



**LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL  
TERRITORY**

**STANDING COMMITTEE ON PUBLIC ACCOUNTS**

(Reference: [Inquiry into Auditor-General's Performance Audit Reports  
January - June 2023](#))

**Members:**

**MRS E KIKKERT (Chair)  
MR M PETERSSON (Deputy Chair)  
MR A BRADDOCK**

**TRANSCRIPT OF EVIDENCE**

**CANBERRA**

**WEDNESDAY, 8 NOVEMBER 2023**

**Secretary to the committee:  
Ms S Milne (Ph: 620 50435)**

**By authority of the Legislative Assembly for the Australian Capital Territory**

Submissions, answers to questions on notice and other documents, including requests for clarification of the transcript of evidence, relevant to this inquiry that have been authorised for publication by the committee may be obtained from the Legislative Assembly website.

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## **Privilege statement**

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*Amended 20 May 2013*

The committee met at 9.31 am.

**STANTON, MR BRETT**, Acting Auditor-General, ACT Audit Office  
**PORTER, DR TANJA**, Audit Principal, ACT Audit Office

**THE CHAIR:** Good morning and welcome to the public hearings of the Public Accounts Committee for its inquiry into Auditor-General's performance audit reports January to June 2023. The committee will today hear from the Auditor-General, the Public Trustee and Guardian, the Attorney-General and the Minister for Health. We begin by welcoming witnesses from the Office of the Auditor-General.

The committee wishes to acknowledge the traditional custodians of the land we are meeting on, the Ngunnawal people. The committee wishes to acknowledge and respect their continuing culture and the contribution they make to the life of the city and this region. We would also like to acknowledge and welcome other Aboriginal and Torres Strait Islander people who may be attending today's event.

Witnesses are to speak one at a time and will need to speak directly into the microphone or your computer, for Hansard to be able to hear and transcribe accurately. The proceedings today are being recorded and transcribed by Hansard and will be published. The proceedings are also being broadcast and webstreamed live. When taking a question on notice, it would be useful if witnesses used these words: "I will take that question on notice." This will help the committee and witnesses to confirm questions taken on notice from the transcript.

I remind witnesses of the protections and obligations afforded by parliamentary privilege and draw your attention to the privilege statement. Witnesses must tell the truth. Giving false or misleading evidence will be treated as a serious matter and may be considered contempt of the Assembly. Please confirm that you understand the implications of the statement and that you agree to comply with it.

**Mr Stanton:** I understand the statement, and I agree to comply with it.

**Dr Porter:** I understand the statement and agree to comply with it.

**THE CHAIR:** Would you like to make an opening statement?

**Mr Stanton:** No, thank you, Chair. Thank you otherwise for the opportunity to talk through the audit reports that we tabled in the first half of this year. There are four audit reports there. We are here at your disposal and happy to answer any questions you might have.

**THE CHAIR:** Thank you. Shall we start with the first report, being the *Construction occupations licensing*? Do you want to just run through with us a brief background to that report?

**Mr Stanton:** Yes, sure. This audit report focused on the actions or the activities of the Construction Occupations Registrar in terms of its licensing of construction practitioners in the ACT. So we are talking construction practitioners that are builders,

electricians and any other sort of person that works in that construction industry—plumbers, of course.

This audit report is generally a satisfactory story. We found that the Construction Occupations Registrar had mature processes for its licensing of construction practitioners, but there were certain administrative processes that can be tightened and improved. We have highlighted that throughout the audit report, particularly in relation to chapter 3, which deals with licence application processing.

A key issue arising out the report, though, is the management information systems that were in place in the registrar's office. To manage their licensing process, they rely on a system called COLMS, but they also interact with, or receive information and deposit information in, another information system called Objective. The two systems do not talk to each other, and we found that there were manual processes that were involved in transferring information from Objective into COLMS and the like. We think that creates a risk in terms of the integrity of data, the management of data and the usefulness of data to inform their activities and their processes. One of the key recommendations was to develop a strategic plan for their information system requirements and needs and address that.

Another issue in the audit was this concept of “shopping and hopping.” We deal with this in chapter 4 of the audit report. The ACT, like all other states and territories in Australia, signed up to what is called the mutual recognition scheme. The scheme seeks to cut regulatory red tape and the like and to make business easier and more efficient across jurisdictions, and it gives an opportunity for a construction practitioner in one jurisdiction to obtain the opportunity to work in another jurisdiction.

We have signed up for this automatic mutual recognition process, which means that if I have a licence in New South Wales then I am automatically granted a licence in the ACT, or wherever I want. That is on hold for a period of time. It has an exemption for a period of time whilst they pursue this requirement of assessing applications to the mutual recognition scheme. If I have a licence in New South Wales and I apply for a licence in the ACT, more or less I am entitled to that licence unless the ACT can find a reason why I cannot have it, say because I might be under some sort of sanction elsewhere or otherwise not a fit and proper person. The ACT only has 30 days to assess that licence application, and if they do not assess it within that 30-day period then it is automatically granted to that other person from New South Wales.

This creates some risk, but the registrar and the registrar's office are aware of it, and they certainly do prioritise and put their efforts into assessing and dealing with those applications from interstate under that mutual recognition scheme, which is borne out in the processing times. They have to assess these applications within 30 days or they are automatically granted, and so they certainly prioritise their actions and activities to dealing with those. It means that the other applications from ACT residents take a little bit longer, but they are certainly taking a risk-based approach there.

The issue with shopping and hopping is that it does create a bit of an opportunity across jurisdictions for people to obtain a licence in one jurisdiction in order to practice in their own home jurisdiction, where they might not meet the requirements

in their home jurisdiction. You might want to be a class A builder in one jurisdiction or in your home jurisdiction. You might not meet the requirements in your home jurisdiction, but you might meet the requirements in another jurisdiction. So there are interesting processes whereby—and the registrar’s office is well aware of this and onto this—we find that people would appear to be using this mutual recognition process to try to obtain licences to operate in other jurisdictions.

In our report, we give a case study at the end of chapters 3 and 4. This is our best assumption as to what a particular licence holder was trying to do in their applications for licences across the ACT and Queensland, to make use of that shopping and hopping opportunity. This is not an issue that the territory can resolve in and of itself. It needs broader cooperation with other states and territories. We have made a few recommendations in that particular space, but the opportunity for the territory is there to try to raise this and broach this with its counterparts elsewhere.

**THE CHAIR:** How many people do you believe there are shopping and hopping for a licence to practise in their own jurisdiction when they cannot get the licence they need?

**Mr Stanton:** We would not know the specific number associated with that, but in chapter 1 of the report we do give numbers of licences, so applications for licences processed by the registrar and licences granted, and you can see that there is a fair proportion there. Of the total number of licences issued in 2021-22, 18 per cent were issued through mutual recognition of a licence issued by another state. Now, that might be a bona fide Queanbeyan construction practitioner who wants to operate in the territory and operate across the two jurisdictions, or it might be a practitioner elsewhere who is trying to find an opportunity to obtain the right to practice in their own jurisdiction through another process.

In this report as well, the territory or Access Canberra did some data analysis themselves about numbers that might be involved in shopping and hopping, and I draw your attention to paragraph 4.37. For applications for unrestricted electrician licences from July 2020 to October 2021, Access Canberra’s own data showed that 507 applications were made in this period, but 64 per cent were from applicants with a postal address not within the ACT. Then they did a bit of interesting analysis by looking at the submissions of certificates of electrical safety from these particular applicants, so they could work out, of these applicants, where they had been granted the certificate of electrical safety, have they done some work in the ACT? They found 56 per cent of those applicants had not undertaken any electrical work in the ACT. That is a strong indicator they used the process to try to obtain an advantage in their home jurisdictions.

**THE CHAIR:** What are the differences between the requirements of getting a licence, say, in New South Wales by comparison to Canberra?

**Mr Stanton:** There can be differences. There are numerous construction occupations and there are numerous ways that you can obtain a licence for a particular occupation. We quote some figures that there might be dozens of different methods by which I might obtain a licence. One of those is through this mutual recognition process. What also happens is that in different jurisdictions there might be a particular requirement

for a qualification. I think we give the example in chapter 3 of a class A builder licence. In the territory we require a bachelor's degree to obtain a class A builder licence. I believe in Queensland you do not need a bachelor's degree, but you need a diploma to obtain the same licence, the class A licence. So, for that particular licence and that particular occupation, there is a mismatch in the tertiary qualification. That is probably replicated across other occupations and licence requirements.

**MR PETTERSSON:** You have spoken a lot about the qualifications required for mutual recognition. I am curious about any demerit points or professional sanctions that a builder or someone with a construction licence might have incurred in another jurisdiction. Is that picked up when applying for mutual recognition, and is it also picked up if someone was applying for a new licence standalone in the ACT?

**Mr Stanton:** Yes. The opportunity and obligation is there for the registrar and their staff to look at demerits and other sanctions that might be in place for ACT applicants and other jurisdictions' applicants. This is another issue, and we highlight it, which is that there is almost a third system, where there is some information on demerits. It is called the demerit register. So notwithstanding that they have to look at COLMS and Objective, they also have to look at this other system, and that adds another level of complexity. But they do, and there is evidence that they do actually look at that so-called demerit register and look to find whether there are any demerits there that preclude a person obtaining a licence. That is for the ACT. That is their system. They have that opportunity.

With the mutual recognition, that is what they need to do, and that is what they focus on in that 30-day period. So they need to contact the other jurisdiction, obtain some sort of assurance that there is no reason why a person cannot obtain a licence, and we have found evidence that they were doing that, but the clock was certainly ticking in trying to achieve that within a 30-day period.

**MR PETTERSSON:** That is for the mutual recognition side, mostly. Let us say I am based in Queensland. I have a qualification. I apply for a new licence here in the ACT, a standalone new licence. I do not try to get it mutually recognised. For that new standalone licence application, is Access Canberra able to get information on any potential demerit points in Queensland that I might have incurred?

**Mr Stanton:** I do not know the answer to that question off the top of my head. We have certainly looked at new licence application processes in the ACT. I think there was almost an assumption and an expectation that they were ACT residents, so that might be a question better asked of Access Canberra.

**MR BRADDOCK:** With respect to information management, looking through the government response, it seems it is going to take some time for them to be able to improve in that area. You mentioned about the risk associated with the double handling, including integrity of data and usefulness of data. Can you please quantify a bit more as to what that risk is and whether it has been realised, or what is the risk that the government is carrying forward until this is resolved?

**Mr Stanton:** The risk is almost certainly an administrative inefficiency in having the multiple information systems and the use of manual processes, so that is time and

effort associated with manual processing of the information. The other risk, of course, is inaccurate data transposition, if you like, or recording. I think we have seen evidence of that in our audit selection. We looked at a number of licence applications and processes, and we found that there were instances where the two systems, or information in the two systems, did not match up. That just creates a risk of poor administration. I do not think we saw any particular outcomes or negative outcomes of that in what we saw, but it leads to risks that there will be.

**MR BRADDOCK:** So there have been no identified examples where a decision may have been made where, if the correct information was in the system, it would have been made in a different way?

**Mr Stanton:** We are not in a position, and we did not seek, to re-prosecute the decision-making. Certainly in the case study that we looked at, at the end of chapter 3 and chapter 4, we identified information that had been put forward by this candidate, and sort of the inaccuracies in the information. I think we went as far as saying words to the effect of “This may have been a material consideration, should it have been known.” We would certainly agree that accurate information is optimal and necessary for appropriate decision making, and to the extent that it is not there, that is a risk.

**MR BRADDOCK:** There is a risk of someone being granted a licence when they should not be, or alternatively not being granted a licence that they are entitled to?

**Mr Stanton:** Yes.

**THE CHAIR:** Following up on that, Mr Stanton, you mentioned before that under the mutual recognition Access Canberra has 30 days to look into that, otherwise they receive automatic licence. Is that true?

**Mr Stanton:** That is right.

**THE CHAIR:** An automatic licence?

**Mr Stanton:** Yes, under the terms of the arrangement that the territory has entered into—and we talk about this in chapter 4 of the report—the Mutual Recognition Act and what the territory has signed up for.

**THE CHAIR:** Has there ever been a case of someone receiving an automatic licence after the 30 days because they just could not process the licence properly with doing their proper investigation of their previous career?

**Mr Stanton:** I do not believe we came across an example of that.

**MR PETTERSSON:** What are some of the inconsistencies in the interview process that you identify in the audit?

**Mr Stanton:** This is about the administration of the interview process. An exam was introduced just before 2020 and COVID hit. Then once COVID hit, the territory or the registrar pivoted to this interview process instead, as a means of managing the risk of COVID. It was just inconsistencies in the way it was administered and the



information associated with the outcomes of that interview were recorded. So we were looking for that to be tightened up.

**THE CHAIR:** Shall we move on to *Report No 2/2023: Management of Operation Reboot (Outpatients)*. Do you want to give us a brief background of the report?

**Mr Stanton:** Sure, thank you. I will start off and then Dr Porter can add to it, as necessary. This is a program of activity that occurred in a specific time and context. This all occurred in 2020. What you had was Canberra Health Services doing some work in relation to its management of outpatient waiting lists. They were doing this work presumably through the back end of 2019 and into early 2020, and they were preparing for some activity to actually address some of these outpatient waiting lists.

Then COVID hit in February 2020 and that work was more or less put on hold, but there was money that was available through Operation Reboot. Through Operation Reboot \$30 million or so was available for a whole bunch of activities across Canberra Health Services and its services. They put a bit of that money towards management of the outpatient waiting lists, so they more or less used the work that they had done to date for outpatient waiting lists, took this money that was available through Operation Reboot—not the entire \$30 million; it was about \$1.5 million of \$30 million—and they used that to try to address these outpatient waiting list issues.

So the opportunity was spotted, but our assessment is that the execution was poor throughout 2020. They sought to try to address outpatient waiting lists through internal processes and external processes. The internal process was going out to divisions across CHS to identify where capacity was across the divisions to try to improve and address the waiting lists which had increased in the early part of 2020. They also went out to the market as well to look for opportunities in the market to try to address the waiting lists.

We found all sorts of issues with the execution of that. One of those was planning, which we talk about in chapter 2 of the report. The planning came up with a target or a number of 14,000 that they wanted to cut from the wait lists across CHS, but that was based on data that had been prepared and analysed as part of that earlier exercise, and it was based on category 1 and 2 wait times. Whereas the wait lists and the categories of the wait lists that were really affected by the advent of COVID in 2020 were categories 3 and 4. So there was a mismatch between that 14,000 target and where they were trying to actually direct their activities.

In terms of the internal processes going out to the divisions, we felt that that was not done optimally. Indeed where divisions had put their hands up to meet particular requirements or to go partway to meeting that target, that failed across the CHS and the targets that were more or less signed up to by the divisions were not met across the board—in some instances they were.

There were external processes where they went out to the market to procure activity from external providers, and the procurement and contracting arrangements associated with that were not optimal. They ran an EOI process which did not yield much by way of success. Then they decided to go with two particular providers out there. They pursued procurement arrangements with those providers. One of those fell through.

Then there was a third provider, which had not expressed an interest in the EOI process or the procurement process, but which they decided they would actually run with as well, and that yielded very few outpatient appointments at the end of the day. So the 14,000 target was not met and it was not met internally or externally.

**Dr Porter:** If I can just add some figures to clarify. The overall Operation Reboot package, which was for, as Brett said, many different things, was \$30 million; \$3.5 million of that was to deliver an additional 14,000 appointments to those on the waiting list. They only achieved 43 per cent of that target, so only spent \$1.3 million of that \$3.5 million.

**THE CHAIR:** Thank you. Why do you think the expression of interest for external services was not successful?

**Mr Stanton:** It is difficult to say. I do not think we are in a position to say why it was not, but we are in a position to say why CHS recognised that it was not. What they did was they went out with a fairly broad sort of EOI process. They said they deliberately tried to approach the market to see what sort of innovations or innovative sorts of proposals came through the market. Some of those proposals apparently just did not meet CHS requirements, because they did not cut the mustard as it were. Other proposals that came through were shared with internal divisions but were knocked back or rejected by the internal divisions as not meeting their particular requirements. It is probably a question that is better answered by CHS, but certainly in chapter 3 of our report we talk about what happened and outcomes of what happened.

**THE CHAIR:** I will do that.

**Dr Porter:** Just to reiterate, of the eight EOIs that came back, because they had been fairly loose in what they required in those EOIs, many of them did not meet the brief. Five of those were then sent on to internal divisions for quality assurance, so to speak, as to whether the proposals would live up to CHS expectations in the various specialities, and they were all knocked back by the internal divisions.

