



**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**

**PROOF TRANSCRIPT OF EVIDENCE**

**CANBERRA**

**THURSDAY, 9 NOVEMBER 2023**

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**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 9.00 am.**

**GENTLEMAN, MR MICK**, Minister for Corrections, Minister for Industrial Relations and Workplace Safety, Minister for Planning and Land Management and Minister for Police and Emergency Services

**PHILLIPS, MR WAYNE**, Acting Commissioner, ACT Emergency Services Agency

**BARRETT, MS ELITA**, Executive Branch Manager, Strategy and Governance, ACT Emergency Services Agency

**KRAJINA, MS DANIELLE**, Chief Operating Officer, Justice and Community Safety Directorate

**ACTING CHAIR** (Mr Pettersson): Good morning, and welcome to the second day of public hearings of the Standing Committee on Public Accounts for its inquiry into auditor-general performance audit reports January to June 2023. The committee will today hear from the Minister for Police and Emergency Services and the Minister for Business and Better Regulation.

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 this city and this region. We would also like to acknowledge and welcome other Aboriginal and Torres Strait Islander people who may be attending today.

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.

We welcome Mr Mick Gentleman MLA, Minister for Police and Emergency Services, and officials. I remind witnesses of the protections and obligations afforded by parliamentary privilege and draw your attention to the pink 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. Could each of you to confirm that you understand the implications of the statement and that you agree to comply with it.

**Mr Phillips:** Yes, I agree with and understand the statement.

**Mr Gentleman:** Yes, I agree and understand.

**Ms Barrett:** Yes, I agree and understand.

**Ms Krajina:** I agree with and understand the statement.

**ACTING CHAIR:** Minister, would you like to make an opening statement?

**Mr Gentleman:** Yes, thank you, Chair. Firstly, can I thank the Auditor-General and the ACT Audit Office for their performance audit on the procurement of the hybrid electric fire truck. The truck is pioneering the change in emergency response

capability, and it is the first step in our journey towards a sustainable and environmentally responsible fleet.

I note that the Auditor-General's findings contain only one recommendation—that is, that ESA should, prior to deployment, formally assess and confirm that the hybrid fire truck meets the needs of ESA as an urban pumper in the territory. I can advise, Chair, that it is standard ESA process to complete an evaluation plan and implement a training plan for all new ESA vehicles prior to them becoming operational. This process will also be undertaken for the hybrid electric fire truck. As the hybrid truck is the first of its kind in the ESA fleet, this approach will be particularly important, I believe. While the hybrid electric truck will become the pinnacle of the current fleet of urban pumpers, ESA will use this vehicle as the baseline for its future fleet. A comprehensive and robust evaluation and training plan will inform future decisions as the ESA seeks to continuously improve its fleet as new technology emerges.

It is quite a revolutionary change for ESA. The vehicle itself, being electric, with a small hybrid motor on the back just in case it does need to charge or in case it does need to pump, means that we have overcome the difficulty of diesel emissions and diesel particulates in the fire shed, so it really is a change in the way we look at safety for firefighters, in that sense of both removing the danger of diesel particulates in the fire shed but also improving the ergonomics of the truck.

Previously, with our normal urban pumpers, firefighters would have to climb up into the cabin, above the engine, with all their gear. Now they are able to just walk in off the side of the truck and take positions inside. The other parts of the ergonomic design of the truck mean that the driver and crew chief can sit at the front of the truck, swivel their chairs around and brief the crews whilst they are in the vehicle, either at the scene or on the way to the scene. So it is quite a big change for us and we are looking forward to rolling more changes out in regard to electric vehicles for ESA.

**ACTING CHAIR:** Wonderful. Thank you. Minister, when did the government make a decision to pursue hybrid electric emergency services vehicles? Was it in advance of the trip to Germany or was it on the trip to Germany when the government became aware of this technology?

**Mr Gentleman:** No, it was in advance. We had been looking at the move to reduce emissions for ESA. We have about 300 vehicles in the ESA fleet. The government has made a policy direction in regard to reducing emissions and going to zero emissions across our vehicle fleets, and a zero emissions policy by 2045. It is a real challenge for us to do that work, and we are following up on government policy in regard to that decision. In regard to the timing, I might ask directorate officials to give you the dates.

**Ms Barrett:** I personally do not have the timing. I was not at Emergency Services during that period. Happy to take it on notice.

**Mr Phillips:** We will take that on notice.

**ACTING CHAIR:** Just looking at the audit report, it outlines a couple of key timelines. In May 2019 there was a visit to Germany, where officials were shown this electric fire truck. Following that trip, Rosenbauer sent a letter to the ACT

government, seeking to partner. That was in June. Then in July a single select process was suggested and commenced.

**Mr Gentleman:** There you go. Yes.

**ACTING CHAIR:** Did the decision to pursue hybrid electric vehicles start in that time frame that I have outlined or was there a conscious decision before then that this was something the government was pursuing?

**Mr Gentleman:** Certainly, there was a conscious decision between myself and ESA in regard to moving to electric vehicles—not necessarily hybrid but certainly electric vehicles—to reduce emissions. We had been discussing it for quite some time.

**ACTING CHAIR:** When Rosenbauer sent a letter to the government, seeking to partner, was there any consideration that there were other providers that might be able to provide this vehicle?

**Ms Barrett:** My understanding is that there was some consideration given to providers. However, there were also negotiations with Rosenbauer to progress. At that point, it was not a commercially available vehicle. It was a concept that was being developed and the partnership arrangement was being discussed, as opposed to the purchase of a commercially available vehicle.

**ACTING CHAIR:** Sitting here right now, in 2023, how many other providers are there of vehicles like this?

**Mr Gentleman:** I do not know that there is another provider that would provide the Rosenbauer specs. We have just entered into contractual arrangements with Volvo to purchase seven electric vehicles, but they are quite different to the Rosenbauer vehicle. The ergonomics of the Rosenbauer vehicle are unique. I have not seen another of that design that is available.

**ACTING CHAIR:** I fully understand and accept the premise that this is new and emerging technology. When you entered into that agreement for a partnership, you did not necessarily know the specifications of the vehicle, so the premise for entering into that partnership was to develop something new.

**Mr Phillips:** Correct, and with end users, firefighters, in mind. Our firefighters, with the UFU as a partnership, developed the vehicle as a concept.

**ACTING CHAIR:** At that time, in 2019, were there any other companies that the government could have partnered with for the development of the new technology?

**Ms Barrett:** To the best of our awareness, no, there were not, because it was a concept design process that we were progressing through. Rosenbauer already had a capability to deliver pumpers as an output. The concept component was to move to the hybrid technology. To the best of our knowledge, there was not another supplier and it was more that we were in that partnership concept design phase where they benefited from the input from ESA, from the firefighters and the technical working group, to create the spec for an operational vehicle.

**ACTING CHAIR:** The audit report details that in the development of the single select brief the research undertaken was some internet searches. Was that the extent of the research of other potential providers?

**Mr Phillips:** We will take that on notice, the extent of our research.

**Ms Barrett:** I did not undertake that research personally. I was not in the ESA at that point in time and nor was Wayne part of that process itself. I think it is important that we take it on notice to understand.

**ACTING CHAIR:** I think that is fair. If you were not there, it is hard to speak to that. As it stands today, what would be the process to facilitate and test potential offerings of the market if we were to try and develop a new capability?

