services Workplace Health and Safety Team and the CPSU are also represented.</p>
Shared Services Executive	The Executive meet on a weekly basis to provide advice on current and emerging issues at the agency or whole of government level, and monitors the outcomes of business plans, Fraud and Corruption Prevention Plan, and recommendations from reviews undertaken by the Audit Office or internal Audit Committee.	<ul style="list-style-type: none"> • Executive Director Shared Services • Executive Director ICT Services • Executive Director Procurement Services • Director Human Resource Services • Director Finance Services • Chief Finance Officer • Director Strategic HR and Corporate • Director Innovation & Planning
Shared Services Internal Audit Committee	Oversees the Shared Services governance, risk and internal control environment on behalf of the Executive Director, Shared Services and the Under Treasurer, and provides assurance as to its effectiveness.	<ul style="list-style-type: none"> • Will Laurie (Chair) • Carol Lilley (Deputy Chair) • Andrew Whale (Member) • Mark Whybrow (Member) • David Collett (Member)
Shared Services Security and Risk Management Committee	Oversees accountability measures in relation to the identification, management and control activities of risk, business continuity and fraud and corruption prevention.	<ul style="list-style-type: none"> • Executive Director, Shared Services (Chair) • Executive Director, ICT Services • Executive Director, Procurement Services • Director, HR Services • Director, Finance Services • Director, Strategic HR and Corporate (Deputy Chair) • Chief Financial Officer

Name of Committee	Role of Committee	Membership
Shared Services Information Management/Information Communication Technology Committee	Provides strategic direction and governance to the management of IM/ICT within Shared Services.	<ul style="list-style-type: none"> Executive Director Shared Services (Chair) Executive Directors/Directors representing each business unit within Shared Services An additional Director from ICT Services Chief Financial Officer
Shared Services Service and Pricing Committee	Provides management oversight to ensure that the services provided by Shared Services are articulated, agreed, maintained, and priced appropriately.	<ul style="list-style-type: none"> Executive Director, Shared Services (Chair) Executive Director, ICT Services Executive Director, Procurement Services Director, HR Services Director, Finance Services Director, ICT Customer Relations Chief Financial Officer
Shared Services Governing Committee	Provides both governance and stewardship of Shared Services in its delivery of services across the ACT Government.	<ul style="list-style-type: none"> Head of Service (Chair) Directors-General (all directorates) Chief Executive, CIT Commissioner for Public Administration Executive Director Shared Services (Advisor)

Treasury Directors also meet during the year to discuss issues relevant to the Directorate's overall performance, objectives and operations. Issues that have been the focus of individual meetings this financial year include: responsibilities under the *Work Safety Act 2011*, ACT Public Service values, behaviours and Code of Conduct.

CORPORATE AND OPERATIONAL PLANS

Treasury Strategic Plan 2011-14

The Treasury Strategic Plan identifies the Directorate's Mission, Values, Purpose and Objectives. Performance Indicators are attached to each performance objective. The plan is currently being updated.

Treasury objectives are in the areas of:

- sound economic and fiscal strategy;
- providing economic and fiscal advice;
- facilitating financial and economic reform;
- providing efficient and effective service delivery; and
- building Treasury capability and capacity.

The Shared Services Strategic Business Plan 2011-14 identifies its Mission, Vision, Values and Goals. Strategies and activities are attached to each goal to measure performance.



Shared Services goals are to:

- engage and communicate effectively internally and externally;
- develop great people;
- enhance service delivery; and
- have clarity of service and costs.

Risk and Fraud Plans

The two key documents used to assess and treat risk are the Risk Management Plan and Fraud and the Corruption Prevention Plan. These documents are actively monitored by the Executive and the respective Internal Audit Committees. The Shared Services Security and Risk Management Committee also actively monitors and reports on the two documents.

Internal Audit Work Program

Treasury has internal audit work programs for both Core Treasury and Shared Services which identify priority areas of risk for review. The Audit Committees oversight the audit function and review all internal audit reports and annual financial reports.

HUMAN RESOURCE PERFORMANCE

The Treasury Strategic Human Resources (HR) team provides strategic and technical HR advice and support to the executive, managers and staff within business units. During 2011-12 Shared Services focused on establishing its governance, corporate and strategic human resource structures and frameworks.

DELIVERING FOR THE FUTURE

During 2011-12 Treasury continued to focus on its attraction and retention strategies and in particular workforce planning and capability building.

A key aspect of Treasury's work force planning strategy is to focus on the recruitment and development of graduates and trainees in specialist areas where historically the directorate has had difficulties with recruitment.

In 2012 the Directorate recruited four graduates and one cadet through the Treasury Economic and Finance Graduate and Cadetship Program. The program provides individuals with a structured program that assists them with a career in the Directorate, including on the job work experience combined with structured learning and development activities.

In addition Shared Services participated in the whole-of-government Graduate Program which included the placement of eight graduates. These graduates have been engaged to meet future needs in the fields of ICT, procurement and financial management.

Nine ICT trainees commenced with Shared Services ICT during 2011-12 bringing to twenty the current number of trainees engaged by Shared Services ICT as at 30 June 2012.

A focus for Treasury's retention strategy for high performing individuals is to facilitate where possible opportunities for skills / career development with stretch projects or rotations.

Shared Services continued with the establishment of an automated Performance Development and Capability Plan (PDCP) for staff. This tool will provide consolidated data on staff development needs and will provide for a more strategic approach to training delivery.

The PDCP also incorporates the recently launched whole-of-service values of Respect, Integrity, Collaboration and Innovation to which Shared Services has added an additional value of Service. This enables assessment of staff against these important criteria. The automated PDCP will be fully implemented within Shared Services during 2012-13 in the first instance.

STRENGTHENING ORGANISATIONAL RESILIENCE

Health, safety and wellbeing within the workplace is important for organisational resilience. The Directorate continued to promote injury prevention and early intervention strategies in respect of psychological and body stressing injuries, as well as general wellbeing.

The Directorate provided the following programs in various divisions:

- Treasury Wellness Reviews and Early Psychological Intervention Program;
- Treasury Physiotherapy Program;
- 'Minimising Pain and Reducing Body Stressing Injuries' in the Workplace Program;



- Workstation assessments; and
- Influenza vaccination program.

Shared Services established its own Workplace Consultative Committee (WCC) to address workplace health and safety, respect, equity and diversity matters. It also commenced work on the development of an employee Health & Wellbeing Program through consultation with staff.

SUSTAINING COMMUNITY CONFIDENCE

A positive, inclusive and diverse workplace is important to gaining and maintaining the community's confidence in a directorate. Since the launch of the ACT Public Service (ACTPS) Respect, Equity and Diversity (RED) Framework in December 2010, the Directorate has undertaken a range of work culture initiatives as part of the ongoing implementation of the RED framework. This financial year these activities included:

- expanding the network of RED Contact Officers and RED Executive Sponsors within the Directorate and enhancing their training and development;
- improving staff awareness and understanding of RED in the Induction program and through information sessions;
- RED training for supervisors/managers;
- promoting the Open Door Protocol and the role of the RED Executive Sponsor;
- RED Contact Officers meeting bi-monthly with the Executive Director Shared Services to discuss RED issues and to share information;
- promoting RED and Health and Safety as an agenda item at team meetings;
- RED Executive Sponsors providing leadership and active involvement in RED matters; and
- undertaking ongoing risk management, analysis and recording of workplace bullying in business units' Health and Safety Risk Registers.

Other actions undertaken in building a positive, inclusive and diverse workplace were:

- the inclusion of cultural diversity, RED and workplace behaviour in the Treasury Induction Program;
- employment of a trainee with an intellectual disability to further his skills and opportunity to find long-term employment; and
- the Treasury Giving Program raised funds for a number of locally based charities and national fundraising activities, including the ongoing support of the Smith Family Christmas Toy and Book Appeal.

WORKING COLLABORATIVELY

The Directorate activity participated in inter-directorate forums such as HR Directors and People and Performance Council which are senior bodies for consideration of workforce capacity and capability related issues and workforce performance issues in the ACTPS. These forums provide opportunities for collaboration and across directorate partnering.

The Treasury Consultative Committee and the Shared Services Workplace Consultative Committee met throughout the reporting period. These committees have both management and staff representation. In addition a number of executive and management planning days occurred during 2011-12.

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Strategic HR provided advice and support to executives, managers and staff in the areas of: managing sick and injured staff, underperformance and misconduct, Special Employment Arrangements, executive and staff recruitment, and staff entitlements.

Strategic HR also updated or introduced a number of fact sheets to assist staff and managers understand human resource management practices and issues.

ENHANCING SKILLS AND CAPABILITIES

During the reporting period Treasury supported targeted learning and development programs. The aims were twofold - to meet current and future workforce requirements and to strengthen the capacity of the Directorate's current and future leaders.

Treasury staff undertook 225 courses available through the ACTPS Training Calendar. In addition, staff undertook technical training programs specific to the needs of business units and \$89,968 in financial assistance was provided to individual staff as part of the Study Assistance Scheme.

Shared Services introduced an annual staff awards program in December 2011. Staff achievement was recognised in the categories of Staff Member of the Year, Excellence in Customer Service, Best Team and Best Idea of Innovation.

ACT Public Service Awards for Excellence

Mr Colm Mooney of Shared Services Procurement was the winner of 'Category 2 – Government Business Improvement' for proposing and implementing specific client-focused groups within the Infrastructure Procurement Group, with staff dedicated to specific directorates. This approach has improved customer service and quality assurance models in Shared Service Procurement.

Four other staff and one team were nominated for their outstanding contributions in their work and to the Service.



STAFFING PROFILE

FTE AND HEADCOUNT

Treasury (Total Workforce)	Female	Male
FTE by Gender	501.7	584.7
Headcount by Gender	527	591
% of Workforce	47%	53%
Core Treasury	Female	Male
FTE by Gender	88.8	77.0
Headcount by Gender	91	77
% of Workforce	54%	46%
Shared Services	Female	Male
FTE by Gender	406.9	504.7
Headcount by Gender	430	511
% of Workforce	46%	54%
Home Loan Portfolio	Female	Male
FTE by Gender	0.0	1.0
Headcount by Gender	0	1
% of Workforce	0%	100%
Superannuation Unit	Female	Male
FTE by Gender	6.0	2.0
Headcount by Gender	6	2
% of Workforce	75%	25%

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CLASSIFICATIONS (BY HEADCOUNT)

Classification Group	Female	Male	Total
Administrative Officers	335	178	513
Executive Officers	9	21	30
Information Technology Officers	42	145	187
Professional Officers	5	9	14
Senior Officers	135	232	367
Trainees and Apprentices	1	6	7
Total	527	591	1118

EMPLOYMENT CATEGORY BY GENDER (BY HEADCOUNT)

Employment Category	Female	Male	Total
Casual	10	1	11
Permanent Full-time	367	455	822
Permanent Part-time	46	7	53
Temporary Full-time	98	123	221
Temporary Part-time	6	5	11
Total	527	591	1118

AVERAGE LENGTH OF SERVICE BY GENDER BY AGE-GROUP BY GENDER (BY HEADCOUNT)

Average Length of Service	Pre-Baby Boomers		Baby Boomers		Generation X		Generation Y		Total	
	F	M	F	M	F	M	F	M	F	M
0-2		1	18	36	34	56	82	80	134	173
2-4		1	13	12	19	35	40	38	72	86
4-6			20	20	30	25	33	30	83	75
6-8		1	17	19	15	23	16	13	48	56
8-10			13	16	15	18	6	6	34	40
10-12		1	18	26	18	18	4	2	40	47
12-14	1		8	9	11	9	1		21	18
14+ years	2	2	56	65	37	29			95	96

Generation	Birth years covered	Generation	Birth years covered
Pre-Baby Boomers	Born prior to 1946	Generation X	Born 1965 to 1979 inclusive
Baby Boomers	Born 1946 to 1964 inclusive	Generation Y	Born 1980 and onwards



TOTAL AVERAGE LENGTH OF SERVICE BY GENDER

Gender	Average Length Of Service
Female	8.1
Male	7.9
Total	8.0

AGE PROFILE (BY HEADCOUNT)

Age Group	Female	Male	Total
<20	9	10	19
20-24	63	51	114
25-29	66	73	139
30-34	67	73	140
35-39	63	66	129
40-44	67	73	140
45-49	55	63	118
50-54	62	82	144
55-59	52	66	118
60-64	20	26	46
65-69	3	7	10
70+	0	1	1

AGENCY PROFILE

Branch/Division	FTE	Headcount
Executive	9.1	9
Finance and Budget	48.1	49
Investment and Economics ¹	28.8	29
Policy Coordination and Development	15.0	15
Revenue Management ²	73.8	75
Shared Services	911.6	941
Total	1086.4	1118

1. Includes members of Superannuation Provision Account

2. Includes members of the Homeloan Portfolio

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AGENCY PROFILE BY EMPLOYMENT TYPE (BY HEADCOUNT)

Branch/Division	Permanent	Temporary	Casual
Executive	5	3	1
Finance and Budget	39	10	
Investment and Economics ¹	25	4	
Policy Coordination and Development	13	2	
Revenue Management ²	67	8	
Shared Services	726	205	10
Total	875	232	11

1. Includes members of Superannuation Provision Account

2. Includes members of the Homeloan Portfolio

EQUITY AND WORKPLACE DIVERSITY

	A*	B*	C*		
	Aboriginal and/or Torres Strait Islander	Culturally & Linguistically Diverse	People with disability	Employees who identify in category A, B, C*	Women
Headcount	9	194	25	225	527
% of Total Staff	0.8%	17.4%	2.2%	20.1%	47.1%



LEARNING AND DEVELOPMENT

The Directorate continued to invest in its people by providing learning and development opportunities to ensure its workforce has the necessary skills and abilities to deliver strategic financial and economic advice to the government in an appropriate and competent manner. In addition these opportunities provide a means to increase and improve productivity by enhancing staff capability.

LEARNING AND DEVELOPMENT PROGRAMS

During 2011-12 Treasury staff undertook 225 courses available through the ACTPS Calendar at a cost of \$76,650.

In addition there were 1,451 attendances in training and development and technical training programs undertaken which were related to the specific needs of business units. Details of this training is as follows:

Category	No. of participants
Management and Administration ¹	413
Technical Skills ²	1,038

1. Some of the key training courses in this category were:

- Change Management;
- Job Application and Interview Skills;
- Procedural Fairness;
- Writing for Government;
- Respect, Equity and Diversity;
- Microsoft Office Suite;
- The new *Work Health and Safety Act 2011*;
- Freedom of Information and Privacy;
- Minimising Pain at Work; and
- ACTSmart Office Program.

2. Some of the key sessions were Shared Services Procurement quality assurance program, and professional development relating to accounting, economics, finance and contemporary policy issues.

TREASURY ECONOMIC AND FINANCE GRADUATE PROGRAM

Treasury recruited seven graduates in 2011 and four graduates in 2012 through its Treasury Economic and Finance Graduate Program.

Treasury's Economics and Finance Graduate Program provides individuals with a structured program that assists them with a career in the Directorate, including on the job work experience combined with structured

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learning and development activities. Where possible, graduates are provided opportunities to participate in stretch projects or rotations.

The structured training program established for graduates focuses on building core public sector competencies to allow them to improve and develop their professional, interpersonal, managerial and technical skills. The following courses were offered to Treasury graduates in 2010-11 and 2011-12:

- Cost Benefit Analysis;
- Conflict Resolution;
- Financial Skills;
- Smart Reading Skills;
- Budget process;
- Presentation Skills;
- Microsoft Work and Excel;
- Administration Law;
- Policy Formulation and Advice;
- Analyse and present information; and
- Financial Management.

In 2012 Treasury recruited one cadet providing the opportunity for the individual to work and gain experience whilst completing study for an appropriate tertiary degree.

On successful completion of the Cadetship year the cadet automatically progresses into the Treasury Economic and Finance Graduate Program.

WHOLE OF GOVERNMENT GRADUATE ADMINISTRATIVE PROGRAM

Shared Services engaged eight graduates under the ACT Government Graduate Administrative (GAA) Program.

The GAA Program is the primary entry level program to recruit qualified professionals into ACT Government employment. Graduates undertake a ten-month work-based learning and development program which includes three work rotation placements and completion of a Diploma in Government.

While the GAA Program is a generalist program, candidates may be selected within specialist streams to address gaps in workforce capability by filling positions with low labour market supply. Shared Services graduates have been engaged to meet future needs in the fields of ICT (3), procurement (3) and financial management (2).

Shared Services graduate recruitment represents 28% of the intake of graduates across ACT Government.



SHARED SERVICES ICT TRAINEES

Nine ICT trainees commenced with Shared Services in January 2012 following promotion of the traineeship program in government and non-government high schools and colleges across the ACT. This intake brought to twenty the total number of ICT Trainees engaged by Shared Services ICT during 2011-12.

These trainees undertake formal and on the job learning to achieve awards of Certificate III, Certificate IV and Diploma levels in ICT related fields. The core focus of the current program is Networking.

