

### **Auditing For The Australian Capital Territory**

The Auditor-General is head of the Auditor-General's Office. He and his Office act independently of the Government. The Office assists the Auditor-General to carry out his duties, which are set out in the Audit Act 1989, by undertaking audits of management performance and the financial statements of public sector bodies. The aim is to improve public sector management and accountability by firstly, ensuring the Legislative Assembly and the electorate are provided with accurate and useful information about the management of public sector resources and secondly, by providing independent advice and recommendations for improving the management of public resources.

PA95/13

29 February 1996

The Speaker  
Australian Capital Territory  
Legislative Assembly  
South Building  
CANBERRA ACT 2601

Dear Mr Speaker

In accordance with the Authority contained in the Audit Act 1989, I transmit to the Legislative Assembly a Report entitled "Legislative Assembly Members - Superannuation Payments / Members' Staff - Allowances and Severance Payments".

This audit was conducted by Katie Doman and managed by Kurt Munro.

Yours sincerely

John A. Parkinson

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## **1. REPORT SUMMARY**

### **1.1 INTRODUCTION**

Elections for the Legislative Assembly were held on 18 February 1995. One Member of the Legislative Assembly did not seek re-election, while a number of other Members were not successful in being re-elected. All Members who sought re-election but were not re-elected are entitled to superannuation payments.

Members' staff cease employment on polling day, however their employment is deemed to then continue for another two weeks or until the result of the election is declared, whichever occurs first. Employment of Members' staff who were not re-elected is then terminated. As a result, some then become entitled to severance pay.

Under legislation, Members' staff are entitled to the same conditions of employment, and therefore employment allowances, as ACT Government Service employees. The allowances include overtime payments, meal money etc.

This audit covered the payments outlined above, i.e. superannuation payments to non re-elected Members, separation payments made to terminated staff and allowances paid to Members' staff during 1994-95.

### **1.2 AUDIT OBJECTIVE**

The objective of the audit was to:

“provide an independent opinion to the Legislative Assembly on whether:

- superannuation payments made to Members of the Legislative Assembly were in accordance

with applicable legislation, guidelines and policies;

- severance payments made to terminating staff of Members were in accordance with entitlements; and
- allowances paid to Members' staff were in accordance with applicable legislation, guidelines and policies.”

### **1.3 AUDIT SCOPE AND APPROACH**

All superannuation payments paid to Members as a result of the outcome of the February 1995 election were reviewed to ensure they had been calculated in accordance with the Superannuation (Legislative Assembly Members) Act 1991.

All severance payments made to the Members' staff following the election were also reviewed to ensure that they were in accordance with the requirements of the Legislative Assembly (Members' Staff) Act 1989, as well as any relevant Determinations made by the Chief Minister under Sections 6(2) and 11(2) of that Act.

All allowances paid to the staff of Members were also reviewed for the period 1 July 1994 to 30 June 1995, to ensure all payments were in accordance with relevant ACT Government Public Sector Management Standards and Guidelines.

## 1.4 CONCLUSION ON THE AUDIT OBJECTIVE

### **Superannuation Payments to Assembly Members**

Based on the following finding, the conclusion on this part of the audit objective is satisfactory:

- *all superannuation payments made to Members following the February 1995 election were correctly calculated and were in accordance with relevant legislation (Chapter 2).*

### **Severance Payments to Assembly Members' Staff**

In relation to this part of the audit objective, two out of eight severance payments made were paid incorrectly. The conclusion on this part of the objective is that the payments were not managed effectively. The relevant findings are listed following.

#### *Severance Payment Incorrectly Paid (Chapter 3)*

- *One officer was re-employed by a Member within one working day of ceasing employment with another Member. This officer received severance pay of \$2,321. The relevant Chief Minister's Determination states that officers are not entitled to severance pay if they are "immediately" re-employed by another Member;*
- *Those responsible for ensuring the accuracy and entitlement to severance payments did not adequately investigate whether or not the officer was entitled to severance pay prior to the payment being made; and*
- *The Audit Office obtained a legal opinion on this matter from the Government Solicitor. The*

*opinion stated that the officer should not have been paid severance pay.*

Following a recommendation from the Audit Office, the officer has been contacted by the Chief Minister's Department and asked to repay the \$2,321 incorrectly received as severance pay. At the time of finalising this Report, the officer had not as yet agreed to make repayments.