**THE CHAIR:** The expression of interest format that they did, is that quite normal—of asking for proposals rather than asking for services?

**Dr Porter:** It varies depending on the nature of the services and the area of government. It is not uncommon to use it to seek out innovation and try and surface some new ideas for goods and services.

**THE CHAIR:** Was that their purpose, though?

**Dr Porter:** Brett was talking about an idea they had pre-COVID to try and address the waiting list. They were looking for new ideas. Sourcing appointments from GPs in the community was one of the ideas that they wanted to explore. So it was their intention to do that, yes.

**THE CHAIR:** That is good to know.

**MR PETTERSSON:** Where did the target of 14,000 appointments come from and

was that the right number?

**Dr Porter:** The 14,000 was a number that was floated in the pre-COVID period. It reflected all categories, meaning whether somebody is on the waiting list because they have an urgent need or if it is an elective surgery. Each of the categories has a certain wait list, an ideal waiting time attached to them; for example, if you have an urgent need, you need to be seen between zero and 30 days. So the number reflected all of those specialities and all of those categories of need. It proved to be wrong because once COVID hit, the number of people on the waiting list increased by up to 75 per cent. The moneys that were given to address the waiting list, the Operation Reboot moneys, were specifically for people who were on the waiting list for a longer period because of COVID, because the hospital was essentially closed to them, but the number of 14,000 remained the number that they used for those moneys. Does that make sense?

**MR PETTERSSON:** Yes, thank you.

**Dr Porter:** In effect, it had not been updated to reflect the current priorities on the waiting list post-COVID for which the money was ostensibly targeted towards.

**MR BRADDOCK:** I appreciate these were COVID times and extreme stress for the health system, but, in your assessment, how much time or effort would it have taken to do the procurement properly?

**Mr Stanton:** The audit office would always support proper procurement processes, and notwithstanding any risks and challenges, we would always endorse good, proper procurement processes.

**Dr Porter:** The audit noted that procurement processes and templates and the like exist within CHS. Those materials are available, but I imagine under the pressures of spending this money and getting people off the wait list as quickly as possible—because the moneys were for people who were on the waiting list beyond the recommended times, so there was a sense of urgency around that—that those processes were skipped over.

**MR BRADDOCK:** I am not arguing against those pressures. I am just asking—it would not have been too onerous to have at least made sure that the correct processes were followed, I would presume?

**Mr Stanton:** It is difficult for us to answer that, but all I can reiterate is we would always endorse good, proper processing.

**MR BRADDOCK:** In terms of the strategy to try to find additional capacity to be able to address the wait list, in the end, a sizeable proportion was actually found internal to the system anyway. I am a bit confused in terms of would they not have been already looking inside their stressed system and going, “Okay, what can we supplement that with?”

**Mr Stanton:** Yes, it is an interesting question. To look for additional capacity internally—there are a couple of things there. I would highlight some of this effort

and activity was to be directed towards an administrative officer or administrative staff whose key role was to go through the waiting list. We are talking about thousands of people on the waiting list who might have been there for some time. So it was an administrative job to just go through the waiting list and see, unfortunately, whether some of the patients might have passed on or not need the services for one reason or another, or if there was another opportunity to legitimately take them off the waiting list because they did not need the service anymore. So that was something this activity was directed to.

Then the idea about looking internally for additional capacity and having internal divisions bid and receive funding through that internal process is an interesting one. This process was looking to do that in the first instance, to find that internal capacity, and then find that external capacity as well.

The other thing I would add is that we talked in chapter 1, and even chapter 2, about the sorts of activities to clean up waiting lists, and we got a consultant on board to help us with this particular audit. The consultant said that these are almost like sugar hits, so they can have a quick fix. Out of this particular process, just over 6,000 people were taken off the waiting lists and met with, so that is a bit of a sugar hit. That is 6,000 people off, but it does not, nor was it intended to, address the systemic issues that might have been there in terms of outpatient management. So this was never going to systemically address those issues.

**Dr Porter:** I would add to that, being in COVID times meant that the distribution and provision of appointments was being thought about differently, which did open up capacity in some areas where there had not been before. For example, where patients could not be seen face-to-face, they could be seen via a telehealth appointment, which tend to run shorter and you can fit more of them in the day. So there were some structural changes that opened up the possibility for more appointments.

**THE CHAIR:** Shall we start off with *Report No 3/2023: Financial management services for protected persons?*

**Mr Stanton:** This audit looked at one key aspect of the Public Trustee and Guardian and their activity, and that is their financial management services. Another key aspect of their services is their guardianship. We did not look at guardianship. We looked at their financial management.

There are two elements to this. A person who does not have capacity to manage their own financial affairs will be subject to an order from ACAT, and ACAT will, in the first instance, look to try to find a family member, a friend or someone out there—a private manager—that can manage the financial affairs of that particular person. PTG will be a financial manager of last resort, that is, if ACAT cannot find someone out there related to or friends with the person that is not competent.

We looked at both aspects. The PTG has a role in the first instance to manage the financial affairs of people for which it is responsible, and it also has a role to examine the accounts of private managers who manage not competent people, but they are managed privately. So we looked at both aspects of that, and chapter 5 of the report deals with the PTG's processes for the examination of private manager accounts.

Otherwise, the balance of the report touched on aspects of governance and administration—broader governance and administrative issues—in the PTG organisation. Necessarily, in chapter 3 we looked at its actual processes and processes for the management of not competent people. We had plenty to say. There are lots of issues that have come through the report, both from a governance and administrative perspective for the organisation, and in terms of how the PTG organisation manages the financial affairs of people. Also, we have plenty to say in chapter 5 in relation to how it examines private manager accounts as well.

One key issue that came out of the report was in chapter 2, where we looked at what was called a CRM, a customer relationship management system. This had been cited by the PTG organisation on a number of occasions as being something they were pursuing to better manage the financial affairs of people, and other aspects of the organisation. We touched on that. We have a bit to say in this chapter 2, but it also caused us to actually kick off a new audit. We are underway with a new audit that is looking at that so-called CRM system; how it was conceived, planned, managed, and is being delivered. So that is on foot and underway. What that means is that we have had the opportunity to go into the organisation, the PTG organisation, and we can see what is being done in the organisation.

Essentially, there is a new Public Trustee and Guardian who came in earlier this year. We can see activities that are underway in the organisation that are directly relevant to some of the matters in this audit report and absolutely directly relevant to matters associated with the new audit in relation to the CRM. So we can see that there is activity underway and what appears to be improvements underway in the organisation that has kicked off this year.

**THE CHAIR:** Exciting times. In paragraph 3.61 of the report, it says that:

Subsection 27AA(2) of the GMP Act requires the PTG to provide an annual itemised statement to a protected person or their guardian at the end of each financial year.

Does that also include the private managers, and how many of these itemised statements were actually given in each financial year?

**Mr Stanton:** This particular requirement relates to the clients managed directly by the PTG. Absolutely, that requirement of the act is a requirement for the PTG to provide a statement at the end of the year. It is a bit of a control. It is another control that provides an opportunity for the person, or the carer, or friend to see what the PTG had been doing in relation to that person's financial affairs. So it is another control.

We reviewed 24 case files of people managed by the PTG. For 11 cases, there was no statement that was provided, and for four of those cases, the reasons as to why a statement was not provided was not documented. Now, a statement might not be provided if, for example, the person is not competent to read or understand or take on that information, and otherwise does not have anyone in their life that might actually do so on their behalf. So that is a reason why the statement might not be provided, but if that is the case, we would be looking for that to be documented in the file, on every

occasion, and we could not see a reason for four of those cases.

**THE CHAIR:** And it is the responsibility of the PTG to make sure that this actually goes out annually, right?

**Mr Stanton:** Yes.

**THE CHAIR:** Okay.

**MR PETERSSON:** Was there any interest in talking to protected persons in the process of conducting the audit?

**Mr Stanton:** Yes. We considered it, but we did not pursue that particular option for the purpose of this audit. While we were interested, we thought there would be all sorts of risks associated with that, with the audit office. So we did not pursue that. Otherwise, in chapter 4 of the report, we talk about that there might be an opportunity there for the PTG to do that on a more structured basis, to seek the feedback from protected persons or their carers as necessary. It was apparent they were not doing that, and we were looking for them to do that.

**MR BRADDOCK:** Firstly, PTGs across jurisdictions have been encountering issues. Let us describe it as that. Is it the same sort of systemic risk that apply to PTGs that appear here in this audit report?

**Mr Stanton:** It is difficult for us to comment on that. Certainly PTGs across jurisdictions have been in the news. I agree with that. Different audit offices have also done work in different PTGs and had different focuses for their audits. So, that is probably about all that we can say in that particular space.

We have certainly done this piece of work. We found what we found in relation to the financial management services. We would like the PTG, as an organisation, to recognise that many of the things we have identified here, in the financial management space, might also be applicable and relevant to its guardianship services as well. So we would like them to take on board whatever is relevant out of this report in relation to their broader organisation.

**MR BRADDOCK:** Secondly, there are a lot of recommendations here and opportunities for improvement. What is the risk that at-risk people's monies have been misused, given the lack of governance systems in place?

**Mr Stanton:** There is a risk. Through all of the findings associated with this report, the comments we have made, the findings we have made, and the assurances or controls that were not in place or not fully pursued, there is absolutely that risk that that has occurred.

**THE CHAIR:** Did you have any chance to interview private managers during this audit?

**Mr Stanton:** No, we did not go to private managers for the purpose of the audit. No.

**MR BRADDOCK:** Just to follow up: did you identify any instances of misuse during the conduct of your audit?

**Mr Stanton:** No, we did not. No.

**MR BRADDOCK:** No. The risk still exists.

**MR PETTERSSON:** Does the PTG have the right skill mix amongst their staff?

**Mr Stanton:** Well, we did not specifically look at the competencies of the staff. So that is a difficult question to answer, and I do not think we are in a position to comment on that.

**THE CHAIR:** The final one, *Report No 4/2023: Procurement of a hybrid electric fire truck*.

**Mr Stanton:** This audit report looked at the procurement of the specific hybrid electric fire truck. What we found was the truck was pursued through two separate processes. There was an initial single select process, which was for the ESA to participate in the development of a concept fire truck. This was kicked off some years ago, 2019 or so. The concept fire truck was an idea that was coming out of Germany through this company called Rosenbauer. It was very embryonic. It was in the earlier stages there, and the territory was looking—or the ESA, was looking to jump on board and be part of that development process. So the single select process was in order for the territory to be part of that development of the concept fire truck. Now, early 2020, again COVID hit. Discretionary expenditure was curtailed across the territory. So that was not pursued.

But the territory otherwise continued on its usual vehicle replacement program. We issued an RFT, as part of the usual vehicle replacement program, for the supply of a number of trucks because that funding was not affected by COVID at that time. After we had issued the RFT, it became apparent—or the territory understood—that the concept fire truck was no longer a concept as such. That it was in production, so it was available to be purchased. We put our hands up for it, signed on and got into the production slot. That is what the territory did in 2020. The ESA decided to pursue the acquisition of that truck by incorporating it into that RFT process.

It is sort of two processes there. It was not a linear process. It was complicated because through that single select, we were pursuing one aspect, the acquisition of a truck, and to participate in its development. And in the second one, we were certainly signing up for the supply of a physical truck by incorporating it into that RFT.

Between the two processes what we did not see was a proper value for money assessment for the hybrid electric fire truck. We did see a value for money assessment for the diesel trucks that were procured through that RFT. That particular procurement process was fine and good, and we did not have any issues with that particular procurement process. What we did not see was a value for money assessment of the hybrid electric fire truck. We are not anti-new technology, anti-new innovation or anything like that. The territory is spending in the order of—or potentially more than—\$1.7 million on a particular truck, and we could get other trucks for

approximately \$850,000 or so. So there is a cost difference, which may very well be made up or justified by other reasons, but we would be looking for a proper value for money assessment that states out the reasons why that is the case.

**THE CHAIR:** So, ESA did not assess the value for money of the hybrid fire truck in accordance with the requirements of section 22A of the Government Procurement Act 2001. With all of your experiences with procurement, is this a common pattern of the government to go into a procurement without assessing the value for money of the service or of the item that they are procuring?

**Mr Stanton:** That is difficult to extrapolate across broader procurements. Certainly a number of our audit reports have identified where we have not seen the value for money assessment. A few years ago we did an audit—Dr Porter did the audit—in relation to single select processes and the exemptions from going out to the market. We certainly had a lot to say there about whether a value for money assessment was done as part of the selection of procurements that we looked at in that audit. So yes, the audit office has commented in that particular space.

But I would draw a distinction between the hybrid electric fire truck and the diesel fire trucks that came through that RFT. Again, I reiterate that the RFT was done very well. The territory went out with the RFT. It put out its statement of requirements. It went out to the market. It got responses from the market. It had a team that went through and evaluated the responses, checked it against the statement of requirements, wrote up a good tender evaluation report, explicitly mentioned the value for money under section 22 of the GP Act and documented all of that. So the territory did that.

I think it is fair to say that the hybrid electric was an adjunct to that. So, you know, we were pursuing this single select to be part of the development of the truck and we were making all sorts of undertakings there. Then we spotted an opportunity to incorporate it into this one here. So it is not a linear process. If it is a little bit out of the ordinary, or is unusual, that is even more reason why we look to, and need to, have that VFM documented. And that is what we did not find here.

**MR PETTERSSON:** I was wondering if you could provide a bit more detail as to how Rosenbauer was identified in a single select process? Was it an internet search as referenced here in the report, or is there something more substantive to it?

**Mr Stanton:** As we understand it, it is broadly an internet search. As we understand it, what happened was that the territory had gone through a procurement process and had selected Rosenbauer for the aerial appliances. This was a process that occurred some years before, and territory officials went over to Germany to visit the Rosenbauer factory at the closing stages of the build of the aerial appliances to do presumably a due diligence and obtain some assurance. While they were there, they became apprised of the concept fire truck that was in development. That was in 2019. So paragraph 2.10 talks about ESA representatives travelling to Germany—sorry, it was a preconstruction meeting for the aerial fire appliance, I beg your pardon. While they were there they became apprised of the concept fire truck, and shortly thereafter they pursued the idea of getting on board with Rosenbauer for the development of the CFT.

**MR PETTERSSON:** So how does the internet search come into it then?



**Mr Stanton:** A brief was prepared in 2019 and the brief talked about research that had been done to pursue this single select for the concept fire truck. We were interested to know what research had been done, and we were advised it was internet searching to see what was out there in the market for alternative vehicles.

**MR PETTERSSON:** So they go to Germany. They see this concept; they like it; they come back; in their heads they have already made the decision they want that fire truck in Germany. Then they conduct a couple of internet searches and come to the conclusion there is nothing else, and then they forge ahead.

**Mr Stanton:** That might be the way it has unfolded. What we do know is they went to Germany. They became apprised of the CFT. They came back and they produced the briefing. They asserted they did some research. We asked, and that was the internet research for which no artefacts were produced, and then they pursued the concept fire truck.

**MR BRADDOCK:** In your summary you mention, as part of the briefing to the subcommittee of cabinet:

...further processes that were to take place to demonstrate the utility of the vehicle, including project management activities to 'evaluate the prototype and further investigate the ... vehicle's whole-of-life benefits for the ACT community'. This did not occur.

What are the implications arising out of those processes not being conducted?

**Mr Stanton:** Well, essentially, the VFN assessment. Again, as part of that single select process and getting on board with the development of the CFT, in that briefing in 2019, assertions and assurances were given that whilst jumping in and getting on board with Rosenbauer for the development of the CFT, they were going to put in place these project management and other activities, including the whole-of-life assessment and the like.

It was asserted to us that that was what was understood at that time for the CFT, but then come 2020, Rosenbauer had this vehicle in production. So it was no longer a concept fire truck, it was in production or capable of being in production. So there was a flip or a shift in what was actually being procured, as it were. Nevertheless the assessment of whole-of-life costs is part of the VFN assessment and we certainly would have been looking for that.

We certainly were looking for processes that confirmed contemporaneously, as they signed up for the delivery of the hybrid electric fire truck—that second procurement—the contemporary processes that ticked off and confirmed that the truck met the requirements of the ESA, but we did not see that at that time.

**MR BRADDOCK:** So did you ask for it, and what response did you get, if any?

**Mr Stanton:** We asked for it and we sought it. We did not have any evidence or did not see any evidence, and we were not provided with any evidence, that the

contemporaneous assessment was done at that time.

**THE CHAIR:** I have questions for the minister but I am good for now. Before we finish, is there anything you would like to add?