STUDIES ASSISTANCE AND PROFESSIONAL DEVELOPMENT

Treasury approved studies assistance for 44 staff during 2011-12. Of these approvals 15 were for male staff and 29 were for female staff. The total amount of financial assistance approved for staff over the period was \$89,968.

WHOLE OF GOVERNMENT INITIATIVES

Initiative	No. of participants
ACTPS Graduate Program	8
Young Professionals' Network	0
Future Leaders Program	2
Executive Development Program	1
PSM Program	0
Sponsored Training for First-time and Front-line Managers	0

WORKPLACE HEALTH AND SAFETY

With the new *Work Health and Safety Act 2011* coming into effect on 1 January 2012, the focus for Treasury during 2011-12 has been on:

- delivery of briefing sessions to Executives on the implications of the new Act; and
- development of Health and Safety Risk Registers within business units.

Executives attended a presentation by ACT Work Safety on the new *Work Health and Safety Act 2011*, with presentations for managers / supervisors being rolled out from July through to December 2012.

Health and Safety Risk Registers have been developed within business units to ensure foreseeable hazards and associated risks in the workplace are identified, assessed and treated before they cause injury, damage or harm.

In addition, the following initiatives / programs were undertaken in 2011-12 to improve and manage work health and safety across Treasury:

- on-going implementation of the Treasury Workplace Health and Safety Improvement Plan 2010-12;
- on-going implementation of key early intervention and health and wellbeing strategies;
- promotion of early notification of accidents and incidents;
- appointment of a Respect Equity and Diversity (RED) Executive Sponsor within Shared Services (total of two RED Executive Sponsors within Treasury); and
- increase in the number of Health and Safety Representatives and RED Contact Officers, with training offered to new appointments and refresher training offered to existing staff.

REPORTING REQUIREMENTS UNDER *THE WORK HEALTH AND SAFETY ACT 2011*

During the reporting period the Directorate did not receive any notices under Part 10 or 11, or any findings of a failure to comply with a safety duty under part 2 Division 2.2, 2.3 or 2.4 of the *Work Health and Safety Act 2011*.

There were no serious injury, illness or dangerous incidents reported to the regulator in accordance with Part 3 Section 38 of the *Work Health and Safety Act 2011*.

WORKER CONSULTATION

The Treasury Consultative Committee provides for an effective and efficient mechanism for consultation and employee participation in decisions regarding both employment and health and safety matters across the Directorate. The Committee continues to meet on a quarterly basis and includes representation from management, employees and union.

In late 2011 Shared Services established its own Workplace Consultative Committee to address workplace health and safety and Respect Equity and Diversity matters.

Shared Services Health and Safety Representatives meet bi-monthly as part of this Committee where they have the opportunity to discuss work health and safety issues across Shared Services.

Treasury has a total of 13 trained Health and Safety Representatives across various business units within core Treasury and Shared Services.



INJURY PREVENTION

In addition to the work undertaken within individual business units to identify workplace H&S risks, other ongoing prevention activities undertaken include:

- six monthly workplace safety inspections to identify hazards and assess the safety of the work environment, equipment, and work practices, with outcomes reported back to the Treasury Consultative Committee;
- lift service upgrade program;
- ongoing preventative maintenance program for those items requiring regular testing to comply with regulatory requirements;
- conduct of ergonomic workstation assessments as required;
- testing and tagging of electrical equipment to ensure that risk of injury from electric shock or electrical fires at the workplace is reduced as far as is reasonably practicable. Items that failed testing were removed from service and replaced;
- inclusion of health and safety risk as a standing agenda item on the Shared Services Security and Risk Committee;
- influenza vaccinations made available for all staff;
- provision of an Employee Assistance Program which provides confidential, employer-funded counselling and support to staff and their immediate families;
- eyesight testing and reimbursement of costs of screen tests and standard prescription lenses and frames/ contact lenses required for use on screen based equipment for more than 25% of employee work time;
- onsite weekly yoga, pilates and exercise classes (paid for by the individual);
- seated massages provided in-house once a week (paid for by the individual);
- building emergency awareness sessions for staff; and
- training for Emergency Wardens, First Aid Officers and Health and Safety Representatives as required.

During 2011-12 Treasury once again targeted three intervention and education activities based on its risk profile and incident / claim history.

Treasury Physiotherapy Program (ongoing)

The Treasury Physiotherapy Program provides short-term early intervention physiotherapy treatment to Treasury employees who have sustained a work related injury.

Injured employees are offered up to three free treatment appointments at the professional discretion of the physiotherapist. The Treasury Physiotherapy Program provides:

- early intervention of musculo-skeletal injury through individual assessment and treatment;
- strategies for the individual to minimize the likelihood of recurrence of the injury or to prevent other similar injuries; and
- advice on simple exercises/stretchches to assist with the recovery of their injury.

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Minimising Pain and Reducing Body Stressing Injuries in the Workplace Program (Ongoing)

This program aims to improve ergonomic position at the desk; address the importance of breaking up and organising tasks to minimize pain; discuss manual handling techniques; provide an understanding of where pain comes from and contributors to the pain experience and give information about the Treasury Physiotherapy Program.

Treasury Wellness Reviews and Early Psychological Intervention Program (ongoing)

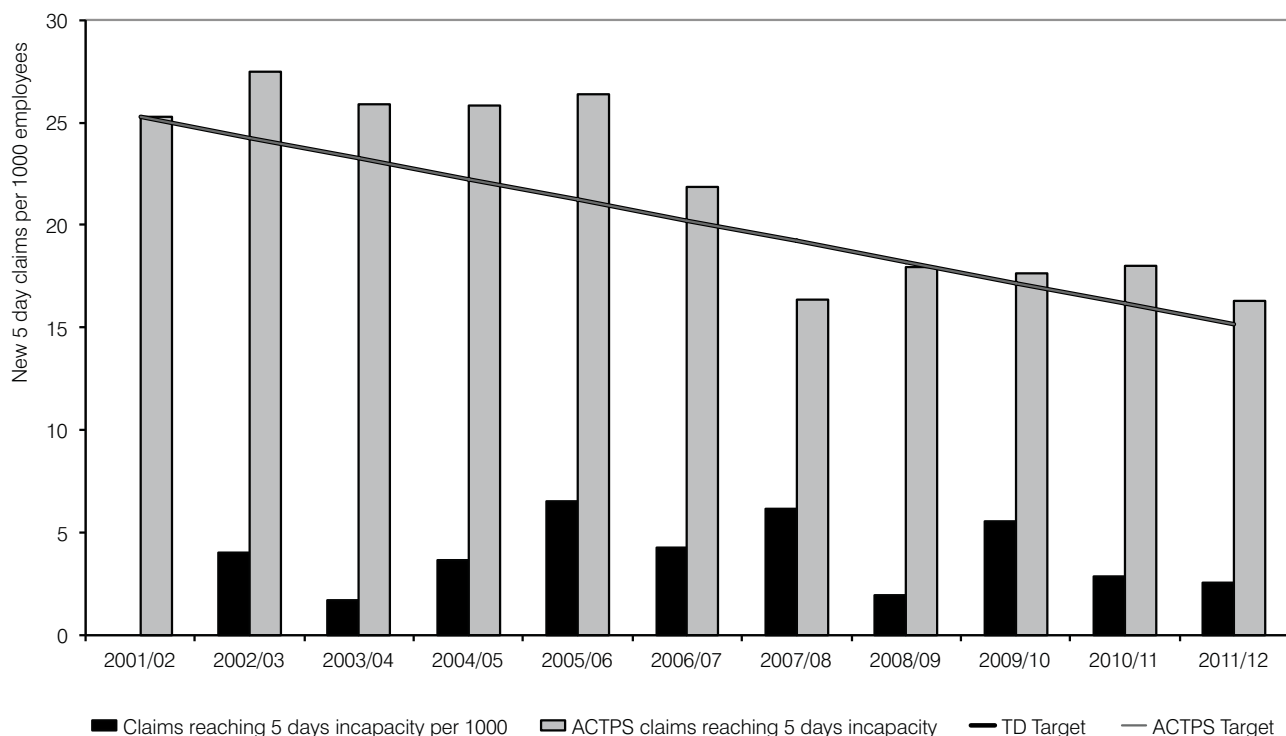
The Treasury Wellness Reviews offer employees short wellbeing reviews with a registered psychologist, delivered on-site in a confidential environment. These reviews provide employees with an opportunity to discuss current issues or concerns and to identify appropriate strategies or resources to assist in managing these. The focus is on empowering employees to problem solve issues and improve resilience in the workplace. The Wellness Reviews are generally held every four months.

Shared Services Strategic HR worked in partnership with Shared Services Workplace Health and Safety team to remediate risks through adherence to early intervention strategies and through the provision of support to sick and injured staff. Shared Services, Workplace Health and Safety team reviewed and risk-assessed forty-eight Shared Services specific workplace health and safety issues during 2011–12.

INJURY MANAGEMENT

Treasury is committed to pro-active injury management for injured and ill staff. Supervisors and managers are responsible for identifying workers with an injury or illness and initiating early intervention activity for their employees. This can be with the assistance of the Human Resources area or by referral to Shared Services case management.

Target 1: Reduce the numbers of claims reaching 5 days incapacity by 40%



* Note: TD target and ACTPS target are identical



Table 1

Experience quarter ending	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012
# new 5 day claims	0	5	2	4	7	4	6	2	6	3	3
Rate per 1000 employees	0.0	4.0	1.7	3.7	6.5	4.3	6.1	1.9	5.5	2.9	2.6
Agency Target	25.3	24.3	23.3	22.2	21.2	20.2	19.2	18.2	17.2	16.2	15.2
ACTPS # new 5 day claims	412	473	448	440	459	379	291	330	333	355	322
Rate per 1000 employees	25.3	27.5	25.9	25.8	26.4	21.9	16.3	17.9	17.7	18.0	16.3
ACTPS Target	25.3	24.3	23.3	22.2	21.2	20.2	19.2	18.2	17.2	16.2	15.2

Whilst the numbers of claims in this table have increased in 2011-12, Treasury continues to be well below the required target. It should be noted that retrospective acceptance of claims, with a date of injury in a previous financial year, have impacted on the increased number of claims.

Target 3 – Reduce the average lost time rate by 40%

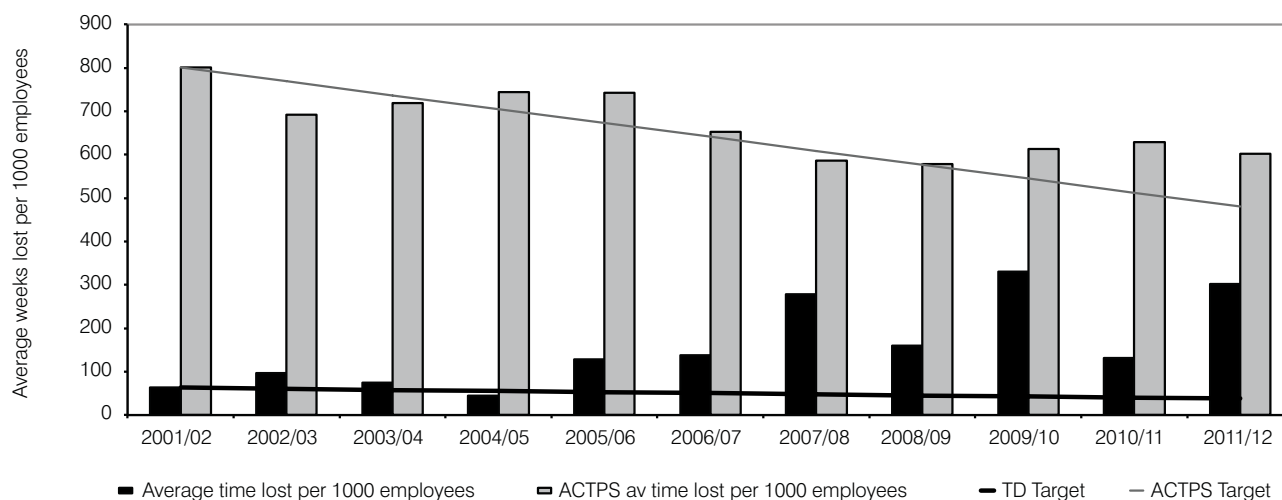


Table 3

Experience quarter ending	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012
Wks incap	78	119	86	48	138	129	272	166	358	137	354
Rate per 1000 employees	63	96	75	44	128	138	279	160	330	131	302
Agency Target	63	61	58	56	53	50	48	45	43	40	38
ACTPS # new 5 day claims	412	473	448	440	459	379	291	330	333	355	322
ACTPS Target	801	769	737	705	673	641	609	577	545	513	481

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Treasury has not met this target for 2011-12. This is mainly due to retrospective claim acceptance relating to the previous two years impacting on the above figures (as is also the case in Table 1 above) and the realignment of claims following the ACTPS Administrative Arrangement (AA) changes of May 2011. The realignment of claims as a result of the AA changes was not reflected in the figures reported in the 2010-11 annual report.

Targeted early intervention strategies are being applied through the case management process on accepted and undetermined claims alike. Continuing the education of managers/supervisors with regard to their responsibility of early notification should assist the Directorate in improving its performance in this target.

WORKPLACE RELATIONS

ENTERPRISE AGREEMENT

A new Treasury Enterprise Agreement 2011-13 was approved by Fair Work Australia on 7 March 2012. The agreement commenced operation on 14 March 2012 with a nominal expiry date of 30 June 2013.

AGENCY CONSULTATIVE COMMITTEES

The Treasury Consultative Committee met regularly during the financial year, providing employees, through their representatives, the opportunity to be consulted and have input on various employment and health and safety matters. The committee includes management, employee and union representation.

In addition, Shared Services established its own Workplace Consultative Committee (WCC) under the terms of the Treasury Enterprise Agreement 2011-13. The WCC comprises two groups: a Workplace Health and Safety Representatives Group and a Red Contact Officers Group.

The two groups of the WCC met on alternating months and all meetings were chaired by the Executive Director, Shared Services. The Director, Strategic HR and Corporate also attended all WCC meetings. The WCC provides a forum for employees to raise issues relating to workplace and safety and Respect, Equity and Diversity.

SPECIAL EMPLOYMENT ARRANGEMENTS (SEAS) AND AUSTRALIAN WORKPLACE AGREEMENTS (AWA)

Treasury has thirty individual Special Employment Arrangements (SEA) operating, nine of which were entered into during 2011-12.

Sixteen existing Australian Workplace Agreements continued to operate in 2011-12.

The table on the following page outlines both SEA and AWA arrangements within Treasury.



DESCRIPTION	No. of Individual SEAs	No. of Group SEAs	Total employees covered by Group SEAs	TOTAL
	A	B	C	(A+C)
SEAs				
Number of SEAs as at 30 June 2012	30	Nil	Nil	30
Number of SEAs entered into during period	9	2	55	64
Number of SEAs terminated during period	12	2	55	67
The number of SEAs providing for privately plated vehicles as at 30 June 2012	Nil	Nil	Nil	Nil
Number of SEAs for employees who have transferred from AWAs during period	Nil	Nil	Nil	Nil
AWAs				
Number of AWAs as at 30 June 2012	16	Nil	Nil	16
Number of AWAs terminated/lapsed (including formal termination and those that have lapsed due to staff departures)	Nil	Nil	Nil	Nil

	Classification Range	Remuneration as at 30 June 2012
Individual and Group SEAs	SOGC/SITC – SOGA	\$117,041 - \$159,713
	SPOB - SPOA	\$135,387 - \$146,844
AWAs (includes AWAs ceased during period)	SOGC- SOGA	\$93,535 - \$119,042

HUMAN RIGHTS ACT 2004

Treasury complies with the human rights requirements introduced from 1 July 2004 following enactment of the *Human Rights Act 2004* (HRA). The HRA imposes a duty on all public officials to operate within a human rights framework and to interpret legislation consistent with the HRA.

All pro-formas and guidance material regarding legislative and Cabinet processes includes advice on meeting the requirements of the HRA. Treasury consulted with the Human Rights Unit of the Justice and Community Safety Directorate in the preparation of legislation and obtained compatibility statements for five pieces of legislation passed by the Legislative Assembly during 2011-12. Any issues raised by the Human Rights Unit were addressed prior to tabling in the Assembly.

Staff are briefed on the requirements of the HRA through Legislation Training Seminars. ACT Human Rights Commission courses are available to all staff to attend.

The Territory's tax laws and subsidiary instruments engage with the Human Rights Act where they provide for strict liability offences. For example, the criminal offences in the *First Home Owner Grant Act 2000* are strict liability offences whereby the prosecution is not required to prove knowledge, intention, recklessness or negligence. So long as the prosecution establishes that a person or organisation failed to comply with the Act, the person or organisation is likely to be convicted.

Strict liability is employed in the First Home Owner Grant scheme to ensure the integrity of its regulatory aspects and to protect the public revenue.