**Mr Phillips:** Minister, do you want to answer first?

**Mr Gentleman:** There are some more players in the market now than there were previously, particularly with electric vehicles. There would be, perhaps, a wider choice, to look at a hybrid model or an electric vehicle. The work we have done with Volvo is to use a particular Volvo cab chassis but with electric drive and battery storage. It is not evolutionary or revolutionary like the Rosenbauer model. It would be, I think, a matter of more research to understand whether there is another provider.

**ACTING CHAIR:** Thank you.

**MR BRADDOCK:** I have some questions going to the briefing to the economic development subcommittee of cabinet and the business case, which raised some questions in the audit report. The audit report states that it:

... identified 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'.

The audit report says this did not occur. Why not?

**Mr Phillips:** I will take that on notice.

**Mr Gentleman:** The performance of the vehicle is the query?

**MR BRADDOCK:** These are the words directly taken from page 1 of the audit report, which describes how the further processes did not occur.

**Mr Gentleman:** Well, they are happening right now.

**MR BRADDOCK:** Okay. I will rephrase the question: why have they taken till now and why were they not available for the audit report?

**Mr Gentleman:** I am not sure of the timing of when we had the vehicle.

**Mr Phillips:** Since the arrival of the vehicle we have had a working group which includes the end users—basically firefighters and representatives of the UFU, the United Firefighters Union. They have developed a training plan and implementation plan for the equipment, the utility of the vehicle, how it will work as their day-to-day fire truck within the ACT. That is nearly complete, as I understand it.

**MR BRADDOCK:** The business case stated that ESA had conducted a feasibility study. However, the audit report went on to say:

There were no reports or artefacts produced in relation to the feasibility study as described.

So, again, my question is: why not?

**Mr Gentleman:** That is happening now.

**MR BRADDOCK:** No. The business case said it had been conducted.

**Ms Barrett:** The business case that was put forward included provision for a feasibility study. It was not funded, and the procurement of the hybrid fire truck was facilitated through the procurement process for pumpers, with a single select exemption. The feasibility study was not completed because it was not funded through that business case. The procurement proceeded through a different methodology of activity, so that is why the feasibility study was never completed.

**MR BRADDOCK:** The problem is that the business case stated that ESA had conducted the feasibility statement.

**Ms Barrett:** My understanding is that the business case stated that it would be conducted, but I am happy to take that on notice and confirm.

**MR BRADDOCK:** I suppose that answers that next question of: should we accept your proposition that it was not funded and therefore not conducted? That explains why that record was not provided. The business case also advised that the WHS representative “conducted a full workplace health and safety assessment of the Rosenbauer concept vehicle and compared it with existing vehicles”—blah, blah, blah. Who was responsible for conducting that workplace health and safety assessment?

**Mr Phillips:** I will have to take that on notice.

**MR BRADDOCK:** Okay. And do you happen to have the date of when that WHS assessment was conducted?

**Mr Gentleman:** We can find that for you.

**MR BRADDOCK:** Thank you. I might hand over to you, Mrs Kikkert, whilst I figure out my next questions.

**THE CHAIR:** Thanks, Andrew. My apologies for being late. Is the hybrid fire truck



currently operational?

**Mr Gentleman:** Yes, it is. It has been tested around the ACT, and firefighters are training on the vehicle as we speak. It requires a particular permit at the moment, before we get full registration, but that is not too far away.

**THE CHAIR:** Why the delay on the permit?

**Mr Gentleman:** It is just working through Access Canberra and the particular aspects of the vehicle. These electric vehicles are much heavier vehicles than the normal trucks, so we need to get a special permit to operate until registration is complete.

**THE CHAIR:** You have had the hybrid trucks from May or March; is that right?

**Mr Gentleman:** Yes; May.

**THE CHAIR:** That is about five months. Why so long to have it registered? What is the delay?

**Mr Gentleman:** The delay is the gross vehicle mass over the front wheels. It is the same with a lot of the new fire trucks. Our change, to align with the federal direction to improve or increase gross vehicle mass over the front wheels, is working through government at the moment.

**THE CHAIR:** So it received approval from transport design that it is roadworthy?

**Mr Gentleman:** Yes.

**THE CHAIR:** It is; okay. I read an article saying that the rear mirror or the side view mirror is not in harmony with transport design.

**Mr Gentleman:** Yes. There are particular Australian design rules which require certain aspects of vehicles to be in train, for vehicle registration. Some of them are quite antique, if I can use the term. This vehicle does not have mirrors. It has cameras and the view screens are inside, where you would normally see a mirror in your line of vision. Because it has a camera and not a particular mirror, it does not align with the Australian design rules. This is a test with modern and new vehicles, in that whilst it provides much better vision and much better provision for the driver and crews, that technicality means that it does not align with the Australian design rules.

**THE CHAIR:** So what needs to be done to be in line with the Australian design rules?

**Mr Gentleman:** We need to modify the ADRs.

**THE CHAIR:** And how much would that cost?

**Mr Gentleman:** That is a legislative program, so there is no cost.

**THE CHAIR:** Okay. I thought you meant within the truck itself.

**Mr Gentleman:** No, no. The truck is far more roadworthy than our design rules actually allow. I am quite confident in the safety and the operation of the vehicle, but there is a technicality in that. Say you had a committee in this room that was designed for 30 people and you had 32 people in here, although the people could be operational they would not align with that particular code.

**THE CHAIR:** Is the truck not allowed to operate on ACT roads unless the legislation is changed?

**Mr Gentleman:** I am sure we can find a way through.

**THE CHAIR:** What do you mean? Do you mean that the truck will be operational without the legislative change? Is that what you mean?

**Mr Gentleman:** It is operational now. We have it on permit at the moment.

**THE CHAIR:** Just for testing, though.

**Mr Gentleman:** I will get some more detail

**Mr Phillips:** We will take it on notice and get some more detail.

**THE CHAIR:** Will you take on notice that the hybrid truck can operate on ACT roads?

**Mr Gentleman:** Yes.

**THE CHAIR:** Without the legislative change or does it need to wait until the legislative change?

**Mr Gentleman:** When registration is approved.

**THE CHAIR:** When registration is approved, but that can only happen when the legislation is changed?

**Mr Gentleman:** No.

**THE CHAIR:** It is approved regardless of the legislation?

**Mr Gentleman:** No. That is what I am saying: we will have to get the registration approved and it may well be that we will have an exemption from that particular ADR.

**THE CHAIR:** Where does the exemption come from? Is it the federal government?

**Mr Gentleman:** Yes; the Heavy Vehicle Regulator.

**THE CHAIR:** What is the driving range of the vehicle?

**Mr Phillips:** I will have to take on notice what the specifications are. Anecdotally, it

has been driving around for nearly eight hours per day. Anecdotally, they take it up to the top of Black Mountain. By the time they get back down Black Mountain, there is more charge in the hybrid than there was at the start, due to the generation recharging the batteries. The specifications for how long it lasts are quite impressive, but I will take that on notice.

**THE CHAIR:** That is eight hours per day without charging?

**Mr Phillips:** Yes, because it is a hybrid.

**Mr Gentleman:** As Mr Phillips was saying, these vehicles will regenerate electricity running downhill, for example. They will use some of the charge to get to a particular destination and, due to topography, they will recharge as they are going downhill.

