

MEDIA RELEASE

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Performance Audit Report Capital Works Reporting

ACT Auditor-General, Dr Maxine Cooper, today presented a performance audit on **Capital Works Reporting** to the Speaker for tabling in the ACT Legislative Assembly.

Dr Cooper says 'The capital works reporting initiatives introduced as part of the 2009-10 Budget have been effective in providing capital works information to the Chief Minister and Treasury Directorate and the Budget Committee of Cabinet, on a monthly and bi-monthly basis, respectively. Along with quarterly reports which are available to the public, these reports have increased the transparency of capital works projects and program's progress and can be used to hold directorates accountable.'

Dr Cooper says 'The announcement of a project's initially estimated completion time and cost is a vexed issue as it may not actually reflect the real delivery time and cost of a project.'

She found that the majority of projects considered in the audit (seven of eight), which had an initial combined budgeted value of \$276.8 million and revised budget of \$302.6 million, were not physically completed on time as originally planned. However, almost all (seven of eight projects) were completed within revised approved timeframes. Similarly, of the projects considered in the audit, half (four of eight projects) were, or are on track to be, delivered within their original budget, with all to be delivered within revised approved budgets. More broadly, of approximately 700 projects physically and financially completed since 2009-10, 77 per cent were delivered within their original budget and 91 per cent delivered within revised budgets.

Dr Cooper says 'Reports submitted to the Budget Committee of Cabinet have information that is dated some being weeks or months-old.' She questioned the usefulness of such information. While issues were found with some information being incomplete and inaccurate, Dr Cooper reported that 'this is likely to be addressed by all directorates having quality control processes.'

She has recommended that the views of the Budget Cabinet Committee be sought on its requirements regarding the timeliness of information and what project risks and associated mitigation strategies it requires.

'As the Government is proposing to purchase a project management software system to facilitate improvements in capital works management, I encourages this to be used as an opportunity to integrate the different management systems used by directorates and reduce the dependence on manual systems. It may provide a means for streamlining reporting including providing more timely information to the Budget Cabinet Committee.' said Dr Cooper.



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The audit examined hundreds of files across six ACT Government directorates relating to reporting on eight projects. The deliberations and decisions of the Budget Committee of Cabinet were also considered, some of which are included in the report.

Eight recommendations to improve reporting of capital works project information were made by the Auditor-General.

Copies of the report are available from the ACT Auditor-General's Office website, www.audit.act.gov.au, and the Office (please phone 6207 0833 or go to 11 Moore Street, Canberra City)