Provisions such as the above are, on balance, considered to meet the requirements of proportionality, access to review, and equity in application and accordingly they do not conflict with the Human Rights Act.

In addition, a warning is included on all relevant revenue circulars and forms advising members of the public that providing false and misleading information is an offence under the *Criminal Code 2002*.

ACT subordinate tax laws proposed to be made under instrument and regulation-making powers, and powers to institute concession and waiver arrangements through disallowable instruments, are reviewed by the Human Rights Unit during their preparation and before they are presented for enactment. These provisions relate to coercive powers exercisable by inspectors as to authorise entry, search and seizure, and the production of documents. They are mandated in situations requiring protection of the public revenue where the consent of the taxpayer is not forthcoming.



STRATEGIC ASSET MANAGEMENT

CORE TREASURY

Assets Managed

Treasury's major assets are:

- leasehold improvements to the approximate value of \$0.128 million;
- capital works in progress to the approximate value of \$0.651 million;
- computer software to the approximate value of \$0.941 million; and
- finance lease to the approximate value of \$0.104 million.

During 2011-12 the following assets were added to Treasury's asset register:

- fittings (plant and equipment) of \$0.024 million;
- two motor vehicles under finance lease (plant and equipment) of \$0.070 million;
- intangible assets (computer software) of \$0.171 million.

During 2011-12 the following assets were removed from Treasury's asset register:

- two motor vehicles under finance lease (plant and equipment) of \$0.042 million.

On 30 June 2012, Treasury did not have any properties which were not being utilised.

Assets Maintenance and Upgrades

Treasury has a Memorandum of Understanding (MOU) for facilities management services with the Chief Minister and Cabinet Directorate. The MOU ensures the effective management of building maintenance in conjunction with the building owner, and implementation of effective sustainability policies and programs, such as efficient water usage and recycling programs.

\$0.171 million of revenue system software upgrades were completed in 2011-12.

\$0.043 million, which is roughly 4 per cent of the total written down value of assets managed, was expensed on repairs and maintenance.

Office Accommodation

Treasury occupies 3,425m² of net usable office area of the Canberra Nara Centre. This includes tenancy which is provided to the ACT Insurance Authority (ACTIA). Including contractors and consultants occupying workstations, there were 195 occupants within Treasury tenancies. Our office utilisation rate as at 30 June 2012 was 17.6m²/employee.

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SHARED SERVICES

Assets Managed

Shared Services managed \$51.578 million in assets at 30 June 2012. These assets include the following:

- Leasehold improvements includes fit-out of;
 - Callam Offices;
 - the basement area and Level 5, 40 Allara Street;
 - the basement area and Level 3 to 9 Eclipse House;
 - Level 3 and 7, Bowes Place; and
 - Building 6 and 7, 9 Sandford Street Mitchell.

The total value of these assets at 30 June 2012 was \$6.769 million.

- Plant and equipment includes approximately 80,000 active information and communication technology (ICT) assets, office equipment and other assets across government including Canberra Institute of Technology (CIT) and ACT Government schools.
The total value of plant and equipment at 30 June 2012 was \$18.399 million.
- Infrastructure assets includes three major computer centres, over 1,100 Windows, UNIX and Linux Servers, more than 140 terabytes of data storage, over 1,500 network devices, a government-wide IP telephone system, an integrated fibre-optic voice and data network, and high-speed internet connectivity. This infrastructure supports more than 1,500 key business applications used by 18,000 ACT public servants, 20,000 tertiary students and 35,000 school students across the ACT.
The total value of these assets at 30 June 2012 was \$24.830 million.
- Intangibles include the Human Resources Management System (Chris 21) payroll software and the Procurement Business System.
The total value of these assets at 30 June 2012 was \$1.580 million.

In April 2011, Shared Services had all its assets re-valued by an independent valuer. This revaluation resulted in an increase in the value of leasehold improvements of \$3.137 million and an increase in the value of infrastructure assets of \$6.200 million.

During 2011–12 approximately 14,000 ICT assets (deployed across ACT Government, CIT and ACT Government schools) as part of Shared Services ICT equipment refresh/replacement program were added to the Shared Services asset register.

During 2011-12 approximately 9,000 ICT assets were removed from the Asset Register, with the majority of these updated with new equipment based on the ongoing ICT asset refresh program.



Assets Maintenance and Upgrades

One of the major upgrade and replacement projects undertaken by Shared Services during 2011-12 was a continuation of the Digital Network Replacement Program, which commenced in July 2009. This lifecycle management program focuses on the mitigation of ACT Government network failure and poor performance risks by replacing a range of ageing hardware components that support the ACT Government computer network. Through 2011-12 the program delivered a range of key benefits as follows:

- migration of network connections in preparation for core network changes which will improve agility, redundancy and performance;
- implementation of core equipment within the MacArthur House and Callam data centres to improve redundancy and performance;
- implementation of more efficient network transmission services to support the Voice Services Upgrade project;
- development of Gateway Strategy which sets the strategic direction for providing improvements in delivery of internet services to all ACT Government users;
- replacement of ageing firewall and gateway equipment to improve the delivery of internet services to all ACT Government users;
- replacement of ageing equipment in a range of ACT Government business operations; and
- upgrade and implementation of network management functionality which will improve support capabilities.

For the majority of Shared Services ICT assets, costs of repairs and maintenance are built into the bundled price of the equipment in the form of warranties, which generally last for the life of the asset, therefore no significant maintenance expenditure was required for these assets in 2011-12.

Office Accommodation

As at 30 June 2012, Shared Services employed a total of:

- 941 permanent/temporary/casual staff or 911.56 full-time equivalent staff; and
- 156 contractors or 148 full-time equivalent contractors.

There were 904 office-based employees and they occupied 13,689 m² at the following sites:

- Eclipse House, 304 employees in 4,051 m²
- Level 5, 40 Allara Street, 38 employees in 1,059 m²
- Callam Offices, 278 employees in 4,440 m²
- Level 3, 7 and 9, 1 Bowes Place, 102 employees in 1,757 m²
- Building 6, 9 Sandford Street Mitchell, 16 employees in 264 m²
- Dame Pattie Menzies House, 120 employees in 1,357 m²
- Level 1, 221 London Circuit, 46 employees in 761 m²

The average area occupied by each employee is 15.1 m².
The remainder of staff were out posted with agencies.

CAPITAL WORKS

CORE TREASURY

No projects to report for 2011-12.

SHARED SERVICES

Projects	Contact	Completion Date	Original Value (\$'000)	Revised Value (\$'000)	Prior Year Expenditure (\$'000)	2011-12 Budgeted Expenditure (\$'000)	2011-12 Actual Expenditure (\$'000)	Total Expenditure to Date (\$'000)
ICT Projects								
Service Monitoring and Reporting ^{1*}	Mark Braham – Service Integrity and Compliance Manager (ph 6207 8750)	-	2,200	2,200	-	2,200	-	-
Data Centre Infrastructure ^{2*}	William Mudge – Director Business Development Division (ph 6205 0048)	-	2,370	2,370	-	2,370	-	-
Whole of Government Digital Network Components Replacement ^{3*}	Grant Doran - Senior Specialist Project Manager (ph 6207 8163)	-	6,828	6,828	-	6,828	4,314	4,314
Safeguarding Government Business: Reducing the Risk of Communication Blackouts ⁴	Karen McAlister - Network and Communications Manager (ph 6207 2341)	Jun-12	1,052	1,052	936	116	63	999
Total ICT Projects			12,450	12,450	936	11,514	4,377	5,313

Notes:

- The reduced Actual Expenditure was due to the project being only in requirements identification phase as at 30 June 2012. The project has been rolled over to 2012-13.
- The reduced Actual Expenditure was due to a revised solution being selected for the upgrade of the Canberra Hospital Data Centre. This revised solution will cost approximately \$500,000 and implementation will commence in July 2012 with the remaining funds of \$1,870,000 returned to Government as savings in 2011-12.
- The reduced Actual Expenditure was due to the remaining equipment being ordered but not being received until July 2012.
- The project has been completed with the remaining funds of \$53,000 returned to Government as savings in 2011-12.

* Project not yet completed as at 30 June 2012.

** The 2011-12 actual expenditure figures match the appropriation drawn down by Shared Services.



GOVERNMENT CONTRACTING

PROCUREMENT CONTRACTING PRINCIPLES AND PROCESSES

Treasury's procurement selection and management processes for all contractors including consultants complied with the *Government Procurement Act 2001* and Government Procurement Regulation 2007, and subordinate Guidelines and Circulars.

Procurement processes valued above \$25,000 have been reviewed by Shared Services Procurement and, if applicable, endorsed by the Government Procurement Board consistent with the provisions of the Government Procurement Regulation 2007.

Treasury has required all suppliers to meet their employment and industrial relations obligations and to certify this is being done by completing an *Ethical Suppliers Declaration* for prescribed works and services. 'Prescribed works and services' refers to those works and services that will require the exertion of labour by employees in the performance of a contract.

Implementation by the ACT Government of its 'Compliance with Industrial Relations and Employment Strategy' ('Strategy') commenced on 1 January 2012.

The Strategy is an initiative from the ACT Government to promote and encourage industrial relations and employment compliance best practice across the construction industry generally, and specifically for its construction and building works projects.

Under the Strategy, all contractors (this includes project managers, head contractors, sub-contractors and trade contractors) tendering for building work or engaged to perform building work on an ACT Government site or building, are required to hold a current Industrial Relations and Employment (IRE) Certificate. Contractors must maintain a current IRE Certificate while they are engaged on an ACT Government site.

A copy of the Strategy and related information, particularly on the IRE Certificate processes, are available from http://www.procurement.act.gov.au/prequalification/industrial_relations.

EXTERNAL SOURCES OF LABOUR AND SERVICES (TOTAL FINANCIAL YEAR COST GREATER THAN \$25,000 GST EXCLUSIVE)

Name	Description and Reason for Contract	Cost \$ (GST exclusive)	Procurement Type	Date contract let
Output 1.1 Economic Development				
<i>Investment Branch is a mixed supplier for the purposes of GST. Cost shown is the actual net cost.*</i>				
Standard and Poor's *	Credit Rating Services	\$77,727	Single Select ¹	Apr 2006
Output 1.2 Financial Management				
KPMG	Provision of Financial Reporting Services during Budget	\$135,000	Single Select ¹	Mar 2012

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Name	Description and Reason for Contract	Cost \$ (GST exclusive)	Procurement Type	Date contract let
Trudy Coad	Provision of Banking Consultancy Services	\$54,000	Select request for proposal to two consultants specialising in this work	Nov 2011
KPMG	To provide a full costing model of CIT's operations to enable various scenarios to be analysed and understood as to their financial impact.	\$89,900	Single Select ¹	Apr 2012
Noetic Solutions	Provision of professional services to develop and conduct Investment Mapping Logic Workshops	\$26,400	Single Select	Feb 2012
Fairo Holdings Pty Ltd	Expert Advice for the ACT Taxation Review	\$45,009	Single Select	Feb 2012
AVO	Five separate engagements with the AVO and its officials were undertaken to update the codified schedules for 2011-12 and review the updated schedules.	\$32,200	Panel Contract	Mar 2011 ⁵
KPMG	Review of the ACT Taxation Review	\$32,955	Single Select	Dec 2011
Macroeconomics	Establishing ACT Treasury Modelling Capacity for the ACT Taxation Review	\$210,981	Single Select ²	Sept 2011
NATSEM	Modelling for the ACT Taxation Review	\$56,531	Single Select	Jan 2012
KPMG	Engaged to undertake a review of Social Housing for the Expenditure Review and Evaluation Committee	\$91,276	Panel Contract	Jan 2010
Professor Des Nicholls	Expert Advice for the ACT Taxation Review	\$38,400	Single Select	Jul 2011
Section51 Pty Ltd	Editing Services for the ACT Taxation Review	\$30,400	Single Select	Dec 2011
Edward Quinlan	Chair of the ACT Taxation Review Panel	\$29,091	Panel Contract	Mar 2011
Matthew Ryan	Expert Advice for the ACT Taxation Reform Plan	\$25,636	Single Select	Apr 2012
Epic Dot Gov Pty Ltd	Post Implementation Review of the ACT Land Rent Scheme	\$32,800	Single Select	Jan 2012
Macroeconomics	Engaged to develop a computable general equilibrium model of the least cost path for carbon abatement targets	\$55,000	Single Select	Apr 2012
LSI Consulting	Engaged to implement recommendations as a result of the Expenditure Review and Evaluation Committee review of Shared Services Business Processes	\$499,200	Panel Contract ³	Apr 2012
PriceWaterhouseCoopers	Provision of internal audit services	\$29,738	Quotes on individual audits	Various
Macroeconomics	To develop a computable general equilibrium model of the economic impacts for the ACT from the Commonwealth Government's Climate Change Policy for Carbon Pricing and Electricity.	\$60,600	Single Select ⁴	Sept 2011



Name	Description and Reason for Contract	Cost \$ (GST exclusive)	Procurement Type	Date contract let
Output 1.3 Revenue Management				
Effective People	Contract Staff	\$94,696	Quotes on individual contracts obtained	Various
Australian Valuation Office	Valuation Services	\$518,182	Open Tender	Feb 2012
Salmat Business Force Pty Limited	Printing and Base Stationery for General Rates, Land Tax and Valuation Notices and Scanning of Documents	\$172,849	Open Tender	Jul 2011
Australian Postal Corporation	Payment Collection Services	\$358,181	Open Tender (whole of govt)	Aug 2009
Commonwealth Bank	Processing of payments and credit card merchant fees associated with Direct Debits, BPay, E-Lockbox and the Revenue Customer Service Centre	\$337,208	Open Tender (whole of govt)	Sep 2004
Aussoft Solutions Pty Limited	Maintain and Support Rates and Land Tax Software	\$83,778	Single select	May 1998
Technology One Limited	Maintain and Support TRS	\$205,968	Open Tender	Sept 2009
Output Home Loan Portfolio				
White Clarke Asia Pacific	Southpac's agent for licensing software to the Territory	\$101,811	Single Select	Sept 2005
KPMG	Home Loan Portfolio financial review	\$27,000	Single Select	May 2012
EBT 1 Territory Banking Account				
Austraclear Services Limited*	Registry, Issuance and Paying Agency Services	\$34,971	Open Tender	Mar 2010
JP Morgan *	Master Custody Services	\$148,062	Select Tender ⁷	Oct 2003
Macquarie Funds Group*	External Funds Manager	\$488,262	Select Tender ⁶	Oct 2003
Vanguard Investments Australia*	External Funds Manager	\$119,839	Select Tender ⁶	Oct 2003
Australia and New Zealand Banking Group Limited	New Bond Issuance Manager Fees	\$203,750	Dealer Panel / Select Tender	Nov 2011
UBS AG, Australia Branch	New Bond Issuance Manager Fees	\$203,750	Dealer Panel / Select Tender	Nov 2011
Deutsche Bank, AG	New Bond Issuance Manager Fees	\$214,283	Dealer Panel / Select Tender	May 2012
UBS AG, Australia Branch	Dealer Fees	\$214,283	Dealer Panel / Select Tender	May 2012
EBT 1 Superannuation Provision Account				
Alliance Bernstein Australia *	External Funds Manager	\$694,181	Select Tender ⁸	Jan 2004
Wellington International Management Company *	External Funds Manager	\$724,504	Select Tender ⁸	Jan 2004
Perpetual Investment Management *	External Funds Manager	\$551,275	Select Tender ⁸	Jan 2004

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Name	Description and Reason for Contract	Cost \$ (GST exclusive)	Procurement Type	Date contract let
Renaissance Smaller Companies *	External Funds Manager	\$552,654	Select Tender ⁹	Jan 2004
AMP Capital Investors*	External Funds Manager	\$1,166,435	Select Tender ⁹	June 2005
Ausbil Dexia *	External Funds Manager	\$444,591	Select Tender ⁹	Jan 2007
Wilshire Private Markets Group *	External Funds Manager	\$322,798	Select Tender ⁹	Dec 2004
Vanguard Investments Australia *	External Funds Manager	\$841,530	Select Tender ⁹	Oct 2003
QIC Private Capital Pty Ltd*	External Funds Manager	\$386,023	Select Tender ⁹	Oct 2010
Comsuper	Administrator CSS / PSS / PSSap & Superannuation Investigations	\$3,724,675	Standing arrangement	1989
Russell Investments*	Actuarial Services	\$187,941	Open Tender	Aug 2008
Corporate Analysis Enhanced Responsibility *	ESG Research Services	\$43,200	Open Tender	Oct 2008
Regnan Governance Research & Engagement *	ESG Engagement Services	\$50,000	Open Tender	Aug 2008
Towers Watson *	Investment Advisory Services	\$450,413	Open Tender	Apr 2010
Australian Government Solicitor *	Legal advice – Superannuation Investigations	\$35,041	n/a	Apr 2008
JP Morgan *	Master Custody Services	\$483,087	Select Tender ⁹	Dec 2008
Ardea Investment Management Pty Ltd	External Fund Manager	\$66,020	Select Tender ⁹	Mar 2012
Shared Services Output 1.1 ICT				
ALC Training Pty Ltd	Provision of information technology infrastructure, library training and related services	\$66,690	Open Tender	Oct 2010
AUSDOC Information Management Pty Ltd	Provision of secure office paper recycling services	\$334,521	Single Select ¹	Feb 2005
Aussoft Solutions Pty Ltd	Provision of hardware and software support for the whole of government receipt and payment system	\$476,788	Open Tender	Dec 2009
Broadcast Australia Pty Ltd	Provision of radio and communication services required for remote access communication	\$73,861	Single Select ¹	June 2002
Capital Easy Finance and Leasing	Provision of brokerage services for information communication and technology asset disposals	\$42,100	Open Tender	Dec 2009
Cisco Systems Australia Pty Ltd	Provision of information communication and technology consulting and related business services	\$159,065	Contract under Whole-of-government panel arrangement	Dec 2009
Communication Design and Management	Provision of information communication and technology consulting and related business services	\$28,659	Contract under Whole-of-government panel arrangement	Nov 2009