**Mr Stanton:** No, thank you, Chair; thank you for the opportunity to come along today.

**Dr Porter:** Thank you.

**THE CHAIR:** On behalf of the committee, I thank our witnesses for your attendance today. The committee will now suspend proceedings and reconvene at 2 pm.

Hearing suspended from 10.25 am to 2.00 pm.

**RATTENBURY, MR SHANE**, Attorney-General, Minister for Consumer Affairs, Minister for Gaming and Minister for Water, Energy and Emissions Reduction  
**McNEILL, MS JENNIFER**, Deputy Director-General, Justice, Justice and Community Safety Directorate

**THE CHAIR:** Welcome back to the public hearings of the committee's inquiry into the Auditor-General performance audit reports January to June 2023. We welcome the Attorney-General, Mr Shane Rattenbury and Ms McNeill.

Witnesses are to speak one at a time and will need to speak directly into the microphone or your computer for Hansard to be able to hear and transcribe accurately. The proceedings today are being recorded and transcribed by Hansard and will be published. The proceedings are also being broadcast and webstreamed live. When taking a question on notice, it would be useful if witnesses used these words, "I will take that question on notice." This will help the committee and witnesses to confirm questions taken on notice from the transcript.

I remind witnesses of the protections and obligations afforded by parliamentary privilege and draw your attention to the privilege statement. Witnesses must tell the truth. Giving false or misleading evidence will be treated as a serious matter and may be considered contempt of the Assembly. Please confirm that you understand the implications of the statement and that you agree to comply with it.

**Ms McNeill:** I confirm that.

**Mr Rattenbury:** Yes, thank you.

**THE CHAIR:** Would you like to make an opening statement?

**Mr Rattenbury:** No. I am happy to go straight to committee questions. You have obviously seen the government response that was tabled in the Assembly as well, in relation to the report into Public Trustee and Guardians. So we are happy just to go straight to questions.

**THE CHAIR:** Okay, wonderful. On page two of the report, it says:

...it is critical that protected persons, or their support persons, are consulted to understand their financial position, as well as their wishes. This consultation is not routinely undertaken, undermining the efforts of the PTG to provide supported decision-making.

I am not sure if I should be asking this question here or maybe with the Public Trustee and Guardian. I am wondering why that was not happening?

**Mr Rattenbury:** If I can go to your process observation? Obviously, the Public Trustee and Guardian is appearing later, so I think many of those operational questions will be best directed to the PTG. But I was very concerned to read that observation. The government policy direction in recent years has been to build the supported decision-making model. We believe that is the most appropriate way to

empower protected persons as much as possible. In my mind, the notion of a supported decision-making model is that it gives people the maximum capacity to participate in decisions about their own lives, and that has been very much the direction we have been building. So that finding is contrary to the government's intent and the position we have been working on with the PTG. So it is very disappointing.

**THE CHAIR:** Thank you for that. I thought that would be the answer. So, Attorney-General, what responsibility do you have in terms of making sure the Public Trustee and Guardian is held accountable for the operations of the agency?

**Mr Rattenbury:** In the broad, there is a degree of independence that the PTG operates with. Clearly it is my responsibility, through the directorate, to hold them to account and ensure that, for example, now that we have these findings from the Auditor-General, we follow through on the recommendations.

The government takes this report very seriously. As you will have seen in the government response, all of the recommendations have been agreed to. There are two that are agreed in principle for just nuance reasons. Seven of the recommendations have already been implemented and completed, and there is a very clear timetable for the remainder. These will all be completed inside this financial year, except for one related to annual reports, which will be finalised with the publication of annual reports next October. I think the timeline and the clarity of the implementation of these recommendations reflects the seriousness with which we take this report.

**THE CHAIR:** Is the Public Trustee and Guardian appointed by you, Attorney-General?

**Mr Rattenbury:** No—

**Ms McNeill:** No. The Public Trustee and Guardian is actually a public servant who is designated as the Public Trustee and Guardian and takes on the statutory functions that go with that role.

**MR PETTERSSON:** You have noted the government response. I was hoping you could walk the committee through the government response and outline all the actions the government is taking to respond to the audit.

**Mr Rattenbury:** Yes, certainly. As I have flagged, we take this very seriously and we have worked closely with the Public Trustee and Guardian to both understand the implications of the Auditor-General's report and then be very clear, certainly from the governments point of view, about our expectations of action on these points.

As I said, 15 of the recommendations are agreed. There are two that are agreed in principle, and that agreed in principle is, I think, a fairly fine nuance. One of those is recommendation 11, which is about employing a complaints coordinator. The in principle part is simply the recognition that as a small agency it does not justify a fulltime complaints coordinator, but still agrees that there should be one. It is just that person will have other roles as well. So there will be a complaints coordinator.

The other agreed in principle relates to recommendation 16, and it makes the

observation that the Public Trustee will review its processes and consider the recommendations that they need to take into account legislation that governs their role. So I think on both of those, there is no significant disagreement, just subtleties around how they will be implemented.

The rest, as you can see from the response, are all agreed. They have clear timelines, with seven of them already completed and the others all having quite specific dates. I am pleased at the work the agency has done to be quite specific in its response, as I think you can see there is a commitment to that implementation.

**MR BRADDOCK:** Given the seriousness of the Auditor-General's report, have any officers been made accountable for either their poor performance or code of conduct breaches arising from this instance?

**Ms McNeill:** They have not, but can I first turn to your observation about the seriousness of the report? It certainly is a serious matter, and the issues raised are material, but I would say that the Auditor's findings predominantly go to poor processes rather than poor outcomes. So for example, there are findings made in relation to some of the policies being outdated or having references to documents which were no longer contemporary in them. There are fewer findings about poor outcomes for protected people, which is encouraging. So on the whole, those sorts of failures of process, to keep policies current and so on, they are not such as would amount to impropriety or a behaviour that would warrant disciplinary response, if that is where your question was going.

**MR BRADDOCK:** Who is accountable for a process and making sure it is fit for purpose and not poor?

**Ms McNeill:** Well, it is obviously a matter which is led by the PTG, with appropriate support from JACS and from the whole of the PTGs office. It is important to have good processes obviously, so that you can be confident in good outcomes. I completely accept that, Mr Braddock. I am not resiling from that, but I do not think that any of the deficiencies that have been identified rise to the level that would attract disciplinary sanctions.

**MR BRADDOCK:** So no-one is responsible for the state of the processes that led up to this audit report?

**Ms McNeill:** Well, I am not saying that no-one is responsible. I am saying that the solution, the response, appropriately is to focus on updating and improving the processes, building confidence in them so that we can have confidence in the outcomes they support.

**MR PETTERSSON:** When you say poor processes but good outcomes, what are you basing the claim of good outcomes on?

**Ms McNeill:** I did not say "good outcomes." I said the findings specifically were predominantly in relation to processes. If I said, "good outcomes", I misspoke. What I am saying is that the audit was predominantly focused on those process issues. I think even in terms of the primary finding, it is couched in that way, from memory.

**MR BRADDOCK:** Although the report says:

Ongoing and sustained effort is required to make sure that the PTG is best-placed to meet its responsibilities to protected persons.

**Ms McNeill:** Yes. That is because obviously if you have good processes, it is easier to have confidence that it is going to deliver good outcomes. You see the overall conclusion is the processes used have been poor, and we do not resile from that.

**Mr Rattenbury:** In terms of that sustained effort, I think a number of the recommendations speak to, for example, regular reviews of policies. I think that is where that sustained effort particularly speaks. It is not review it now and then forget about it again for another five years. That is where you see the responses agree to the necessity of both. A couple of the policy documents have already been reviewed. The date for that review is now contained in the government response and they will receive that annual refresh or re-examination as the Auditor-General has recommended.

**MR BRADDOCK:** Has there been any resource supplementation to allow for that update in processes to happen or has that happened within existing resources?

**Ms McNeill:** It is happening within existing resources. One of the recommendations, in fact, went to examining the cost base and getting a better handle on those things, so that is potentially something to which the PTG will seek to return.

**MR BRADDOCK:** Has there been any impact to ongoing operations in the meantime? Has that been addressed in this shortfall in the processes?

**Ms McNeill:** There has not been any such concern raised with me by the PTG.

**THE CHAIR:** I am interested in the Public Trustee and Guardian. He just started earlier this year or quite recently?

**Ms McNeill:** I think that is right.

**Mr Rattenbury:** Yes, early this year.

**THE CHAIR:** Earlier this year. Prior to him, the Public Trustee and Guardian was there for a short amount of time as well. Is that correct?

**Ms McNeill:** There had been a long-term Public Trustee and Guardian who moved to retirement towards the end of last year. There was then a temporary appointee put in to be the Public Trustee and Guardian while a substantive recruitment process was undertaken, a full merit selection process. That has resulted in the appointment of the current Public Trustee and Guardian who, from memory, started around February of this year.

**THE CHAIR:** That explains it.

**MR PETTERSSON:** Circling back to my earlier question, does the government think the PTG is going a good job and is achieving good outcomes for its clients?

**Mr Rattenbury:** I think in terms of the comments that Ms McNeill made, what we see is that the PTG and their staff are very focused on caring for and supporting protected persons in the ACT. I think they are broadly diligent, and they understand clearly their responsibility and the needs of the people they are seeking to care for.

The reason I hesitated in answering your question is that obviously we have seen a report that suggests that there were areas of deficiency and where, frankly, improved effort needs to be made. But I think overall, the PTG both as the individual officeholder and the staff who work in the office, have a really strong appreciation of the importance of their role and the vulnerability of their clients, and I know they take that very seriously.

**MR BRADDOCK:** There is no doubt I think amongst the committee in terms of the commitment of the PTG staff and the PTG himself. The question I think this committee is trying to come to grips with is, as an organisation, is it effectively meeting their needs? Has it done so or have there been lapses in recent history as a shortfall in processes would indicate was likely to happen?

**Mr Rattenbury:** The Auditor-General's report did not speak to individual poor outcomes that I recall. I have read it and I cannot think of any particular place where it said, "This individual has suffered adverse outcomes as a result", which I think is the core of your question?

**MR BRADDOCK:** My concern is in terms of: even if we do not know, these are the people who are least likely to actually have the means and capability to make a complaint or know necessarily that a poor outcome has occurred.

**Mr Rattenbury:** It is a fair point and it is a good and important point. The confidence that I have is that the Auditor-General did not make findings in that space, and that gives me a degree of confidence. That is not a basis to be complacent, but it is some assurance, that despite the shortcomings identified, your concern about poor outcomes for individuals was not identified through the audit process. It is reassuring in that sense.

**MR BRADDOCK:** Although it is concerning that the Auditor-General has seen the need to go back in and conduct another audit. We will wait and see as to what the outcomes of that are, but that is another indicator.

**Mr Rattenbury:** Indeed. I think, without wanting to sound glib about it, this is why we have the Auditor-General. These are complex and detailed questions and they have the skills to go through that. I welcome the fact that the Auditor-General is doing that work because you rightly identify this is a space where there are the most vulnerable people in the ACT who most need the support and are relying on these services. We certainly want to make sure there is a high level of scrutiny on that.

**THE CHAIR:** Just going back to the government's response, you briefly mentioned recommendation 11 and you stated that the reason that you agreed to it in principle is

that the Public Trustee and Guardian is not large enough, nor do complaint volumes justify a designated full-time complaints coordinator and that, at present, a senior officer for the agency manages complaints when received. Are you aware that the complaints received by the PTG are not in just one database—they are kind of scattered around the place—and this senior officer would have to manage these complaints from different sources and different databases.

**Mr Rattenbury:** Yes; that is of concern. I think that goes to recommendation 12, which also speaks of this and talks about the need to improve the complaint register mechanism. As I read the report, there are two elements to it. One was having a designated person who has that responsibility, and the second finding was really “and you need to improve your systems”. The outcome of those recommendations is there is a designated person who very clearly has that responsibility and they now have a job to make sure that system is more effectively operated so the risk you identify, which is several different places, means that complaints do not fall through the cracks, get ignored or get lost.

**THE CHAIR:** Did you speak with the PTG about this particular recommendation and his thoughts in perhaps allocating some funding to having a complaint officer, rather than just accepting what you read, interpreting it by way of your expert advice and implementing the recommendations?

**Ms McNeill:** I think that, in discussions with the new PTG, he shared the view that there was not really a full-time complaint handling role for the organisation; that that person would, regrettably, be under-employed, fortunately.

**THE CHAIR:** He said that there was no need to have one?

**Ms McNeill:** No; he said that there is not a full-time job attached to it.

**THE CHAIR:** Did he say that there was a need to have one, to take the pressure away from the senior officer and enable them to focus on other work?

**Ms McNeill:** No doubt, the PTG will be able to offer more insights than can I, but having a complaints handling officer does not mean that officers who are handling cases are not involved in responding to the complaints. A complaint handling officer cannot ascertain what has happened in a vacuum or offer solutions in a vacuum. Necessarily, you have to engage with the staff who are on the front line offering the services about which the complaint has been made.

I am not sure, Mrs Kikkert, whether you are suggesting that, with a complaints handling officer, you would set them up and they would be able to handle everything on their own and that would take pressure off the frontline team. Is that where you were going with that? I think there is merit in having a complaint handling person who is designated. That ensures some consistency of approach and process when complaints are received and it ensures that data is appropriately captured so it can be reported publicly going forward. But I think it is still important to involve the people who are delivering the services about which a complaint has been made in responding to complaints, understanding the complaints and offering solutions.



**THE CHAIR:** Thank you for describing it that way. What I was getting at is that, having a complaint officer there, they would actually go into the complaints and respond to them in a timely manner; whereas, if the senior officer is actually looking at the complaints by themselves, it would actually be a lot of work for them to do and then they will miss out on doing their other work that they need to be doing. So I am just asking you: did the PTG suggest that they need to have a complaint officer?

**Ms McNeill:** I do not know that I can add much to what I have previously said.

**THE CHAIR:** It is simply yes or no. Did he ask to have one?

**Ms McNeill:** It was recommended. He agreed it was appropriate. There is a complaints officer there now.

**THE CHAIR:** So he agreed it was appropriate to have a complaint officer?

**Ms McNeill:** Yes. He has a very service-focused approach, which is very welcome.

**THE CHAIR:** It is absolutely very welcome, because he is dealing with very protected and vulnerable people out in the community, and they are always seeking answers. I have heard that, in many cases, it takes forever to get through on the phone and it takes forever for them to find answers. So having somebody that protected people or their support person could go to directly would be very beneficial for those people themselves.

**Ms McNeill:** I think what you are describing is an information service as opposed to a complaints handling service.

**THE CHAIR:** Whatever; if they are calling for information or about a complaint, it is very hard for them to get answers. But it is good to know that the PTG actually agreed to have a complaints coordinator.

**Ms McNeill:** Yes.

**THE CHAIR:** But you are not willing to—

**Mr Rattenbury:** I think that goes to your point, which is that, when somebody has a complaint and they ring up, they want someone who is going to deal with it and will give them an update on where it is up to. I think what Ms McNeill was describing is it may still be that a line officer has to fix the problem but, if there is a central complaints coordinator—I think we are in furious agreement—that gives the community a focal point so that they know it is being handled properly and there are good systems in place, which is, again, my understanding of the recommendation.

**THE CHAIR:** So the recommendation from the Attorney-General sees it as fitting for the PTG to have a complaint officer and the PTG, you have just confirmed, agreed to that recommendation. However, you just agreed to it in principle, and I am struggling to find out the reason why? Is it because of a lack of funding—you just do not have the funding to employ the staff to do that?

**Mr Rattenbury:** No; it is agreed in principle because, it has been interpreted that, if you took this recommendation very literally, you would have to appoint somebody as a full-time complaints coordinator. The way the government responds to these things is that we are saying yes, we agree that we need a complaints coordinator; we just do not believe we need a full-time one.

**THE CHAIR:** Can you do a part-time then?

**Mr Rattenbury:** Yes; that is what has been agreed to.

**THE CHAIR:** What you agreed to is in principle; you did not agree to any part-time or casual staff to deal with a complaints handling framework. It does not say it in your—

**Mr Rattenbury:** The reason it says “agreed in principle” is that what we are saying is that we do not think there should be a full-time officer but we agree there should be one and it is part of somebody’s role.

**THE CHAIR:** It is “somebody’s role, but we are not funding you for extra staff”?

**Mr Rattenbury:** We do not need to; somebody can do it within their job.

**THE CHAIR:** But they cannot because they are overworked. They are understaffed.

**Mr Rattenbury:** That is your interpretation. That is not a recommendation of the report.

**THE CHAIR:** If the PTG says that it is actually needed, then there is a reason that it is needed. It is because they are understaffed.

