



Public Accounts Committee

Annual Report 2012-2013

Report No. 3
November 2013

Legislative Assembly
Parliament of Western Australia

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Presented by

Mr D.C. Nalder, MLA

Laid on the Table of the Legislative Assembly on 28 November 2013

Chairman's Foreword

As Chairman of the Public Accounts Committee of the 39th Parliament (the Committee), I present for tabling the Committee's first annual report.

The Committee was established on 9 May 2013 and has committed to a full work program in the short time that it has been together.

Public Accounts Committees (PACs) first emerged in 1861 after a resolution by the House of Commons in Westminster and now feature in many parliaments throughout the Commonwealth.¹

This Committee has a broad remit as outlined in Standing Orders (SO) 285 and 286 of the Legislative Assembly, which are included in full at Appendix One. Notably SO 286(4) states that the Committee may 'consider whether the objectives of public expenditure are being achieved, or may be achieved more economically.'

I see this as a particularly important role for the Committee and I look forward to working constructively with my fellow members over the next four years to deliver productive outcomes in this respect.

MR D.C. NALDER, MLA
CHAIRMAN

¹ David McGee, (2002), *The Overseers: Public Accounts Committees and Public Spending*, Pluto Press, London, UK, p. 55.

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Chapter 1

Committee Activities

Introduction

- 1.1 The 2012–2013 reporting period encompasses two parliamentary sessions. The 38th Parliament was dissolved by the Governor on 30 January 2013. This dissolution terminated the Parliament and its committees. The Public Accounts Committee (the Committee) of the 39th Parliament was established on 9 May 2013. This report deals mainly with the activities of the Committee in the 39th Parliament, from 9 May 2013 to 30 June 2013.
- 1.2 During the reporting period the Committee:
- held five deliberative meetings; and
 - held an introductory briefing with the Auditor General

Work in Progress

- 1.3 The Committee has so far needed to focus on following up agency responses to recommendations made by the Auditor General in a series of his performance audit reports from 2011 and 2012.
- 1.4 There were 24 outstanding Auditor General reports to be followed-up as at 30 June 2013. Fourteen of these were carried over from the 38th Parliament, while the Auditor General tabled another ten reports in the first six months of 2013.
- 1.5 The outstanding reports from the 38th Parliament were:
- Report 6, August 2011 – *Right Teacher, Right Place, Right Time: Teacher Placement in Public Schools*
 - Report 9, October 2011 – *Use of CCTV Equipment and Information*
 - Report 11, November 2011 – *The Management of Offenders on Parole*
 - Report 1, February 2012 – *Working Together: Management of Partnerships with Volunteers*

Chapter 1

- Report 3, April 2012 – *Beyond Compliance: Reporting and Managing KPIs in the Public Sector*
- Report 4, May 2012 – *Supporting Aboriginal Students in Training*
- Report 6, May 2012 – *Victim Support Service: Providing Assistance to Victims of Crime*
- Report 7, June 2012 – *Pharmaceuticals: Purchase and Management of Pharmaceuticals in Public Hospitals*
- Report 8, June 2012 – *New Recruits in the Western Australia Police*
- Report 9, June 2012 – *Public Sector Performance Report 2012*
- Report 11, September 2012 – *Second Public Sector Performance Report 2012*
- Report 12, October 2012 – *Major Capital Projects*
- Report 13, October 2012 – *Implementation of the National Partnership Agreement on Homelessness in Western Australia*
- Report 15, November 2012 – *Managing the Road Trauma Trust Account*²

1.6 The previous Committee had completed its follow-up on some of these audits, but was unable to report before the end of the 38th Parliament. As a result, the new Committee has commenced to seek updates from a variety of agencies, as many of the implementation dates offered in their initial responses have now passed. In some instances, the Committee has asked additional questions relating to issues raised in these initial responses that it thought required further clarification.

1.7 As at 30 June 2013, the new Committee had sent 48 items of correspondence out to 37 agencies as part of this follow-up work.