Name	Description and Reason for Contract	Cost \$ (GST exclusive)	Procurement Type	Date contract let
DATA#3 Group	Provision of Microsoft products	\$5,924,351	Open Tender	Oct 2007
Datcoms Systems (ACT) Pty Ltd	Provision of hardware and software support	\$75,823	Contract under Whole-of-government panel arrangement	Mar 2010
Dataflex Pty Ltd	Provision of hardware and software support	\$1,017,814	Contract under Whole-of-government panel arrangement	Mar 2010
Dimension Data Australia Pty Ltd	Provision of telecommunications products and services	\$865,308	Open Tender	Oct 2005
Dowling Consulting Pty Ltd	Provision of information technology infrastructure library (ITIL) aligned service management product	\$169,691	Open Tender	May 2005
EB2B.COM Pty Ltd	Provision of data encryption solution	\$40,800	Select Tender	Feb 2006
Edsoft Pty Ltd	Provision of hardware and software support	\$214,567	Contract under Whole-of-government panel arrangement	Mar 2010
Electroboard Solutions Pty Ltd	Provision of hardware and software support	\$1,020,010	Contract under Whole-of-government panel arrangement	Mar 2010
Empowered Learning	Provision of hardware and software support	\$317,905	Contract under Whole-of-government panel arrangement	Mar 2010
Ethan Group Pty Ltd	Provision of hardware and software support	\$767,872	Contract under Whole-of-government panel arrangement	Mar 2010
Excelerated Consulting Pty Ltd	Provision of information communication and technology consulting and related business services	\$54,681	Contract under Whole-of-government panel arrangement	Nov 2009
Frontier Software Pty Ltd	Provision of licences and support for the Human Resource Management System	\$333,996	Open Tender	Jul 2004
Fujitsu Australia Ltd	Provision of hardware and software support	\$1,964,104	Contract under Whole-of-government panel arrangement	Mar 2010
Gartner Australasia Pty Ltd	Provision of information communication and technology consulting and related business services	\$144,597	Single Select ¹	Apr 2007
Hewlett Packard Australia Ltd	Provision of information communication and technology equipment, maintenance and support	\$7,076,793	Open Tender	Feb 2009
Hitachi Data Systems Pty Ltd	Provision of information communication and technology consulting and related business services	\$366,120	Contract under Whole-of-government panel arrangement	Nov 2009

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Name	Description and Reason for Contract	Cost \$ (GST exclusive)	Procurement Type	Date contract let
Icognition Pty Ltd	Provision of hardware and software support	\$348,790	Contract under Whole-of-government panel arrangement	Mar 2010
IDC Australia Pty Ltd	Provision of benchmarking services	\$73,530	Open Tender	Jul 2008
Intersect Alliance Pty Ltd	Provision of security software support and maintenance	\$44,945	Single Select ¹	Oct 2007
Intravision Pty Ltd	Provision of data cabling and associated electrical services	\$642,590	Contract under Whole-of-government panel arrangement	Feb 2007
MAC 1 Pty Ltd	Provision of APPLE products	\$1,687,036	Single Select ¹	Jan 2008
Maxnetwork Pty Ltd	Provision of Executive support services	\$149,890	Single Select ¹	Jan 2011
Maxnetwork Pty Ltd	Provision of Business Change Consulting services	\$114,660	Single Select ¹	Jan 2012
Microsoft Pty Ltd	Provision of Microsoft support	\$250,904	Single Select ¹	Jul 2009
MRB Communications	Provision of data cabling and associated electrical services	\$68,654	Contract under Whole-of-government panel arrangement	Jan 2007
Noetic Solutions Pty Ltd	Provision of information communication and technology consulting and related business services	\$99,880	Contract under Whole-of-government panel arrangement	Nov 2009
Oakton Services Pty Ltd	Provision of information communication and technology consulting and related business services	\$75,999	Contract under Whole-of-government panel arrangement	Nov 2009
Objective Corporation Ltd	Provision of managed services for the IDMS Records Management System	\$102,796	Open Tender	Nov 2006
O'Donnell Griffin	Provision of data cabling and associated electrical services	\$245,636	Contract under Whole-of-government panel arrangement	Mar 2007
Open System Australia	Provision of Contentkeeper software and hardware	\$94,650	Open Tender	Feb 2006
Optus Billing Services Pty Ltd	Provision of mobile phones and telecommunications facility	\$1,122,964	Open Tender	Sept 2004
Oracle Corporation Australia Pty Ltd	Provision of Oracle Financials licenses and products	\$833,764	Single Select ¹	May 2007
Peoplebank Australia Pty Ltd	Provision of labour hire and other human resource related services	\$171,217	Open Tender	Jul 2009
Price Waterhouse Coopers	Provision of audit services	\$47,600	Contract under Whole-of-government panel arrangement	Jul 2011



Name	Description and Reason for Contract	Cost \$ (GST exclusive)	Procurement Type	Date contract let
Pro-Tech Services Pty Ltd	Provision of data cabling and associated electrical services	\$121,629	Contract under Whole-of-government panel arrangement	Nov 2006
Ricoh Australia Pty Ltd	Provision of copying and multi-function services and equipment	\$1,399,272	Open Tender	Dec 2002
Ross Human Directions Ltd	Provision of human resources and recruitment Services	\$26,274,209	Open Tender	Jul 2007
Squiz Australia Pty Ltd	Provision of the whole of government internet instance of the MySource matrix	\$150,825	Single Select ¹	Sept 2010
Stowe Australia Pty Ltd	Provision of communication cabinets	\$177,234	Open Tender	Apr 2007
Technology One Ltd	Provision of hardware and software support for the Territory revenue system	\$212,752	Single Select ¹	Sept 2009
Telstra Corporation Ltd	Provision of analogue telephone and internet services	\$4,241,667	Open Tender	Jan 2007
Transact Capital Communications Pty Ltd	Provision of voice products and services, data lines and Voice over internet protocol telephone services	\$4,254,262	Open Tender	Apr 2007
Unify Solutions Pty LTD	Provision of identity and access management consulting services and products	\$197,545	Select Tender	Jun 2009
UXC Connect Pty Ltd	Provision of information communication and technology consulting and related business services	\$5,679,218	Contract under Whole-of-government panel arrangement	Nov 2009
Vasco Data Security Australia	Provision of One Time password tokens	\$108,480	Open Tender	Sept 2007
Verser Technology Lifecycle (formerly Macquarie Technology Services)	Provision of asset Logistic services	\$1,101,833	Open Tender	Aug 2009
VPerformance Pty Ltd	Provision of Virtual Network Management system application support, maintenance and training	\$25,600	Single Select ¹	Oct 2003
Whitegold Solutions Pty Ltd	Provision of Barracuda spam filters and support	\$31,918	Single Select ¹	Aug 2008
XSI Data Solutions Pty Ltd	Provision of Hardware and Software support	\$177,775	Contract under Whole-of-government panel arrangement	Mar 2010
Zallcom Pty Ltd	Provision of ADOBE and Oracle software support	\$1,439,312	Contract under Whole-of-government panel arrangement	Mar 2010

Name	Description and Reason for Contract	Cost \$ (GST exclusive)	Procurement Type	Date contract let
Shared Services Output 2.1 Procurement				
Kingsway Financial Assessments Pty Ltd	Provision of Pre-qualification Financial / Assessment Advice	\$74,874	Public Tender	Nov 2008
Archinfotech Pty Ltd	Provision of Project Management and Director Services	\$112,117	Single Select ¹	Sept 2008
Oakton Pty Ltd	Provision of Internal Audit Services	\$41,338	Contract under Whole-of-government panel arrangement	Aug 2011
Pinc Group	Provision of Consulting services for contract management for GC21	\$213,132	Public Tender	Oct 2011
Thangam PTY LTD	Provision of Procurement and Programming Services (LDA and ACTPLA Projects)	\$137,235	Public Tender	Oct 2010
Walter Partners Pty Ltd	Provision of Procurement and Probity services	\$117,000	Single Select	Jan 2012
Shared Services Output 3.1 Human Resources				
Noetic Solutions Pty Limited	HRIMS Feasibility Study 2011-12	\$131,955	Contract under Whole-of-government panel arrangement	Jul 2011
Shared Services Output 4.1 Finance Services				
Excelerated Consulting Pty Ltd	Implementation costs for TM1	\$543,204	Single Select ¹	May 2012
TRISIGMA Pty Ltd	Undertake cultural workplace and core competency reviews	\$47,637	Single Select ¹	Apr 2012

REASONS FOR USE OF SELECT TENDER PROCUREMENT PROCESS FOR CONTRACT OF VALUE GREATER THAN \$200,000

- Suppliers specialist knowledge and relevant specialist experience.
- Suppliers with specialist knowledge and relevant specialist experience were engaged under a panel contract to support the work of the ACT Taxation Review.
- Suppliers with specialist knowledge and relevant specialist experience were engaged under a panel contract to support the work of the Expenditure Review and Evaluation Committee.
- This contract was commissioned as a separate component to the computable general equilibrium modelling work undertaken as part of the ACT Taxation Review. It does not form part of the ACT Taxation Review.
- This is the earliest date of the contracts. Five separate engagements were undertaken for the same project:
 - 28/03/2011 engagement with the AVO to update the schedules;
 - 06/04/2011 engagement of Jack Quaid to be on the review panel;
 - 14/04/2011 engagement of Geoff McInerney to be on the review panel;
 - 11/05/2011 engagement of Ian Robertson to be on the review panel; and
 - 11/05/2011 engagement of Phil Ganter to be on the review panel.
- A shortlist of qualified managers is provided by the Territory's asset consultant in accordance with an endorsed strategic procurement plan.
- A short list of providers that could meet the key characteristics and minimum service requirements of Treasury was recommended to Treasury by the appointed specialist custody consultant.
- A shortlist of qualified managers is provided by the Territory's asset consultant, in accordance with an endorsed strategic procurement plan.



COMMUNITY GRANTS/ASSISTANCE/SPONSORSHIP

Treasury did not provide any community grants, assistance or sponsorship during the reporting period.

TERRITORY RECORDS

RECORDS MANAGEMENT POLICY AND PROCEDURES

The Directorate has an approved Records Management Program in place including documented Policy and Procedures. The program has been previously submitted to the Director Territory Records and made available to staff. The Program is in the process of being updated to reflect the redrafted Territory Records Standard and Guideline No. 1 which includes a Model Records Management Program.

The Policy and Procedures are based on the *Territory Records Act 2002* which establishes a framework ensuring responsible management of records and recordkeeping systems to:

- provide evidence of decisions, authorisations and activities;
- demonstrate that accountability requirements have been met; and
- support business activities through creating, storing and providing retrievability for useable and reliable records to achieve business efficiency and effectiveness.

TRAINING

Treasury employees are encouraged to attend relevant Records Management training. Records Management training is also incorporated into induction programs.

ARRANGEMENTS FOR PRESERVING ABORIGINAL OR TORRES STRAIT ISLANDER HERITAGE RECORDS

Arrangements for preserving Aboriginal or Torres Strait Islander heritage records are in place. Authority to dispose of records requires officers to ascertain prior to disposal that records do not contain information which would assist Aboriginal and Torres Strait Islanders to establish links with their heritage.

ACCESS TO PUBLIC RECORDS

Treasury responds to all requests for public access to Territory Records. A central point within the Directorate has been established and specific procedures to deal with such requests established within the Treasury Records Program. Records have also been assessed against Section 28 of the Act, and declarations made where appropriate, such as for taxation or employee records.

RECORDS DISPOSAL SCHEDULES

Disposal of Territory records is done according to approved whole-of-government Records Disposal Schedules. These include the Territory Administrative Records Disposal Schedules (TARDiS), to be used for common administrative records and Records Disposal Schedules relevant to Treasury functions. Treasury refers to the following records disposal schedules:



Records Disposal Schedule Name	Effective	Year and No.
Treasury specific functions		
Records Disposal Schedule - Economic Management Records Approval 2006 (No 1)	14 December 2006	NI2006-442
Records Disposal Schedule - Revenue Management Records Approval 2006 (No 1)	14 December 2006	NI2006-445
Records Disposal Schedule - Superannuation Management Records Approval 2009 (No 1)	11 December 2009	NI2009-632
Records Disposal Schedule - Government Budget Management Records Approval 2009 (No 1)	11 December 2009	NI2009-629
Records Disposal Schedule - Home Loan Portfolio Administration Records Approval 2009 (No 1)	11 December 2009	NI2009-631
Records Disposal Schedule - Government Asset and Liability Services Records Approval 2009 (No 1)	11 December 2009	NI2009-628
Records Disposal Schedule - Government Insurance Services Records Approval 2009 (No 1)	11 December 2009	NI2009-630
Records Disposal Schedule - Security Coordination Records Approval 2009 (No 1)	11 September 2009	NI2009-452
Records Disposal Schedule - Procurement Records Approval 2007 (No 1)	9 October 2007	NI2007-312
Records Disposal Schedule - Fleet Management Records Approval 2012 (No 1)	13 April 2012	NI2012-187
Records Disposal Schedule - Financial Management Records Approval 2011 (No 1)	2 September 2011	NI2011-482
Treasury common functions		
Strategic Management Records Disposal Schedule - Territory Administrative Records Disposal Schedules - Strategic Management Records Approval 2009 (No 1)	11 September 2009	NI2009-453
Records Disposal Schedule - Territory Administrative Records Disposal Schedules - Government Relations Records Approval 2009 (No 1)	11 September 2009	NI2009-440
Records Disposal Schedule - Territory Administrative Records Disposal Schedules - Financial Management Records Approval 2009 (No 1)	11 September 2009	NI2009-439
Records Disposal Schedule - Territory Administrative Records Disposal Schedules - Information Management Records Approval 2009 (No 1)	11 September 2009	NI2009-442
Records Disposal Schedule - Information and Communications Technologies Records Approval 2007 (No 1)	19 June 2007	NI2007-176
Records Disposal Schedule - Territory Administrative Records Disposal Schedules - Fleet Management Records Approval 2009 (No 1)	11 September 2009	NI2009-438
Records Disposal Schedule - Territory Administrative Records Disposal Schedules - Property Management Records Approval 2009 (No 2)	11 September 2009	NI2009-625
Records Disposal Schedule - Territory Administrative Records Disposal Schedules - Personnel Records Approval 2009 (No 1)	11 September 2009	NI2009-448
Records Disposal Schedule - Territory Administrative Records Disposal Schedules - Occupational Health and Safety (OH&S) Records Approval 2009 (No 1)	11 September 2009	NI2009-444
Records Disposal Schedule - Territory Administrative Records Disposal Schedules - Industrial Relations Records Approval 2009 (No 1)	11 September 2009	NI2009-441
Records Disposal Schedule - Territory Administrative Records Disposal Schedules - Equipment and Stores Records Approval 2009 (No 1)	11 September 2009	NI2009-436
Records Disposal Schedule - Territory Administrative Records Disposal Schedules - Publication Records Approval 2009 (No 1)	11 September 2009	NI2009-450

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Records Disposal Schedule Name	Effective	Year and No.
Records Disposal Schedule - Territory Administrative Records Disposal Schedules - Compensation Records Approval 2009 (No 1)	11 September 2009	NI2009-435
Records Disposal Schedule - Territory Administrative Records Disposal Schedules - Legal Services Records Approval 2009 (No 1)	11 September 2009	NI2009-443
Records Disposal Schedule - Territory Administrative Records Disposal Schedules - Technology and Telecommunications Records Approval 2009 (No 1)	11 September 2009	NI2009-454

Further information may be obtained from:

Lisa Holmes	Director, Office of the Under Treasurer	Ph: (02) 6207 0280	lisa.holmes@act.gov.au
Allan McLean (Shared Services)	A/g Director Strategic HR and Corporate	Ph: (02) 6207 2260	al.mclean@act.gov.au



COMMISSIONER FOR THE ENVIRONMENT

The Commissioner did not request assistance in the preparation of the State of the Environment Report, carry out any investigations or make any recommendations in relation to the Directorate's activities.