**THE CHAIR:** Right, with the diesel. How much capacity to hold petrol is there in this hybrid truck?

**Mr Gentleman:** It does not hold petrol at all.

**THE CHAIR:** Diesel.

**Mr Gentleman:** Yes, it holds diesel. I am not sure about the capacity.

**Mr Phillips:** I will take that on notice.

**THE CHAIR:** Can you take that on notice, please?

**Mr Gentleman:** Yes.

**THE CHAIR:** What about the water tank capacity? How many litres of water does it take?

**Mr Gentleman:** Again, it is similar to a normal urban pumper, but I do not have the detail.

**Mr Phillips:** Normal urban pumpers carry 2,000 litres.

**THE CHAIR:** Two thousand litres?

**Mr Phillips:** Yes, approximately.

**THE CHAIR:** That is your estimate; could you take it on notice so that we can get accurate numbers?

**Mr Phillips:** I will take it on notice, but I reckon it is pretty close.

**THE CHAIR:** How much water can it pump per minute?

**Mr Phillips:** I will take that on notice. It would depend on the pumping capacity that we are looking at, and whether we are working from street hydrants or drafting. I will

get all of those stats for you on notice.

**THE CHAIR:** Thank you. How much has it cost the government—I understand it is about \$1.5 million—for the truck? What has been the cost of the import, the training and the delivery of the truck?

**Mr Gentleman:** Training is continuous. On all of our vehicles in our ESA fleet, whether it is Fire & Rescue, Rural Fire Service or any of those groups, our training continues all the time. It is part of our ongoing budget funding, so that would be included in our normal operational costs. Are there any other costs for the vehicle itself—the import?

**Ms Barrett:** We would have to take on notice the breakdown of the costs.

**THE CHAIR:** Thank you—the import duty and the delivery. The Auditor-General's report mentions the other cost.

**Ms Barrett:** Yes.

**THE CHAIR:** You will probably need to take this question on notice. For what other functions of the hybrid fire truck did you have to pay extra?

**Mr Gentleman:** There were no other costs in regard to the—

**THE CHAIR:** It was just a basic unit?

**Mr Gentleman:** No, it is not basic at all. It is quite revolutionary compared to normal urban pumpers. It has a lot of—

**THE CHAIR:** Minister, page 9 of the Auditor-General's report refers to \$1.463 million as the cost of the basic unit, and my understanding is that you can add more sophisticated features to the truck.

**Mr Phillips:** Correct.

**THE CHAIR:** Were additional features added to the hybrid truck?

**Mr Phillips:** I will take that on notice as well.

**Ms Barrett:** I can say that the pumper was fitted as any other pumper would be, for operational purposes. Any supplementary equipment that goes onto a pumper is on this particular pumper as well. It has fully operational capability once it is all approved to go operational.

**THE CHAIR:** Can you please take on notice to see whether there was extra?

**Ms Barrett:** Yes.

**Mr Gentleman:** I have an answer regarding the pump speed of operation. 750 litres per minute to 13,000 litres per minute is the operational range.

**THE CHAIR:** 750 litres per minute—

**Mr Gentleman:** To 13,000 litres per minute.

**THE CHAIR:** 13,000?

**Mr Phillips:** Yes.

**Mr Gentleman:** That is the range.

**Mr Phillips:** That refers to—

**THE CHAIR:** Is that similar to the conventional fire truck—13,000 litres?

**Mr Phillips:** Yes, that refers to the difference between pumping from a hydrant within the city or drafting from a state water supply, for instance—a lake or something like that. It depends on what your pumping capacity is and where the water is coming from; that is the difference regarding how many litres per minute we can get from a fire truck.

**THE CHAIR:** And depending on how much power you can generate to get that water?

**Mr Phillips:** That is actually the volume of water that comes in, rather than the power of the pump.

**THE CHAIR:** Okay; that is good to know.

**Ms Barrett:** Can I come back to your question around the breakdown of costings? With the audit report, where it outlines the \$1.14 million and the breakdown that is provided there, would you like clarification that that was the final costing?

**THE CHAIR:** Yes, including the duty, the training and the delivery.

**Ms Barrett:** Yes.

**THE CHAIR:** And maintenance.

**Ms Barrett:** Maintenance will be funded through our operational costs of maintaining our fleet.

**THE CHAIR:** Okay, so it will all be in one?

**Ms Barrett:** We maintain our fleet predominantly in-house, and we run an operational budget to do so—recurrent funding for maintenance. Getting a breakdown of the maintenance cost per vehicle can be quite difficult.

**THE CHAIR:** It is also quite different, on its own, being an electric hybrid.

**Ms Barrett:** Yes, absolutely.

**THE CHAIR:** So it would have a different kind of maintenance.

**Ms Barrett:** It will have different types of maintenance, but there will be other maintenance, such as tyres et cetera, that would fall into existing contract arrangements. They would be hard to break down, to give you an exact figure for maintenance.

**THE CHAIR:** Could you try, please?

**Ms Barrett:** I am happy to take that on notice.

**MR BRADDOCK:** You mentioned that the truck is operational. How many incidents has it responded to?

**Mr Gentleman:** It is not, in that operational sense, responding to fires. It is operational in the sense of the testing of the vehicle for ACT.

**MR PETTERSSON:** What is the purpose of a pre-construction meeting?

**Mr Gentleman:** That is to help with the design of the vehicle. We did it with the Rosenbauer one, and with the Volvo trucks. It is where we have our fire crews on the design panel, if you like. They assist the manufacturer by giving their views on design of the particular vehicle. One of the benefits of the Rosenbauer manufacture is that they have firefighters on their design panel and on their production floor. If the construction of the vehicle is going ahead and somebody with learned knowledge can see a fault or an improvement, they can make those changes as the vehicle is being constructed. It is quite revolutionary.

**MR PETTERSSON:** Is it a one-day meeting, or are they there for a week or something?

**Mr Phillips:** We had a working group in regard to the design of the Rosenbauer and the new, fully-electric BA van. With the number of meetings and how that operated at the ground level, I will take that on notice.

**MR PETTERSSON:** Is that consistent for all purchases? For example, with the one in Germany, it was about the aerial appliance. Would that have a similar structure to what you have just gone through with the Volvo vehicle?

**Mr Gentleman:** Yes, we have a group within ESA that work through procurements and purchases. They involve firefighters, members of the UFU and our team of experts—engineers, too.

**MR PETTERSSON:** That is the team here in Canberra that works on it. Who goes to Germany?

**Mr Gentleman:** It would be a representative of that group.

**MR PETTERSSON:** Is it one person?

**Mr Gentleman:** The deputy ESA commissioner, I think—Jason Jones.

**Mr Phillips:** Yes, Jason Jones, some members of the UFU and some firefighters went. As to the exact amount of people and the names, I will have to take that on notice.

**MR PETTERSSON:** That would be good. Who pays for the delegation—the working group?

**Mr Gentleman:** ESA, through its budget.

**MR PETTERSSON:** The brief about the single select process notes:

During this meeting it was clear that Rosenbauer have made tremendous progress in the development of the world's first electric fire appliance. Confidential information was shared that confirmed that the research and testing had been completed and the vehicle was ready for production.

Is it commonplace for confidential information to be shared at a meeting like this?

**Mr Gentleman:** There would be arrangements in place to share information, I would imagine, that is relevant to the purchase.

**MR PETTERSSON:** For the vehicle that the ACT government is already purchasing? Would it be commonplace for confidential commercial information about other projects to be shared with representatives?

**Mr Gentleman:** No, I do not think so.

**Mr Phillips:** I do not think so. I am unaware of that.

**MR PETTERSSON:** What is the conflict of interest policy that exists for senior management in ESA?

**Mr Gentleman:** It would be the same as the whole-of-government conflict of interest policy. You would be assured that there was no particular personal benefit regarding these sorts of purchases or commitments by government.