**Mr Rattenbury:** No.

**THE CHAIR:** Because the extra work of complaints from the public is going towards an officer who, instead of being able to do their work, is having to deal with complaints.

**Mr Rattenbury:** Mrs Kikkert, I think we are at cross-purposes. What I think we agree is there must be somebody to handle complaints. Do we agree on that?

**THE CHAIR:** Yes, we agree on that.

**Mr Rattenbury:** We then indicated to you that the PTG has assigned a staff member who will deal with complaints.

**THE CHAIR:** On top of their other work.

**Mr Rattenbury:** Well, as part of their work.

**THE CHAIR:** Yes; it is on top of their work. They are understaffed and just overworked. Okay—thank you; that is your answer.

**Mr Rattenbury:** The last part of that sentence is in dispute. You are asserting that they are overworked, and that is not a finding of the report. Perhaps you can ask the PTG about staff capacity.

**THE CHAIR:** Or maybe, if they have a survey, you could actually have a look at their survey to check that out.

**Mr Rattenbury:** I believe they do.

**THE CHAIR:** They have a feedback, not really a survey. Perhaps you could actually sit down with the staff themselves and ask them personally and then find out the answer.

**MR PETTERSSON:** I was wondering if you could talk me through the oversight of the PTG from the directorate and from you as minister.

**Ms McNeill:** In terms of oversight of the directorate, the PTG operates with a level of independence. You will know that he prepares his own annual report, which is separate from the directorate's annual report, and he has separately owned financial responsibilities for the finances of the PTG and for the oversight of the money that he manages in trust.

There is Director-General of JACS responsibility for staff, though. It is a bit of a curious hybrid arrangement. In practice, the oversight reflects that PTG is regarded as part of the JACS family along with other band 2 and senior officers in government who manage business units on the justice side of the JACS business. I have regular meetings with the PTG. They used to be quarterly but, with the new PTG, we have been having those monthly. I also have some ad hoc engagements with him from time to time just to keep an eye on things that are happening.

There are also some issues of specific engagements that I have with the PTG. For example, some of the recommendations in the audit report went to recommendations for legislative change or JACS facilitating some engagement with ACAT around processes to improve clarity and build a shared understanding about what happens and who does what. So I have facilitated those sorts of things. The PTG does look to the JACS corporate area for some corporate support services. There has been an MOU in place for some time. That is being refreshed at the moment under the new PTG leadership.

So it is a bit of a blend in terms of the oversight. There are some things which reflect the independence of the PTG and there are things that reflect that he is part of the JACS family or sits under the umbrella and gets some services. For example, someone has to approve the PTG's leave—I approve the PTG's leave—and those sorts of things.

**MR PETTERSSON:** Thank you; that is very useful. With regard to being a trustee and a guardian, I understand that it is almost like a case manager—that those decisions are autonomous of government as a whole. When it comes to policy decisions and administration of the PTG, would all of those decisions be accountable

back through government?

**Ms McNeill:** Policy decisions of or about the PTG? I ask the question because, if you are talking about the policy framework that sits over how the PTG operates—for example, supported decision-making—the government can pass legislation or sponsor policies that might better foster supported decision-making. We are responsible for the settings around the PTG legislation under which it operates. So that is the reason why I am asking the question about the flavour that—

**Mr Rattenbury:** The distinction we are drawing is that they are within the agency. The PTG, the leader of the organisation, will be responsible for a range of their operational policies and the like. I think that is the distinction that Ms McNeill is seeking to draw.

**MR PETTERSSON:** But, ultimately, they are then accountable through the directorate.

**Mr Rattenbury:** Yes.

**MR PETTERSSON:** I guess what I am trying to distil is how much responsibility the directorate has in the oversight of the PTG? If something has gone wrong—and I do not want to be specific in what has gone wrong—where does that accountability lie? Is it theoretically with the PTG themselves as the head of that entity, or is it to an organisation bigger than them—the directorate of which they are a part?

**Ms McNeill:** It might depend on what has gone wrong, if you use that example. There are lines of accountability that come up through me and the director-general and through to the Attorney. But is your interest in terms of particular outcomes? Is that the nature of your interest?

**MR PETTERSSON:** I think the outcomes are important, but the Auditor-General's report does not go into outcomes. It is very much focused on processes.

**Ms McNeill:** Usually legislation sets out the person in whom ultimate accountability vests. As I have described, it is a little different with money and people, with the PTG. So it is going to depend on the issue that has arisen where ultimately the accountability will rest. But, ordinarily, as an operating model, I would hope that we would all be on the same page and pulling in the same direction.

**MR PETTERSSON:** Why don't I try to short-circuit this. You are now meeting monthly with the PTG. What is the purpose of those meetings?

**Ms McNeill:** It is so that I can keep across what issues are arising in the business—for example, whether there are particular complaints that have been made or problems that have arisen. The incoming PTG is still relatively new. There is a little flexibility. I have described this kind of hybrid state that the PTG enjoys, where they have a lot of financial responsibilities and independence but the directorate has the people side of things. You can have different operating models that are consistent with that paradigm. The current PTG's preference is to operate in a more connected and joined up way with the directorate, to the extent possible to rely on directorate policies and

processes, rather than developing their own policies and processes. So we might be canvassing matters of that kind as well.

**Mr Rattenbury:** Mr Pettersson, it might help to go back to your earlier question, where you asked if something goes wrong. The example I might draw is if an individual staff member was, say, underperforming, I would expect the PTG, as the head of the organisation, to deal with that. It is not something that JACS would deal with. That is their management responsibility. But, if we take the outcome of the audit report, I expect the PTG to implement these recommendations—that is their day-to-day job—but it is the responsibility of JACS and then myself as the Attorney to make sure they have done it. That is how I would try to perhaps distil some of those accountability examples I think you are trying to ask about. I do not know if that assists.

**MR PETTERSSON:** That is useful. If there is a responsibility to ensure that the recommendations are implemented, does there then exist a responsibility to identify these issues before the Auditor-General found them?

**Mr Rattenbury:** To some extent, in the broad, yes. Overall, the responsibility of JACS, on my behalf, is to ensure that the PTG is operating to their legislation and meeting performance standards—those sorts of issues, yes.

**THE CHAIR:** Just following on from that, did you mention that you had a monthly meeting with the PTG before?

**Ms McNeill:** It was on a quarterly schedule. It is now on a monthly schedule.

**THE CHAIR:** Why did it move to monthly?

**Ms McNeill:** It was partly because of the fact that we had short-term and new people coming into the PTG role. It was expected that they might benefit from additional check-ins and support. That is what it reflects.

**THE CHAIR:** You also mentioned that some of the things discussed in those meetings would be complaints and how some things would be running, good or bad. Were you aware of any of these issues prior to the Auditor-General discovering them during his investigation—for example, in any of the meetings that you had with the PTG?

**Ms McNeill:** I was aware of some individual complaints that had come in. I had not turned my mind to whether a designated complaint handling officer would assist in resolving those. My experience with those complaints was that there were generally senior staff, either on the guardianship or the trustee side of the business, who were very instrumental in attending to those complaints and seeing them resolved. In general terms, I was not aware of and had not turned my mind to how refreshed the policies were that were supporting the work of the office.

**THE CHAIR:** What about any of the other findings that the Auditor-General discovered during his report? You just mentioned complaints. What about the other findings?

**Ms McNeill:** Such as?

**THE CHAIR:** Such as failing to adhere to subsection 22AA of the GMP Act—that no person was considered for consultation during the protected person’s income, expenses and assets and liabilities. Those are a few of the findings that the Auditor-General found.

**Ms McNeill:** That is a surprising finding to me, because I am aware of individual situations where there was consideration and budgeting undertaken in relation to individuals.

**THE CHAIR:** He does not say all of it, but he did say there were some in his findings.

**Ms McNeill:** I do not know about all the matters that the PTG was dealing with.

**THE CHAIR:** If, on notice, you could go through the key findings in the report and let the committee know if you had any discussion with the previous PTG about any of the key findings, that would be great.

**Ms McNeill:** Very well.

**THE CHAIR:** I am sure it will be in your minutes or something.

**Ms McNeill:** I do not keep minutes of the meetings—they are informal discussions—but I can respond to the best of my recollection.

**THE CHAIR:** Thank you.

**MR BRADDOCK:** I think the question the committee is grappling with here is we are grateful for the Auditor-General and the process which has identified that, but it seems to indicate there was a lapse in the oversight before the Auditor-General actually went in, and we are trying to understand why that lapse happened and how we can ensure that it is not happening elsewhere or within the government?

**Mr Rattenbury:** The endeavour to ensure it does not happen again is to follow through on these recommendations, which not only are one-offs. As I indicated earlier, some of them speak to the requirement for an ongoing checking of these things. I think that the recommendations that the Auditor-General has provided provide good pathways to ensure a higher level of scrutiny of some of these activities.

**MR BRADDOCK:** Are we concerned about those lapses in oversight before the Auditor-General came in?

**Mr Rattenbury:** Of course we are, yes.

**MR BRADDOCK:** Are we going to take any actions about those?

**Mr Rattenbury:** What actions did you have in mind?

**MR BRADDOCK:** What I am trying to understand is: what were those lapses? I do not understand fully, because we do not know what reports were made and when of the issues that then led to this Auditor-General report, but this seems to indicate there was a shortfall in the oversight regime.

**Mr Rattenbury:** You all do this more than I do, because you look at all of the Auditor-General's reports—

**MR PETTERSSON:** Unfortunately.

**Mr Rattenbury:** Yes, and I thank you for your work. I think every Auditor-General's report goes to an organisation and says, "Here is a series of areas where you could improve." So I think the question you are asking applies to almost every Auditor-General's report.

**MR BRADDOCK:** There is a degree of severity, though. The perfect system does not exist, and we are very grateful—

**Mr Rattenbury:** And there is always room for improvement, yes.

**MR BRADDOCK:** There is always room for more improvement, but there are times where you look at the Auditor-General report and see that poor systems and processes are in existence. Why did that happen and why wasn't action taken earlier?

**Mr Rattenbury:** The nature of Mrs Kikkert's question was whether these matters were visible to the directorate and/or me as the Attorney prior to this. The answer is broadly no. Ms McNeill has taken it on to check that, for Mrs Kikkert's question. But, broadly, there was not visibility. I think it points to the fact that the Public Trustee and Guardian organisation was not performing as well as it might have, and the Auditor-General has identified that.

**THE CHAIR:** Does the PTG have internal audits?

**Ms McNeill:** There is a twofold answer to this. No doubt the PTG will be able to give it to you. It does have an internal audit committee but it is in the process of refreshing that committee to ensure that there is an appropriate rebalance of membership so that there are more independent members of the audit committee. The PTG also reports to the JACS audit committee.

**THE CHAIR:** How many internal audits were done in the last five years? Do you know?

**Ms McNeill:** I do not. I could not answer that question off the top of my head.

**THE CHAIR:** Any outcomes from the audits would be given to JACS—right?

**Ms McNeill:** No.

**THE CHAIR:** No? It just stays in PTG?

**Ms McNeill:** No; it is reported in the PTG's annual reports. I think if you were to go to the PTG's annual reports there would be a discussion in each of those on the internal audit program over the years.

**THE CHAIR:** Do you look at those internal audits at all?

**Ms McNeill:** I have not looked at those internal audit reports.

**THE CHAIR:** You have?

**Ms McNeill:** I have not.

**THE CHAIR:** Attorney-General, do you look at those internal audits?

**Mr Rattenbury:** I have not in recent times, no.

**THE CHAIR:** Do you look at any internal audits in any of your departments?

**Mr Rattenbury:** I am provided with audit reports from a range of agencies. I would have to check my records. I have a lot of areas and so I receive a range of them. When they are sent to me, I do look at them, yes.

**THE CHAIR:** On occasions you do but not all of them?

**Mr Rattenbury:** When they are sent to me, yes.

**THE CHAIR:** Are you aware whether any internal audit done by the PTG has been sent to you?

**Mr Rattenbury:** I would have to check my records, but I have no recollection of receiving them, no.

**THE CHAIR:** Are they required to send it to you or just to JACS?

**Ms McNeill:** They are not required to send it to JACS. As I understand it, audit committees ordinarily function to advise the head of the agency with financial responsibility. They are there so that the head of the agency can improve their level of comfort that things are happening as they should be from an audit perspective.

**THE CHAIR:** If internal audits have been done in the past but you are not having a thorough look at them or you are not looking at them at all, how can you guarantee that the PTG is actually functioning quite well?

**Ms McNeill:** It has of course been subject to external audits. Every year it has had a clear report from the Auditor-General on financial matters.

**THE CHAIR:** Every year?

**Ms McNeill:** Yes, I think so. I think there was one reserved finding one year which was a modest reservation. I cannot now recall the subject of it. But that gives you a



level of comfort that things are functioning reasonably well, as does the relatively modest volume of complaint that comes through, for example, through contact to or from MLAs or ministers or others that come through. The PTG is a senior executive with long managerial experience and has a level of discretion. He is expected to exercise discretion and surface up problems if they are identified. That also gives me a level of comfort.

**THE CHAIR:** Everybody still needs to be held accountable to their role no matter who they are.

**Ms McNeill:** Correct.

**THE CHAIR:** Sure, he is an executive and I am sure he works really well. I am just saying that, if there have been internal audits in the last five years, how can you guarantee—for the general public who has the PTG in their financial partnership personal life—that they are doing their job quite well when you do not even know how they are coping?

**Ms McNeill:** I am not sure that internal audits are really the area where you should be focusing because, as I say, internal audits really exist to help either the PTG or the JACS Director-General. They advise those agency heads. External audits, such as the audit that you are considering at the moment, I think are much more relevant to that question about the confidence that you can have in the agency.

As I say, I cannot speak to the internal audits that have been conducted over the last five years, but my memory is that the internal audit committee is canvassed in the PTG's annual reports over that period.

**THE CHAIR:** From your recollection, could any of the complaints that were discussed in your briefing with the PTG previously have resulted in an internal audit?

**Ms McNeill:** I think that is improbable.

**THE CHAIR:** Why is that?

**Ms McNeill:** Because, typically, the complaints that I am conscious of concerned guardianship matters. These can be very difficult matters because people are deeply emotionally invested in the protected person and often families can be in dispute about what is in the best interests of that person. So they can be very difficult matters. In my experience, they tend to turn on their own particular facts rather than raise systemic issues of the kind that would benefit from internal audit scrutiny.

**THE CHAIR:** So, from your recollection, there has not been a discussion between yourself and the PTG about any complaints in terms of admin procedure within PTG; it has just been external issues such as guardianships?

**Ms McNeill:** In terms of complaints, yes, that is so.

**THE CHAIR:** So no complaints about how the PTG operates—

**Ms McNeill:** We also discuss internal issues like the structure of the organisation, potential staffing issues and those sorts of things.

**THE CHAIR:** Yes, but none of those could result in an internal audit—the staffing issues?

**Ms McNeill:** No.

**Mr Rattenbury:** I do not want to split hairs here on the subject of complaints, but I think Ms McNeill gave a good example of protected persons. They might have two adult children and those adult children have very different views on how that person's affairs should be managed, and the agency, the minister, might receive a complaint from one of those children. Whether you characterise that as turning on the individual facts, they may allege that it is a system issue but it is in fact a contested view on the management of that person. You are trying to separate, I think a little artificially, the nature of those complaints.

**THE CHAIR:** Not at all, Attorney-General, but I appreciate you sharing those views. I was merely asking about the internal audits and whether JACS had any complaints from the Public Trustee and Guardian about any internal processes or any admin procedure that would result in an internal audit. It was not about guardianship or the issue of a protected person having two different family members fighting over their financial assets or whatever.

**Ms McNeill:** To the best of my recollection, I have not discussed internal audits with the PTG or the internal audit program. I have discussed the committee structure.

**THE CHAIR:** Why is that? Why don't you discuss the internal audits? Have they done one recently—or you just do not know?

**Ms McNeill:** You would need to speak to the PTG about that. As I say, they are in the process of reshaping their audit committee arrangements.

**THE CHAIR:** Okay; now I am really curious. Why don't you discuss the internal audits?

**Ms McNeill:** The focus of our discussions is typically on operational matters. If there were a matter of concern that had arisen in the context of an internal audit, I would expect that to be surfaced up to me. But it is not a standing agenda on our meeting running sheet or anything like that.