#### *Severance Payment Overpaid (Chapter 3)*

- *Another officer's severance pay was calculated based on the Australian Public Service Redeployment and Retirement (Redundancy) Award rather than the relevant Chief Minister's Determination;*
- *The Audit Office obtained the Government Solicitor's legal opinion on this matter. In the Solicitor's opinion, the Australian Public Service Redeployment and Retirement (Redundancy) Award does not apply to the staff of Members. All severance payments should be calculated in accordance with the relevant Chief Minister's Determination; and*
- *This officer's severance pay was therefore incorrectly calculated, resulting in an over-payment of \$951.*

The officer has been contacted by the Chief Minister's Department and asked to repay the \$951 incorrectly received as severance pay. A reply from the officer has not yet been received.

Chief Minister's Department staff responsible for assessing entitlements to severance payments and the amounts to be paid do not appear to have applied adequate knowledge of the relevant legislation and determinations in these cases.

### **Allowances Paid to Members' Staff**

Based on the evidence available, the conclusion on this part of the audit objective is that allowances paid to Members' staff were in accordance with their entitlements. Unfortunately, all documentation supporting 1994-95 expenditure incurred by the Executive could not be produced for the audit by the responsible Department (i.e. the Chief Minister's Department). The confidence of the audit conclusion is therefore significantly reduced. Relevant findings in relation to this part of the audit were:

- *all documentation supporting expenditure incurred by the Executive in 1994-95 could not be produced by the responsible Department (i.e. the Chief Minister's Department);*
- *an analysis of allowances paid to the staff of Ministers found that, with the exception of meal allowances, the amounts paid appeared reasonable;*
- *three officers employed by Ministers claimed for meal allowances on a very regular basis to March 1995. Two of these officers claimed meal allowances on 100% of working days for the period July 1994 to March 1995. The third claimed for 60% of working days;*
- *written explanations were requested from the officers involved and also written confirmations from their employing Ministers. The explanations and confirmations, which were promptly supplied, contained comprehensive information supporting the officers' entitlements to the allowances;*
- *review of 1993-94 documentation for meal allowances claims disclosed that payment was often authorised by inappropriate officers; and*

- *in the period April to June 1995, only a very small number of meal allowances have been claimed by Ministers' staff.*

## **1.5 REVIEW OF THE LEGISLATIVE ASSEMBLY (MEMBERS' STAFF) ACT 1989**

A Task Force is currently reviewing the Legislative Assembly (Members Staff) Act 1989. This Task Force consists of officers from the Legislative Assembly, the Office of Public Administration and Management, and the Attorney-General's Department. The Terms of Reference for this Task Force are to assess the adequacy of the existing Act and make recommendations where the Act needs to be amended or clarified in respect of issues identified by the Task Force.

The Audit Office supports this review. As the Audit Findings in *Chapter 3* show, the Act is not always correctly interpreted by those responsible for applying it. Hopefully this review will lead to amendments being made to the Act, which will make the task of applying the Act simpler.

## **1.6 FUTURE ACTIONS**

The following actions, if implemented, would address the findings of the audit:

- officers responsible for assessing the entitlement of staff of Members to severance pay need to ensure they have a good knowledge of the circumstances in which severance pay is due or not due;
- officers responsible for assessing whether or not severance pay is due need to obtain further information and clarification and, if necessary, legal opinions in cases where an officer's entitlement is in doubt;

**LEGISLATIVE ASSEMBLY MEMBERS - SUPERANNUATION PAYMENTS  
MEMBERS' STAFF - ALLOWANCES AND SEVERANCE PAYMENTS**

- Chief Minister's Department needs to implement procedures to ensure the secure storage of financial documentation; and
- officers responsible for authorising claims for meal and other allowances need to ensure they are in a position to verify the validity of such claims prior to authorising the claims or, alternatively, periodic reports of claims paid should be reviewed by an independent officer and the validity of any large or frequent claims verified.