**MR PETTERSSON:** Were there any conflicts of interest declared in progressing this brief and this purchase?

**Mr Phillips:** I am unaware of any conflicts of interest, but we can look at the documentation and take that on notice.

**MR PETTERSSON:** Are senior management expected to declare stockholdings?

**Mr Phillips:** With executives in the ACT government—it might be better if Danielle answered that because I have just re-signed it—it is extensive regarding stocks and personal holdings. It is very minimal for me personally, but there is a form.

**Ms Krajina:** There certainly is. Annually, each executive in the ACT public sector is required to declare all of their interests, and any pecuniary interests. They are also required to identify any conflicts, perceived or actual. Those reports are coordinated by HR teams and provided to the director-general on an annual basis. If any action needs to be taken in terms of where there may be a perceived conflict of interest, the director-general will be required to put management action into place.

**MR PETTERSSON:** That is an annual process?

**Ms Krajina:** Yes, or if your circumstances change.

**MR PETTERSSON:** If your circumstances change at some point during the year, you are meant to provide an update?

**Ms Krajina:** Yes.

**MR PETTERSSON:** How common is it for people to provide updates?

**Ms Krajina:** Quite common. When we say if your circumstances change, we all have regular PADPs with either the D-G or our relevant executive supervisor, and that is part of the discussion.

**MR PATTERSSON:** Is there any oversight to make sure that people are declaring their interests accurately?

**Ms Krajina:** That is a difficult one. We are relying on people to demonstrate their integrity and to be honest. They are signing a declaration saying that they have completed the form honestly.

**MR BRADDOCK:** Did any of the senior executives involved in this project have a perceived or actual conflict of interest?

**Mr Phillips:** I am unaware of that. I would have to take that on notice. There would be documentation in regard to that as part of the project plan and consultation groups et cetera. When you are on a procurement panel, you sign another conflict of interest form, similar to recruitment, plus our conflict of interest regarding pecuniary interests as executives.

**Ms Krajina:** Within ESA, for all of our procurements, the delegate and the evaluation team members, as well as anybody else that is involved, maybe as a technical adviser, are required to sign both the conflict of interest form and the confidentiality undertaking.

**MR BRADDOCK:** Could you please take on notice whether, as I said, any of the senior executives involved in this project did have a perceived or an actual conflict of interest?

**Mr Phillips:** We will.



**MR PETTERSSON:** Can we also find out whether the people that were involved in the trip to Germany and received this confidential information are the people that were involved in the procurement process? Is there an overlap regarding some of the people involved in both of those respective groups?

**Mr Gentleman:** There would be an overlap because that group actually look at procurement for ESA. We can certainly have a look at that.

**MR PETTERSSON:** I understand that some people would be involved in both groups, but I am not sure whether everyone would be involved in both groups.

**Mr Phillips:** I am not sure of that, either. We can take that on notice.

**MR PETTERSSON:** Thank you.

**MR BRADDOCK:** Going back to my last line of questioning, is it possible to request that copies of the business case and the WHS assessment also be provided to this committee? Thank you.

I would like you to take this on notice: we had a disagreement as to whether ESA had conducted a feasibility study at that point in time. If, as per the Auditor-General's report, it had been conducted, could you please answer why that had not been provided to the Auditor-General? Thank you.

I am also concerned that this audit report dates from June. The government response dates from July. There are a lot of questions being taken on notice here. What has happened to the corporate knowledge about what happened in terms of this actual procurement?

**Mr Gentleman:** There has been a change in ESA. The previous commissioner has left the ESA. Mr Phillips is Acting Commissioner at the moment. Yes, there is a bit of corporate knowledge to be found in regard to that.

**MR BRADDOCK:** What about Assistant Commissioner Jones, who I believe was involved in this project?

**Mr Gentleman:** Yes, indeed. He is still with ESA but he is not available today. Certainly, we will be able to ask questions of Mr Jones, and get those answers for you.

**MR BRADDOCK:** Thank you. I think he could have enlightened us on a lot of the questions we are asking right now. I will pass back to you, Mrs Kikkert.

**THE CHAIR:** How is the power and energy management system optimised to ensure that the hybrid fire truck can maintain its firefighting capabilities while travelling over a long distance? The last thing you want is a house on fire and the truck gets there but it does not have any energy; it runs out of battery.

**Mr Gentleman:** We do not require the vehicle to travel for a long distance. It is within the ACT. To answer your question, there is a backup diesel power plant at the rear of the truck that can provide the power operation for the pump and other utilities

on the vehicle.

**THE CHAIR:** It will not be used for any bushfire response?

**Mr Gentleman:** No, we do not use our urban tankers for bushfire response.

**THE CHAIR:** Is it a lithium battery—the battery pack?

**Mr Phillips:** Generally, they are lithium-ion batteries. In order to confirm that, I will take that on notice. With the full specifications of the appliance and the pumping capacity, I can take that on notice and provide that to you. We have all of that, back at the ESA.

**THE CHAIR:** I appreciate that. I assume that during the testing run you actually did the—

**Mr Phillips:** Yes. Firefighters have been testing right through to full capacity, with evolutions on how it would work from day to day, once it becomes operational in a firefighting sense.

**THE CHAIR:** Going back to the lithium battery, have risk assessments been conducted to evaluate potential heat-related hazards associated with lithium batteries in the fire truck?

**Mr Gentleman:** Yes, Rosenbauer do that.

**THE CHAIR:** Do you have those documents for the risk assessment?

**Mr Gentleman:** We would be able to find that for you.

**THE CHAIR:** Thank you; if you could pass that on to the committee, that would be great. I am not sure, from that document, Minister, what measures are in place to monitor and manage the temperature of lithium batteries during operation and to prevent overheating.

**Mr Gentleman:** The vehicle has an operational control for the batteries. The computer understands the heat range for the vehicle's batteries and has a cooling operation as well.

**THE CHAIR:** Does it have an adjustable air suspension system to accommodate different terrain?

**Mr Gentleman:** Yes, it does. In fact, it is much more flexible than a normal urban fire pumper in that it can raise and lower the vehicle depending on the terrain, and on whether it wants to get into an underground car park, for example. It can lower the vehicle right down, in order to get clearance into underground car parks.

**THE CHAIR:** It can also operate in floodwaters?

**Mr Gentleman:** In floodwaters?

**THE CHAIR:** Yes, in case there is a flood along the street.

**Mr Gentleman:** It will be able to pump the water; that is for sure.

**THE CHAIR:** Would it be operational in floodwaters?

**Mr Phillips:** We would not put fire trucks in floodwaters. That would be something that firefighters would not do.

**THE CHAIR:** We are not talking about a waist-high flood here, just ankle or knee-high floodwaters.

**Mr Gentleman:** I do not think we would put our crews at risk by entering floodwaters with an emergency vehicle.

**Mr Phillips:** If you are talking about running water across a street—

**THE CHAIR:** Yes.

**Mr Phillips:** in a heavy rain, it will be fine for that.

**THE CHAIR:** That would be fine?

**Mr Phillips:** Yes.

**THE CHAIR:** Okay; that was my concern.

**MR BRADDOCK:** You mentioned when the vehicle becomes operational for firefighting purposes. Do you have a schedule for when that might occur?

**Mr Phillips:** That occurs once we answer the other question in regard to the registration, and the working group to sign it off. Those people have been trained and are ready to go. With the date, I will have to take that on notice.

**THE CHAIR:** Following up on that, Minister, when do you think it will become operational, once you get the registration? How long do you think that would take?