ECOLOGICALLY SUSTAINABLE DEVELOPMENT

The Directorate remains committed to supporting sustainable measures that contribute to its reduction in energy usage and our impact on the environment.

CORE TREASURY

Actions the Directorate has undertaken include:

- participating in the Environment and Sustainable Development Directorate's OfficeSmart sustainability program;
- providing recycling services for paper, cardboard, organic material, comingled recycling, toner cartridges, batteries, and mobile phones;
- expanding the use of electronic circulation of documents rather than printed copies;
- blind replacements to improve efficiency of heating and cooling on the ground floor of Nara;
- participation in the trial of the ACTPS fleet trial program to more efficiently utilise the existing fleet by sharing vehicles amongst Directorates located in close proximity; and
- participation in the ACT Government "Rideshare" carpooling initiative which encourages people to share rides to and from work.

Work is currently underway to investigate the installation of more efficient lighting. The building owner is currently updating a range of building systems to improve overall energy efficiency. These include a major upgrade to the HVAC (heating, ventilation and air conditioning) system, which includes new chillers and boilers, and full lift replacements. The building has also achieved a Nabers rating of four stars and the rating for water efficiency has also been rated at four (as at March 2012).

Indicator as at 30 June		Unit	2010-11		2011-12	
Line	General		Office	Total	Office	Total
L1	Occupancy – staff full-time equivalent	Number (FTE)	210.42	210.42	200	200
L2	Area office space – net lettable area	Square metres (m ²)	3676.20 ¹	3676.20 ¹	3676.20 ¹	3676.20 ¹
	Stationary Energy		Office²	Total³	Office²	Total³
L3	Electricity use	Kilowatt hours	301,931.82	544,087.11	287,857.42	496,948.18
L4	Renewable energy use (GreenPower + EDL land fill gases)	Kilowatt hours	117,955.607	117,955.607	115,944.48	115,944.48
L5	Percentage of renewable energy used (L4/L3 x 100)	Percentage	39% ⁷	22% ⁷	40%	23%
L6	Natural Gas use	Megajoules	0	833,566.63	0	939,195.80
L7*	Total energy use	Megajoules	1,086,954.55	2,792,280.23	1,036,286.71	2,728,209.25
L8	Energy intensity per FTE (L7/L1)	Megajoules/FTE	5,165.64	13,270.03	5,181.43	13,641.05
L9	Energy intensity per square metre (L7/L2)	Megajoules/m ²	295.67	759.56	281.89	742.13



Indicator as at 30 June		Unit	2010-11		2011-12	
	Transport		Office	Total	Office	Total
L10 ⁴	Total number of vehicles	Numeric	6 ⁴	6 ⁴	5 ⁴	5 ⁴
L11	Total vehicle kilometres travelled	Kilometres (km)	62,255.00	62,255.00	67,008	67,008
L12	Transport fuel (Petrol)	Kilolitres	6.436	6.436	5.870	5.870
L13	Transport fuel (Diesel)	Kilolitres	-	-	-	-
L14	Transport fuel (LPG)	Kilolitres	-	-	-	-
L15	Transport fuel (CNG)	Kilolitres	-	-	-	-
L16*	Total transport energy use	Gigajoules	220	220	201	201
	Water		Office	Total	Office	Total
L17	Water use	Kilolitres	1,880.45	1,880.45	1,886.48	1,886.48

Intensities

L18	Water use per FTE (L17/L1)	Kilolitres/FTE	8.94	8.94	9.43	9.43
L19	Water use per square metre (L17/L2)	Kilolitres/m ²	0.51	0.51	0.51	0.51

	Resource Efficiency and Waste		Office	Total	Office	Total
L20	Reams of paper purchased	Reams	3,279	3,279	3,434	3,434
L21	Recycled content of paper purchased	Percentage	38.8% @ 100% recycled 59.8% @ 50% recycled 1.5% @ 0% recycled	38.8% @ 100% recycled 59.8% @ 50% recycled 1.5% @ 0% recycled	66% @ 100% recycled 12% @ 50% recycled 0.12% @ 0% recycled	66% @ 100% recycled 12% @ 50% recycled 0.12% @ 0% recycled
L22	Estimate of general waste (based on bins collected)	Litres	175,622.69	175,622.69	205,951.10	205,951.10
L23	Estimate of comingled material recycled (based on bins collected)	Litres	29,211.67	29,211.67	26,155.32	26,155.32
L24	Estimate of paper recycled (based on bins collected)	Litres	100,510.73	100,510.73	80,866.37	80,866.37
L25	Estimate of organic material recycled (based on bins collected)	Litres	22,834.48	22,834.48	19,954.45	19,954.45
	Greenhouse Gas Emissions		Office	Total	Office ⁵	Total ⁶
L26*	Total stationary energy greenhouse gas emissions (All scopes)	Tonnes CO ₂ -e	53.91	367.43	194.07	480.43
L27*	Total transport greenhouse gas emissions (All scopes)	Tonnes CO ₂ -e	15.90	15.90	14.5	14.5

Intensities

L28	Greenhouse gas emissions per person (L26/L1)	Tonnes CO ₂ -e FTE	0.26	1.75	0.97	2.40
L29	Greenhouse gas emissions per square metre (L26/L2)	Tonnes CO ₂ -e	0.01	0.09	0.05	0.13
L30	Transport greenhouse gas emissions per person (L27/L1)	Tonnes CO ₂ -e FTE	0.08	0.08	0.07	0.07

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* Calculated with information entered into OSCAR

1. This is the common area pro rata figure for Treasury in NARA and includes the tenancy for ACTIA. This figure excludes basement storage and parking spaces (approximately 202m² storage plus 26.5 parking spaces).
2. This column for Stationary Energy only includes energy use in the Treasury tenancy only e.g. lighting and power for office equipment.
3. This column for Stationary Energy only includes energy use by Treasury Tenancy **and** Treasury's share of energy used by the building as a whole including energy required for the running of the plant to heat and cool the building.
4. Figures indicate individual vehicles on lease during the year including current and replaced vehicles.
5. This column for Greenhouse Gas Emissions only includes energy use in the Treasury tenancy only e.g. lighting and power for office equipment.
6. This column for Greenhouse Gas Emissions includes energy use by Treasury Tenancy **and** Treasury's share of energy used by the building as a whole including energy required for the running of the plant and to heat and cool the building.
7. 2010-11 figures have been updated to reflect more accurate date.

SHARED SERVICES

Shared Services undertook the following actions relating to Ecologically Sustainable Development:

- continued to maintain accreditation with ACTSmart Office Program throughout Shared Services;
- expanded the organic waste collection service to include another Shared Services office;
- reduced paper waste by improving the management of the production of business cards. Business cards are now only printed as required and are produced in small batches, in house; and
- encouraged alternative transport for staff with an increase in bike rack capacity to +20 in the basement of 40 Allara Street.

Indicator as at 30 June		Unit	2010-11		2011-12	
Line	General		Office	Total	Office	Total
L1	Occupancy – staff full-time equivalent	Number (FTE)	1049	1049	1059	1059
L2	Area office space – net lettable area	Square metres (m ²)	12,570.50	12,570.50	13,689.10 ¹	13,689.10 ¹
Line	Stationary Energy		Office	Total	Office	Total
L3	Electricity use	Kilowatt hours	5,281,118**	5,281,118**	3,526,311 ²	3,526,311 ²
L4	Renewable energy use (GreenPower + EDL land fill gases)	Kilowatt hours	2,040,191**	2,040,191**	1,446,230	1,446,230
L5	Percentage of renewable energy used (L4/L3 x 100)	Percentage	38.63%	38.63%	41.0%	41.0%
L6	Natural Gas use	Megajoules	904,895**	904,895**	604,036 ³	604,036 ³
L7*	Total energy use	Megajoules	17,301,981**	17,301,981**	13,298,760	13,298,760
L8	Energy intensity per FTE (L7/L1)	Megajoules/FTE	16,493.79**	16,493.79**	12,557.85	12,557.85
L9	Energy intensity per square metre (L7/L2)	Megajoules/m ²	1,376.40**	1,376.40**	971.49	971.49
Line	Transport		Office	Total	Office	Total
L10	Total number of vehicles	Numeric	40	40	42	42
L11	Total vehicle kilometres travelled	Kilometres (km)	504,261	504,261	494,685	494,685
L12	Transport fuel (Petrol)	Kilolitres	13,5890	13,5890	12,346	12,346
L13	Transport fuel (Diesel)	Kilolitres	30,8158	30,8158	25,808	25,808
L14	Transport fuel (LPG)	Kilolitres	0	0	0	0
L15	Transport fuel (CNG)	Kilolitres	0	0	0	0



Indicator as at 30 June		Unit	2010-11		2011-12	
L16*	Total transport energy use	Gigajoules	1,654	1,654	1,418	1,418
Line	Water		Office	Total	Office	Total
L17	Water use	Kilolitres	5,994**	5,994**	4,073 ⁴	4,073 ⁴
Intensities						
L18	Water use per FTE (L17/L1)	Kilolitres/FTE	10.86**	10.86**	12.62 ⁵	12.62 ⁵
L19	Water use per square metre (L17/L2)	Kilolitres/m ²	1.35**	1.35**	1.0 ⁵	1.0 ⁵
Line	Resource Efficiency and Waste		Office	Total	Office	Total
L20	Reams of paper purchased	Reams	8,232	8,232	10,812 ⁶	10,812 ⁶
L21	Recycled content of paper purchased	Percentage				
		Total	61.85	61.85	35.42	35.42
		100%	54.41	54.41	19.29	19.29
		50%	14.88	14.88	16.07	16.07
		10%	0	0	0.06	0.06
L22	Estimate of general waste (based on bins collected)	Litres	4,954.50	4,954.50	4,701	4,701
L23	Estimate of comingled material recycled (based on bins collected)	Litres	93,357.24	93,357.24	114,816	114,816
L24	Estimate of paper recycled (based on bins collected)	Litres	200,820	200,820	228,864	228,864
Line	General		Office	Total	Office	Total
L25	Estimate of organic material recycled (based on bins collected)	Litres	10,413	10,413	23,400 ⁷	23,400 ⁷
Line	Greenhouse Gas Emissions		Office	Total	Office	Total
L26*	Total stationary energy greenhouse gas emissions (All scopes)	Tonnes CO ₂ -e	3,113.98**	3,113.98**	2,256.11	2,256.11
L27*	Total transport greenhouse gas emissions (All scopes)	Tonnes CO ₂ -e	123.77	123.77	106.54	106.54
Intensities						
L28	Greenhouse gas emissions per person (L26/L1)	Tonnes CO ₂ -e FTE	2.97**	2.97**	2.13	2.13
L29	Greenhouse gas emissions per square metre (L26/L2)	Tonnes CO ₂ -e	0.25**	0.25**	0.16	0.16
L30	Transport greenhouse gas emissions per person (L27/L1)	Tonnes CO ₂ -e FTE	0.12	0.12	0.10	0.10

* Calculated with information entered into OSCAR.

**These figures are inaccurate due to incorrect data sets and calculations.

- Office space increased due to acquisition of additional accommodation at 221 London Cct.
- This figure is calculated for all of Shared Services sites using data provided by ACT Property Group, excluding Mitchell office site, as this is reported by Territory and Municipal Services Directorate.
- This figure represents gas usage for Callam Offices, as this is the only site with a separate gas meter. The figure is derived from a percentage of total building gas use relative to Shared Services staff occupancy level.
- This figure represents water usage for Callam Offices, as this is the only site with a separate water meter. The figure is derived from a percentage of total building water use relative to Shared Services staff occupancy level.
- The calculation for water intensities for Callam water usage is based on an FTE figure of 322.8 and lettable area of 4440 m².
- This figure is for the period 1 June 2011 to 31 May 2012.
- Organic recycling increased due to an increase in the number of bins provided for use and an increased staff focus on recycling.

CLIMATE CHANGE AND GREENHOUSE GAS REDUCTION POLICIES AND PROGRAMS

In 2011-12 Treasury has supported the Government's greenhouse gas emissions reduction target by assisting other directorates implement their policies and programs, including:

- providing economic advice and analysis on the development of the Government's carbon neutral framework and Action Plan 2; and
- participating on the panel for the Resource Management Fund which considers loan applications for energy efficient investment by directorates.

In addition Treasury implemented or participated in the following to reduce its greenhouse gas emissions:

- replaced the blinds on the ground floor of the Nara Centre to improve the heating and cooling efficiency;
- participated in ACTPS fleet trial program to more efficiently utilise the existing fleet by sharing vehicles amongst directorates located in close proximity; and
- participated in the ACT Government "Rideshare" carpooling initiative which encourages people to share rides to and from work and therefore decreases the amount of vehicles on our roads and the level of vehicle emissions.



ABORIGINAL AND TORRES STRAIT ISLANDER REPORTING

In 2011-12, ACT Treasury lead ACT input into the national *2012 Indigenous Expenditure Report* which was released in September 2012. The report quantified both targeted and mainstream expenditure on programs and services for Indigenous Australians in 2010-11. The information in the report was developed collaboratively with the Productivity Commission, using nationally consistent methodology agreed by all States and Territories and the Commonwealth.

Treasury officers participated in the 2011 Indigenous Elected Body Estimates Hearings in 2011.

Treasury was also involved in COAG related work on closing the gap on Aboriginal and Torres Strait Islander disadvantage and was represented on the working group reviewing performance indicators under the National Indigenous Reform Agreement.

Shared Services engaged one indigenous trainee through the Whole-of-Government Aboriginal and Torres Strait Islander Traineeship Program. This employee was engaged in Shared Services Human Resources. An additional indigenous trainee was engaged through the Australian Training Company and placed in Shared Services Procurement.

There were 9 indigenous staff employed in the Treasury Directorate, accounting for 0.8 per cent of total staff.

ACT MULTICULTURAL STRATEGY 2010-13

Treasury has undertaken the following actions in relation to the focus areas set out in the *ACT Multicultural Strategy 2010-2013*.

Focus Area	Progress
Language	<p>All areas of Treasury providing direct service to the public are encouraged to ensure that consultation strategies include people from culturally and linguistically diverse backgrounds.</p> <p>The ACT Revenue Office uses accredited interpreters and includes a web page with interpreter support contact information in twelve languages.</p> <p>Treasury is continuing to ensure that its websites and publications incorporate information on how to access interpreting assistance. All Customer Service standards within the ACT Revenue Office incorporate guidelines for the use of interpreters.</p>
Children and Young People	<p>Treasury provides policy advice and program support for ACT Government agencies responsible for the provision of services that aim to improve access and participation of children from all backgrounds.</p>
Older People and Aged Care	<p>Treasury provides policy advice and program support for ACT Government agencies responsible for the provision of community support for elderly people as may enable them to remain in their homes, reduce social isolation, and remove transport barriers as may lead to further isolation and loneliness.</p> <p>The Taxation Reform Package introduced in the 2012-13 Budget includes a number of assistance measures to support pensioners and older Canberrans through the reform. These include:</p> <ul style="list-style-type: none"> • increase of 17 per cent in the cap on General Rates Rebate; • extension of Rates Deferral Scheme to non pensioners, whether working or not, subject to income and asset criteria; and • extension of the Pensioner Duty Concession Scheme for a further three years to 30 June 2015, and increase in the property value thresholds for full and partial concessions. <p>The phasing-out of insurance duties from October 2012 will also provide many older Canberrans with significant savings.</p>
Women	<p>In recommending membership of portfolio boards and committees, Treasury consults with Office of Multicultural Affairs (OMA) and the Office for Women to ensure nominees are selected from culturally and linguistically diverse backgrounds wherever possible.</p> <p>Treasury also provides a separate family/nursing mother's room in the Canberra Nara Centre.</p>
Refugees, Asylum Seekers and Humanitarian Entrants	<p>Not applicable.</p>
Intercultural Harmony and Religious Acceptance	<p>Treasury actively promotes a workplace free of discrimination on the ground of race, colour, sex, sexual orientation, language, religion, political or other opinion, national or social origin, property, birth, disability or other status through staff training.</p> <p>Treasury's training programs place a strong emphasis on acceptance within the workplace of cultural and religious diversity.</p> <p>In recommending membership of government boards and committees, Treasury consults with the OMA to ensure members are selected from culturally and linguistically diverse backgrounds where appropriate.</p>



ACT STRATEGIC PLAN FOR POSITIVE AGING 2012-14

REPORT AGAINST ACT STRATEGIC PLAN FOR POSITIVE AGING 2010-14: TOWARDS AN AGE-FRIENDLY CITY

Focus Area	Progress
<p>Housing and Accommodation</p>	<p>A number of measures have been introduced to support ageing in place as part of a package of measures to support taxation reform.</p> <p>For aged Canberrans not eligible for concession on General Rates, an option of deferral has been introduced. This option is available to people aged over 65, whether retired or working, and subject to incomes and asset tests.</p> <p>To assist older members of the Canberra community moving into housing more appropriate to their needs, the Pensioner Duty Concession Scheme was introduced on 1 July 2008.</p> <p>In the 2012-13 Budget, as part of the Taxation Reform, the scheme was extended for a further 3 years to 30 June 2015. Also, the property value at which pensioners receive a full concession on their duty liability was increased. The property value for partial concession was also increased.</p>

ACT WOMEN'S PLAN 2010-15

The ACT Women's Plan provides a shared approach across ACT Government Directorates for working with the community to improve the status of all women and girls.