## 2. SUPERANNUATION PAYMENTS MADE TO MEMBERS OF THE LEGISLATIVE ASSEMBLY

### 2.1 BACKGROUND

Members' superannuation payments are governed by the provisions of the Superannuation (Legislative Assembly Members) Act 1991.

Members are entitled to a superannuation payment when they cease to hold office on the grounds of non re-election, death, resignation, or retirement on the grounds of invalidity, disqualification or expulsion.

Superannuation payments are based on the Member's final salary multiplied by 29% for each full year of service. This percentage increases if the Member has been an Officer-Holder for any part of the year, as well as being pro-rated for any part-years of service. For example, if a Member retires after five years on a final salary of \$57,122, their superannuation payment is calculated as follows:

$$\begin{aligned} & \$57,122 * (29\% * 5 \text{ years}) \\ & = \$57,122 * 1.45 \\ & = \$82,827 \end{aligned}$$

### 2.2 SIGNIFICANT FINDING

- *All superannuation payments made to Members following the February 1995 election were correctly calculated and were in accordance with relevant legislation.*

## 2.3 SCOPE OF THE AUDIT

The review covered superannuation payments due as a result of the February 1995 election. One Member did not re-nominate for the February 1995 election, while several others were unsuccessful in seeking re-election. All these Members were therefore entitled to receive a superannuation payment.

The recipients and the amounts paid were:

	\$
Ellnor Grassby	<sup>1</sup> 110,508
David Lamont	57,442
Annette Ellis	50,336
Helen Szuty	49,273
Dennis Stevenson	48,617
Lou Westende	39,831
	<b>356,007</b>

## 2.4 CONCLUSION

The audit found that all payments had been calculated correctly in accordance with the Superannuation (Legislative Assembly Members) Act 1991.

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<sup>1</sup>

As a Member of the First Assembly, Ms Grassby elected under S13(1) of the Superannuation (Legislative Assembly Members) Act 1991 to become a contributing Member from the date that her Term of Office began (1989). This election meant that Ms Grassby's superannuation benefits commenced accruing from 1989. Other eligible retiring Members did not make this election. This explains the comparatively large amount of money paid to Ms Grassby.

### **3. SEVERANCE PAYMENTS MADE TO MEMBERS' STAFF**

#### **3.1 BACKGROUND**

Members' staff are employed under the Legislative Assembly (Members' Staff) Act 1989. Under Sections 6(1) and 11(1) of this Act, the terms and conditions of these staff are to be the same as those of ACT Government Service employees. However, under Sections 6(2) and 11(2) the Chief Minister can make Determinations which vary the terms and conditions of employment.

The Chief Minister issued such a Determination on 12 January 1995 (see *Appendix 1*). This Determination states the circumstances in which Members' staff receive severance pay, and the basis on which severance pay is to be calculated. Under this Determination, Members' staff are entitled to severance pay benefits when their employment is terminated other than through resignation or for an offence that would have led to dismissal from the ACT Government Service. An officer's employment is automatically terminated if their Member does not seek re-election or is not successful in being re-elected.

The Chief Minister's Determination provides that in certain circumstances, severance payments will not be payable. The Determination states that an officer is not entitled to severance payments if they have been seconded from either the ACT or Commonwealth Government Services as these officers are entitled to return to their public service positions upon the termination of their employment with Members. The Determination also states that staff of Members are not entitled to severance payments if immediately following termination of employment with one Member they are re-employed by another Member.

Severance payments are based on years of service and calculated on the following basis:

LENGTH OF SERVICE WITH A MEMBER	SEVERANCE PAY
Less than 1 Year	2 Weeks' Pay
1 Year or More but Less than 2 Years	6 Weeks' Pay
2 Years or More but Less than 3 Years	8 Weeks' Pay
3 Years or More but Less than 4 Years	10 Weeks' Pay
4 Years or More but Less than 5 Years	11 Weeks' Pay
5 Years or More but Less than 10 Years	12 Weeks' Pay
10 Years or More	15 Weeks' Pay

Eight severance payments totalling \$32,590 were made. The payments ranged from \$951 to \$9,660.