**Mr Gentleman:** I hope to see the training and everything completed early next year, in the first quarter of next year.

**THE CHAIR:** The first quarter of next year?

**Mr Gentleman:** Yes.

**MR PETTERSSON:** I have never had the great fortune to go to an Australasian fire and emergency services authorities council conference. What are they like?

**Mr Gentleman:** It is pretty amazing, actually. Experts and technical engineers from all over the world provide information on capability and new technologies—and not

just on vehicles and equipment. There is quite a lot of information provided on people, and on how they work in different organisations across the world.

We had an incredible presentation by Nazir Afzal, the expert that did an inquiry into the London Fire Brigade, in regard to how personnel operate within the brigade itself. Some real, concerning outcomes were found—misogyny, bullying and those sorts of things—in a very trusted government operational brigade. We took that on board and we had him come and present to the last meeting of the emergency ministers council, with a view to asking all of our colleagues across Australia to have a look at their own fire services and their own operational services to see whether these sorts of things were occurring. It was quite an eye-opener for us to see, in an operational sense, that this sort of disquiet was occurring.

It is quite an amazing conference. Every year we see new technologies and new ways of looking at fire—not just in the urban sense but in the bushfire sense as well; and, in other jurisdictions, wildfires, for example.

**MR PETTERSSON:** This is not a conference for the everyday punter; this is for people in the industry—firefighters, emergency services, and maybe an academic or two?

**Mr Gentleman:** Yes, and those of us that work with those services as well. Associated entities present at the conference as well.

**MR PETTERSSON:** Going back to the single select executive brief, the Auditor-General's report says:

A quick response was sought on the Executive Brief in order 'to announce the partnership at the Australasian Fire and Emergency Service Authority Council conference on 28-29 August ... and be the first State in Australia to progress an electric fire appliance'.

Why was it important to announce that at the conference?

**Mr Gentleman:** To show that you can go forward as a city, or indeed a state, in looking at reducing emissions and providing safer operational capability for frontline emergency services personnel. I should have said this at the very beginning: the main reason that Rosenbauer have designed this truck is not just to reduce emissions; it is to provide a better and safer operational capability for firefighters on the front line. I mentioned that capability earlier—firefighters not having to climb up into a cab over the top of a diesel engine. They can now walk in at the side, similar to a bus. Of course, we have the very safe opportunity of having no diesel particulate emissions as well.

There is more to it than that, though. The vehicle is much quieter than a normal truck. It does not vibrate like a normal truck. All in all, the operational safety for firefighters is well in advance of a normal procurement. We wanted to show that there is capacity and capability amongst even small jurisdictions such as the ACT to move forward in looking at firefighter safety.

**MR PETTERSSON:** Whose idea was it to announce the partnership at that industry conference?

**Mr Gentleman:** It was worked up through the ESA capability team.

**MR PETTERSSON:** It was ESA's idea?

**Mr Gentleman:** They brought it to me, yes.

**MR PETTERSSON:** I am asking whether there was a step before that. Did Rosenbauer want the partnership announced at this conference?

**Mr Gentleman:** Rosenbauer and ESA worked together.

**MR PETTERSSON:** Is it commonplace for the government to make announcements at interstate conferences?

**Mr Gentleman:** Yes, we did. In fact, at the last AFAC conference we announced the electric fire truck that arrived yesterday.

**MR BRADDOCK:** Is it best practice to be trying to time announcements with conferences, when we are not necessarily in a position to come to a considered decision on the matter?

**Mr Gentleman:** I think it was forthright in making that announcement, as we did for the electric BA pumper. We follow up with other announcements, as we did yesterday, on the arrival of that BA vehicle.

**MR BRADDOCK:** What benefits have come to the ACT in terms of assisting Rosenbauer to basically sell and promote its prototype and test it for them?

**Mr Gentleman:** Rosenbauer promote their vehicles all over the world; the ACT is simply another jurisdiction. I am very pleased with the work that they have done, particularly, as I have mentioned, for firefighter safety, and that is the reason that this vehicle is so much better than some of the others that we have seen.

**MR BRADDOCK:** I get the benefits of the vehicle—I am not arguing at all about that; it is about the commercial process that is happening. There seems to be a close relationship between the ACT government and Rosenbauer. As you have just mentioned, they cooperated. Has that overstepped the line in that we are essentially doing some of their functions for them?

**Mr Gentleman:** I would imagine it is very similar to what we have done with Volvo. We have assisted Volvo in announcing their vehicles, but of course they do it right across the world; it is not just here in the ACT. The reason for these partnerships and the reason for these announcements is to provide better equipment for our firefighters. If we are able to tell other jurisdictions that this can be an outcome of a working group that provides far better equipment and safety for firefighters, then that is appropriate, I think.

**MR BRADDOCK:** Thank you.

**MR PETERSSON:** I have a quick supplementary on that. I do not necessarily disagree with anything you have said. As to why I am so puzzled, I am broadly aware of the processes of government and often how slow things are, but we are now looking at a situation where, in May, we found out that the research that had been secretly undertaken by a commercial entity had been shared with ACT government representatives. Then, in August, we were already at the stage where we could announce a public partnership to progress the development of this technology. That is lightspeed for the ACT government. I am not sure if I am impressed or confused at how it has come about so quickly.

**THE CHAIR:** It is a bit like the Calvary takeover, isn't it?

**Mr Gentleman:** Can I say that ESA is an innovative organisation. They have moved from an older style of operation to a new, innovative, fast-moving pace, particularly with technology and the skill of our operators within the ESA. Our mapping teams, for example, are well in advance of many other jurisdictions in predicting where fires could occur and what needs to happen. It is quite evolutionary. When we had the 2019-20 fires—I was in the IMT, and the Chief Minister was there as well with the commissioner—we saw innovation happening over hours with the way that we addressed those fires. I think that is appropriate, and to have an agency that is that flexible is really good for us.

**MR PETERSSON:** Thank you.

**THE CHAIR:** What is the life expectancy of the huge lithium battery?

**Mr Gentleman:** The time line is usually about eight to 10 years. Volvo have announced that they have a whole-of-life policy for their batteries, for example. After the battery reduces to an 80 per cent capability, they will change the battery out of the Volvo truck. They will then use that battery as a storage battery for a commercial facility or a house, and, at the end of that time, they will dismantle the battery and use the components to rebuild a new battery.

**THE CHAIR:** In terms of the hybrid truck, it has batteries with a life expectancy of eight to 10 years. How much would it cost to replace it?

**Mr Gentleman:** I will have to take that on notice.

**THE CHAIR:** Okay. Ms Barrett, could you add to the overall cost of things—the infrastructure cost of the West Belconnen fire station? Is that where the hybrid truck is—at Belconnen? Whichever station it is, if you could add the infrastructure cost to that as well, that would be fantastic.

**Mr Gentleman:** With regard to infrastructure costs for electric appliances, we are rolling those into our new builds. The new Acton station will have electric charging capability, and the new station at Molonglo will also have electric charging, and we will be retrofitting the other stations.

**THE CHAIR:** Can you add that into the cost—how much will it cost for the retrofitting at the other stations? And how long does it take to charge a hybrid truck?

**Mr Phillips:** I will get that exact detail. Because it is hybrid, it is continually charging as it is driving. The advantage of the fire truck is that it always returns to base, so, once it returns back to the station, it will back on charge. As to zero to 100 per cent, the full charge, I will have to take that on notice.

**THE CHAIR:** But, if they are using the water tank, there is a potential for it to run out of battery life on its way to the station to recharge itself. When it is on empty, how long would it take to charge it?