**THE CHAIR:** It is not a big deal to have an internal audit of a particular topic?

**Ms McNeill:** As I say, you would need to speak to the PTG about these things.

**THE CHAIR:** I will. Thank you.

**MR PETTERSSON:** On the topic of audits, are there any external inquiries, investigations or audits underway into the PTG?

**Mr Rattenbury:** At the moment?

**MR PETERSSON:** At the moment.

**Ms McNeill:** There is. There is another Auditor-General audit in train.

**MR PETERSSON:** Just the one?

**Ms McNeill:** As far as I am aware.

**MR BRADDOCK:** In the past five years, has the PTG, as a senior executive, surfaced up the problems around process and the state of the processes within the PTG?

**Ms McNeill:** No.

**THE CHAIR:** Page 2, on the summary of the report, talks about the PTG's management of a protected person's finances. I spoke about this briefly. It is actually in the law that PTG needs to give an annual statement to the protected person or even their supporting person, and in some cases this is not being done. What do you do in this instance when it is written by law that they have to do it but they are not doing it?

**Ms McNeill:** The process is being changed, and the current PTG, as I understand it, will be attending to that.

**THE CHAIR:** So there are no consequences; it is just simply, "Let's change things from how they were to how they should be"?

**Ms McNeill:** Yes.

**THE CHAIR:** Would you be at all concerned that some of the people that are working under your umbrella were not following the law?

**Ms McNeill:** Yes, if that were—yes.

**THE CHAIR:** Attorney-General, in these kinds of instances, what happens? What happens when a staff member in your department is not following the law? What are the consequences? What are the mechanisms? Is there some sort of discipline?

**Mr Rattenbury:** It depends on the nature of the failing, as we discussed earlier. The issue you have raised is canvassed in recommendation 9. The plan here is to ensure better processes so that this is turned around. That is the answer.

**THE CHAIR:** So there is not a disciplinary measure on this matter? You said it depends on the cases.

**Mr Rattenbury:** Yes.

**THE CHAIR:** With these particular cases, where protected persons or their supporting persons are not receiving their annual statement according to law, what are

the particular consequences of that?

**Mr Rattenbury:** The consequence is we need to change the systems to ensure it is done. Is there something you specifically have in mind?

**THE CHAIR:** I am just seeing if there is any disciplinary measure.

**Mr Rattenbury:** Are you asking will individual staff members be disciplined as a result?

**THE CHAIR:** They are not following the law, and I am asking about the consequences of that. Is there a policy? Is there a framework?

**Mr Rattenbury:** You would need to ask the PTG that.

**THE CHAIR:** You have not spoken to the PTG about not following the law?

**Mr Rattenbury:** Yes, of course we have spoken about this, and this is the action that we have identified to ensure that the law is followed.

**THE CHAIR:** How do you propose to monitor that to make sure that they are following those recommendations and that they are actually obeying the law?

**Mr Rattenbury:** That is where I meet the PTG, and Ms McNeill has indicated her regular meetings. Part of our job, to follow through, as I indicated earlier, is to check with the PTG that these things have been implemented as agreed.

**THE CHAIR:** How often will you meet with the PTG, Attorney-General?

**Mr Rattenbury:** Probably twice a year on average, or as needed, if a particular matter arises.

**THE CHAIR:** And for you, Ms McNeill, it will be on a monthly basis?

**Ms McNeill:** Monthly I have scheduled meetings, but I have other contact in-between times.

**THE CHAIR:** Thank you very much. Before we finish, is there anything you would like to add?

**Mr Rattenbury:** No, thank you.

**THE CHAIR:** Ms McNeill?

**Ms McNeill:** No, other than saying that I might double check the hardness of that legal obligation that you referred to in 27AA. There is just one aspect of it that I wanted to double check, so I will follow up and I will get back to you.

**THE CHAIR:** I have it right here. It says:

The Public Trustee and Guardian must, as soon as practicable after the end of each financial year, provide a statement to the person or, if a guardian has been appointed for the person, the person's guardian.

**Ms McNeill:** I just noted the discussion in the summary about circumstances in which there may have been a failure to record reasons why the statement was not sent. That is the aspect that I wanted to follow up.

**THE CHAIR:** The Attorney-General said that some of them were not recorded as to the reason why and so it is not documented.

**Ms McNeill:** That suggests that it might be acceptable in certain circumstances not to send them. That is just the aspect that I wanted to follow up.

**THE CHAIR:** Great. On behalf of the committee, I thank our witnesses for your attendance today. If you have taken any questions on notice, please provide your answers to the committee secretary within five business days of receiving the uncorrected, proof Hansard. Thank you very much.

Short suspension.

**HUGHES, MR AARON**, Public Trustee and Guardian

**HUGHES, MR CALLUM**, Senior Director, Finance Unit, Public Trustee and Guardian

**LACEY, MS DANAE**, Senior Director, Wills, Estates and Trusts Unit, Public Trustee and Guardian

**THE CHAIR:** We now welcome witnesses from the Public Trustee and Guardian. I remind witnesses of the protections and obligations afforded by parliamentary privilege and draw your attention to the privilege statement. Witnesses must tell the truth. Giving false or misleading evidence will be treated as a serious matter and may be considered contempt of the Assembly. Please confirm that you understand the implications of the statement and that you agree to comply with it.

**Mr A Hughes:** I agree.

**Ms Lacey:** I agree.

**Mr C Hughes:** I agree.

**THE CHAIR:** Would you like to make an opening statement, Mr Hughes?

**Mr A Hughes:** No.

**THE CHAIR:** Thank you. I am not sure if you overheard, but we were discussing the need for a complaint officer in the PTG, and it was agreed in principle by the government. What is your view? Ms McNeill, of JACS, said that you had agreed to the recommendation from the Attorney-General; that you agreed to have a complaint officer. Is that still the case and why?

**Mr A Hughes:** The Auditor-General recommended that there be a complaints coordinator. That is one recommendation. The other part is that we review our complaints handling procedure. We have agreed to both of those. The in-principle piece relates to we are an agency of 60 to 70 people and the way the recommendation read was that we would create a complaints coordinator role, and it read as if that was an individual and a full-time role. The volume of complaints and the work that we do does not warrant a full-time role. So what we have done is agreed to that in principle and said yes, there should be a complaint coordinator.

Every person who makes a complaint to the Public Trustee and Guardian should be assigned to a complaint coordinator. But, because of our size, it means that we probably need a number of people trained in how to perform that coordination role and how to really handle a complaint, and that is what we are working towards. So there is no one complaint coordinator; it should be senior officers in the organisation who do that. That is what we have agreed to in principle.

**THE CHAIR:** Okay, thank you.

**MR PETTERSSON:** I note that some of the recommendations were being agreed to and implemented, which is fantastic news. I was hoping you could walk the

committee through the recommendations that have been agreed but not yet implemented and what the action items are required to deliver them.

**Mr A Hughes:** Yes, happy to. So skip the ones that have been completed? Are you happy for me to do that?

**MR PETTERSSON:** Yes.

**Mr A Hughes:** Just to sort of call that out as well, the audit itself took 16 months to complete. The reason that we have a number completed at this stage is because we did not simply wait for the Auditor-General to finalise their recommendations. They were passing this information to us as we worked through it and that allowed us to take action as we were working through the rest of the audit.

The first one with the date is recommendation 2, and this relates to information management systems. You would appreciate that we do not have just one function in the Public Trustee and Guardian; there are a number of functions. So the systems work that we need to do needs to ensure it encompasses all of that, because a client in financial management may well be a client in other spaces of our business as well. So the information management systems review that we need to do is, yes, to look at the dynamics pieces; it is to engage with DDTs—so within Chief Minister’s et cetera—and make sure that we are on track with the ACT government’s ICT strategy and to make sure that we are leveraging that in a way that is as efficient and cost effective as possible. We are well into that.

Then we have to define this future state—what our information management system needs are and what we need to do—and have a technology plan, if you like, that takes us out into a number of years into the future. So that is the work that is underway, and we are well on track. We are on track with all of the recommendations. You can take it for granted that we do not feel we are falling behind in terms of any of the due dates.

**THE CHAIR:** With recommendation 2, which you were just talking about, the Attorney-General said at point (b), “the extent to which they need to be integrated”. Have you come to a conclusion on whether they will be integrated or not?

**Mr A Hughes:** There are two ways of looking at that. One is that our systems are all on one platform and the integration is fairly simply because they are all on one platform. The other path, which is more likely what agencies experience, is that you have a number of different systems. The integration then can be an API integration or hard integration between those systems or it may well be a data integration. Those are the pieces that this review is intended to focus through and work on. We have not reached positions on all of those integrations yet, but certainly we expect our core systems to be integrated in some way.

**THE CHAIR:** Would there be a security issue when you are talking about two systems integrating and how will you address that?

**Mr A Hughes:** Absolutely, and the different ages of systems as well. There are always security issues, there are always privacy issues and there are always information disclosure issues. All of those need to be factored into the design work in

the review.

**THE CHAIR:** Does it cost extra money to integrate a system with another system?

**Mr A Hughes:** There would probably be better people to ask that question. In my experience, it always costs more money to integrate systems and anything to do with systems et cetera, but it depends on what we choose to do. For example, if you take an approach of using data and integrating and understanding data flows, your integration needs may not be as much. But, if you want to hard code integration between systems, that is where real cost may well come in because you are customising systems and not going with just a commercial off-the-shelf solution.

**THE CHAIR:** What benefit are you looking at when you are integrating these two systems?

**Mr A Hughes:** The client is at the centre of what we do. Integration, data work and everything that we do should be focusing on what the client's outcome is that we seek to achieve and what data and integration will help us to get there. That is the real benefits measure that we need to look at—along with a number of others, but that is the key measure. So there is no point in us integrating systems if, in fact, that does not actually deliver a cost benefit in that space for us. So that is the key piece.

**THE CHAIR:** When do you think this whole review will be finalised?

**Mr A Hughes:** For the review itself and the work around what we would call our solution architecture going forward, we put 30 June 2024. That is still my expectation. There are a number of factors that we are a bit reliant on in terms of understanding what is happening more broadly across ACT government technology solutions, and then also what other activities might impact this as we uncover and work through the technology pieces. But, at this stage, that is the date we are hoping to have the review completed. That review will hopefully help us to identify the priorities and actions that we need to take from here on as well.

**THE CHAIR:** Great; thank you. I appreciate the pause. Recommendation 3?

**Mr A Hughes:** Recommendation 3 is risk registers and risk approach. The audit report is very helpful from our point of view in terms of calling out that some of our risk processes and practices in the past have not been up to scratch and not really been focusing on the risks and the treatments that are required. We put 31 December there. We are actively in the process of updating risk registers. The audit report called out the fraud and corruption risk register et cetera—I cannot remember exactly the name of it—was out of date. We will be retiring that and in most cases we have already. We are taking an approach which will see us leverage the insight and experience of our teams. So, in each of these spaces around fraud and corruption prevention but also around work, health and safety, ICT and indeed finances and our operational services, we trying to build those risk registers that really inform and that our people and teams can use on a day-to-day basis. That will all lead up to an enterprise risk view for the Public Trustee and Guardian.

**MR PETTERSSON:** Sounds good.



**Mr A Hughes:** On recommendation 4, which relates to conflicts of interest, we have again put 31 December. This is an area where we feel that we have probably recreated the wheel a little bit in terms of conflicts of interest sitting, under the umbrella of the Justice and Community Safety Directorate. There are clear policies under the ACT public service for conflicts-of-interest policy and then also registering conflicts of interest. So the approach here is simply for us to review and make sure that those policies and practices will apply for the work that the Public Trustee and Guardian does and then to apply that and really operationalise it with our people.

Conflicts of interest come up in the day-to-day work. So, not only do we need to have the overarching policy, but how do we make it live for our people and give them the tools to be able to register the conflict at the time that it is actually arising and then report back and manage that as they go through? That one is a simpler recommendation to implement, but we need to continue to emphasise that message going forward with our people.

**MR PETTERSSON:** I have a quick supplementary on that point. Noting that the policy is yet to be finalised, how different will it look to the wider government conflict-of-interest policy?

**Mr A Hughes:** In fact, it will look more like the wider conflict-of-interest policy of government et cetera.

**MR PETTERSSON:** And recommendation 5?

**Mr A Hughes:** Recommendation 5 is complete. Recommendations 6, 7 and 8 are complete as well. The next one I have got is recommendation 10. We have called that the usual budget process there in terms of a time frame. Recommendation 10 is an important recommendation, for us to understand the costs of our work. The audit report is incredibly helpful in terms of pushing us in that space.

We of course go through our annual budget process. We do know the costs of our different functions et cetera. But the Auditor-General has clearly recommended that we should look at that in a more detailed way. We have a resource now in our organisation who is working through that financial review. They are going through and understanding the different overheads and the different cost drivers and working through to make sure that we have got the right revenue going to the right program, and the expense is being monitored against those as well. That will get us to a process where we will be able to very clearly understand the budget in more detail and the resource drivers. That will then allow us to move into this space potentially. This is why we have called out any specific decisions that might be needed going forward—that we would roll those into the normal budget process.

The goal here is to get that review completed now and in the early part of next year, and then to be moving that through. I do not expect that to go into the 2023-24 budget processes. I expect we are probably better placed for the 2024-25 budget processes, if we need anything in that space. But we need to get to the bottom of these financials. Recommendation 11 relates to the complaints coordinator piece.

**MR PETTERSSON:** We have touched on that.

**Mr A Hughes:** We have covered off that. Recommendation 12 is in relation to the complaints register information. I just want to call out there that we do have information and a register of complaints at this point in time. Complaints is a funny one, because sometimes there are service recovery issues. Sometimes people will contact us and say, “I am not happy,” and that may not necessarily be a formal complaint; it is actually something that a team will rapidly work to resolve with that person. The teams will collect that information, as well as compliments in that space as well.

The register piece is more focused at the moment not on those sorts of service recovery issues but on a formal complaint—so when people are writing particularly to me and when the people are using that language of “I am writing to formally complain about the service I have received.” We have put a bit more information in our annual report this year. So there is a bit more information on what that looks like. But that recommendation, along with the recommendation which relates to client experience—

**Ms Lacey:** 14.

**Mr A Hughes:** Thanks, Danae. That is the strategic approach to evaluating the quality of our financial management services. Complaints and client service and client experience are inherently linked, from our point of view—so not only having a better register of the complaints and that feedback but also looking for other ways in which we might be able to gain an understanding of the experience of people who work with us and engage with us as well. That work is progressing. The complaints register and the information there has 31 January 2024, and we are okay with that.

**MR PETTERSSON:** Sounds good.

**Mr A Hughes:** Recommendation 13 also relates to how we actually report on that information. We have put the next annual reporting cycle in relation to that. If we have by January 2024 a better register and a better detail of the complaints, that will flow into our annual reporting for 2023-24.

Recommendation 14 is the client experience piece. This is about the Auditor-General identifying that we are not really asking our clients about that experience and saying, “What was good and what was bad?” Complaints are one experience there, but of course we do receive compliments from clients in the financial management and guardianship spaces and other spaces. It is about how we actually ask this question.

That experience piece is incredibly important, because it allows us to actually feed that information into our system design and into our process design and to improve that service and understand what is actually causing people angst and concern, where we can glean that from those pieces. There is work there around a survey and there is work there around qualitative interviews, which we would like to look at going forward as well. We put 30 June 2024, because that will give us time to put that plan in place. I would expect that to be almost an iterative approach to how we glean client experience and learn from that into the future.

Recommendation 15 is complete. Recommendation 16 relates to the examination of accounts submitted by private managers and the sampling in that space. The Auditor-General has called out that they could see some sampling and they could see some review, but obviously the sampling that they conducted indicated that we are not squeaky clean on every file that we have got, particularly in terms of our records. This approach is designed to ensure that we are focusing on the more complex of those private manager examinations and that we are picking a large enough sample to be able to learn from that and make sure that our people are doing the right thing when they are looking at these examinations. We put 30 June 2024 and it is on track in that space as well.

Recommendation 17 is for us to look at the different roles in private manager examinations with ACAT and with the assistance of the Justice and Community Safety Directorate. That work is progressing. We have got 31 December there. That is on track. We have written to ACAT and given them some drafts about what we believe those roles and the integration and work between the PTG and ACAT looks like. We will work with them to make sure that we get that right going forward. This will be beneficial for clients. Being very clear about what roles the tribunal performs and what role we perform is incredibly important for clients to understand, because quite often a decision is being made by the tribunal but people will look at us and say, “Well, you made that decision,” and that is not really our role in the examination of accounts. We believe we can get that done by 31 December.