Members' staff accrue recreation leave and leave bonuses on the same basis as ACT Government Service employees. Members' staff are also entitled to be paid long service leave on a pro-rata basis where their periods of employment are more than one year but less than 10 years.

### 3.2 SCOPE OF THE AUDIT

All severance payments made to Members' staff following the February election were reviewed to ensure they were correctly calculated in accordance with the requirements of the Legislative Assembly (Members' Staff) Act 1989.

### 3.3 SIGNIFICANT FINDINGS

#### **Severance Payment Incorrectly Made**

- *One officer was re-employed by a Member within one working day of ceasing employment with another Member. This officer received severance pay of \$2,321. A Chief Minister's Determination states that officers are not entitled to severance*

*pay when they are “immediately” re-employed by another Member.*

- *Those responsible for ensuring the accuracy and entitlement to severance payments did not adequately investigate whether or not the officer was entitled to severance pay prior to the payment being made.*
- *A legal opinion obtained by the Audit Office from the Government Solicitor stated that the officer should not have been paid severance pay.*
- *Following a recommendation from the Audit Office, the officer concerned has been contacted by the Chief Minister’s Department and asked to repay the \$2,321 incorrectly received as severance pay.*
- *The Audit Office and Government Solicitor are of the opinion that the Chief Minister needs to clarify what is meant by “immediately” in the Determination issued in respect of severance payments.*

### **Over-Payment of a Severance Payment**

- *Another officer’s severance pay was calculated based on the Australian Public Service Redeployment and Retirement (Redundancy) Award rather than the relevant Chief Minister’s Determination.*
- *The Government Solicitor’s legal opinion provided to the Audit Office states that the Australian Public Service Redeployment and Retirement (Redundancy) Award does not apply to the staff of Members and all severance payments should be calculated in accordance with the relevant Chief Minister’s Determination.*

- *The officer's severance pay was incorrectly calculated, resulting in an over-payment of \$951.*
- *The officer concerned has been contacted by the Chief Minister's Department and asked to repay the \$951 incorrectly received as severance pay.*

### **General**

- *Chief Minister's Department staff responsible for assessing entitlements to severance payments and the amounts to be paid do not appear not to have applied adequate knowledge of the relevant legislation and determinations. These staff should have ensured they had accurate and complete knowledge before allowing any payments to be made.*

### **Substantial Promotion a Short Period Before the Election**

- *One officer received a substantial promotion just over a fortnight before the election. The officer's employing Member was not re-elected. The officer's subsequent termination payment was paid at the new salary level. This had the effect of increasing their termination payment by \$3,486. The Audit Office, however, is satisfied that the purpose of the promotion was not to increase the amount of the pay-out.*

## **3.4 AUDIT FINDINGS**

### **3.4.1 Payment Of Severance Pay To An Officer Re-Employed By Another Member**

The audit disclosed that one officer who had received a severance payment ceased employment with one Member (who was not re-elected) on Thursday, 23 March 1995 and commenced employment with another on Monday, 27 March 1995. In effect, there was a break of only one working day, Friday,

24 March 1995, before the officer re-commenced employment.

The relevant Chief Minister's Determination of 12 January 1995 states that severance pay benefits shall not be payable to persons who, "*immediately*" following termination of employment under the Legislative Assembly (Members' Staff) Act 1989, are re-employed under the Act.

The Chief Minister's Department group responsible for processing termination payments (Personnel and Human Resource Support Section) made the severance payment apparently as it was not clear to them whether the officer's re-employment by another Member was "*immediately*". Personnel did not seek an opinion from the Government Solicitor or elsewhere on whether or not the facts of this particular case constituted re-employment "*immediately*". An earlier legal opinion had been obtained on a situation which also involved the application of the word "*immediately*". This earlier opinion, however, was for a different set of circumstances and therefore not relevant to this payment.