**Mr Gentleman:** It automatically charges from the backup diesel engine at the back of the vehicle that runs the pumps as well, so it would not run out.

**THE CHAIR:** There could be a scenario, Minister, where it is required to pump out lots of water and, on its way back to the station, it might run out of diesel and it might run out of the backup plan, in which case it will have a flat battery. How long would it take to charge that battery?

**Mr Phillips:** I will take that on notice, but can I say that is the same risk for any fire truck at any job, with regard to fuel. As part of any major fire or pumping, we can fill fire trucks up with fuel at scene. We are just off-scene. We are staging areas to do that. For any bushfires, we will be able to have fuel to fill up fire trucks at the jobs or at station et cetera. A fire truck will never run out of fuel at any fire or any job. I can guarantee you that.

**THE CHAIR:** Alright. That is good to know. Thank you for that. I have a question for you to take on notice: what is the battery pack size? That would be good to know as well.

**Ms Barrett:** As in the dimensions of the battery pack?

**THE CHAIR:** And how much it can hold. How much electric power can it hold?

**Mr Phillips:** It can hold 360-kilowatt heat.

**THE CHAIR:** Thank you. Michael?

**MR PETTERSSON:** Looking at the time—

**THE CHAIR:** I have one minute, if you have any questions on notice.

**MR PETTERSSON:** No; I am fine.

**MR BRADDOCK:** I have a supplementary on that and hopefully a quick one. It was purchased for the Acton fire station. I just want to check: will it be able to respond to incidents from the Acton fire station?

**Mr Phillips:** Yes.

**MR BRADDOCK:** Thank you.

**Mr Gentleman:** Just to give you some more information, the Acton fire station has been particularly chosen, or the location has been particularly chosen, to service new areas of Molonglo before that fire station is complete, and also into the city. It has quicker access from Acton into the city than from the Ainslie fire station. I think it was a very good choice. It is under construction now.

**MR BRADDOCK:** In terms of its ability to go onto Parkes Way, it can only turn one way onto Parkes Way and then it would have to double back.

**Mr Gentleman:** Indeed. All of that was taken into account in the design and the location's geography.

**MR BRADDOCK:** Thank you.

**THE CHAIR:** Is it the plan for the government to acquire more hybrid fire trucks, because you are retrofitting all of the other stations and you are installing an electric system into the Molonglo fire station?

**Mr Gentleman:** Yes; indeed. We have a contract to purchase seven electric vehicles from Volvo at a cost of \$12.6 million. That will allow us to start to change over to fully electric fire trucks into the future. The first one arrived yesterday.

**THE CHAIR:** When is the expected due date for all seven?

**Mr Phillips:** Five years, I think.

**THE CHAIR:** It is a five-year plan. Thank you very much for your time. Before we finish, is there anything you would like to add, Minister?

**Mr Gentleman:** No; thank you.

**THE CHAIR:** On behalf of the committee, I thank witnesses for their 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 of the *Hansard*. Thank you very much.

**Short suspension.**



**CHEYNE, MS TARA**, Assistant Minister for Economic Development, Minister for the Arts, Minister for Business and Better Regulation, Minister for Human Rights and Minister for Multicultural Affairs

**PRYCE, MR DAVID**, Deputy Director-General, Head of Access Canberra, Chief Minister, Treasury and Economic Development Directorate

**LHUEDE, MR NICK**, Executive Branch Manager and Construction Occupations Registrar, Construction, Utilities and Environment Protection, Access Canberra, Chief Minister, Treasury and Economic Development Directorate

**ACTING CHAIR** (Mr Pettersson): We now welcome Ms Tara Cheyne, Minister for Business and Better Regulation, and officials.

**Mr Pryce**: I have read the privilege statement. Thank you.

**Ms Cheyne**: I have read and acknowledge the privilege statement. Thank you.

**Mr Lhuede**: I have read and understand the privilege statement.

**ACTING CHAIR**: Wonderful. Thank you. My script does not include you, Tara, but I appreciate it anyway. We will jump straight to it. Would you like to make an opening statement?

**Ms Cheyne**: No.

**ACTING CHAIR**: Alright. I will lead with questions and we will make our way through committee members. Minister, can you please update the committee on progress in implementing the recommendations that have been agreed to by the government response?

**Ms Cheyne**: Yes; sure. You will be aware that all recommendations of the Auditor-General's report were either agreed or agreed in principle. Of the six that were agreed in principle, four were subject to future decisions of government regarding budget funding, particularly around our common licensing capability; and two are where the ACT government inherently has limitations on our ability to influence because they relate to mutual recognition, which is something that is coordinated and led by the federal government. But to the extent that we can, we will.

There has been some really good progress so far. I think it is fair to say that we were certainly alive to many of the issues that the Auditor-General's report uncovered, reported into and made recommendations about. There were things we were already working on. We really valued that opportunity for a closer look and to see if there were any other improvements that they had identified that we could also incorporate as we took our next steps. I might hand to Mr Lhuede who can give an update on progress against each of the recommendations.

**ACTING CHAIR**: Wonderful.

**Mr Lhuede**: Thank you, Minister. Thank you for the opportunity to attend today. Access Canberra, as the minister said, really welcomed the opportunity for the Auditor-General to review our licensing system. A fundamental part of the foundation

of the regulatory system for construction in the ACT is licensing the construction occupations. Having the Auditor-General to review the policies, procedures and systems that underpin that licensing system has been invaluable because it is something that has grown over 20- or 25-odd years of the Construction Occupations (Licensing) Act. It has developed and it is really important to have the systems that grow in line with that. In that Auditor-General's report, they were focused around a couple of areas. I will touch on a few key areas.

There are the information management systems that support the occupations licensing system. A number of specific recommendations were made around that and I am happy to deal with specific questions as they come up. A clear identification in this report is that we need to modernise our IT systems that support occupations licensing in the territory. Fortunately, it aligned very well with issues that we had already identified within Access Canberra. Part of that has been the development of a common licensing system across Access Canberra that can fulfill requirements across a number of needs, but, importantly, around construction occupations.

As a really valuable and useful foundation to that is the government policy that is coming into place in March next year around engineer registration. We were very deliberate in the development of that policy work to make sure we had a really solid ICT system to support it. In many ways, that is going to form the blueprint, the template, for the work going forward in the CLC, the common licensing capability, that we are putting forward, although we note that is still a policy matter for government to move forward on. We have already done some really solid work in engineer registration to address those critical ICT and supporting issues around our licensing system.

The other areas of focus have been in terms of a range of issues around policies and procedures that exist. Obviously, it is a complex licensing system. We have nine construction occupations in the ACT, but within those construction occupations there is a whole range of subcategories and endorsements. For example, there is a builder's licence, but there are five builders: A, B, C, D and the owner builder. There are, I think, 13 endorsements on an electrician's licence. And it goes on. So, whilst there are nine, it breaks down and down. You can imagine that around all those there are different qualifications required and different skills requirements. We have systems of exams and assessments, not to mention the mandatory checks around some matters: financial history, identity, and so forth. So, for any single licence application, it is quite a complex procedure to work through. There are about 15,000 occupational licences in the territory, as an example. That is a lot. It is a lot for the team to work through. Some of those are renewed every year, some are new, and some are renewed every three years.

