



LEGISLATIVE ASSEMBLY OF THE NORTHERN TERRITORY

Public Accounts Committee

Annual Report

2021-22

September 2022

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Chair's Preface

The COVID-19 pandemic and lockdowns in the Territory and across Australia have continued to affect the way we work and live. Despite the challenges, the Public Accounts Committee continued its work during the 2021-22 financial year. During the reporting period the Committee received four briefings from the Auditor-General on matters raised in her reports tabled in the Legislative Assembly. I thank the Auditor-General for the high quality and professional assistance she has provided to the Committee.

In the second half of 2021, the Committee progressed its inquiry into Local Decision Making (LDM) seeking submissions from stakeholders and analysing evidence provided to the Committee. The Committee held public hearings in Darwin and Alice Springs, met with the Tangentyere Council LDM Subcommittee and toured a number of Alice Springs town camps. The Committee also travelled to Kintore at the invitation of the Pintupi Homelands Health Service to consult with the community and visited Ngutjul outstation.

The Committee had planned to visit a number of other communities in the first quarter of 2022 to discuss their experiences with LDM. However, due to restrictions on travel to remote communities as a consequence of COVID-19, in February the Committee resolved to defer further activity in relation to its inquiry until July 2022.

In response to a petition referred by the Assembly, the Committee received two private briefings from the Department of Education on the review of school priority enrolment zones in Alice Springs. Following consideration of the information provided by the Department, the Committee recommended that the petition be debated in the Assembly.

I would like to thank my fellow Committee members, Members of the Legislative Assembly and the Committee Secretariat for their efforts to ensure matters of public interest are investigated and reported on.



Joel Bowden MLA
Chair

Committee Members

	Mr Joel Bowden MLA: Member for Johnston	
	Party	Territory Labor
	Committee Membership	
	Standing	Public Accounts Legal and Constitutional Affairs House
	Chair	Public Accounts Legal and Constitutional Affairs
	Deputy Chair	House
	Mr Mark Monaghan MLA: Member for Fong Lim	
	Party	Territory Labor
	Committee Membership	
	Standing	Public Accounts Legal and Constitutional Affairs Standing Orders
	Deputy Chair	Public Accounts Legal and Constitutional Affairs
	Mr Lawrence Costa MLA: Member for Arafura	
	Party	Territory Labor
	Committee Membership	
	Standing	Public Accounts
	Mrs Robyn Lambley MLA: Member for Araluen	
	Party	Independent
	Committee Membership	
	Standing	Public Accounts House Standing Orders
	Mr Bill Yan MLA: Member for Namatjira	
	Party	Country Liberals
	Committee Membership	
	Standing	Public Accounts

Committee Secretariat

First Clerk Assistant:	Mr Russell Keith (July 2021 – September 2021) Ms Julia Knight (September 2021 – June 2022)
Senior Research Officer:	Ms Elise Dyer
Administration/Research Officer:	Mr Harry Lane (July 2021 – December 2021) Mrs Melissa Campaniello (January 2022 – June 2022)
Administration Assistant:	Ms Kim Cowcher
Contact Details:	GPO Box 3721 DARWIN NT 0801 Tel: +61 08 8946 1485 Email: LA.PAC@nt.gov.au

Terms of Reference

Standing Order 177

Public Accounts Committee

- (1) A Public Accounts Committee will be appointed at the commencement of each Assembly and have the following duties:
 - (a) to examine the accounts of the receipts and expenditure of the Northern Territory and each statement and report tabled in the Legislative Assembly, pursuant to the *Financial Management Act 1995* and the *Audit Act 1995*
 - (b) to report to the Legislative Assembly with such comments as it thinks fit, any items or matters in or arising in connection with those accounts, statements or reports, or in connection with the receipt or disbursement of the moneys to which they relate, to which the committee is of the opinion that the attention of Parliament should be drawn
 - (c) to report to the Legislative Assembly any alteration which the committee thinks desirable in the form of the public accounts or in the method of keeping them or in the method of receipt, control, issue or payment of public moneys
 - (d) to inquire into and report to the Legislative Assembly on any question in connection with the public accounts of the Northern Territory
 - (i) which is referred to it by a resolution of the Assembly or
 - (ii) which is referred to it by the Administrator or a Minister
 - (e) to inquire into and report to the Legislative Assembly on any matters within the executive authority of Ministers of the Territory to which the committee is of the opinion that the attention of the Assembly should be drawn.
- (2) The Committee will consist of six¹ Members.
- (3) The Committee must take care not to inquire into any matters which are being examined by a Select Committee of the Assembly especially appointed to inquire into such matters and any question arising on possible overlap may be referred to the Assembly for determination.
- (4) The Committee will elect a Government Member as Chair.
- (5) The Committee will have power to appoint sub-committees and to refer to any such sub-committee any matter which the Committee is empowered to examine.
- (6) The Committee will provide an annual report of its activities to the Assembly.