The Plan identifies a number of priority areas designed to improve the economic, social and environmental aspects of life for women in the ACT. Treasury is represented on the ACT Government Women's Plan Implementation Group which meets six-monthly to develop and monitor indicators of achievement against the ACT Women's Plan. Directorate officers have also been involved in assisting in identifying across government gender specific data needs.

ECONOMIC

Female employees account for 47 per cent of the Treasury workforce. Females accounted for 37 per cent of all Senior Officers, 30 per cent of all executives and 42 per cent of all graduates.

Treasury female employees are encouraged to undertake regular training to support them in their professional lives. In 2011-12, around 30 per cent of female employees attended a range of training, learning and development programs. Female staff are provided with study assistance where required including for university or vocational education and training. In addition regular professional development training opportunities are offered.

Female participation on boards and committees is encouraged and supported. There are five women on Boards supported by the Treasury portfolio.

Treasury recognises the importance of maintaining a positive work and life balance. Female employees receive 18 weeks of maternity leave while fathers can access paternity leave. Flexible employment options available include permanent and temporary part time with 46 women on permanent part time and 6 on temporary part time options. Treasury also recognises that from time to time parents may need to bring children to work for a variety of reasons. Carer's and nursing mother's rooms are available at a number of sites.

SOCIAL

Female employees are encouraged to participate in all directorate activities and seek professional opportunities.

A safe and healthy work environment is encouraged and supported through the provision of training and information. The Directorate promotes the Respect, Equity and Diversity (RED) framework to ensure that all employees, irrespective of their position, background or individual differences, model the ACTPS values and general obligations of employees as described in the *Public Sector Management Act 1994* (PSM Act). Issues promoted by RED include respect at work, policies for dealing with work bullying, discrimination and harassment and work life balance. Contact officers for RED attend training sessions and help to raise awareness of these issues. Female staff are strongly encouraged to become RED contact officers. In 2011-12, there were 11 female officers across Treasury who participated in the program.

Staff wellbeing courses and information sessions are offered by Treasury. These are described in the Learning and Development and Workplace Health and Safety sections of this report. Treasury also promotes activities that support and encourage healthy lifestyles for female employees. These include affordable Pilates, Yoga, stretching classes and seated massages.

ENVIRONMENTAL

Treasury females are encouraged to participate on working groups and inter-directorate committees working to progress environmental and sustainable development whole of government issues.



MODEL LITIGANT GUIDELINES

The Director General has the following procedures in place to ensure that the Directorate is aware of and complying with the Model Litigant Guidelines.

- (1) The Directorate's legal services are provided by the ACT Government Solicitor's Office, with the exception of some debt recovery legal services. ACTGSO reviews the Directorate's instructions to ensure compliance with the Model Litigant Guidelines. The Directorate is able to rely upon the ACTGSO to identify those matters where a question arises as to compliance with the Guidelines and to address it or elevate it within the Directorate as appropriate.
- (2) The Directorate's debt recovery legal services, for leases in arrears which were transferred to the Directorate from Rhodium, are provided by a private law firm. The law firm is aware of the Model Litigant Guidelines and the procedures in place for dealing with these cases are fully compliant with the Guidelines.
- (3) All staff involved in claims procedures or other decisions which may at some point become the subject of litigation are informed of the guidelines and instructed to comply with them, referring any queries to the ACTGSO.

The Directorate is not aware of any breaches of the Model Litigant Guidelines during the financial year.

VOLUME 1

NOTICES OF NON-COMPLIANCE

Treasury did not have any notices of non-compliance against the *Dangerous Substances Act 2004* during the reporting period.



OMISSIONS TABLE

STRATEGIC BUSHFIRE MANAGEMENT PLAN

Treasury does not have any unleased Territory land, or land occupied by the Territory, used by the agency or on behalf of the agency.

VOLUME 1



ANNEXED REPORTS

VOLUME 1

AUSTRALIAN CAPITAL TERRITORY

COMPULSORY THIRD-PARTY INSURANCE REGULATOR

ANNUAL REPORT

2011-12



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TRANSMITTAL CERTIFICATE



Mr Andrew Barr MLA
Treasurer
ACT Legislative Assembly
PO Box 1020
Canberra ACT 2601

Dear Treasurer,

I am pleased to present the Compulsory Third Party Insurance Regulator's Annual Report for the year ended 30 June 2012.

This report has been prepared under section 6(1) of the *Annual Reports (Government Agencies) Act 2004* and in accordance with the requirements under the Annual Report Directions.

It has been prepared in conformity with other legislation applicable to the preparation of the Annual Report by the Compulsory Third Party Insurance Regulator.

I certify that the attached Annual Report is an honest and accurate account and that all material information on the operations of the Compulsory Third Party Insurance Regulator during the period 1 July 2011 to 30 June 2012 has been included.

I hereby certify that fraud prevention has been managed in accordance with the Public Sector Management Standards, Part 2.

Section 13 of the *Annual Reports (Government Agencies) Act 2004* requires that you cause a copy of the Report to be laid before the Legislative Assembly within 3 months of the end of the financial year.

Yours sincerely,

Megan Smithies
Director-General
10 September 2012

PERFORMANCE & FINANCIAL MANAGEMENT REPORTING

THE ORGANISATION

The Australian Capital Territory Compulsory Third-Party Insurance Regulator (CTP Regulator) is an independent territory authority established under section 14 of the *Road Transport (Third-Party Insurance) Act 2008* (CTP Act) to regulate compulsory third party (CTP) insurance in the Territory.

The CTP Act is administered by Treasury. Under section 14 of the CTP Act, the Director-General of the administering directorate is the CTP Regulator. The Director-General of Treasury is therefore the CTP Regulator.

The functions of the Regulator are supported by the Legal and Insurance Policy Branch of the Investment and Economics Division, within Treasury. The Regulator's stakeholders are the members of the ACT community, particularly persons injured in road crashes, motorists who are required by law to purchase CTP insurance, and the licensed insurer.

Principal Objectives

The role of the CTP Regulator is to regulate the CTP insurance scheme in the ACT under the CTP Act. The objectives of the Act under section 5A are to:

- continue improving compulsory third-party insurance in the ACT;
- promote competition for CTP premiums;
- keep the costs of insurance at an affordable level;
- provide for the licensing and supervision of insurers;
- encourage the speedy resolution of personal injury claims;
- promote and encourage the rehabilitation of people injured in motor accidents;
- establish and keep a register of motor accident claims to help the administration of the statutory insurance scheme and the detection of fraud; and
- promote measures directed at eliminating or reducing causes of motor accidents and mitigating their results.

Functions

The functions of the CTP Regulator are specified in section 14A of the CTP Act and include:

- regulating the licensing of CTP insurers;
- monitoring the behaviour of licensed CTP insurers in relation to their obligations under the Act;
- improving health outcomes for claimants; and
- monitoring the efficiency of the CTP scheme under the Act and identifying areas for amendment.



OVERVIEW

Licensed Insurers

Under section 184 of the Act, the Regulator may license an insurer to provide CTP insurance in the ACT.

Insurance Australia Limited (trading as NRMA Insurance) was the sole licensed CTP insurer during the 2011-12 financial year. No applications to become licensed insurers were received from other insurers during the 2011-12 financial year.

Premium Determinations

A premium submission was lodged with the CTP Regulator by NRMA Insurance on 9 January 2012. Following an arbitration process, in accordance with the legislative process for premium determinations under the Act, the Regulator approved a class 1 premium of \$578.22 on 29 June 2012. The premium will become effective on 1 September 2012.

Section 38 of the CTP Act provides that insurers are only permitted to charge a premium approved by the Regulator.

The Regulator usually receives a premium filing from licensed insurers at least annually. The Regulator makes an assessment of each premium filing, based on expert independent actuarial advice, and may approve a premium if it will fully fund the insurer's liabilities and is not considered to be excessive.

This assessment considers claims frequency, claim size, investment returns, administrative expenses, legal expenses and insurer profit – generally elements that serve to make up the overall cost of service for an insurer participating in the ACT CTP market.

The role of the CTP scheme actuary is to provide expert actuarial advice to the CTP Regulator. This role is performed by Cumpston Sarjeant Consulting Actuaries, under contract.

Profit Margins

Section 46 of the CTP Act provides that the CTP regulator must assess the profit margin included in the CTP premium, the actuarial basis on which the profit margin is worked out and must report on the assessments annually.

In respect of the NRMA premium filing during 2011-12, the Regulator received actuarial advice from actuaries expert in assessing CTP scheme insurer profit margins, independent from the scheme actuary. NRMA's profit margin was assessed as being within the reasonable range. Its profit margin has been closely regulated. It has varied by 0.5% in the past six years.

Nominal defendant

The Nominal Defendant is liable for claims against uninsured or unidentified motor vehicles for which a CTP insurer cannot be identified. Under section 13 of the CTP Act, the Australian Capital Territory Insurance Authority (ACTIA) is the Nominal Defendant. The Annual Report of the Nominal Defendant forms part of ACTIA's Annual Report.

VOLUME 1

HIGHLIGHTS

The CTP Regulator:

- Completed the three year review of the *Road Transport (Third-Party Insurance) 2008 Act* as required by section 275 of the CTP Act. The review was tabled in the Assembly on 20 March 2012.
- Provided input to the Standing Committee on Public Accounts inquiry into the *Road Transport (Third-Party Insurance) Amendment Bill 2011*.
- Supported the 'Share the Road' television and cinema advertising campaign developed by Roads ACT, Territory and Municipal Services Directorate, now the Road Safety Unit, Transport Regulation Branch, Office of Regulatory Services. Four advertisements were broadcast for the first time on local television in October 2011, with follow-up broadcasts in February/March 2012 on television and in ACT cinemas.
- Maintained the CTP website and responded to feedback from the public received via Canberra Connect and the CTP website at <http://www.treasury.act.gov.au/compulsorytpi/index.shtml>.
- Developed a risk management plan for the CTP Regulator.

OUTLOOK

The CTP Regulator will:

- Continue to monitor and review the operation of the CTP scheme to identify areas for improvement. A key element of this process is the review of the legislative framework to determine whether amendments to the CTP Act are required to enhance scheme performance.
- Monitor the effectiveness of the CTP scheme against the objectives of the CTP Act using actuarial review and analysis, premium filings and feedback from the community.
- Develop guidelines on the CTP premium and medical and rehabilitation guidelines.

ANALYSIS OF CTP REGULATOR'S PERFORMANCE

The 2011-12 financial year saw the CTP Regulator develop and accomplish the above indicators in an uncertain market place.

Explanation of Measures and Performance

a. Review annual CTP premium

The principle objectives under Section 5A of the CTP Act were achieved. These are:

- continue improving compulsory third-party insurance in the ACT;
- promote competition for CTP premiums;
- keep the costs of insurance at an affordable level;
- provide for the licensing and supervision of insurers;
- encourage the speedy resolution of personal injury claims;
- promote and encourage the rehabilitation of people injured in motor accidents;



- establish and keep a register of motor accident claims to help the administration of the statutory insurance scheme and the detection of fraud; and
- promote measures directed at eliminating or reducing causes of motor accidents and mitigating their results.

b. Monitor and report on insurer's obligations under the Act.

The functions of the CTP Regulator as specified under Section 14A of the CTP Act were achieved. The functions are:

- to regulate the licensing of CTP insurers;
- monitor the behaviour of licensed CTP insurers in relation to their obligations under the Act;
- improve health outcomes for claimants; and
- monitor the efficiency of the CTP scheme under the Act and identify areas for amendment.

c. Develop an Industry Deed

A draft industry deed has been developed. This deed is an agreed operational arrangement between all licensed CTP Insurers in the ACT, ACT Insurance Authority (as the Nominal Defendant) and the ACT Compulsory Third-Party Insurance Regulator.

d. Ensure the scheme is fully funded

All premium filings by licensed CTP Insurers are sent for actuarial review; ensuring the premium filing allows the scheme to be able to payout all future liabilities.

e. Develop satisfaction assessment tools

A satisfaction survey has been completed and is awaiting approval before implementation and distribution.

f. Implement premium guidelines

Premium guidelines have been drafted as per requirements of the Act.

g. Respond to public inquiries and complaints

Due to current privacy legislation, telephone inquiries could not be verified requiring them to be removed from the actual result. Twenty five percent of all written responses required investigation through external parties resulting in the specified timeframe not being met.

CONSULTATION AND SCRUTINY REPORTING

COMMUNITY ENGAGEMENT

The Road Transport (Third-Party Insurance) Amendment Bill 2011 (CTP Bill) was referred to the Standing Committee on Public Accounts on 31 March 2011. The committee invited written submissions by 26 August 2011 and held public hearings in October and November 2011. As a result the committee became the primary focus for community engagement in relation to compulsory third party insurance during 2011-12. Now that the committee has completed its inquiry the CTP Regulator intends to undertake further community engagement activities in relation to aspects of the CTP scheme.

INTERNAL & EXTERNAL SCRUTINY

Internal Scrutiny

Section 275 Review

As required by section 275 of the CTP Act a three year review of the CTP Act began in October 2011. The terms of reference of the review were as follows:

- How effectively the scheme under the Act provides reduced premiums for compulsory third-party insurance policies for motor vehicles; and
- Any reform to any scheme providing for compulsory third-party insurance policies for motor vehicles implemented in other jurisdictions in Australia; and
- The impact of the changes on the recovery to health, well-being and work of the claimant.

The report of the review was tabled in the Legislative Assembly on 20 March 2012.

External Scrutiny

Standing Committee on Public Accounts inquiry

The Road Transport (Third-Party Insurance) Amendment Bill 2011 was introduced in the Legislative Assembly on 17 February 2011. The principal aims of this Bill include containing future premium increases and encouraging competition in the provision of CTP insurance by putting the focus of CTP claims on the health of claimants rather than on maximising financial compensation. On 31 March 2011 the Bill was referred to the Standing Committee on Public Accounts.

The committee tabled its report in the Legislative Assembly on 10 May 2012. The report contained 13 recommendations, including a recommendation that the Assembly not support the Bill in its current form.

Arbitration

The CTP Regulator received a premium submission from Insurance Australia Limited (trading as NRMA Insurance) on 9 January 2012. The CTP Regulator rejected this submission under section 41 of the CTP Act on 20 February 2012. NRMA Insurance subsequently requested reconsideration of the same premium submission under section 44 of the Act. As this was also rejected by the CTP Regulator, the matter then became the subject of arbitration as provided for by section 45 of the Act. The arbitration process was finalised prior to 30 June 2012. The CTP Regulator approved the agreed premiums (effective 1 September 2012) on 29 June 2012.



LEGISLATIVE ASSEMBLY COMMITTEE INQUIRIES AND REPORTS

On 17 February 2011 the Road Transport (Third-Party Insurance) Amendment Bill 2011 was presented in the Legislative Assembly. The Bill was referred to the Standing Committee on Public Accounts on 31 March 2011. The committee conducted an inquiry, inviting submissions and holding public hearings in October and November 2011. On 10 May 2012 the committee tabled its report in the Assembly. The government response to the committee report is due to be tabled in the Assembly by August 2012.

LEGISLATION REPORT

Road Transport (Third-Party Insurance) Act 2008.

CTP Average Annual Risk Premium

Section 46A of the CTP Act requires that the Regulator publish the average annual risk premium for CTP in the ACT. The risk premium represents the base risk amount that each insurer bears when providing CTP insurance in the ACT. Presently there is only one CTP insurer in the ACT, Insurance Australia Limited (trading as NRMA Insurance). As such, the risk premium has been derived using a weighted average of NRMA data and Nominal Defendant data to determine the average risk premium price per policy.

The average risk premium price per policy for 2011-12 is \$391.57.

LEGISLATION & POLICY BASED REPORTING

RISK MANAGEMENT AND INTERNAL AUDIT

Internal Audit

The CTP Regulator is part of the CMCD/Treasury joint Audit Committee.

Treasury's Annual Report section on Internal Audit Committee applies to the CTP Regulator.

Field work was completed on a review of the administration of the CTP Regulator and the report will be finalised in 2012-13.

Risk Management Plan

The CTP Regulator has developed and is in the process of implementing a risk management plan. The plan identifies risks to the Regulator giving each risk a rating and identifying strategies to address those risks.