I am trying to paint a picture of a fairly complex licensing and regulation system that has to be underpinned by solid policies, and this is where I think having the Auditor-General coming in was a really good opportunity to have someone stand back and review all of those policies. It was found that certain elements did need review, so we are actually working our way through them. There are about 35 underpinning policies that were in existence at the time of the audit. They are being reviewed at the moment. We aim for completion in March next year. There will be some consolidation and, where required, some new policies as well will come through that. Those are the

policy elements and procedural elements. There are a few other detailed ones. I am happy to take the more detailed questions on different elements of it on notice. Things like the reporting systems for that tie to the ICT systems, as well as those policy procedures. Then we touched on some of the skills, assessment and qualification matters. Again, we are looking to ensure that the declarations, the qualifications statements, are updated and contemporary, and that is again reflected in our policies and procedures.

That is a broad overview of the three key areas of the audit. There is probably a fourth and that is around mutual recognition and the commonwealth's role. We identified that there is a need for engagement with the commonwealth to update particular schedules that they manage at a national level. But, on those three areas of ICT, policies and procedures, and qualifications, we really welcomed all of the quite specific comments. We are working towards resolution. Some have already been dealt with—for example, the qualification schedule, which I think is around recommendations 12 and 13. Those matters are being worked through or, in some cases, have been dealt with. Matters such as the licensing and ICT systems continue to be worked on and there is really solid work by the team on the policies and procedures, which we are aiming to have done by March 2024.

That is an overview. I am happy to go to the specifics.

**ACTING CHAIR:** If that is the overview, I would hate to see the detail!

**MR BRADDOCK:** I love the enthusiasm.

**Ms Cheyne:** I would certainly say that, where Access Canberra has been able to progress it within existing resources and together with the relevant agencies like EPSDD—and we have had to update declarations, like under recommendation 6—that has been completed. All the work is well underway. For the work that required budget funding, the common licensing capability, there was funding in this year's budget for the design of that. That work is well underway. It is subject to future budget funding for us to finalise the development of that system. As you heard, it is extraordinarily complex, but we look forward to getting that done because it will make it more efficient for the team and for the community.

**MR BRADDOCK:** I just have a clarification question: is the money for the design of the IMS the same as you referred to as the discovery phase?

**Ms Cheyne:** Yes.

**MR BRADDOCK:** That was meant to be completed by July 2023?

**Mr Pryce:** Yes.

**MR BRADDOCK:** Has that been completed, given it is—

**Mr Pryce:** Yes.

**Ms Cheyne:** The discovery phase is completed. Design work to then—

**Mr Pryce:** Underway.

**MR BRADDOCK:** Design is the next step after that?

**Mr Pryce:** Yes.

**Ms Cheyne:** And to then inform a future business case so we know exactly what we are asking for to build the system.

**MR BRADDOCK:** When is that design phase due to be completed, roughly?

**Mr Lhuede:** The design around the engineers' element of the CLC is into early next year—the first quarter of next year, as I understand it.

**Mr Pryce:** Obviously, it is subject to budget processes too.

**MR BRADDOCK:** Understood. My substantive was going to be around recommendations 1, 4 or 5 and 10, which are all related to the future budget considerations. What is the contingency plan until, hopefully, a future budget does come through for that, or if it does not come through?

**Ms Cheyne:** The systems are still operating and they are certainly still functional, but the issue is the increasing complexity in that we have more licences coming through, as you are aware, with engineers and developer licensing. What has assisted are the updates that are occurring right now to the policies and the procedures work, and where there are changes that we can make to approvals processes to streamline them as well. Even without the budget funding, there are still improvements being made to the system, but I would not say that this process that we are going through is unusual. We needed to scope the system and our needs accurately to then present them to the Treasury. We are grateful that we got the budget funding in this round so we could progress that work. It is certainly well underway. There is recognition across government and with my ministerial colleagues, like Minister Vassarotti, about the importance of having a licensing system that works efficiently for everyone.

**MR BRADDOCK:** Exactly. When we had the Auditor-General's office here yesterday, they mentioned that manually translating information from one system to another could lead to the risk of someone being granted a licence who should not have one, or vice versa. The Auditor-General was not able to identify any instances. I am wondering if you are aware whether there have been any instances of an incorrect decision being made due to the bad data in the systems.

**Mr Pryce:** I might start by saying that obviously there is always that risk when manual handling has a human element involved. That is why we are striving to look at our systems and come up with a better design and influence system design so that we prevent that through an incorporated system. There probably are instances. I do not know if Nick has any particular examples. Obviously, we try to minimise them as much as possible, but it is the reality of human involvement. We welcome the Auditor-General's report highlighting that. As Nick described in his almost 10 minutes of summary of the environment that we are trying to manage, it is very

complex. The design work that we have been doing to hopefully inform future system considerations is to make that complexity a bit easier to manage. Then—and this a focus of mine instead of Access Canberra, but through Nick as a regulator here—our human involvement is focused on where the serious decisions need to be made in relation to the risks that exist, rather than the more administrative components that can be dealt with through system design.

**MR BRADDOCK:** I agree. Thank you.

**Mr Pryce:** Nick, do you have any—

**Mr Lhuede:** Yes; I could add to that. Those issues of errors can occur really on both sides. It is input by the applicant, so, in terms of our systems, it is about making sure that we, as best as we can obviously, provide the systems, the mechanisms and the data input that can ensure that what they are providing is correct. Important as well is that we get everything that we need. Some of the issues we often have go to the back and forth between a builder or an occupation class to clarify qualification or identity. There could be a range of matters, including insurance. Firstly, the better we can get the upfront application side of it the much more efficient it is down the track, and, importantly, there is lower risk of an error at that level.

On the other side of it is the assessor of the application who has to go through it and check all the different elements. That is where that intersection of policy and procedures is so important. We can have the best ICT system in the world, potentially, but, if we do not have the mechanisms for how the individual might check them and might even issue the licence in place and well developed, then there is risk. We are looking at both sides, but particularly, when we do receive the information, how the assessors are checking that. Also, in some cases, there is a second-party review within the team for particular and more complex applications. Some applications can be relatively straightforward. Others, as I touched on earlier, are quite complex and have a larger number of steps. One of the specific recommendations was around self-assessment or the assessor being the licence issuer. That is one of the first policies that the team is working on—at the moment actually—to tighten those arrangements so it is very clear for our assessment officers.

**ACTING CHAIR:** There are a couple of scenarios in the audit report that I wanted to go to. They do not lead to specific recommendations, but I would be curious to explore them a bit further. I will read this for everyone's benefit. You do not have to try to find it. Paragraph 3.108 states:

In assessing applications where applicants have held, or do hold, licences in other States, public databases provide limited data regarding the licensee's occupational discipline in those States. Access Canberra also has relationships with other State licensing authorities, which can provide additional data on request. Whilst Access Canberra seeks information from an applicant's first State licensing authority in the case of mutual recognition applications, information is not sought in the case of new applications or for renewals of licences.

Is there a reason we are not seeking that information for new applications or for renewals?

**Mr Pryce:** That is page 43 of the report, at 3.108, Mr Pettersson?

**ACTING CHAIR:** Yes.

**Ms Cheyne:** Sorry, Acting Chair. Give us just a minute. Have you got it, Nick?

**Mr Lhuede:** Not at the moment—sorry. I am just working through that statement at 3.108—

**Mr Pryce:** It does lead to the mutual recognition recommendations at a higher level and, obviously, interactions with multiple jurisdictions and licensing. You said it was not as specific, but it does sort of link with those recommendations.

**Mr Lhuede:** I might have to take this on notice. I believe it relates to the law around mutual recognition, the considerations that come into that mutual recognition process and information that can be sought in providing that. I am happy to take that matter on notice and clarify that for the committee, if that is appropriate.