The Audit Office requested a legal opinion from the Government Solicitor on the meaning of "*immediately*" as used in the Chief Minister's Determination. The Government Solicitor provided an opinion to the Audit Office which included the following:

*"My view is that the word 'immediately' in Clause 4(d) of the Determination in the context of the LAMS Act is capable of being read as allowing a reasonable lapse of time to occur between the termination and the re-employment. What length of time could be considered reasonable would depend on the facts of each case."*

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*On the facts presented to me, on the view I have taken, the officer should not have been paid severance pay.”;*

and also:

*“In conclusion, it would be highly desirable to amend the Determination so as to ensure that the ‘immediately’ requirement of the Determination takes into account the legal mechanics of a Member and/or Minister/Office-Holder ceasing to be a Member or Office-Holder. More importantly, it will also remove the argument that the word (immediately) should be given its literal interpretation and the Territory would not be exposed to claims for severance pay based on this interpretation.”*

The legal advice obtained from the Government Solicitor is that the officer’s re-employment by another Member was immediate, and therefore the officer was not entitled to any severance pay.

At the Audit Office’s recommendation, the officer was contacted by the Chief Minister’s Department and asked to make arrangements to repay the severance payment. This request was made on 31 January 1996. The officer had responded to the Department but had not made a commitment to repay at the time of writing this Report.

The Government Solicitor’s advice is also that the Chief Minister’s Determination be amended to ensure that the word “*immediately*” is not able to be interpreted literally as has occurred in this case. The Audit Office agrees, and suggests that the Determination be amended to remove the word “*immediately*” altogether. Instead, a time period should be the criterion used in assessing whether or not an officer is entitled to severance pay if re-employed by another Member. For example, the Determination could be amended to state that an officer is not entitled to severance pay if re-employed by another Member within three calendar months of ceasing employment.

### **3.4.2 Calculation of a Severance Payment Based on the Provisions of the Australian Public Service Redeployment and Retirement (Redundancy) Award**

For one termination payment, severance pay was calculated by the Chief Minister's Department using the provisions of the Australian Public Service Redeployment and Retirement (Redundancy) Award (RRR Award).

The severance pay for this officer was calculated using the RRR Award on the mistaken belief that this officer in effect became redundant on polling day as the relevant Member did not nominate for re-election. The officer received six weeks' severance pay comprising four weeks' pay for payment in lieu of redundancy notice as required under the RRR Award, and, as the officer had been employed by the Member for less than a year, two weeks' severance pay under the Chief Minister's Determination.

To confirm the Audit Office's opinion that the RRR Award did not apply to Members' staff, a legal opinion from the Government Solicitor on the application of the RRR Award to the staff of Members was requested.

A reply was received from the Government Solicitor on 14 November 1995. His short answer to the above questions included:

*“The Determination should be applied to the officer concerned and not the provisions of the RRR Award. The issue of whether the Determination is over-ridden by the RRR Award does not arise because there is no conflict between the two.*

*There is no issue of the officer becoming an excess officer to attract the application of the RRR Award. The officer was employed under the LAMS Act and the tenure of that employment is directly connected to*

*the term of office of the Member. The fact that the Member did not seek re-election does not necessarily mean that the officer concerned became redundant as the tenure of the employment is linked to the term of the Member so that when the Member ceased to be a Member, the employment of the officer also ceased.”*

The Government Solicitor's opinion is clear that the RRR Award does not apply to a Member's staff when the Member does not seek re-election. This means that the officer's severance pay should have been calculated in accordance with the relevant Chief Minister's Determination.

Under the terms of the Chief Minister's Determination, the officer was only entitled to two weeks' severance pay as they had been employed for less than a year by the Member, not six weeks' as was paid. The officer, however, was also entitled to be paid for another two weeks after polling day as per the Chief Minister's Determination. Therefore, the officer was entitled in total to four weeks' pay but received six weeks' pay. The officer was therefore overpaid two weeks' salary or \$951.