FRAUD PREVENTION

The functions of the CTP Regulator are supported by the Legal and Insurance Policy Branch of the Investment and Economic Division, Treasury who adhere to the Treasury Fraud and Corruption Prevention Plan.

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PUBLIC INTEREST DISCLOSURE

During the reporting period, no obligations arose in relation to Public Interest Disclosure.

FREEDOM OF INFORMATION

The following is provided in addition to the information provided in Treasury's annual report.

Section 7 Statement

The CTP Regulator was established in 2008 under the CTP Act. The Regulator became an authority under the *Financial Management Act 1996* on 30 September 2010. The organisational functions and powers of the CTP Regulator are outlined in section 14A of the CTP Act. The CTP Regulator invites feedback regarding the CTP scheme by clicking on the feedback link on the ACT's CTP website at:

<http://www.treasury.act.gov.au/compulsorytpi/index.shtml>.

Facilities for seeking access to documents

People seeking information are encouraged to seek access by first contacting Treasury before resorting to the more formal FOI procedure.

The CTP Regulator's contact for FOI Requests

The FOI Coordinator
ACT Treasury
GPO Box 158
Canberra ACT 2601
Telephone: (02) 6205 0623
Fax: (02) 6207 0304

Physical Location

Level 1, Canberra Nara Centre, Constitution Avenue and London Circuit, Canberra ACT 2600

Section 8 Statement

The CTP Regulator's section 8 statement is found within the statement published by Treasury, which is available on request made to Treasury's FOI Coordinator.

Specifically, the CTP Regulator received no requests for access to documents under the *Freedom of Information Act 1989* during 2011-12.

Section 79 Statement

The CTP Regulator received no requests for access to documents in 2011-12.



INTERNAL ACCOUNTABILITY

Under the Government's Administrative Arrangement Orders, the CTP Regulator resides within the Treasury Portfolio. The CTP Regulator is the Director-General of Treasury as outlined in Section 14 of the CTP Act. The functions of the CTP Regulator are supported by the Legal and Insurance Policy Branch of the Investment and Economics Division, Treasury.

HUMAN RESOURCE PERFORMANCE

The CTP Regulator does not employ any staff. The functions of the CTP Regulator are supported by the Legal and Insurance Policy Branch of the Investment and Economic Division, Treasury.

Treasury's Annual Report section on HR Performance applies to the CTP Regulator.

STAFFING PROFILE

The CTP Regulator does not employ any staff. The functions of the CTP Regulator are supported by the Legal and Insurance Policy Branch of the Investment and Economic Division, Treasury.

Treasury's Annual Report section on Staffing Profile applies to the CTP Regulator.

LEARNING AND DEVELOPMENT

The CTP Regulator does not employ any staff.

Treasury's Annual Report section on Learning and Development applies to the CTP Regulator.

WORKPLACE HEALTH AND SAFETY

The CTP Regulator does not employ any staff.

The functions of the CTP Regulator are supported by the Legal and Insurance Policy Branch of the Investment and Economic Division, Treasury who adhere to the Occupational Health and Safety principles set out in the Public Sector Management Standards.

WORKPLACE RELATIONS

The CTP Regulator does not employ any staff.

The functions of the CTP Regulator are supported by the Legal and Insurance Policy Branch of the Investment and Economic Division, Treasury and are covered under the Treasury Enterprise Bargaining Agreement 2010-12.

HUMAN RIGHTS ACT 2004

The CTP Regulator does not employ any staff.

The functions of the CTP Regulator are supported by the Legal and Insurance Policy Branch of the Investment and Economic Division, Treasury who adhere to the principles set out in the *Human Rights Act 2004*.

VOLUME 1

STRATEGIC BUSHFIRE MANAGEMENT PLAN

The CTP Regulator is office based and does not use any bush-fire prone government land.

STRATEGIC ASSET MANAGEMENT

The CTP Regulator has no assets other than its operational bank account. The CTP Regulator does not have the capacity to invest funds over the medium to long term.

CAPITAL WORKS

The CTP Regulator did not undertake any Capital Works Projects in the 2011-12 financial year.

GOVERNMENT CONTRACTING

The CTP Regulator is party to the following agreements:

External Sources of Labour and Services (Total Financial Year Cost Greater than \$25,000 GST Exclusive)

Name	Description and Reason for Contract	Cost \$ (GST exclusive)	Procurement Type	Contract Date
Cumpston Sarjeant Consulting Actuaries	Provide actuarial review and advice	\$102,000	Select Tender	Jan 2009

COMMUNITY GRANTS / ASSISTANCE / SPONSORSHIP

The CTP Regulator did not receive any community grants, assistance or sponsorship in the 2011-12 financial year.

TERRITORY RECORDS

The CTP Regulator's office has implemented and maintains a records management structure that complies with the *Territory Records Act 2002*.

COMMISSIONER FOR THE ENVIRONMENT

During the reporting period, no obligation arose under the *Commissioner for the Environment Act 1993*.

ECOLOGICALLY SUSTAINABLE DEVELOPMENT

Treasury's Annual Report section on Ecologically Sustainable Development applies to the CTP Regulator.

CLIMATE CHANGE AND GREENHOUSE GAS REDUCTION POLICIES AND PROGRAMS

Treasury's Annual Report section on Climate Change and Greenhouse Gas Reduction Policies and Programs applies to the CTP Regulator.



ABORIGINAL & TORRES STRAIT ISLANDER REPORTING

The CTP Regulator's office adheres to the principles of the ACT Whole of Government Indigenous Policy.

ACT MULTICULTURAL STRATEGY

The CTP Regulator's office is committed to providing high quality services and support to a society that is culturally and linguistically diverse. Our office adheres to the principles as set out in the ACT Multicultural Strategy.

ACT STRATEGIC PLAN FOR POSITIVE AGING 2010-2014

Treasury's Annual Report section on the ACT Strategic Plan for Positive Aging 2010-2014 applies to the CTP Regulator.

ACT WOMEN'S PLAN

Treasury's Annual Report section on the ACT Women's Plan applies to the CTP Regulator.

MODEL LITIGANT GUIDELINES

The CTP Regulator complies with the Law Officer (Model Litigant) Guidelines 2010 (No 1) in relation to any proceeding or controversy in respect of which the model litigant guidelines are applicable.

NOTICES OF NON-COMPLIANCE

The CTP Regulator did not receive any notices on noncompliance in the 2011-12 financial year.

VOLUME 1

ACT GOVERNMENT PROCUREMENT BOARD

ANNUAL REPORT

2011-12

TRANSMITTAL CERTIFICATE



Mr Andrew Barr MLA
Treasurer
ACT Legislative Assembly
London Circuit
CANBERRA ACT 2601

Dear Minister Barr

I am pleased to present the Annual Report of the ACT Government Procurement Board (Board) for the 2011-12 financial year.

This Report has been prepared under Section 6(1) of the *Annual Reports (Government Agencies) Act 2004* and in accordance with the requirements of the Chief Minister's Annual Report Directions. This Annual Report is annexed to the Treasury Directorate's Annual Report.

I certify that the attached Annual Report is an honest and accurate account and that all material information on the operations of the Board during the period 1 July 2011 to 30 June 2012 has been included.

Yours sincerely

Sue Morrell
Chair, ACT Government Procurement Board

September 2012

VOLUME 1

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THE ORGANISATION

The ACT Government Procurement Board (Board) was established on 1 August 2001 by the *Government Procurement Act 2001* (Act). The Board's functions, as specified under section 6 of the Act, are:

- to review, and give advice to territory entities on, procurement issues;
- to review, and give advice on:
 - i. procurement proposals and activities referred to the board by a Minister or responsible Director-General officer; or
 - ii. procurement proposals for procurement matters declared by the Minister;
- to review procurement proposals of territory entities in accordance with the regulation;
- to consider, advise on and, if appropriate, endorse procurement practices and methods for use by territory entities;
- to provide advice to the Minister on any issue relevant to the procurement activities of territory entities or the operation of this Act; and
- to exercise any other function given to the board under this Act or any other Territory law.

The Board's purpose, to advise Government on practices and processes that will deliver better procurement outcomes for the Territory, is underpinned by the values and principles prescribed in section 22A of the Act: 'A territory entity must pursue value for money in undertaking any procurement activity'. In pursuing value for money, the entity must have regard to: probity and ethical behaviour; management of risk; open and effective competition; optimising whole of life costs; and anything else prescribed by regulation.

The Board seeks to ensure that processes for major procurements comply with the Government's Procurement Framework, which includes the legislation and policies as outlined in the Procurement Circulars.

The *Government Procurement Regulation 2007* (Regulation), among other things, specifies the types of procurements that must be considered by the Board.

Membership of the Board

Section 11 of the Act stipulates that the Board consists of nine part-time members (five public employee members and four non-public employee members). The Chair of the Board at 30 June 2012 was Ms Sue Morrell, Deputy Director-General of the Territory and Municipal Services Directorate (TAMSD). The position of Chair, like all the Board memberships, is a part-time role, appointed by the Treasurer (the Minister) under the Act. The Chair, a public employee as prescribed under section 12(2) of the Act, reports directly to the Minister in relation to her role on the Board.

Section 21(1) of the Act enables the Board to arrange with the Director-General of the Treasury Directorate (Treasury) for Treasury officers to provide administrative support for the Board. The Executive Director, Shared Services Procurement, on behalf of the Director-General of Treasury, oversees the operation of the Secretariat.

The ACT Remuneration Tribunal determines remuneration for non-public employee Board members. This remuneration and the budget for the operation of the Secretariat are provided by Shared Services Procurement, a business unit of Shared Services, which is a division of Treasury. All associated financial reporting is included in the Treasury accounts. Public employee members are funded through their respective Directorates and do not receive any extra remuneration for their membership of the Board.

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The Executive Director Shared Services is an *ex officio* member of the Board.

The Board's membership was relatively stable in 2011-12. Ms Rosemary Kennedy and Ms Leanne Cover were each appointed as public employee members on 5 July 2011, and existing public employee member Mr Roger Broughton was appointed as deputy chair, also on 5 July 2011. Mr Broughton subsequently left the Board when he retired from the ACT Public Service in February 2012. Ms Diane Fielding was reappointed as a non-public employee member until April 2013.

OVERVIEW, HIGHLIGHTS AND CHALLENGES

In 2011-12, the Board maintained its focus on risks in individual procurements, increased its focus on contract and project management, particularly in relation to capital works and safety, and facilitated the reappointment of a non-public employee member to the Board.

The Board noted that procurement proposals have improved in recent years, to the extent that only one proposal was not endorsed upon initial presentation to the Board. This compares with four proposals not endorsed upon initial presentation in 2010-11. Where the Board gave provisional endorsement, the amendments requested were for minor clarifications or adjustments to procurement proposals.

Notwithstanding the improvement in the quality of procurement proposals, the Board continues to:

- promote greater understanding of risks in procurements and encourage ongoing risk assessments throughout the life of projects;
- promote the importance of appropriate evaluation criteria and rigorous assessment of tenderers' capacity to deliver value for money;
- assist agencies to appreciate the importance of risk and contract management to achieving value for money; and
- encourage effective project planning to facilitate the timely consideration of proposals.

The Board has taken a stronger stance in relation to the timely provision of procurement proposals in 2011-12, with Directorates being asked to provide completed documentation a week in advance. The Board still accommodates genuinely urgent proposals, considering them electronically where necessary and if appropriate.

Appendix 1 provides a summary of procurement plans considered by the Board in 2011-12.



OUTLOOK

In 2012-13, the Board will continue to consider procurement plans in accordance with the legislation and focus on risk and contract management. The Board will continue to monitor the progress of selected projects and programs through reports from agencies and use any significant lessons learnt to provide procurement advice to Shared Services Procurement, Directorates, and the Minister where appropriate.

The Board holds annual business meetings to review the previous year and plan for the year ahead. In September 2011, the Board considered a change to the process for Directorates to refer proposals to the Board for consideration and this proposal will be discussed further in 2012-13, with a view to implementing the change, in accordance with the legislation, in late 2012/early 2013.

As the Board does not set policy, it views itself as supporting Shared Services in providing procurement and project management services to Directorates. The Board's work on individual procurements seeks to support Shared Services Procurement and Directorates in ensuring that procurement and project management risks are mitigated.

The Board is not responsible for procurement decisions. This responsibility rests with Directors-General, who are responsible for all operations associated with the running of their Directorates.

PERFORMANCE

In 2011-12, the Board continued to meet with proponents of procurement plans at its weekly meetings to provide the opportunity to clarify any issues directly. This practice has improved efficiency and reduced delay in obtaining additional information in support of proposals.

Table 1 Board workload comparison with previous year

	2010-11	2011-12
Total Board Meetings	31	26
Business Meetings	1	1
Proposal Meetings	30	25
Proposals considered	61	44
Estimated Value of Proposals (\$ million)	1,522	1,371

INTERNAL ACCOUNTABILITY

The Board comprises nine part-time members:

- a Chair, who is a public employee;
- a Deputy Chair, who is a public employee;
- three public employees; and
- four non-public employees.

Note: 'Public employee', as per the dictionary, part 1, of the *Legislation Act 2001*, means (a) a public servant; or (b) a person employed by a territory instrumentality; or (c) a statutory office-holder or a person employed by a statutory office-holder.

Table 2 Membership of the Board as at 30 June 2012

Members	Name	Position
Public employee member (Chair)	Ms Sue Morrell	Deputy Director-General Territory and Municipal Services Directorate
Public employee	Ms Rosemary Kennedy	Executive Director, Business and Infrastructure Health Directorate
Public employee	Ms Leanne Cover	Deputy Director-General Education and Training Directorate
Public employee member	Mr George Tomlins	Deputy Director-General Economic Development Directorate
Non-public employee member	Ms Diane Fielding	Formerly First Assistant Secretary, Financial Services Defence.
Non-public employee member	Mr Cliff Carey	Formerly Assistant Director in Federal Government; currently policy advisor in Council of the Ageing
Non-public employee member	Mr Bob Samarcq	Formerly CEO of ClubsACT; currently principal of a consulting firm.

Remuneration

The Australian Capital Territory Remuneration Tribunal in its Determination Number 14 of 2011 revised the remuneration for part-time non-public employee members of the Board to take effect from 1 November 2011. This determination set the fee for the non-public employee Board members at \$22,065 per annum, an increase of 2.5 per cent over the previous remuneration of \$21,525.

Public sector members receive no remuneration for their Board membership.

Board Meetings

In 2011-12 the following meetings were held:

- **Business**– one meeting was held on 20 September 2011 to address the ‘business’ of the Board (i.e. governance, work planning, and performance). For the rest of the year, business issues were incorporated into weekly proposal meetings as matters arose.
- **Proposal**– meetings scheduled for each Tuesday morning if there are procurement proposals for consideration or Board business matters for discussion. Twenty-five proposals meetings were held in 2011-12.

Reflecting the importance that members place on their Board work, attendance at proposal meetings exceeded quorum requirements for every meeting in 2011-12.

Conflict of Interest

The Board has instituted arrangements to manage conflicts of interest. Membership of the Board comprises both public sector executives, with ongoing responsibility for program delivery at directorate level, and non-public sector individuals with membership of other boards and committees. The Board recognised the possibility that members, during the course of the year, would be faced with potential conflicts of interest due to their other commitments.

The Board has instituted the following arrangements:

- Members are aware of and support the Board’s Charter and have signed a Code of Conduct agreement.



- Members are requested to identify whether they have a potential conflict of interest in respect of a proposal or policy matter prior to the related documents being considered. Members with a conflict of interest in a matter are not involved in the decisionmaking in relation to that matter.
- Prior to the commencement of all meetings, members are also invited to state any conflict of interest that may arise due to the business to be considered at the meeting.

The minutes of the meeting reflect the action taken by the Board in respect of any conflict(s) of interest.

Support Staffing

Section 21 of the Act enables the Board to make arrangements with the Director-General of the Treasury Directorate for the use of public servants under the Director-General's control in providing secretariat support to the Board.

The Board Secretariat operates within the Goods and Services Branch, Shared Services Procurement, Shared Services, Treasury, to support the Board in undertaking its functions, including management of Board papers, meetings and all general administrative and financial arrangements.

Further information can be obtained from:

Sue Morrell	Chair, ACT Government Procurement Board	Ph: (02) 6207 2645	sue.morrell@act.gov.au
Jan Pearce	Secretary, Government Procurement Board; and Manager, Procurement Policy, Treasury	Ph: (02) 6207 2625	jan.pearse@act.gov.au

Financial Resources

The budget for the operation of the Board Secretariat is incorporated into the overall budget for the operation of Shared Services Procurement. Accordingly, allowances for non-public employee members' remuneration, Secretariat staff salaries, accommodation and office infrastructure, and the provision of technology and communications services, are fully covered within Shared Services Procurement. The Secretariat's operations are included in Treasury's accounts.

Board members are appointed by the Minister on a part-time basis. All staffing matters in respect of public employee members are managed by their 'home' Directorates. The current Chair of the Board, who also oversees the activities of the Secretariat in relation to Board operations, is a full time employee and Deputy Director-General of TAMSD.