**MR PETTERSSON:** That is wonderful—very thorough, very detailed and comprehensive. Thank you.

**MR BRADDOCK:** I am not sure whether this question goes to recommendation 10 and your review of fees and services. In terms of FTE or staff resources that are available, firstly, the question is: is there sufficient staffing in order to be sustainable in terms of achieving what you have planned, plus providing services to the level that you have set out to do? Will that be considered as part of that process?

**Mr A Hughes:** The straightforward answer is yes. Recommendation 10 and the work in that finance space will give us the data and information about the costs and resources to a level, and to a detailed level, that will help us to identify what are the resource requirements for the level of work that we have, and that is the position that we want to be in. We want to be able to say, “X many drivers of financial management or X many financial management orders will mean that this level of resourcing is required. This is the revenue and the fees we’re able to charge at this point in time, but is there any gap in that space? If we get a huge number or a very small number, what’s the sensitivity analysis on that?”

That work will lead into that piece around resourcing and FTE. But I am not saying that I think that the resourcing is not right at the moment. We have the levels and case loads. We do engage with other jurisdictions about their case loads from time to time, and we feel that we are roughly in the right space, if not a bit lower than what other jurisdictions have.

Resources and efficiency actually relate not only to those numbers but also to what we are asking our people to do. If people are doing too much admin, that is a clear driver

for us. If systems are causing them to do workarounds and other bits and pieces, there are clear drivers and work for us to do in that space, because that will impact your caseloads and resourcing as well. We expect the finance work to give us a starting point and a baseline of that detail. As we make changes, design changes or system changes, that needs to be reviewed and updated as well.

**THE CHAIR:** Can I draw your attention to the annual itemised statement? Why are there cases where these statements are not routinely provided to protected persons or their support person?

**Mr A Hughes:** There is a whole raft of reasons. We would consider that the number of times that it is not provided would be quite small. The Auditor-General identified, in a number of file reviews, that they could not find the evidence of that statement being provided. We have certainly taken that on board, and we are on time frames in terms of the audit. We believe that, in the vast majority of cases, that statement is prepared and it has been provided. The records are the piece on which we need to do a better job, so that is the thing that we are focusing on.

Having said that, our clients in this space are experiencing vulnerability, so there will be reasons from time to time, when we work with their support workers and their stakeholders, where it will not be a productive or useful thing for us to provide those statements, which are financial statements et cetera, in the way that we might for all of our other clients. We need to find ways in which we can get that information to our clients in that space or document why we have not provided it in that space, and the reasons for that.

**THE CHAIR:** Your policy says that there is not a place that exempts this kind of practice; your staff are just doing it or not doing it.

**Mr A Hughes:** I am not sure that I understand the question.

**THE CHAIR:** It was a brief statement; it was not really a question. In addition to the vulnerable person, and where there may be an issue with giving them the annual statement, what other challenges would there be with not providing these annual itemised statements to them?

**Mr A Hughes:** The main challenge—Ms Lacey may be able to share more information in that space—is making sure that we do not do any harm by providing that statement. We have a legislative obligation not to do harm to our clients, under the work health and safety legislation. I am happy to go into the detail of that.

**THE CHAIR:** Can you help me to understand why providing a financial statement to a protected person would cause them harm, or even to their support person? Help me to understand that.

**Mr A Hughes:** We are dealing with people who may have been suffering significant mental health concerns or significant mental health conditions. Ms Lacey can talk about some real-life examples. Providing a financial statement and information in that way can trigger concerns and anxiety in relation to what exactly is being provided to the person—reading a statement, and that being interpreted as some sort of

threatening letter to them about what their financials look like and that sort of thing. Case by case, it is a judgement call that we have to get right in terms of what we need to provide. If we can't provide it to the protected person then we need to find the person who we can provide that to, who is in their life and supporting them, and is a stakeholder for them.

**Ms Lacey:** An extension to that would be people that have been victims of elder abuse or financial abuse by family. That is a reason that the PTG can be appointed as manager of last resort. Providing financial information to a vulnerable person who has been exploited can be inappropriate if those family members are still engaging with that person. We do try and protect them. That can be discussed with those clients and that information can be withheld because they feel at risk of leaking that information.

We are never appointed for a client who does not have any incapacity or impairment. For someone who has extreme dementia, who has no family and is in a nursing home, if we send financial statements to a nursing home and the client is not competent to be able to understand or read that information, and no-one is there to gather that information for them, they could be at risk of exploitation by other workers in the industry or other people who may be visiting their rooms.

As Mr Hughes said, it is on a case-by-case basis. It is for a very low number of clients where we determine that it is unsafe or completely inappropriate to provide that statement. We consult with the client or their support people as far as possible.

**THE CHAIR:** That is good to know. I completely understand that. What about in instances where potentially there could be irregular transactions associated with their account? That is why it is really important that these annual statements are given to the protected persons or their support person, to avoid—

**Ms Lacey:** Agreed.

**THE CHAIR:** these sorts of things happening. How can you make sure that that is not happening?

**Ms Lacey:** The financial statements are audited before they are issued to clients. Mr Aaron Hughes can advise who the—

**THE CHAIR:** In the missed area where a protected person is not receiving their financial statement, how can we be certain that that financial statement does not have irregular transactions in there?

**Mr A Hughes:** There are two functions that we have in this space, and I might cover both of them. The first is where we are appointed as the person's manager, as their financial manager. The processes that we follow, from the date of that order, and in terms of the process that we follow for the approval of payments and the consultation with people about what payments are being made, are all documented for our people and we work through it. There are certain transactions for which we will go through a double review process and our systems work in that way to support those processes.

**Ms Lacey:** They are escalated to the delegation as well, which provides an extra layer

of protection.

**Mr A Hughes:** The provision of the statement, where it is legitimate and appropriate that we provide that to a protected person, gives them an opportunity, or their support persons, to provide us with feedback if they see a transaction that they do not think is quite right. The reviews are files, which was referred to in the other parts of the audit report, which also gives us an opportunity to look at the transactions that have occurred. In terms of our financial management function, there are quite a number of opportunities for the review of the appropriateness of those transactions, including the provision of that statement as well.

The other function we have is our private manager function. We examine the accounts of private managers, or people who are not the Public Trustee and Guardian, appointed to be the financial manager for other community members—still protected persons. Our role in that space is to collect the statements and the documentation, in line with the regulation, from those external managers. They provide that to us. Our job is to examine those, to go through those transactions in a similar way to how we review our own internal transactions. If we consider that any transaction in that space is not appropriate, we will ask questions.

Ultimately, the legislation requires us to go back to the tribunal and request that it is disallowed. If there is a series of transactions or a behaviour that is not appropriate, we need to go back to the tribunal and ask them to consider the order that they have made and the appropriateness of the person who has been appointed as external manager. There are two pieces there that are similar, but those transactions are reviewed quite a lot. In the circumstances where we consider that it is not appropriate to provide those statements to the protected person, we still have to find the best parties in that support network to get those statements to. But sometimes that can be quite difficult.

**Ms Lacey:** Or there is no-one.

**THE CHAIR:** Or there is no-one?

**Ms Lacey:** These are the exceptional cases.

**THE CHAIR:** But that is not documented?

**Ms Lacey:** It is documented.

**Mr A Hughes:** Yes.

**Ms Lacey:** The Auditor-General highlighted that they were unable to find, in a very small sample, where we had documented that. We have put internal controls in place to ensure that that is not missed, moving forward. But we are talking about a very small subset.

**THE CHAIR:** He did mention that there were case files reviewed where no statement was provided.

**Ms Lacey:** Yes.

**THE CHAIR:** In terms of the private managers, I note that the Auditor-General said that they are not fulfilling their obligation in giving you the financial statement for their protected person. How was that dealt with in the past, in making sure that they were actually fulfilling their duty?

**Mr A Hughes:** Immediately, when the order is made by the tribunal, the law puts the onus on the external manager to provide those statements to us. The regulation sets out the anniversary of when that should be done and how that should be provided. If a private manager does not provide us with that information—and generally, as well—a reminder letter is provided at the anniversary stage for the private manager to produce that. If they do not produce it, there will be further follow-up in those spaces.

Ultimately, we get to a review process with the tribunal, or we will uncover something else that needs to be captured in this space and identify that a private manager has not submitted all of the information that is required. In those circumstances, that is obviously when we would be referring the matter to the tribunal and saying, “We have not received anything here. Something is going on, and we think that you should call the parties together and work out what the order should be—whether it should be revoked, changed or amended in some way.”

**MR PETTERSSON:** Are there any external inquiries, investigations or audits underway at the moment?

**Mr A Hughes:** The Auditor-General has progressed the second audit, which we are in the process of, in relation to the business transformation project; in particular, the ICT aspects of the work that we will do. That will obviously inform the recommendation around information management systems for us as well.

**MR PETTERSSON:** This is the audit foreshadowed by the Auditor-General in his forward works program—IT infrastructure renewal project?

**Mr A Hughes:** Correct.

**MR PETTERSSON:** Does that mainly relate to historical decisions and actions? I know you just said that it will shape future decisions, but this relates to a 2017 project.

**Mr A Hughes:** The business transformation project, as I understand it, kicked off in 2016 with the merger of the trustee and guardian functions into the Public Trustee and Guardian. That business transformation project has progressed since then. There were a number of projects at the start of that program which were quickly implemented; then the IT infrastructure renewal is what took over. That has been a process of a number of projects from 2016 to around 2022.

The Auditor-General, in terms of the scope that I have seen, certainly indicates a focus on that period of time. I am very pleased to share that the Auditor-General and the audit office are very keen to help me and the agency in terms of findings from those times and learnings from those processes, so that we can be informed in terms of future IT development and work.

**THE CHAIR:** One of the findings of the Auditor-General was about no persons being consulted initially, when they come in to the PTG. Why are protected persons or their support person not included in the decision-making that affects them?

**Mr A Hughes:** We would say that they absolutely are engaged, in terms of the decision-making and indeed in the initial stages of when an order is made for us to be the financial manager. Our reading of the Auditor-General's report is that that finding relates to keeping a record of that early consultation. That is the piece that we are working to address, to make sure that that is very well documented and connected to, particularly, the client files that the Auditor-General looked at in these circumstances.

**THE CHAIR:** In terms of not having the protected person available, their support person is always available for that initial consultation; is that correct?

**Mr A Hughes:** The availability of their support person may or may not be the case. That will be handled on a case-by-case basis. I will ask Ms Lacey to provide more information or correct me if I am wrong, but our first practice, when an order is made and we have a new client, effectively, is that we will engage and communicate with that client from the get-go. We have an established transition team, where we work with that person.

You would appreciate that we stand in their shoes. We need to understand the income, the expenses and other commitments that they may well have. We then work with the protected person and their support people to make sure that we understand entirely what is important to them, and capture that. We use that as the basis to then start making decisions, setting budgets and other aspects of this work as we go forward.

**THE CHAIR:** Is that when you find out that a protected person may not benefit if you send them an annual financial statement?

**Mr A Hughes:** That is likely to be the first chance for us to understand that there might be an interesting dynamic or there might be hints or indicators to us of some form of abuse happening in that circumstance. Yes, that would be the first opportunity.

**Ms Lacey:** There are no instances where we do not meet with a client at the appointment of PTG. We meet with every client. We can identify at that meeting the level of incapacity or impairment. We do not know these people before we have met them and we cannot guess what their needs, views and preferences are. That first appointment is always held and it is very important. We do consult with our clients on every decision that is made. I do not understand your financial position without talking to you about what your expenses and income are. We cannot guess.

**THE CHAIR:** But how can you create case management for that protected person if you do not record some of the initial meeting?

**Ms Lacey:** The Auditor-General took issue with the fact that we had an initial client meeting file note and an initial client checklist for our intake team. They took issue with the fact that those two documents were not one.



**THE CHAIR:** A client note and a client checklist?

**Ms Lacey:** Yes.

**THE CHAIR:** They were not one?

**Ms Lacey:** They were not a single Word document. They are now. But they were both on the file, for every single client. The Auditor-General's preference was to have a single initial document.

**THE CHAIR:** Every single person received one of those notes, or had one of those notes in a meeting, and a checklist. Those checklists were ticked off and, with the notes, you had some written information in there, but it was not together; it was separate?

**Ms Lacey:** It was in the electronic file but in separate Word documents. That was the issue for the Auditor-General.

**THE CHAIR:** It was in the—

**Ms Lacey:** Electronic file, yes.

**THE CHAIR:** Okay.

**Mr A Hughes:** The Auditor-General has made recommendations to us about the two documents, the efficiency of that and the record keeping. We have addressed that.

**Ms Lacey:** We have.

**Mr A Hughes:** In fact, we were able to address it—

**Ms Lacey:** We have adopted that.

**Mr A Hughes:** as part of and through the audit process, because we were getting those recommendations and findings, or hearing about these suggested ways of working better. We have adopted that.

**Ms Lacey:** We have appreciated the Auditor-General's insight into that to make it easier for transparency for our client files.

**THE CHAIR:** I am trying to put myself in a situation where a protected person has two different areas where their cases are—

**Ms Lacey:** No, that is not correct.

**THE CHAIR:** An electronic version and paper—

**Mr A Hughes:** From the client's point of view, they do not have access to our electronic record systems or—

**THE CHAIR:** No, they do not have access to it, but how can they trust PTG if their files are in two different areas—

**Ms Lacey:** They are not.

**THE CHAIR:** electronic and paper form?

**Ms Lacey:** They are not?

**THE CHAIR:** They are not?

**Ms Lacey:** No.

**THE CHAIR:** You just said that they were.

**Ms Lacey:** No, I said they were two different Word documents.

**THE CHAIR:** On two different systems?

**Ms Lacey:** No, in the same folder.

**Mr A Hughes:** In one system.

**THE CHAIR:** In one folder—

**Ms Lacey:** In one system.

**THE CHAIR:** Okay. A case manager can look at a protected person's initial meeting, and everything that happened in the initial meeting is there?

**Ms Lacey:** Correct.

**THE CHAIR:** But the Auditor-General says that that is not the case all the time.

**Mr A Hughes:** The Auditor-General has identified files where those records had not been put onto the client file. That is what we have addressed.

**THE CHAIR:** Where were they?

**Mr A Hughes:** In the creation of them, and in terms of creating meeting notes, they were established in another spot. What needed to happen was for them to be much more effectively linked to the client file, and that is what we have done.

**THE CHAIR:** In another spot; how is the case manager able to find that and serve the protected person efficiently?

**Mr A Hughes:** That is what the Auditor-General called out, in terms of the failure in the process. It is the case manager who will have created those electronic records, and we needed the case manager to finish off that job and put them into the client record. That is what the recommendation, or the finding, relates to.

**Ms Lacey:** This was a symptom of the Auditor-General looking at quite aged files. The initial meeting with the client may have occurred a decade ago, and a lot has happened in that person's life until the date now, when decisions are made in real time. The initial record would not marry with the current checklist which is there.

**THE CHAIR:** Because it would be in a different folder; is that right?

**Ms Lacey:** It could have been on a paper file, the initial note, if it was a decade ago, because we did have paper files back then. We have since scanned that into the electronic file. But anything within the last three to four years is all electronic.

**THE CHAIR:** It sounds really messy to me. How can a protected—

**Ms Lacey:** But the initial meeting—

**THE CHAIR:** person have trust in the PTG when their file seems to be everywhere? How can you be an effective financial case manager for that person?

**Ms Lacey:** In reference to the initial meeting, that was the person's circumstances at that point in time. They may not be the same today. That is why we have budgets, client profiles and records updated at least at six-monthly intervals and annual reviews of client files. We want to be looking at the client's preference, circumstances and needs now, in real time, not what they required a decade ago.

**Mr A Hughes:** With the change in the systems and practices, what you see in the Auditor-General's report is a sample size that goes back some time. They have detected that, on more historical files, this issue is more challenging for us; but, in more recent files, the practice is to use that electronic file and keep that there for the case manager to be able to work with the client and add further updates to that as well.

**Ms Lacey:** Yes.

**THE CHAIR:** You have been using electronic files for the protected person in the last four years?

**Ms Lacey:** Yes.

**THE CHAIR:** When you meet with them, or when you send them a financial statement, it is all up to date?

**Ms Lacey:** Yes, correct.

**THE CHAIR:** There was an interesting finding on page 5. It talks about a misconduct investigation that happened, but the formal misconduct investigation did not actually happen. Can you explain why?

**Mr A Hughes:** The 2021 date will indicate to you that this pre-dates me, in terms of being the Public Trustee and Guardian, so I can share with you what I have learned through this audit process about what occurred. Something was detected in terms of a

process or a potentially fraudulent activity. As I understand it, the former Public Trustee and Guardian took action, including this preliminary assessment, to understand precisely what had happened. There were never any formal findings or assessments that came from that preliminary assessment. Of course, as the Auditor-General points out, events progressed and the financial manager resigned prior to any further action against that manager.