The officer has been contacted by the Chief Minister's Department and asked to make arrangements for the repayment of the \$951. The request was made on 2 February 1996. A response from the officer had not been received at the time of writing this Report.

### **3.4.3 Promotion of an Officer Immediately Prior To Termination of Employment**

Members are given an allocation of funds out of which they must pay the salary costs of their private staff. The number of staff and the salary levels staff are employed at is at the discretion of each Member. The Clerk of the Legislative Assembly monitors salary payments made by each Member to ensure they do not overspend their allocation.

During the review of termination payments, it was found that one Member (who was not re-elected) had entered into a new employment contract with an existing Member of staff a little over a fortnight before polling day. This officer was re-employed at a significantly higher classification and salary with the result that the value of their termination payment was increased by \$3,486.

A letter was written to the ex-Member asking for the reasons for the officer's promotion and the timing of the promotion. A prompt reply was received detailing the reasons for the promotion. The explanations provided have been accepted as reasonable and therefore the audit conclusion is that the motivation for the promotion was other than to increase the value of the termination payment.

### **3.5 CONCLUSION**

The audit found that of the eight severance payments made, six were correct, one for \$2,321 should not have been made, and one was over-paid by \$951.

The fact that two out of eight payments were incorrect is an unsatisfactory outcome. It seems that the incorrect payments were allowed to occur through a lack of judgement, knowledge and/or rigour on the part of the officers responsible for assessing available entitlements.

## **4. REVIEW OF ALLOWANCES PAID TO MEMBERS' STAFF**

### **4.1 BACKGROUND**

Ministers' staff are entitled to claim the same employment allowances as employees of the ACT Government. How much and when allowances can be claimed is therefore governed by the ACT Government Service Public Sector Management Standards and Guidelines.

When required to work beyond normal hours etc., staff can claim for overtime and meal allowances in accordance with the usual ACT Government procedures.

### **4.2 SIGNIFICANT FINDINGS**

#### **Lost Documentation**

- *All documentation supporting expenditure incurred by the Executive in 1994-95 could not be produced for audit by the Chief Minister's Department.*

#### **Allowances Generally**

- *The amount of allowances, with the exception of meal allowances, claimed by the staff of Ministers during 1994-95 appeared reasonable. However, due to the supporting documentation not being available, Audit could not test in detail the validity of this expenditure.*

#### **Meal Allowances**

- *Three officers employed by Ministers claimed for meal allowances on a very regular basis to March*

*1995. Two of these officers claimed meal allowances on 100% of working days for the period July 1994 to March 1995, with the third claiming on 60% of working days.*

- *The payment of meal allowances in 1993-94 was often authorised by inappropriate officers.*
- *Only a very small number of meal allowances were claimed by the staff of Ministers in the period April to June 1995.*

#### **Taxi Use**

- *One officer employed by a Minister frequently caught taxis from their home into Civic. The taxi dockets for these trips were rarely fully completed.*

### **4.3 SCOPE OF THE REVIEW**

The audit involved a review of, and analysis of, allowances paid to the staff of Members and the Executive in 1994-95. Allowances paid to staff of the Executive were processed by the Chief Minister's Department in 1994-95. The Legislative Assembly was responsible for paying allowances to the staff of non Ministers.

### **4.4 AUDIT FINDINGS**

#### **4.4.1 Lost Documentation**

This audit commenced as a simple compliance audit, the purpose of which was to verify that the payments made were in accordance with entitlements. The process for this type of audit would normally include examining supporting documentation containing appropriate authorisations for the payments. Unfortunately, all documentation supporting expenditure incurred by the Executive in 1994-95

(including meal allowance claim forms) could not be produced by the responsible Department, i.e. the Chief Minister's Department. As this documentation could not be examined and no time or other records were available, the audit had to rely on other sources.

#### **4.4.2 Allowances Generally**

As the supporting documentation for allowances paid to staff of the Executive could not be found, the audit relied upon analytical review of available information to determine if the level of allowances paid appeared reasonable.