¹ Assembly resolution of 20 October 2020 provided that the Committee would have seven Members. Assembly resolution of 23 February 2021 provided that the Committee would have five Members.

Sessional Order 12

Action on Petition

Standing Order 121 is suspended and the following applies:

- (1) After a petition has been read in the Assembly, any Member may move, without notice, that the petition be referred to the Public Accounts Committee for consideration as to whether the petition should be debated.
- (2) If the committee recommends to the Assembly that the petition should be debated, the recommendation of the Committee will be notified to the Clerk who will read the recommendation to the Assembly at the commencement of the next meeting day, where any Member may, without notice, move the report be adopted.
- (3) If the motion is agreed, the debate on the petition will be set down on the Notice Paper as an order of the day on the following meeting day of the Assembly to be considered at the time in the Routine of Business made available at item 8 for Debates on Petitions and Responses to Petitions.
- (4) When the order of the day is called on, the Member who moved that the Assembly adopt the recommendation will move that the Assembly note the petition. This motion cannot be amended.
- (5) The debate may comprise a maximum of two Members speaking for up to five minutes each and two other Members speaking for up to three minutes each.

Adopted 20 October 2020

1 Introduction

Establishment and Functions of Committee

- 1.1 The Public Accounts Committee was established by the Assembly on 20 October 2020 under Standing Order 177.
- 1.2 The duties of the Public Accounts Committee are to inquire into and report to the Legislative Assembly on any question in connection with the public accounts of the NT as it deems necessary, as well as any matter referred to it by the Assembly, Administrator or any Minister. The Committee also examines the reports of the Auditor-General.
- 1.3 It also has the duty 'to inquire into and report to the Legislative Assembly on any matters within the executive authority of ministers of the Territory to which the committee is of the opinion that the attention of the Assembly should be drawn.'²
- 1.4 The Committee also considers whether petitions referred to it by any Member of the Assembly should be debated in the Assembly.

² Standing Order 177(1)(e)

2 Matters followed up by the Committee

Meetings

- 2.1 The Public Accounts Committee met 13 times during the reporting period. The details of these meetings are contained in the Associated Minutes of Proceedings tabled alongside this report.

Auditor-General's Briefings

- 2.2 The Auditor-General, Mrs Julie Crisp, provided four private briefings to the Committee during the reporting period on the findings of agency audits reported to the Assembly from June 2021 to March 2022.

Strategic Review of the Auditor-General's Office

- 2.3 Section 26 of the *Audit Act 1995* requires that a strategic review of the Northern Territory Auditor-General's Office (NTAGO) be conducted every three years. An independent reviewer is appointed by the Administrator following consultation by the responsible Minister (the Chief Minister) with the Public Accounts Committee and Auditor-General about the appointment and the terms of reference of the review.
- 2.4 In August 2021 the Chief Minister wrote to the Committee to seek feedback on the proposed reviewer. The Committee advised the Chief Minister that it supported the proposed appointment. The proposed reviewer was subsequently appointed by the Administrator and the completed strategic review was tabled in the Assembly on 1 December 2021.³

School Priority Enrolment Zones in Alice Springs

- 2.5 In November 2020 the Assembly referred Petition No.1 *Redesign the unfair priority school enrolment zones in Alice Springs* to the Committee for consideration as to whether the petition should be debated in the Assembly. The Committee wrote to the Minister for Education and the Member for Braitling (who presented the petition to the Assembly) to seek further information regarding matters related to the petition.
- 2.6 In October 2021 the Committee invited the Department of Education to a private briefing on school priority enrolment zones. The Department provided an overview of priority enrolment areas and enrolment management plans which are implemented to ensure resources are allocated appropriately to manage the operational capacity of schools. The Department advised the Committee that it was undertaking a review of priority enrolment zones and outlined the review and consultation process.
- 2.7 In February 2022 the Department of Education provided a subsequent private briefing on the outcomes of its review. Following the briefing, and pursuant to Sessional Order 12(2), on 18 February 2022 the Committee notified the Clerk that it was of the view

³ Enrico De Santi, *Strategic Review Northern Territory Auditor-General's Office 2021*, <https://territorystories.nt.gov.au/10070/851114/0/0>

that the Assembly should debate the petition. The petition was debated in the Assembly on 24 March 2022.⁴