I would also add and reiterate that there were no findings, in any of the assessments et cetera, of any fraudulent conduct by this manager in relation to this matter. The actions that have been taken since then are to progress and understand the systemic process that was followed here and where some of the gaps might have been, some of which do not sit with the Public Trustee and Guardian.

**THE CHAIR:** Where do you see the gaps in there? The Auditor-General mentioned that it took them about two months to do the preliminary assessment. Is that too long? What is your point of view?

**Mr A Hughes:** That is too long.

**THE CHAIR:** How long should it have taken?

**Mr A Hughes:** A preliminary assessment, depending on the complexity of it, may take a period of time, but it is a preliminary assessment, and it is called a preliminary assessment for a particular reason—to get to a point of defining what is the more formal investigation that should occur. I would think it should be a matter of weeks.

**THE CHAIR:** Can you run through with the committee how the agency handles allegations of misconduct?

**Mr A Hughes:** How the Public Trustee and Guardian handles allegations of misconduct?

**THE CHAIR:** Yes.

**Mr A Hughes:** In terms of how that might come about, we may receive that from a number of different channels. Someone might come to me and make an allegation of misconduct. Someone might come to a senior director or a manager and provide that allegation as well. Our process then will be to engage with the JACS people in the workplace services unit or branch for advice. We sit under the umbrella of the Justice and Community Safety Directorate. They will help us with advice and working our way through the ACT public service process for handling those kinds of allegations.

That may well include a preliminary assessment process or advice that we should complete that, or it may well include moving into formal investigation spaces and appointing someone to do that. We are too small an agency to have someone in our organisation conduct an investigation or perform a role in that space. As the agency head, I might still have a role in terms of being a delegate, but we would largely work with JACS to make sure that we followed the process of the ACT public service in that space, and the law in that space, too.

**THE CHAIR:** If, in the future, a misconduct investigation is needed, and a preliminary assessment needs to be conducted, how can you guarantee that that will take less than two months? What needs to be done?

**Mr A Hughes:** Again, depending on the complexity of it, that might well impact time frames. I heard Ms McNeill talking earlier about my approach to better integration with the Justice and Community Safety Directorate. From my point of view, this is an area on which the Public Trustee and Guardian and Justice and Community Safety Directorate need to work closely. We need to understand exactly what that level of oversight and reporting should be; and, where there is a matter of misconduct, in effect, we should have a number of eyes on it to make sure that it is progressing in a timely manner and that people are being given those opportunities for natural justice in these spaces.

The other part is that it will go to management reporting, and it will go to who is actually leading those particular activities. My approach there will be to look at what else is happening across the business units of the directorate, and for the Public Trustee and Guardian to receive the same reporting in that regard.

**THE CHAIR:** Is it fair to say that, with the preliminary assessment that happened here that took two months, you are quite aware of the reason why it took two months, and you know exactly what to do to make sure that another one will not take as long?

**Mr A Hughes:** I could not sit before you and give evidence that I am completely aware of why it took 2½ months, no.

**THE CHAIR:** You do not know? Does anybody know why it took two months for that preliminary assessment?

**Mr A Hughes:** The preliminary assessment was conducted by the previous Public Trustee and Guardian, so that question—

**THE CHAIR:** It is not recorded anywhere?

**Mr A Hughes:** Not that I have seen, in terms of the reasons why it took 2½ months. I appreciate that it was a complex matter, but I have not seen a document that says, “It took this long because of these reasons.”

**THE CHAIR:** Is it worth finding out why it took two months so that you can learn from those mistakes and make sure that any preliminary assessment conducted in the future will take less than two months? How will you go about finding out about that? Is it through JACS?

**Mr A Hughes:** Potentially, it is a combination of looking at files that the Public Trustee and Guardian has, as well as what Justice and Community Safety Directorate have. This finding goes to some challenges that we have to fix in terms of records management. I absolutely agree that we need to understand, if we can, what more of the issues are around why this preliminary assessment took 2½ months. I suspect that these are conducted so rarely that potentially some of the answer here is that knowledge of that process, and why it needs to be conducted quickly and promptly, is

the main driver for it. I completely take on board your question about whether we should be looking at that to understand it.

My role, though, going forward will be that, where a preliminary assessment arises, or an allegation of misconduct, we have processes and structures in place with JACS to make sure that we are moving on these very quickly in the future.

**THE CHAIR:** I probably need to ask JACS about that. Are you aware of any concerns or challenges that contributed to the decision not to investigate the alleged misconduct?

**Mr A Hughes:** Only to the extent of what the audit report sets out, and that is that the financial manager resigned.

**THE CHAIR:** Before we wrap up, would you like to add anything that we have missed?

**Mr A Hughes:** No, thank you, Chair.

**THE CHAIR:** On behalf of the committee, I thank our witnesses for attending today. Thank you very much. Good luck; it is a big job that you have.

Hearing suspended from 3.48 to 4 pm.

**STEPHEN-SMITH, MS RACHEL**, Minister for Health, Minister for Families and Community Services and Minister for Aboriginal and Torres Strait Islander Affairs  
**PEFFER, MR DAVE**, Chief Executive Officer, Canberra Health Services  
**O'NEILL, MS CATHIE**, Deputy Director-General, Northside Hospital Transition Project, Canberra Health Services

**THE CHAIR:** We welcome Ms Rachel Stephen-Smith MLA, Minister for Health, and officials. I remind witnesses of the protections and obligations afforded by parliamentary privilege and draw your attention to the privilege statement. Witnesses must tell the truth. Giving false or misleading evidence will be treated as a serious matter and may be considered a contempt of the Assembly. Please confirm that you understand the implications of the statement and that you agree to comply with it.

**Ms Stephen-Smith:** Yes.

**Mr Peffer:** I do.

**Ms O'Neill:** Yes.

**THE CHAIR:** Thank you. Would you like to make an opening statement?

**Ms Stephen-Smith:** No.

**THE CHAIR:** Mr Pettersson will start the questioning.

**MR PETTERSSON:** Operation Reboot clearly was in response to the effects of COVID. What effect did COVID-19 have on Operation Reboot itself?

**Ms O'Neill:** I have read and acknowledge the privilege statement. It had multiple impacts that were very dynamic. As you would all recall, the COVID landscape changed regularly, even day to day. It certainly had an impact on our outpatient services because from time to time we had to limit the amount of foot traffic, as we called it, on the campus, to limit the number of people that had the potential to come onto an acute health facility and potentially bring the virus with them. That meant we were often having to respond to cancelling appointments and clinics and also pivoting to a significantly higher uptake of telehealth facilities. As far as Operation Reboot went, it meant that any forward planning was unable to be concrete at best. We had to continue to be agile to the COVID requirements as that year progressed.

**MR PETTERSSON:** One of the quotes in the report that I think is quite telling is that "COVID-19 transmissions contributed to an inability to retain support staff on the project". Can you speak to the magnitude of that effect?

**Ms O'Neill:** Yes. Whilst the support staff were fairly few in number for this particular project, we were constantly having to shift resources across the health service to make sure people were in those patient-facing roles. From time to time we were having to pull administrative support staff out of some of these projects that were not as critical, to make sure that they were manning reception desks, for example, in the outpatient clinics. We had a lot of staff on sick leave during that period as well. It meant that we

were not sure of that support as much as we would like to have been, given any other time.

**MR BRADDOCK:** In the government response, against procurement, it states that “CHS has introduced a revised financial delegations regime which engenders greater responsibility to the procurement legislation system and process compliance and training”. Could you please explain a bit more as to what that actually means?

**Mr Peffer:** Yes, I would be happy to do that. Thanks, Mr Braddock, for the question. Under various acts that govern public service entities, we have what we call our delegations manual. We issue one under the Public Sector Management Act and under the Financial Management Act. It is a very lengthy document, and I am well aware of that because I have to sign every page.

It essentially details at length the extent to which individuals within the entity can exercise powers largely derived from my role, as the director-general, in terms of spending money, committing to contracts, taking decisions on behalf of the territory or employing people—whatever that might look like. It is a delegations manual that goes into a level of detail that is quite enormous.

Complementary to that, as people are given delegations to exercise decision-making within the entity, we support them with training and with guidance and other material. As a direct result of Operation Reboot and the Auditor-General’s findings, we have done quite extensive work in terms of investing time and effort into putting together some simple, easy-to-use guides and documentation for our workforce, as they work through either procurements or spending money through contracts.

In response to the project, we now have two intranet sites that are used within Canberra Health Services. The first is around project support—how we initiate projects and execute them well, and how we manage risk throughout that project. That particular intranet site steps people through how you do that in a very structured way. It provides a range of training material, as well as templates and guides for how to structure a project—initiation documentation. We make sure we get all of that right up-front. If it requires specific funding, if it is of a very small scale, it might be internal; if it is of a much larger scale, it might require consideration by the minister or by the expenditure review committee of cabinet, and ultimately cabinet.

It steps people through that; then it steps them through how to essentially plan that work, and work the plan and execute that well. It also talks about how to structure appropriate governance to oversight the project, maintain that focus and see it through to conclusion.

For the project support intranet site, when I checked it this morning, 1,122 team members have accessed the resources on that particular intranet site, to guide them in their project initiation. Some of these might be just quality improvement projects that occur within a team or on a ward. Some of them are of a much larger scale.

Secondly, on procurement, we have done something similar. We have a range of guides and training material that have been put together by our procurement team. We have expanded the size of that team and its reach across the institution. It steps



through all of the documents that you might need, how we classify procurements within the directorates of those that are small scale and low risk, through to those that could be small scale but very high risk for a range of reasons. It steps people through the process that they can follow to undertake a procurement.

We have a very active procurement committee, which also has representation from the Chief Minister, Treasury and Economic Development Directorate operating, within the agency, where proposals go. The intranet site itself is very helpful. It talks to people about upcoming meeting dates where proposals can be taken, in order to have a decision made for the organisation. When I checked this one this morning, 718 team members have accessed the resources on this site to help them with their procurement proposals or activities.

**MR BRADDOCK:** Do you have evidence that it is actually being utilised, in terms of people actually utilising the templates or following the guides? Are the outcomes starting to be seen?

**Mr Peffer:** We are confident that we have really tightened up on this. We have an internal audit that we are undertaking at the moment. We have an internal auditor that does a range of audits throughout the year on our various controls, as do all government directorates, as part of their risk planning. We have specifically asked that it undertake an audit throughout the year to look at this, and essentially to evaluate it. We have introduced all of these tools and guides and we see that they have been accessed, but is that then improving the outcomes?

**MR BRADDOCK:** When will that audit be completed? Would it be possible for this committee to get a copy of that in due course?

**Mr Peffer:** I am not sure of the timing on that particular audit. I would have to take that on notice. That is certainly something that we can share when it is finalised.

**MR BRADDOCK:** Thank you.

**THE CHAIR:** How is your goal of the 14,000 additional specialist outpatient appointments balanced against the need for effective implementation?

**Ms O'Neill:** The 14,000 was always a stretch goal. One of the aims of this project was to stimulate some focus and some activity in the outpatient space. We had been trying for a while to get individual teams engaged in ensuring they had higher levels of throughput and, certainly, looking at ensuring that they had higher levels of initial appointments compared to follow-up appointments.

We saw Operation Reboot in the outpatient space as a real opportunity to help stimulate some activity, some thinking and some innovation in that space. As part of that we wanted to stretch our teams as far as we could, in terms of getting maximum throughput in that year. Waiting for outpatient appointments is not good for anybody, and we wanted to try and use the opportunity of this additional funding to drive that.

**Ms Stephen-Smith:** Ms O'Neill talked about this being an opportunity to try some new things and put some impetus behind it. One of the things that the Auditor-General

focused on, and rightly so, was the effort that was expended on trying to engage external providers. He has described it as very little return for that effort.

I think that was in response to us often getting feedback that there is this opportunity, there is that opportunity and there is another external opportunity; if only you used all of these external opportunities, you would be able to get through your waitlist. It was in response to some of that advocacy from people that there was a different way of doing things, and it was an opportunity to try something different. Ultimately, that did not work as well as we had hoped it would. But there were lessons learnt that I think have been valuable in informing what is now happening in the outpatient space.

**THE CHAIR:** Were there any unexpected challenges or obstacles encountered that hindered the achievement of the project goals and what were they?

**Ms O'Neill:** I am not sure that any of the obstacles we faced were necessarily unintentional or not predicted. We were hoping that the increased effort and focus would see us get higher numbers through. We certainly did manage to see significant growth in initial appointments in that year. Six thousand additional appointments comprised 25 per cent growth on the year before, so that was a significant improvement.

**THE CHAIR:** Are you able to sustain that growth?

**Ms O'Neill:** Some of that growth has been sustained—certainly, the improvements to some of the models of care and the use of nurse practitioners and allied health practitioners in managing the patient's journey so that we ensure that patients that really need to see a doctor are seeing the doctor, and others can have their conditions treated and managed by some other health professionals. That has been sustained, particularly in areas like gynaecology and rheumatology.

**THE CHAIR:** Were there any other unexpected challenges and obstacles that you came across?

**Ms O'Neill:** We certainly expected a higher level of engagement from some of our external providers, particularly from the GP community. They had indicated to us on multiple different occasions their desire to become more engaged with the health service, and particularly in addressing outpatient long waits. That is one of the reasons why we went to the market with a bit of a non-defined approach, because we wanted them to be able to tell us how they thought they could help to solve this demand capacity mismatch. It was a little bit disappointing that none of that came through to fruition.

**Mr Peffer:** Throughout that period, if you cast your mind back, we were witnessing border closures on and off, and it was almost unpredictable as to what would happen week to week, about whether people could travel from Melbourne, for example, or Sydney. As that wore on, it became more and more challenging for us to attract a locum workforce—essentially, to fly specialists in for short periods of time to undertake work. That was not something that had happened pre-pandemic. If we needed to access a locum workforce from Sydney, we could do that. People were willing to travel.

Early on in the pandemic, people were reasonably willing to travel; then, as that unpredictability came in, people were not sure whether they could get home, or if they went home they could not go back to work, because they would have to quarantine for a week because they came from interstate.

For some of our specialists, or those who were coming in, all of a sudden, we had to say to them, “If you’re coming from Sydney now, you have to sit in a hotel for one week before you can come to work for us for a week, and do the same when you return home.” That was a less attractive proposition for many.

That impacted not just within CHS but some of the private providers who came into this with a willingness to participate and an expectation that they would be able to stand up a bit of a workforce. My emergency doctor, for instance, came to us and said, “We’ll be able to do big volumes, big throughput.” All of a sudden, the expectations on both sides were well and truly not met. The sort of numbers that we saw from private providers were much less than what we had been advised would be possible. I guess everyone’s workforce was impacted at the same time.

**THE CHAIR:** Can I go back to your earlier remarks? You mentioned GPs wanting to have a say in patients’ treatment and how you could target that. How many GPs responded to your external call-out for expressions of interest? How many GPs were there?

**Ms O’Neill:** We only had one response that was worthy of further consideration. We did have a couple of individual GPs that put themselves forward almost as a labour hire type approach. But that was not going to meet our need for specialist appointments, so those ones did not progress. There was the one consortium of GPs that did progress to contract. But the closer it came to implementation, they ended up withdrawing their offer and cancelling the contract because they could not get the workforce.

**THE CHAIR:** They could not get the workforce available to work at the hospital, for the outpatients?

**Ms O’Neill:** They were not necessarily going to be working at the hospital. They were going to be seeing some of these patients in their rooms. These were GPs with specialist interests—GPs with higher levels of training. They were all pretty stretched through COVID as well, and they felt that they could not go through with the contract.

**THE CHAIR:** Was that the only reason?

**Ms O’Neill:** Yes.

**THE CHAIR:** Due to workforce?

**Ms O’Neill:** Yes.

**THE CHAIR:** Did the prioritisation of Operation Reboot have any adverse effects on the quality of care provided to outpatients and how were these addressed?

**Ms O'Neill:** I am not aware of any decreases in care provided.

**THE CHAIR:** What strategies can be made to better balance the need for this reboot, having regard to the importance of thorough planning in healthcare projects?

**Ms O'Neill:** Are you talking about outpatients in general or—

**THE CHAIR:** Yes.

**Ms O'Neill:** specific projects?

**THE CHAIR:** Outpatients.

**Ms O'Neill:** A raft of work has been underway and continues to be underway. The balancing of outpatient demand against capacity in the health system is not unique to the ACT. It is a problem that is faced nationally and internationally. That is increasing, particularly as the primary health workforce is more and more constrained, either by their business model or through lack of workforce.