By using general ledger reports which detailed expenditure by type, the audit was able to ascertain the type of allowances staff of the Executive had been paid, the amounts of these payments and whether the allowances paid were consistent between Members of the Executive. By reviewing these reports, it was found that staff of the Executive were paid meal allowances, overtime, claims for taxi use, etc.

The analysis of general ledger reports disclosed that, with the exception of meal allowances and one officer's use of taxis, allowances paid in 1994-95 appeared reasonable.

#### **4.4.3 Amount of Meal Allowance Claims**

The analysis of allowances paid during 1994-95 revealed that three officers were paid large amounts of meal allowances between July 1994 to March 1995. These three officers' claims aggregated \$6,566 out of total meal allowances paid of \$6,927. Individually, the following amounts in meal allowances were paid:

- one officer claimed \$2,867 in meal allowances covering the period commencing in May 1994. At the current allowance of \$13.40 per meal,

this means a meal allowance was claimed for every working day;

- for the period commencing July 1994, another officer was paid \$2,158 in meal allowances. At the current allowance of \$13.40 per meal, this means that a meal allowance was claimed for every working day; and
- the third officer claimed \$1,541 in meal allowances. At the current allowance of \$13.40 per meal, this means that a meal allowance was claimed for approximately 60% of working days.

All three officers were employed by Ministers of the Assembly. Written explanations were obtained from these officers. Written confirmations were also obtained from their employing Ministers that the claimants had actually worked the hours to entitle them to the payments and that this pattern of attendance was in accordance with the Ministers' requirements.

The three staff were contacted by the Audit Office and asked:

- why they were required to work beyond normal hours on such a large number of occasions and therefore claim meal allowances on such a large number of occasions; and
- whether or not their Minister was aware that they were claiming meal allowances on such a regular basis.

Each officer responded promptly. The responses contained comments such as:

### ***Need to Work Beyond Normal Hours***

*“To get the work done, I habitually worked into the evening, often early in the morning, at times through the night and regularly during the weekends. This was particularly during sitting sessions, Estimates, Budget, Cabinet and where difficult issues arose.”*

*“By any criterion, it was a daunting workload. The combined workload, which I undertook very willingly for I shared the Minister’s concerns and sense of responsibility, was formidable.”*

### ***Knowledge of Minister***

*“The Member to whom I was contracted was aware of the extensive hours I worked and approved my meal allowance claims.”*

*“Initially, these claims were authorised by Executive Services. We were later advised they needed to be certified by someone who knew what times we worked. In my case, it was suggested the Principal Adviser to the Chief Minister was appropriate or the Minister. As the Chief Minister’s PA was not always around in the evenings, it seemed more sensible for the Minister, who was aware of my work hours, to sign these forms and he was happy to do so.”*

*“As to whether the Minister was aware that I was claiming meal allowances, I cannot comment. He did not sign the authority. He was certainly well aware of the hours that I worked.”*

Correspondence received from the employing ex-Ministers supported the comments by the officers.

#### **4.4.4 Authorisation of Meal Allowance Claims**

As previously commented, supporting documentation for allowance claims made by the staff of Ministers in 1994-95 could not be produced for audit review.

Audit therefore reviewed supporting documentation to allowance claims paid in the previous year (1993-94). A review of the claims for meal allowances in this period found:

- the three officers who claimed meal allowances on a regular basis in 1994-95 also claimed meal allowances on a regular basis in 1993-94; and
- claim forms for meal allowances were often authorised by officers who did not have such delegated authority. These authorising officers would also have not been able to determine whether or not the officers did in fact work in excess of normal hours and therefore were entitled to claim a meal allowance.

#### **4.4.5 Use of Taxis**

As with meal allowances, supporting documentation for taxi use by the staff of Ministers in 1994-95 could not be produced for audit review. Audit therefore reviewed 1993-94 documentation.

The claims for taxi use were made by one officer in 1993-94 who regularly caught taxis from their home into Civic. As these taxi dockets were rarely fully completed, it was not possible to ascertain from the taxi dockets at what time these taxis were caught.

The officer was contacted and asked:

- why on so many occasions it was necessary to catch a taxi from their home into Civic; and
- was their Minister aware of this practice occurring.

