



Australian Government

Department of Transport and Regional Services

Submission No. 9

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Contact officer: Greg Moxon 6274 6172

Mr Tony Smith MP
Chairman
Joint Committee of Public Accounts and Audit
Committee Secretariat
Room R1-108
Parliament House
CANBERRA ACT 2601

Dear Mr Smith

Subject: Review of Auditor-General's Reports No. 31 *Roads to Recovery*

On 23 June 2006, the Department of Transport and Regional Services appeared before the Joint Committee on Public Accounts and Audit in relation to the above Australian National Audit Office report. The Department took four questions on notice. The responses are attached.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Leslie Riggs', written in a cursive style.

Leslie Riggs
Executive Director
AusLink

18 August 2006

Joint Committee of Public Accounts and Audit

ANSWERS TO QUESTIONS ON NOTICE

Review of Auditor-General's Reports No. 31 *Roads to Recovery*

Transport and Regional Services

Senator Hogg asked:

In which case, can you give us some idea of the extent of the audits undertaken by Ernst and Young in the previous financial year: how many, where they were – I do not want chapter and verse; I want a summary, if I can – and the cost of those audits. Also, you have a request for tender out, I presume, at this stage?

Answer:

Seven audits were undertaken. The councils audited were:

Caboolture, Queensland
Orange, NSW
Bayside, Victoria
Glenorchy, Tasmania
Marion, SA
Greenough, WA
Alice Springs, NT

The total cost was \$110,822.44.

An invitation to quote for the next round of audits has not yet been sent out.

Joint Committee of Public Accounts and Audit

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Senator Hogg asked:

But do you have some idea of the program that you want them to undertake in the next 12 months? If you have, can you give us some idea of the extent of that program?

Answer:

It is proposed to undertake financial audits of 15-25 councils during 2006/07, depending on cost and available funding, probably in two tranches, one group between September and November 2006 and the others between February and May 2007. The councils are yet to be selected.

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Senator Nash asked:

I assume you do not have this with you but can I ask the percentage of councils that are complying at the moment? Obviously 45 per cent were not. Could we have the figures on how many councils are complying with the signage at this point?

Answer:

Officers from the Department visited 156 councils during 2005/06. Of these, 57, or 37%, were fully complying in terms of the signage requirements at the time of inspection and of the 1,550 projects physically inspected, 1286 projects, or 83%, were complying at the time of the visit. All councils were asked to address any non compliance issues.

Joint Committee of Public Accounts and Audit

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The Chair asked:

To assist Mrs Bishop and the Committee, because we have got to keep moving on, would you be able to provide on notice any subsequent correspondence material with Warringah that they may have provided to you?

Answer: The following documents are attached:

1. letter from Council of 27 September 2001 - annual report 2000/01
2. letter from Council of 30 September 2002 - annual report 2001/02
3. letter from Council of 1 October 2003 - annual report 2002/03
4. letter from Council of 30 September 2004 - annual report 2003/04
5. letter from Department of 14 April 2005 – response to non compliance with expenditure maintenance requirements
6. letter from Council of 16 August 2005 - annual report 2004/05
7. letter from Department of 26 August 2005 - response to further non compliance with expenditure maintenance requirements
8. letter from Council of 19 September 2005 – in response to Department's letter of 26 August 2005.