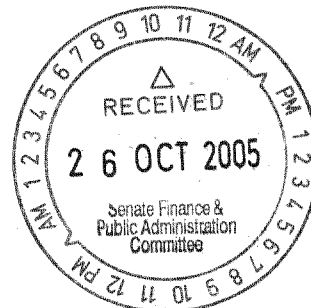




**Australian Government**

**Department of Transport and Regional Services**



File Reference: 05880-2005

Senator Michael Forshaw  
Chair  
Senate Finance and Public Administration Reference Committee  
Parliament House  
CANBERRA ACT 2600

Dear Senator Forshaw

Subject: QUESTIONS ON NOTICE - @GIS PROJECT

I refer to the letter from your Committee Secretary of 12 September 2005 providing twelve questions on notice relating to the @GIS project funded under the *Sustainable Regions* program. I apologise for the delay in responding.

The Department has considered the questions and is able to provide the Committee with the attached responses to these questions. While the responses were unable to be provided prior to the publication of the Committee's report, advice received from the Secretariat indicated that it is appropriate to provide the responses to the Committee.

Please contact the Department should you have any additional questions on these matters.

Yours sincerely

26/10/05

Gary Dolman  
Acting Executive Director  
Regional Services

## Inquiry into the Regional Partnerships Program and Sustainable Regions Program

### Questions on notice

Senator Forshaw has requested that the Department of Transport and Regional Services respond to a number of questions concerning the @GIS project funded under the *Sustainable Regions* program.

1. What is the whereabouts of the \$110,000 in taxpayer funds referred to in the article?
2. What is the whereabouts of the \$93,000 earmarked for wages and recruitment?
4. Has \$24,000 been "absorbed" by the council for miscellaneous items?

The specific funding amounts and purposes mentioned in Questions 1, 2 and 4 above are not items that are reflected in the funding agreement that DOTARS has with the proponent, nor in the budget for the project.

\$1.603m (GST inclusive) was provided under the *Sustainable Regions* program to the Atherton Shire Council to establish a geographical information system (@GIS) for the shires of Atherton, Eacham, Herberton and Mareeba. The shires' contribution is:

Atherton Shire Council - \$416,522 cash, \$13,000 in kind  
 Eacham Shire Council - \$73,712 cash, \$2,000 in kind  
 Herberton Shire Council - \$73,412 cash, \$2,000 in kind  
 Other - \$58,000 in kind

To date \$1,078,754 has been paid to the proponent for this project. The payment schedule for the project is as follows:

DATE	AMOUNT	DESCRIPTION
Dec 03-May 04	\$178,802	Commence project Payment processed 24 December 2003
May04- Jan 05-	\$527,039	Milestone 1 report Payment processed 2 June 2004
Jan 05 - June 05	\$372,913	Milestone 2 report Payment processed 9 March 2005
June 2005- Mar 2006	\$339,985	Milestone 3 report
March -April 06	\$184,801	Milestone 4 report
Dec 06	\$0	Project complete. Final Audited Report

The project aims to collect, collate, analyse and disseminate spatial data and train community members, teachers and students in the use of GIS. The project is due for completion in June 2006 so final outcomes are not yet fully realised.

**3. Is the Department aware that the Queensland Audit Office has seized records of both @GIS and Atherton Shire Council?**

DOTARS understands that the audit referred to is the routine financial and compliance audit of the Council. It also covers all Council's business units including the @GIS project.

**5. Has @GIS been billed for hundreds of dollars for telephones and stationery?**

*Sustainable Regions* funding was provided to the Atherton Shire Council as a contribution to wages, on-costs, consultant/contractors, materials, equipment lease/purchase, software lease/purchase, data costs, and training. The Atherton Shire Council have assured DOTARS that all costs are reasonable and in accordance with the funding agreement. All expenses will be audited at the completion of the project.

**6. What has happened to the \$1.5 million in cash and kind promised by the councils?**

As set out in Question 1 the four shires contribution to the @GIS project, under the terms of the funding agreement with DOTARS, totals approximately \$638,000 of cash and in kind. The reports provided by the Atherton Shire Council against milestones required under the Funding Agreement with DOTARS indicate that project's progress is consistent with agreed milestones, including Council contributions to the project.

**7. Has the Department made any attempt to establish if there have been any financial irregularities, as claimed in the Cairns Post?**

DOTARS is monitoring the project against agreed milestone reports in accordance with the funding agreement and progress to date has been consistent with that agreement.

**8. Have excessive amounts been billed to @GIS by the Atherton Shire Council?**

@GIS is not a separate company but is a business unit of the Atherton Shire Council. See answer to Question 5.

**9. Was the department aware of a Queensland Audit Office investigation of the @GIS project?**

The Queensland Audit Office is undertaking a routine annual financial and compliance audit of the Atherton Shire Council, which also covers the Council's business units of which the @GIS project is one.

**10. Is it correct that the Queensland Crime and Misconduct Commission is also investigating this project?**

DOTARS is not aware of any investigation by the Queensland Crime and Misconduct Commission.

**11. Do the allegations contained in the article indicate a possible fraud on the Commonwealth and if so will the department ask the National Audit Office and**

**the Australian Federal Police, as a matter of urgency, to investigate the @GIS accounts?**

DOTARS is monitoring the project against agreed milestone reports in accordance with the funding agreement and progress to date has been consistent with that agreement. DOTARS will continue to monitor the project and take any action that is appropriate during the course of the funding agreement.

**12. Is the department satisfied with the @GIS project, in particular its accounts, and has the department had the @GIS accounts audited?**

DOTARS is monitoring the project against agreed milestone reports in accordance with the funding agreement and progress to date has been consistent with that agreement. DOTARS will follow up with the Council if any issues relating to @GIS are raised by the Queensland Audit Office routine financial and compliance audit of the council, when this becomes available. At the completion of the @GIS project a final audit report (carried out by an approved auditor and complying with Australian auditing standards) will be received by DOTARS.