1.8 The ten performance audits tabled by the Auditor General during the reporting period in 2013 are:

- Report 1, January 2013 – *Management of the Rail Freight Network Lease: Twelve Years Down the Track*

² Gaps in the report numbering sequence denote either follow-ups completed by the previous Committee or publications from the Auditor General other than the performance audits usually followed up by the Public Accounts Committee.

- Report 2, April 2013 – *Follow-on Performance Audit to ‘Room to Move: Improving the Cost Efficiency of Government Office Space’*
- Report 3, May 2013 – *Management of Injured Workers in the Public Sector*
- Report 5, June 2013 – *Delivering Western Australia’s Ambulance Services*
- Report 6, June 2013 – *Records Management in the Public Sector*
- Report 7, June 2013 – *Fraud Prevention and Detection in the Public Sector*
- Report 8, June 2013 – *Follow-up Performance Audit of Behind the Evidence: Forensic Services*
- Report 9, June 2013 – *Administration of the Patient Assisted Travel Scheme*
- Report 10, June 2013 – *Supply and Sale of Western Australia’s Native Forest Products*
- Report 11, June 2013 – *Information Systems Audit Report*³

1.9 As at 30 June 2013, the Committee had yet to initiate its follow-up of agency responses to these audits.

Work of the Previous Committee

1.10 The Public Accounts Committee of the 38th Parliament ceased to exist upon the dissolution of the Parliament on 30 January 2013. The Committee tabled five reports in the period from 1 July 2012 until the dissolution. These were:

- Report 17 – *Key Performance Indicators* (tabled on 23/10/2012)
- Report 18 – *Annual Report 2011–2012* (tabled on 25/10/2012)
- Report 19 – *Review of the Reports of the Auditor General 2010–2011* (tabled on 8/11/2012)
- Report 20 – *Review of the Reports of the Auditor General 2011–2012* (tabled on 15/11/2012)
- Report 21 – *Review of Selected Infrastructure Projects* (tabled on 15/11/2012)

³ Gaps in the report numbering sequence denote publications from the Auditor General other than the performance audits usually followed up by the Public Accounts Committee.

Chapter 2

Financial Statement

Committee Expenditure

- 2.1 The Committee does not have its own formal budget and is funded out of the budget of the Legislative Assembly. Approval for major expenditure is required on a case-by-case basis and is entirely at the discretion of the Speaker.
- 2.2 Table 1 below includes all expenditure for the financial year and includes that of the former and current Committee. The “Travel and Projects” and “Printing” costs were incurred entirely by the Committee of the 38th Parliament.

Table 1 Committee Expenditure 2012-2013 Financial Year

Expenditure Item	Cost
Staff and Member amenities	\$726
Travel and Projects	\$6,065
Printing	\$3,173
Total	\$ 9,964

Appendices

Committee's Functions and Powers

The Public Accounts Committee inquires into and reports to the Legislative Assembly on any proposal, matter or thing it considers necessary, connected with the receipt and expenditure of public moneys, including moneys allocated under the annual Appropriation bills and Loan Fund. Standing Order 286 of the Legislative Assembly states that:

The Committee may -

- 1 Examine the financial affairs and accounts of government agencies of the State which includes any statutory board, commission, authority, committee, or trust established or appointed pursuant to any rule, regulation, by-law, order, order in Council, proclamation, ministerial direction or any other like means.
- 2 Inquire into and report to the Assembly on any question which -
 - a) it deems necessary to investigate;
 - b) (Deleted V. & P. p. 225, 18 June 2008);
 - c) is referred to it by a Minister; or
 - d) is referred to it by the Auditor General.
- 3 Consider any papers on public expenditure presented to the Assembly and such of the expenditure as it sees fit to examine.
- 4 Consider whether the objectives of public expenditure are being achieved, or may be achieved more economically.
- 5 The Committee will investigate any matter which is referred to it by resolution of the Legislative Assembly