Canberra Health Services has been undertaking a lot of work. Part of that is around making sure that the referrals into the acute health system are only for those patients with conditions that really need to benefit from that acute intervention from a specialist doctor. We have been working very closely with the Capital Health Network around referral guidelines and giving GPs more guidance through the health pathway platform about how to manage patients with particular conditions in their own practice so that they do not need referrals.

We have also done a lot of work, as I mentioned, on using allied health practitioners and nurses to their full scope of practice. In many situations, particularly for people with chronic conditions, those workforces can take a lot of the load away from the doctors, so that we can preserve the doctors' time for the more acute patients or those with initial appointments. That has been a successful strategy for us.

It is also about providing more information to patients so that the consumers themselves can have more of a say in what care they need and where they can access that care. We have also done a lot of work around scheduling of appointments so that we can optimise the full availability of that workforce during those clinics to see as many patients as possible. There is a multipronged approach to try to balance that demand with the capacity available to see those patients.

**MR PETTERSSON:** Circling back to the 14,000 appointments target that was not reached, I was hoping you could quantify how many additional appointments were provided and the importance of those appointments in the context of that time.

**Ms O'Neill:** Certainly. It was over 6,000; I think it was 6,135. It is important to note that we had to come up with a measurement strategy because we were trying to increase throughput. Clinic throughput is pretty dynamic; it can vary from week to week, depending on how many doctors are rostered in clinics. It can vary depending on the types of patients that are being seen. It is even about simple things, like the

number of weeks or workdays in a month. It is not as simple as just making a comparison.

We wanted to come up with a measurement system that was easy to administer. I did not want to spend a lot of money on a reporting system, but we wanted one that truly stimulated that increased throughput. We wanted to make sure that clinics were reducing their waitlists and seeing more new patients.

We came up with the system of looking at increases above the equivalent time period of the year before, based on averages. The anecdotal feedback we have from clinics and from having looked at the data is that we think there were more than the 6,100 that were undertaken as a result of reboot. As I said that was the measurement system that we all agreed to.

It was a significant increase. The increase in appointments year on year had been minimal, and that year we did an additional 6,100 new appointments, which is quite significant. That was another 6,000 Canberrans that got to have an initial consultation with a specialist to either confirm their diagnosis or determine a treatment plan. The impact for the community was quite significant.

**THE CHAIR:** Following up on those over 6,000 outpatients, you referred to the consultation or treatment process. How many of those over 6,000 are still in need of seeing a specialist?

**Ms O'Neill:** That is too hard to discern. We would have to do a patient-by-patient analysis to come up with that answer. It depends on the specialty. For example, if it is a surgical specialty, the doctor will confirm whether or not the condition needs surgery. If so, they will organise for a surgical admission. Many of those patients, though, do not need surgery and they are returned to the general practitioner with advice on how to manage those conditions. So it is highly variable.

**THE CHAIR:** How many patients are currently on the waitlist as an outpatient?

**Ms Stephen-Smith:** We do not have the current data as of now. I tabled an outpatient waitlist data piece in May of this year in the Assembly and I committed to Ms Castley that, if we did not have data that we could easily pull from a digital health record before the end of the year, I would table an update to that data in the last sitting week. So I do intend to do that.

**THE CHAIR:** Okay. Thank you.

**MR BRADDOCK:** I want to go to the strategy of sourcing appointments internally within Canberra health systems—which, let's face it, were probably under a great deal of pressure given COVID and all of that. I want to understand the strategy of actually doing that when your workforce was already under pressure.

**Ms O'Neill:** Outpatients are an important part of the patient journey. So we really wanted, as I said, to stimulate some innovation and some thinking differently in our teams. Many of these clinics have run on the same sort of schedule and the same sort of triaging criteria for years. This really was an opportunity for them to think about

this and say, “We have so many patients on our waiting list. How can we work differently to make sure that we are seeing more and more of those patients?” Whilst that was going to put a strain on some staff, the additional funding that was available to those teams was enough for them to be able to fund additional shifts of particular workers to assist with that throughput.

**MR BRADDOCK:** Okay.

**Mr Peffer:** I would just add that working in health is a wonderful thing because it is a really genuinely committed workforce. We did have people working extraordinary hours, and nights, and weekends. But for them I think that the purpose was to serve the patient and the community. I think many of our team members were doing it tough, but they were willing to put in the extra time and effort to see these patients, because they knew the length of time they were spending on the waitlist, the impact to them personally and loved ones, carers and so forth and the disruption that had occurred. They really wanted to step up and respond to that.

**MR BRADDOCK:** Have any of the changes and doing things differently stuck?

**Ms O’Neill:** Yes, certainly. I have talked about the nurse practitioner examples. Some of those nurses are now conducting their own clinics under their own names. They are seeing a lot more of the follow-up appointments as well. Once their initial diagnosis has been confirmed, it is often the nurse practitioners that can see them through, so that they are not having to have their follow-up appointments with doctors. Whenever we can reduce that, that is additional appointment time for new appointments.

There was a fantastic pilot that was undertaken where we had specialists outreached into GP practices to improve their ability to manage people with type 1 diabetes. That has been sustained, and we have seen a reduction in the number referrals for patients with type 1 diabetes from those general practitioners. There have been a lot of those improvements that have stuck and have now become core business.

**MR BRADDOCK:** Okay. Thank you.

**Mr Peffer:** I would just add that an important one for the government, and for our workforce at the time was the focus on Aboriginal and Torres Strait Islander paediatric patients waiting on our ENT waitlist. Some of these patients had been waiting for some time. They were category 3 patients. They were identified as a specific underserved population cohort that we had intended to fast-track as part of Operation Reboot. We did that very successfully. That was a partnership across quite a number of areas within the health service where we had 55 young people at the beginning of the year, at the beginning of the process, and only three remaining at the end. All of them had been booked essentially within that year to have their services provided.

The success of that aspect of the initiative is something that has now scaled. The government has invested further in that to put it on a more sustainable ongoing footing. We have received \$150,000 across a number of years now for that particular initiative. We have now expanded its scope. It is no longer just ENT but also covers Aboriginal and Torres Strait Islander kids who are on all of our waitlists awaiting an

outpatient appointment. When that kicked off at the beginning of 2022-23, we had 326 children across our various waitlists waiting for specialist appointments. I do want to especially mention Dr Smallbane, who is our exec director of Medical Services, who really stepped up and took a leadership role in this, coordinating across surgical and medical specialties and administrative teams as well.

We worked very closely with our Aboriginal liaison officers and found that they were actually key to working with community to schedule appointments to look at where it would be most appropriate to have an appointment and really set ourselves and also our patients and families up for success in getting to those appointments and being able to see the specialists.

In terms of the models of care that were explored as part of Reboot, and now that we have scaled, we have four models of care that we use. Some of the specialist visits do occur at Canberra Hospital and some of them are now seen at our new facility in Coombs. We have general paediatrics running out of there and additional clinics that the teams have signed up to run through there. We have a charitable trust pathway where we work in partnership with some providers external to Canberra Health Services. Those are privately provided. We also have direct contracting with private providers.

As of October, 299 of those children have been removed from the waitlist going through various pathways. At this point in time we now have 193 remaining. The maths there will not line up, but the reason for that is we have commenced the project. We had more than 320 kids but we continue to see those referrals in. We now have this fast-track pathway and a dedicated team that is oversighting to make sure that these kids are seen. Many of them are placed into vulnerable situations where they have much worse health outcomes than non-Indigenous children if they wait on these waitlists in terms of their educational outcomes and life trajectory. That is something that commenced with Reboot. That was the first time we had done an initiative like that. It has been carried over, scaled and now is a sustainable business-as-usual activity.

**MR BRADDOCK:** That brings me to another question. This morning, the Auditor-General described these types of initiatives as a sugar hit. Hence, I seek your response. Was this just a short-term impact? How much has been able to translate into longer term structural and systemic benefits for the territory?

**Ms Stephen-Smith:** I think there are probably two answers. One is the funding answer. We have continued to invest additional resources into a range of outpatient areas, particularly in paediatric outpatients. But there are also the practice changes that Ms O'Neill has been talking about, which have also been sustained and continue to be built on. The specific purpose of this initiative was to get through additional outpatients appointments. That was its aim; so that was not an accident. The lessons learnt from that have continued to play out but we have also continued to make those additional investments.

Every time you specifically funded a surge in activity—if you could describe it that way—we were also seeking to catch up on lost activity from the year before where we had to stop or substantially slow down outpatients. So there was a catch-up element,

which was the reason for putting in this funding at this time.

**MR BRADDOCK:** Thank you.

**THE CHAIR:** Just to follow up on that: Mr Peffer, you mentioned that there is a long waitlist for Aboriginal and Torres Strait Islander children for ENT. Why did it take a pandemic for that boost of funding into our healthcare system to finally be able to treat these children who have been waiting for maybe years to receive ENT treatment and, as a consequence, may have missed out on educational needs? Why did it take a pandemic to actually have that boost of funding?

**Mr Peffer:** We acknowledge that the waits that some of our patients have are not what we would want. It falls well short of what we would point to and say is an acceptable level of care. I think we saw the pandemic as an opportunity to consider some of these innovative approaches to things. There is a body of work that needs to be done with a clinical workforce to say that there are certain rules that are prescribed about how people get triaged and who gets what appointment in what order. To step outside that is quite a deviation from normal practice that you would see in health services around the country. I guess we saw Operation Reboot as a way to disrupt some of that prevailing thinking and ways of approaching things to look at how might we do things differently. That was an example of where we stepped outside standard practice, and now we are seeking to sustain that.

**THE CHAIR:** What was very different in terms of what you did, especially the ENT in supporting these children? What was very different and innovative?

**Mr Peffer:** To take some of these kids through their healthcare journey end to end was a partnership approach between territory-wide surgical services team that looked at not just the initial outpatient activity but also providing a pathway for them to go through and have a procedure.

For us, I guess, it is the nature of the big complex health service that we run that a lot of our activity is delivered in silos. Some of that is being challenged by the new digital health record. It is fundamentally changing how we operate the health service here in the territory in a good way. It much more closely follows a patients journey as opposed to reflecting a provider and its practice.

For us to depart from nationally recognised triaging and prioritisation practices is something that we do not generally do as a service provider. But, accepting the evidence that indicates clearly the gap that can emerge in health outcomes if we do not, we felt that was important. So that is why we made that change as part of the program.

**THE CHAIR:** The triage system is there because of resources. That is what my understanding is. If you are in emergency, you are in urgent care, you will be going to the top to receive that care first before anybody else does—which is completely understandable. I am trying to understand what is so innovative about receiving more funding to be able to hire more surgeons for ENT. I do not see that as a very innovative idea. It is part of living life. If you need to see a doctor but you need long-term treatment or a surgery, you go and get your surgery done and then your GP will



give you a long-term treatment for that. So that is not very innovative. That has always been the case. So I am still trying to get an answer from you, Mr Pepper, about what was innovative and how you applied the Reboot and being able to treat these children ENT.

**Mr Pepper:** Thank you, Chair. It is a good question. Yes, the triaging system is a reflection of scarce resources that have to be applied to an almost limitless demand. But it prioritises those based on the acuity of need—those who might need an immediate response as opposed to those who might need a response tomorrow or next week or next month or next year, for example.

For some of these paediatric patients, the category they sat in as a category 3, would say treatment within a year is fine. The evidence that is emerging, though, is clear that that is actually not the case. There is a wide variation between the health outcomes for Aboriginal and Torres Strait Islander kids and non-Indigenous kids, to the extent that I believe Aboriginal kids are almost five times more likely to end up with permanent hearing loss and three times more likely to end up with poor health outcomes.

The existing triaging mechanism looks at: “Do you have something that we need to do today? If you do not, then you can wait.” With Operation Reboot, the thinking we applied was to look at some of that additional evidence to say that the long-term health outcomes and the life trajectory impact for some of these kids is so profound that they may not need emergency care today, they may not need that surgery today, but the impact it will have if they do not get it for a year is sufficient that we should act now. That is what we shifted as part of the program.

**Ms Stephen-Smith:** Could I just—

**THE CHAIR:** Sorry; I have to say this. So as a mum of five kids, I completely understand the need to have surgery as soon as possible. As a parent, you know that, if surgery is not undertaken within a certain amount of time, it will have an impact on their emotions and it will have an impact on their day-to-day living. Although you know they will be able to live life—they will be able to go to school; they will be able to eat, write, ride their bicycle or go to the park and play—as a parent, you know that that long wait to have a surgery will have an impact on them emotionally and therefore it will have an impact on how they function in the classroom or socially with their friends and peers.

So that is not very innovative. That is what parents have been fighting for—to seek treatment for their children asap. But I understand where you are coming from. Thank you very much. Do you have anything further to add?

**Ms Stephen-Smith:** Can I just add one thing? Going back to your first question around why it took a pandemic, I think there was also a coincidence of timing around this. It was a commitment in the ACT Aboriginal and Torres Strait Islander Agreement that was struck with the Elected Body in 2019 that we would do work on prioritising ENT appointments for Aboriginal and Torres Strait Islander children and young people. So it was an existing commitment of the government. Operation Reboot was an opportunity to really fast-track that commitment and make sure that we were delivering that commitment that we had agreed in partnership with the

Aboriginal and Torres Strait Islander Elected Body.

So I would say that it did not take a pandemic for us to realise that this was an issue and to commit to doing something about it. Operation Reboot was an opportunity for us to do that different thinking that Mr Peffer was talking about and really engage our clinicians in that conversation around triage category is one thing and social determinants of health is an additional layer that we need to put on top of that triage category to say it is reasonable for us to take these children who might be category 3 and fast-track them through the system, because we know the impact that that has for Aboriginal and Torres Strait Islander children and the disparity in health outcomes that Mr Peffer was talking about.

**THE CHAIR:** Okay. So non-Aboriginal and Torres Strait Islander children are receiving these ENT treatment as well; it is not just for the Aboriginal and Torres Strait Islander children.

Minister, in the Auditor-General's report, under the "Management and Administration: Reboot Outpatient"—on my iPad it says page 1—it says that "a high-level approach to implementation was detailed in a draft budget concept brief which did not proceed to cabinet". Is that normal? Can you help me understand that, please? Minister, why did it not proceed to cabinet? Is that a regular thing?

**Ms Stephen-Smith:** So the way that the budget process used to work—and it works a bit differently now—was that there would be two rounds of development of paper work for budget business cases or bids. The first stage would be a concept brief. Lots of people across all directorates would put together a concept brief and that would then go through their management structures and may or may not come to ministers, depending on what was being prioritised at senior management levels and what ministers had already asked for.

Some concept briefs would come to ministers and we would look at the whole lot of the concept briefs that we received and say: "We know that our allocation in this budget for new money is going to be maybe \$80 million, and I have got concept briefs here that are worth \$250 million. I cannot take them all forward. I am going to need to prioritise among these. Some of them are going to be urgent and unavoidable and I just have to take them forward, even if they are not the sexiest things in the world"—but part of running a government is you sometimes need to do the boring but necessary—"and some of them are going to be election commitments. So we need to take those forward." Then, once you have dealt with those two piles, you have a very small capacity to bring forward the things that are important and that you really want to do but that are not in either of those two priority categories of "absolutely unavoidable" or "is an election commitment".

The system works slightly differently now that we do not ask people to do a lot of concept briefs that are not going to go anywhere. But that was what that was referring to.

**THE CHAIR:** Okay. Is that the \$30 million that was allocated to Operation Reboot that did not make it to cabinet, or is that just the \$3.5 million that was allocated to the specialist outpatient?

**Ms O'Neill:** The concept brief referred to in this report was specifically around the \$3.5 million for outpatients. What ended up happening with those was that they got rolled up into a single budget bid that did go to cabinet for that \$30 million. It is just that that detailed concept brief did not, but the bottom line of that was incorporated into that overarching budget bid.

**THE CHAIR:** Gotcha. I think that is all I had. Thank you so much for coming in. Is there anything you want to add before we close?

**Ms Stephen-Smith:** No. I think we have taken one question on notice; so we will come back on that.

**THE CHAIR:** On behalf of the committee, I would like to thank our witnesses who have assisted the committee through their experience and knowledge. We also thank Broadcasting and Hansard for their support. If a member wishes to ask questions on notice, please upload them to the parliament portal as soon as practical, and no later than five business days after the hearing.

The committee adjourned at 4.47 pm.