ACT WOMEN'S PLAN 2010-2015

The ACT Women's Plan established the ACT Government's vision for working with the community to improve the status of all women and girls, and provided a shared approach for working towards this vision across Territory entities. One of the identified key objectives in the Plan is Representation and Recognition.

The Office for Women (Community Services Directorate) is consulted each time a Board vacancy is being filled.

Eight of the nine Board membership positions were occupied at 30 June 2012, with four of these positions, including the Chair, held by women.

APPENDIX 1

SUMMARY OF PROCUREMENT PLANS CONSIDERED BY THE BOARD IN 2011-12

During 2011-12, in accordance with the *Government Procurement Regulation 2007*, the Board considered 44 proposals with an estimated total consideration of \$1,371 million. The average value of procurement proposals presented to the Board was \$31.17 million. The largest proposal was for infrastructure projects that service Molonglo 2 land releases, including feasibility studies, design and superintendence consultancies, construction contractors and design and construct contracts. The second largest proposal was to design and construct the Molonglo River Bridge and construct the Majura Parkway.

Breakdown by Procurement Method

Procurement Method	Number	Percentage of Number*	Estimated Value (\$M)	Percentage of Value*
Public Tender	24	55%	\$1,015.18	74%
Variation	9	20%	\$99.47	7%
Select Tender	5	11%	\$145.35	11%
Single Select Tender	5	11%	\$103.83	8%
Mixed procurement	1	2%	\$7.60	1%

Breakdown by Procurement Classification

Procurement Classification	Number	Percentage of Number*	Estimated Value (\$M)	Percentage of Value*
Capital works	26	59%	\$675.16	49%
Services	7	16%	\$180.33	13%
ICT	7	16%	\$104.40	8%
Goods	3	7%	\$11.54	1%
Capital works and services	1	2%	\$400.00	29%

*Percentages may not total 100% due to rounding of figures.

Breakdown by Risk

Risk	Number	Percentage of Number*	Estimated Value (\$M)	Percentage of Value*
Low	3	7%	\$19.50	1%
Medium	31	70%	\$1,221.15	89%
High	10	23%	\$130.78	10%



Breakdown by Directorate

Directorate	Number	Percentage of Number*	Estimated Value (\$M)	Percentage of Value*
Chief Minister and Cabinet	1	2%	\$7.60	1%
Community Services	3	7%	\$93.83	7%
Economic Development	4	9%	\$438	32%
Education and Training	7	16%	\$140.33	10%
Environment and Sustainable Development	0	0%	0	0%
Health	6	14%	\$124.07	9%
Justice and Community Safety	4	9%	\$24.80	2%
Territory and Municipal Services	14	32%	\$429.95	31%
Treasury	4	9%	\$102.77	7%
Community Services & Education and Training	1	2%	\$10	1%

*Percentages may not total 100% due to rounding of figures.

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ABBREVIATIONS

Act	<i>Government Procurement Act 2001</i>
ACT	Australian Capital Territory
Board	ACT Government Procurement Board
CMCD	Chief Minister and Cabinet Directorate
ETD	Education and Training Directorate
Entity / Entities / Territory entities	includes reference - in general - to departments, agencies and authorities
IT / ICT	Information Technology / Information and Communications Technology
Minister	Treasurer
Regulation	<i>Government Procurement Regulation 2007</i>
TAMSD	Territory and Municipal Services Directorate
Treasury	Treasury Directorate



DIRECTOR OF TERRITORY RECORDS

ANNUAL REPORT

2011-12

VOLUME 1

TERRITORY RECORDS OFFICE

In carrying out the broad range of functions listed in the *Territory Records Act 2002*, the Director of Territory Records works closely with each ACT Government directorate's Director-General's and nominated records manager.

The Territory Records Office (TRO), led by the Director of Territory Records:

- provides advice to directorates and monitors compliance with the Act;
- provides support for the Territory Records Advisory Council;
- helps members of the public access records;
- advises on record management;
- develops standards and guides for record management;
- maintains the whole-of-government records management thesaurus which ensures consistency across the ACT Government;
- monitors the disposal of records by directorates; and
- manages copyright administration across directorates.

The Territory Records Advisory Council met four times during 2011–12. Membership of the Council during 2011-12 was:

- Mr Steve Stuckey (Chair);
- Ms Jill Caldwell (Deputy Chair);
- Ms June Penny;
- Mr Andrew Kefford;
- Dr David Headon;
- Ms Anne Buttsworth;
- Ms Alyssa Blackburn;
- Ms Rebecca Stubbs; and
- Mr David Wardle.

After the last meeting of Council for 2011-12, Ms Amanda Harris, Mr Nick Swain and Mr Mick Chisnall were appointed to replace Ms Penny, Ms Caldwell and Mr Kefford, whose terms had expired.

At a meeting in August 2011 with the Minister responsible for the *Territory Records Act 2002*, Andrew Barr MLA, the Territory Records Advisory Council discussed the strategic priorities that guide its initiatives. Its first priority was to foster a legislative framework that creates a comprehensive and rigorous regime of records management. Recent amendments to legislation contributed to such a framework, and securing recordkeeping practice in line with the framework is an ongoing task. Its second priority was to facilitate and encourage appropriate management of digital records. This consideration absorbed much of Council's time. Council's third priority was to achieve adequate centralised storage of archival records to ensure preservation of the ACT's documentary heritage. Council recognises this to be a longer-term goal.



Many of the drivers of TRO priorities for 2011-12 were in place at the start of the year. Meeting the final recommendation of the report by the Public Accounts Committee (PAC) on the Auditor-General's 2008 review, and implementing changes following from the Hawke Review of the ACT public service were supplemented by renewed emphasis on open government by the Chief Minister Katy Gallagher. In addition, advising directorates on the implementation of amended legislation, the further incorporation of digital records into directorates' records management, and preparations for the celebration of Canberra's centenary were added to the ever-present tasks of records' creation, maintenance and preservation, the provision of public access to records, and liaison with interstate counterparts.

Auditor-General's Report

The Public Accounts Committee (PAC) of the Legislative Assembly tabled its "Review of Auditor-General's Report No 3 of 2008 *Records Management in ACT Government Agencies*" on 25 August 2010. The Government accepted the Committee's three recommendations, which essentially required the Government to keep the Legislative Assembly informed of progress in implementing and monitoring the records management regime in the Territory.

In December 2010 the Government met the Committee's first recommendation by reporting on the progress and effectiveness of the implementation of the Auditor-General's recommendations. The Committee incorporated a review of the *Territory Records Act 2002* into its report on the performance review of records management undertaken by the Auditor-General. The Committee's second recommendation was met in June 2011 when the government reported to the Assembly on the findings of the review of the Act.

The third and final recommendation was met in February 2012 when a report on the effectiveness of legislative changes following from the review of the Act was tabled in the Assembly. This report focussed on three issues that remained outstanding from the legislative review: the appropriateness of the exemption categories under the Freedom of Information Act in relation to the release of records, responsibility for Territory archives, and the continuing management of digital records.

Governing the City State: One ACT Government – One ACT Public Service

The Hawke Review was adopted by the Government in March 2011 and was implemented during the remainder of the year. The nine directorates experienced changed functional responsibilities, which necessitated revised Records Management Programs under *Territory Records Standard No.1 – Records Management Programs*. Directorates made considerable progress with the revision of their Programs by 30 June 2012.

The focus on a unified public service rather than on a different culture in each agency led to demands for greater guidance about the requirements of a compliant Records Management Program. After much consultation with directorates, Standard and Guideline No.1 were re-drafted to include a Model Records Management Program. The Model Program is not mandated, but over time will provide a vehicle for increasing uniformity of Programs – exactly the intent of having a single public service. The Model Program encourages the bringing together of business processes with a directorate's recordkeeping system. Differences between directorates will remain for operational reasons, but increased concern with the evidential value of records and resource pressures will encourage uniformity.

The re-drafting of Guideline No.1 is the largest re-drafting of any Guideline since the commencement of the Act in 2002. Records Managers have been involved at all stages with both the drafting and the evaluation of the new provisions.

Open Government

In the Chief Minister's update statement to the Assembly on Open Government in September 2011, Katy Gallagher MLA, said:

"... I set myself, my Ministers, the heads of Directorates, and every single public servant, a new default position. I said there ought to be a presumption that information available to the Government should also be made available to the community."

"All of the work of recent months in relation to Open Government has been made much easier by the fact that for the past few years our Territory Records Office has been busily developing standards and guidelines for digital recordkeeping. Most recently, over the past six months, the Office has developed a 'Digital Record Pathway' to improve strategic digital record keeping right across the Government. The Pathway recommends mandating digital formats for long-term records, and the use of open standards, consistent with policy of the National Archives. This work by our own Records Office puts us in a good position to really push forward with a number of our Open Government initiatives. The groundwork is laid."

The Digital Recordkeeping Pathway is the view of an independent expert of the way in which the ACT Government should advance its management of digital recordkeeping. TRO is delighted to have been in a position where it could support the enabling of the Chief Minister's vision of open government.

Digital Records Management

Management of digital records was a high priority for both the TRO and Council as a recognition that both the ACTPS and the community are increasingly using digital forms of communication. The appointment of the Executive Director of the Government Information Office to Council recognises the digital priority in ACT records management. Previous years have seen the establishment of Standards and Guidelines to guide both the management of digital records and the conversion of paper and other records to digital format.

The need was for a path linking the existing digital Standards to future records management procedures in which sound digital practice was embedded into the daily operations of all Directorates. Evidence of due process is required to secure the evidential value of the records.

A Melbourne records management consultant, Ms Judith Ellis of Enterprise Knowledge Pty Ltd, produced a Digital Recordkeeping Pathway report setting out the broad strategy for further implementation of digital recordkeeping, including mandating digital formats for long-term record retention and the use of open standards. The Pathway report was attached to the report tabled by the Government in the Assembly in February 2012 in response to the third recommendation of the Public Accounts Committee referred to above.

Public Access to Records

ArchivesACT continues as a key element for the research community in the ACT and provides an early entry point for anyone studying the development and history of the ACT and region. All directorates and other ACT Government agencies continue to provide access to a wide range of records in their custody.

For the second year, administrative records over 20 years old and Cabinet records over 10 years old were released for public access on Canberra Day 2012. The 2012 release had the added significance that this was the first time in Australia that Cabinet papers had been released within the term of the sitting Government that created them.

Consistent with the Chief Minister's Open Government statement, Council saw merit in Government being able to show that no records are being hidden or restricted without there being a legitimate reason. Following extensive consultation with directorates, the Director made available on both the Territory Records Office and the ArchivesACT websites the access exemption register showing all S.28 Declarations that have been approved.



Council of Australasian Archives and Records Authorities

The Director represents the ACT on the Council of Australasian Archives and Records Authorities (CAARA) to ensure that ACT records management is consistent with other Australian jurisdictions and Australian best practice. Ongoing issues include the increasing importance of digital records, the preparedness of jurisdictions in dealing with disasters, and providing public access to records.

100th Anniversary Celebrations in 2013

The anniversary celebrations will heighten the community's awareness of the documentary heritage of the ACT. ArchivesACT is actively contributing to the preparations for the celebration of the centenary of Canberra in 1913 by contributing resource material for the preparation of several exhibitions.

The TRO in conjunction with the National Archives of Australia is preparing a 'Guide to Government Records about the ACT' which will assist researchers discover records about the ACT whether in the custody of the NAA or the ACT Government. This publication will be in a format similar to other guides on State and Territory records produced by the NAA.

Future Directions

Assisting directorates with further revisions to their Records Management Programs will be a major focus of the TRO in 2012-13. Fully integrating new functions into recordkeeping practices for each directorate will be tackled in the context of a new Model Records Management Program that is an early step in encouraging uniformity of practices across a single ACTPS.

Working in close conjunction with the Government's ICT service provider, Shared Services ICT, the Director will advance the implementation of the endorsed Digital Recordkeeping Pathway, which provides strategic directions for managing the digital records environment of the Government. There are considerable short and long term challenges in providing consistent treatment of digital records to ensure their accessibility, evidential value and preservation for as long as required.

Public accessibility during Canberra's centenary celebrations will be a part of raising public awareness of the documentary heritage available to Canberrans. The Advisory Council is a valuable ally in this immediate task as in ensuring the ongoing suitability and relevance of the records regime. Council continues to express firm views on the pressing need for the establishment of an ACT Archives Repository to ensure suitable housing and access for the documentary heritage of the ACT.

Further information may be obtained from:

Elizabeth Estbergs A/g Director Territory Records Office Ph: (02) 6207 5726 elizabeth.estbergs@act.gov.au

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GLOSSARY OF ACRONYMS

AAT	Administrative Appeals Tribunal
ACAT	ACT Civil and Administrative Tribunal
ABS	Australian Bureau of Statistics
ACT	Australian Capital Territory
ACTGSO	ACT Government Solicitor's Office
ACTIA	ACT Insurance Authority
ACTPS	ACT Public Service
AIIA	Australian Information Industry Association
AILA	Australian Institute of Landscape Architects
ACTPS	ACT Public Service
AIFRS	Australian equivalent to International Financial Reporting Standards
AIA	Australian Institute of Architects
ASA	Agency Security Advisor
ASO	Agency Security Officer
ASO	Administrative Service Officer
AFR	Annual and Financial Reports(Public Accounts) 2008-2009
ATO	Australian Taxation Office
AWA	Australian Workplace Agreement
BGA	Baseline Gap Analysis
CFO	Chief Finance Officer
CGC	Commonwealth Grants Commission
CADP	Capital Assets Development Program
CIPSA	Chartered Institute of Purchasing and Supply Australasia
CMCD	Chief Minister and Cabinet Directorate
CIS	Clinical Information Systems
COAG	Council of Australian Governments
CPI	Consumer Price Index
CSS	Commonwealth Superannuation Scheme
CTH	Commonwealth of Australia
CTP	Compulsory Third Party
CAER	Corporate Analysis- Enhanced Responsibility



EAP	Employee Assistance Program
EEO	Equal Employment Opportunity
ESD	Ecologically Sustainable Development
ESG	Environmental, Social and Governance
EREC	Expenditure, Review and Evaluation Committee
EIRIS	Experts in Responsible Investment Solutions
FABD	Finance and Budget Division
FBT	<i>Fringe Benefits Tax</i>
FMA	<i>Financial Management Act 1996</i>
FMLA	Financial Management (Ethical Investment) Legislation Amendment Bill 2010
FOI	Freedom of Information
FTE	Full Time Equivalent
GAA	Graduate Administrative Assistant
GAAP	Generally Accepted Accounting Principles
GBE	Government Business Enterprise
GFS	Government Finance Statistics
GST	Goods and Services Tax
GSTAS	GST Administration Sub-Committee
H&S	Health and Safety
HLP	Home Loan Portfolio
HR	<i>Human Resources</i>
HRA	Human Rights Act 2004
IAC	Internal Audit Committee
ICA	Insurance Council of Australia
ICT	Information Communication Technology
ICU	Intensive Care Unit
IDC	Interdepartmental Committee
IED	Investment and Economics Division
IGA	Intergovernmental Agreement on the reform of Commonwealth State Financial Relations
MDA	Management Discussion and Analysis
MBA	Master Builders Association
MLA	Members of the Legislative Assembly
MOU	Memorandum of Understanding
N/a	Not applicable

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NAAATI	National Accreditation Authority for Translators and Interpreters
NCP	National Competition Policy
NTER	National Tax Equivalent Regime
NRMA	NRMA Insurance
OH&S	Occupational Health and Safety
OHSRAC	Occupational Health, Safety and Rehabilitation Advisory Committee
OLPS	Online Lodgement and Payment Service
OMA	Office of Multicultural Affairs
PCD	Policy Coordination and Development Division
PRI	Principles of Responsible Investment
PSMA	Public Sector Management Act 1994
PPP	Public Private Partnerships
PSS	Public Superannuation Scheme
Pty Ltd	Propriety Limited
QCC	Queanbeyan City Council
RAPS	Receipting and Payment Services
RED	Respect, Equity, Diversity
RIS	Regulatory Impact Statements
REGNAN	Regnan Governance Research and Engagement Pty Ltd (Engagement Services)
RMD	Revenue Management Division
SSP	Shared Services Procurement
SEA	Special Employment Arrangements
SERBIR	Senior Executive Responsible for Business Integrity Risk
SOG	Senior Officer Grade
SPA	Superannuation Provision Account
SPPs	Specific Purpose Payments
SBR	Standard Business Reporting
TAMS	Territory and Municipal Services Directorate
TARDiS	Territory Administrative Records Disposal Schedule
TBA	Territory Banking Account
TBL	Triple Bottom Line
TCC	Treasury Consultative Committee
TOCs	Territory Owned Corporations
TD	Treasury Directorate



TRS	Territory Revenue System
TPA	Third Party Insurance
UN	United Nations
WCC	Workplace Consultative Committee

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