Outsourcing through Labour Hire and Contractors

- 2.8 A primary duty of the Committee is to examine the accounts and expenditure of the Northern Territory. Public service employee expenditure growth has been an issue of concern in recent years which led to the government introducing a staffing cap which was later replaced by an employee expenditure cap. An unintended consequence of such measures can be greater use of outsourcing and labour hire arrangements.
- 2.9 In light of this, the Committee wrote to all agencies and government owned corporations seeking information about the use of labour hire and other contractors to gain a better understanding of the reasons for, and expenditure on, contracted labour in the public service. Following assessment of the information provided, the Committee sought additional information from a number of agencies on the components of labour hire expenditure related to labour hire provider fees. The information provided by agencies was still under consideration by the Committee at the end of this reporting period.

⁴ Parliamentary Record, *Debates Day 3 – 24 March 2022*, <https://territorystories.nt.gov.au/10070/860045/0/0>, pp.60-2

3 Inquiry into Local Decision Making

- 3.1 In June 2021 the Committee resolved to undertake an inquiry into Local Decision Making (LDM) in accordance with the following terms of reference:

The Public Accounts Committee will inquire into and report on the implementation and future of the Local Decision Making (LDM) Framework, having particular regard to:

1. the progress, achievements, challenges and future potential of LDM implementation across the Northern Territory.
2. how to foster community and leadership interest in and commitment to new LDM agreements.
3. the impact of technology, Treaty, Truth-Telling and Voice on LDM development.

- 3.2 In anticipation of an inquiry, in May 2021 the Assembly resolved that:

Standing Order 193 (2) is suspended insofar as it would otherwise prevent the Member for Mulka attending the Public Accounts Committee's deliberative or in camera meetings regarding any inquiry into Local Decision Making or related matters.

- 3.3 On 11 June 2021 the Committee called for submissions by 13 August 2021. The Committee subsequently received 28 submissions to its inquiry. Themes raised in submissions included the scope of the LDM framework policy; consultation processes; the capacity and governance of Aboriginal organisations; LDM partnerships; the role of local government; evaluation of outcomes; and the interaction with Treaty, Truth-Telling, Voice and Closing the Gap.

- 3.4 The Committee held public hearings in Darwin on 16 and 17 September 2021 and in Alice Springs on 4 October 2021. While in Alice Springs, the Committee met with the Tangentyere Council Local Decision Making Subcommittee to discuss their experience with LDM. Tangentyere Council also facilitated a tour of a number of the Alice Springs town camps.⁵

- 3.5 At the invitation of the Pintupi Homelands Health Service, on 5 October 2021 the Committee travelled to Kintore to meet with its Board of Directors. One of the Territory's most remote communities, Kintore is approximately 530km west of Alice Springs and 40km from the Western Australia border. While in Kintore the Committee also visited the aged care centre, arts centre and community store. A community barbeque was held to enable Committee Members to consult more broadly with community members about LDM. The Committee also visited the Ngutjul outstation.

- 3.6 The Committee had planned to visit a number of other communities in the first quarter of 2022 to discuss their experiences with LDM. However, due to restrictions on travel to remote communities as a consequence of COVID-19, in February 2022 the Committee resolved to defer further activity in relation to its inquiry until July 2022.

⁵ Further information about this inquiry including submissions and hearing transcripts can be found at <https://parliament.nt.gov.au/committees/list/PAC/LDM>.

4 Petitions

4.1 Pursuant to Sessional Order 12(1), petitions read in the Legislative Assembly may be referred to the Public Accounts Committee for consideration as to whether the petition should be debated in the Assembly. The table below details the petitions considered by the Committee during the reporting period.

No.	Title	Status
1	Redesign the unfair priority school enrolment zones in Alice Springs	Recommended for debate – 18 February 2022
8	Palmerston Escarpment maintenance	Noted
10	Stop the expansion of Don Dale Youth Detention Centre	Noted
11	and reverse the laws sending more children to prison	Noted
12	Compulsory consent education in public schools for high school students	Noted
13	Opposing the passing of the Public and Environmental Health Legislation Amendment Bill 2022	Under consideration
14	Cease the Incorporation of Local government to the Cox-Daly and Marrakai-Douglas Daly areas	Under consideration
15	Upgrade and sealing of the balance of Mermaid Circuit (Dundee Beach)	Under consideration
16	Northern Territory Government to rescind its decision to recall the \$12m grant for the Darwin Turf Club Grandstand	Under consideration