**ACTING CHAIR:** Yes. To me, the gist of the questions—and I am not an expert, so do not take this as me preaching—go to the mutual recognition stream, and you can also apply for a new licence, standalone, not relying upon your experience in other jurisdictions. Is it a deliberate decision that we are not seeking information for new applications or is that potentially an oversight?

**Ms Cheyne:** We will confirm that for you. The way the sentence is structured is also doing my head in, so let's go away and—

**Mr Pryce:** If I understand your question, Mr Pettersson, we are confident in our processes and the standards that we require and the assessments we make in issuing a licence. That is our confidence. I think we do have robust systems in the checking that we do as part of the licensing assessment and review process. We are absolutely confident that the mutual recognition creates some other elements, because there are slightly differing arrangements across jurisdictions. I believe our systems in the ACT are robust and sound and we have the significant licensing requirements that Nick went to at the start of his answer.

**ACTING CHAIR:** I feel that it is potentially a piece of the puzzle that might be useful information. If someone is racking up demerit points all across the country—

**MS CHEYNE:** How are we sharing that information? We will endeavour to be as helpful as we possibly can. There is recommendation 10 that follows about the demerit action register. We have streamlined the recording of demerit actions into that single database to assist. The branch that Mr Lhuede leads is currently looking at demerits recorded in other information systems across government, just to make sure everything is in the one place. Then, when we move to the common licensing capability, we will pick all of that up and move it into that as well. It is already working in a more streamlined way and it should continue to do so. I appreciate your question as the inverse: what are we actually seeking from others in our own assessments rather than what we provide? We will contact you.

**ACTING CHAIR:** Thank you. The second circumstance I am a bit curious about is the current state of play for builder licenses. Are people still doing online questionnaires and online interviews?

**Mr Lhuede:** We have a range of options. We have online questionnaires. This came out of COVID actually, when our capacity to have face-to-face examinations was somewhat challenging. How we are running them at the moment is on examinations and an interview process. The examinations are online questions, as I understand it, and we still have a face-to-face interview process that we undertake for our classes A, B and C licences, where we ask applicants a range of questions.

We are continuing to look at those processes because they obviously take a long time, not just for us but also for the people making the applications. There is a time when they have to come in and schedule an appointment and so forth. We are looking at moving the interview to a more online questionnaire process as well in some cases. What we want to do in that context, though, is still provide the opportunity for a face-to-face interview if we think it is necessary or, alternatively, the applicant would prefer to have a face-to-face interview. Often that can be better in terms of people's accessibility and communication. It can be better to have done face to face rather than an online process. We will maintain that interview process, but exams will be online. Interviews will be a mix.

**ACTING CHAIR:** Just so I am certain, you have the online exam—

**Mr Lhuede:** Yes.

**ACTING CHAIR:** and then you have a choice between the interview online or in person?

**Mr Lhuede:** At the moment, interviews are in person, but one of the options that we are looking at is to move towards an online replication of the interview process—an interview that is online.

**ACTING CHAIR:** Does the online assessment utilise anti-cheat software?

**Mr Lhuede:** Not that I am aware of. I can take that on notice. It is an open test of their knowledge. The information that they are being tested on, which is knowledge of the National Construction Code, the Building Code of Australia, as well as territory laws, is all available to them anyway. We are ensuring that they are able to appropriately and correctly reference those documents. We have not had, to my knowledge, any issues arising in terms of dishonest behaviour—cheating—and at the moment, to my knowledge, we do not use specific cheating software. We are not really looking at lengthy written exam-type answers. Often it is a reflection of the code or how to interpret and understand an element of the code.

**Ms Cheyne:** It is not so much a memory exam. The information is available to them. Can they correctly identify what parts of the code are relevant to this question or can they interpret it correctly or find it so they can apply it in the circumstances?

**ACTING CHAIR:** I could theoretically have someone sitting in the room with me

helping me?

**Mr Lhuede:** You theoretically could—yes.

**ACTING CHAIR:** Does that present risks?

**Mr Lhuede:** It does. It could present a risk. That is a risk. Yes.

**ACTING CHAIR:** For the actual interview process, who are the assessors and what are they trying to assess?

**Mr Lhuede:** I just clarify that those interviews are available online too.

**ACTING CHAIR:** Online or in person potentially?

**Mr Lhuede:** I will clarify my earlier point. When we are talking about interviews in person, that may be an online face-to-face meeting. When I was referring to going to an online assessment, it is a list of questions similar to that done face to face, whether it is physically present or in a meeting versus a schedule of additional questions. I just wanted to clarify that it is not always face to face.

Sorry—going back to your question, which was—

**ACTING CHAIR:** Who are the assessors and what are they trying to assess?

**Mr Lhuede:** We have assessors that we draw from Access Canberra, from a number of areas—for example, officers from the licensing assessment teams who, for a builder assessment, are knowledgeable of key elements of building law in the ACT. One of the specific elements that we assess is understanding of planning laws as much as building laws as they apply in the territory, but we also draw on people from some of our specialist technical teams. Also, within another area of Access Canberra, in my team I have a group of people that consists of people with building qualifications—sometimes they are certifiers or engineers. We will draw on those individuals as well to assist in the interviews with a set of questions.

What we are looking at there is an understanding of elements of the National Construction Code, particularly drawing on the technical experts on particular elements of the National Construction Code relevant to the licence class. We will have a specific set of questions around a class A licence, which is, in effect, for three storeys or more. For classes 2 to 9, for buildings that are multiunit, commercial et cetera, we will have specific questions and often we will draw on, for example, a structural engineer who is employed by us to participate in that part of the interview process.

**ACTING CHAIR:** So there is no set team; there is a range of people that can be drawn into the assessment. That is my take-away from that.

**Mr Lhuede:** There is no set team—no.

**ACTING CHAIR:** There is no set team; there is a range of people that can—



**Mr Lhuede:** We draw on a range. Absolutely—not a huge range of people, but, yes, it comes out of the licensing team and out of our broader teams of inspectors and investigators who are often dealing, from day to day, with many of the issues that we want to assess.

**ACTING CHAIR:** What does the assessment of that interview look like? Is it a green tick if they passed or a red cross if they did not? Is it a scale or a scoring system?

**Mr Lhuede:** I will have that clarified. It is a pass-fail type approach. They are not scored. There is a minimum number of questions that they have to be able to address as part of an interview process. That obviously provides an opportunity to provide clarification in questioning and responses, but, yes, each individual question will have an understanding or a not understanding response.

**ACTING CHAIR:** I am wondering whether you could provide some type of indication of the failure rate at the different stages of the licensing process.

**Mr Lhuede:** I would have to take that on notice with how many applications we receive. We can do that by class, how many are rejected and on what grounds.

**Ms Cheyne:** Mr Lhuede, can we break it down to the point in the process at which the failure is?

**Mr Lhuede:** Yes.

**ACTING CHAIR:** Wonderful. Thank you.

**MR BRADDOCK:** No further substantives from me.

**ACTING CHAIR:** Nothing further from me. On behalf of the committee, I would like to thank all witnesses for their attendance today. To witnesses who have taken questions on notice, please provide answers to the committee secretary within five business days of receiving the uncorrected proof. On behalf of the committee, I would like to thank all the witnesses who assisted the committee through their experience and knowledge. We also thank broadcasting and Hansard staff for their support. If a member wishes to ask a question on notice, could they please upload them to the parliament portal as soon as practicable and no later than five business days after the hearing.

**The committee adjourned at 10.30 am.**