A prompt reply from the officer was received. The reply contained the following:

#### ***Reasons for Using Taxis***

*“I used taxis in a range of circumstances, including the following:*

- *working outside normal hours;*
- *returning from home to work to attend to urgent matters, essential paperwork or respond to ‘bushfires’;*
- *returning from home to the office on sitting nights to deal with legislation, make contact with officials, brief the Minister or sort out problems, respond to enquiries from other MLAs or the media on legal issues;*
- *particularly during sitting times, but also at other peak periods travelling in early from home to the office to prepare the Minister for the morning media or other commitments; and*
- *on occasions, both planned or unplanned, I would need to go home to shower and change for official functions.”*

*“With regard to the use of taxis, I was either travelling to or from the office, performing work-related tasks or attending work-related venues. For the reasons given above, these trips were unavoidable.”*

### ***Minister’s Knowledge***

*“Given that I attended to Government business at irregular hours, the Minister, given my work requirements and out of concern for my safety, urged me to use taxis in a range of circumstances including those times which I did not have use of private transport.”*

Correspondence provided by the employing ex-Minister supported the explanations by the officer.

## **Annexure**

### ***Reports Published in 1992***

- 1 Information Technology Management Policies in the ACT Government Service
- 2 Financial Audits with Years Ending to 30 June 1991
- 3 GAO Annual Management Report for Year Ended 30 June 1992
- 4 ACT Board of Health - Management of Information Technology
- 5 Budget Outcome Presentation and the Aggregate Financial Statement for the Year Ended 30 June 1992
- 6 Financial Audits with Years Ending to 30 June 1992

### ***Reports Published in 1993***

- 1 Management of Capital Works Projects
- 2 Asbestos Removal Program
- 3 Various Performance Audits Conducted to 30 June 1993
  - Debt Recovery Operations by the ACT Revenue Office
  - Publicity Unaccountable Government Activities
  - Motor Vehicle Driver Testing Procedures
- 4 Various Performance Audits
  - Government Home Loans Program
  - Capital Equipment Purchases
  - Human Resources Management System (HRMS)
  - Selection of the ACT Government Banker
- 5 Visiting Medical Officers
- 6 Government Schooling Program
- 7 Annual Management Report for the Year Ended 30 June 1993
- 8 Redundancies
- 9 Overtime and Allowances
- 10 Family Services Sub-Program

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12 Reports were issued prior to 1992. Details can be obtained from the Government Audit Office.

11 Financial Audits with Years Endings to 30 June 1993

***Reports Published in 1994***

- 1 Overtime and Allowances - Part 2
- 2 Department of Health - Health Grants  
- Management of Information Technology
- 3 Public Housing Maintenance
- 4 ACT Treasury - Gaming Machine Administration  
- Banking Arrangements
- 5 Annual Management Report for Year Ended 30 June 1994
- 6 Various Agencies - Inter-Agency Charging  
- Management of Private Trust Monies
- 7 Various Agencies - Overseas Travel - Executives and Others  
- Implementation of Major IT Projects
- 8 Financial Audits with Years Ending to 30 June 1994
- 9 Performance Indicators Reporting

***Reports Published in 1995***

- 1 Government Passenger Cars
- 2 Whistleblower Investigations Completed to 30 June 1995
- 3 Canberra Institute of Technology - Comparative Teaching Costs and Effectiveness
- 4 Government Secondary Colleges
- 5 Annual Management Report for Year Ended 30 June 1995
- 6 Contract for Collection of Domestic Garbage / Non-Salary Entitlements for Senior Government Officers
- 7 ACTEW Benchmarked
- 8 Financial Audits With Years Ending to 30 June 1995

### **Availability of Reports**

Copies of Reports issued by the ACT Auditor-General's Office are available from:

ACT Government Audit Office  
Scala House  
11 Torrens Street  
BRADDON ACT 2601

or

PO Box 275  
CIVIC SQUARE ACT 2608

Phone (06)2070833 / Fax (06)2070826