
Minutes no. 1

Wednesday 31 May 2023

Public Accountability and Works Committee

Room 1043, Parliament House at 12.32 pm

1. Members present

Ms Boyd

Mr Buttigieg

Mr Farlow

Dr Kaine

Mr Latham

Mr Primrose

Mrs Taylor

2. Tabling of resolution establishing the committee

According to Standing Order 220(1), the Committee Clerk declared the meeting open.

The Committee Clerk tabled the resolution of the House of 10 May 2023 establishing the committee, which reads as follows:

That, notwithstanding anything to the contrary contained in the standing orders:

Appointment

(1) A Public Accountability and Works Committee be appointed.

Functions

(2) The committee may inquire into and report on the public accountability, financial management, regulatory impact and service delivery of New South Wales government departments, statutory bodies or corporations. In performing this function, the committee may:

- (a) examine the consolidated financial statements and general government sector financial statements transmitted to the Legislative Council by the Treasurer,
- (b) examine the financial reports of authorities of the State, being financial reports that have been:
 - i. audited by the Auditor-General or an auditor appointed under section 47(1) of the Government Sector Audit Act 1983, or
 - ii. laid before the Legislative Council by a Minister of the Crown,
- (c) examine the opinion or any report of the Auditor-General transmitted with the consolidated financial statements and general government sector financial statements or laid before the Legislative Council with the financial report of an authority of the State (including any documents annexed or appended to any such opinion or report),
- (d) examine any report of the Auditor-General laid before the Legislative Council,
- (e) report to the Legislative Council from time to time upon any item in, or any circumstances connected with, those financial reports, or reports or documents which the committee considers ought to be brought to the notice of the Legislative Council,
- (f) report to the Legislative Council from time to time any alteration which the committee thinks desirable in the form of those financial reports or in the method of keeping them or in the method of receipt, expenditure or control of money relating to those financial reports, and

- (g) inquire into expenditure by a Minister of the Crown made without Parliamentary sanction or appropriation or otherwise than in accordance with the provisions of the Government Sector Audit 1983 or any other Act and report to the Legislative Council from time to time upon any matter connected with that expenditure which the committee considers ought to be brought to the notice of the Legislative Council.
- (3) The committee may inquire and report on all public works to be executed (including works that are continuations, completions, repairs, reconstructions, extensions, or new works) where the estimated cost of completing such works exceeds \$10 million. In performing this function, the committee is to consider:
- (a) the stated purpose of the work and the need to carry it out,
 - (b) the current and prospective public value of such work,
 - (c) the amount of revenue the work is expected to produce, where the purpose of the work is to increase revenue,
 - (d) the timeframe for carrying out the work, and
 - (e) any other related matter.

Referral of inquiries

- (4) The committee:
- (a) is to inquire into and report on any matter relevant to the functions of the committee which is referred to the committee by resolution of the House, and
 - (b) may self-refer an inquiry into any matter relevant to the functions of the committee.
- (5) A committee meeting to consider a self-reference under paragraph (4)(b) must be convened at the request of any three committee members in writing to the Committee Clerk.
- (6) The Committee Clerk must convene a meeting within seven calendar days of the receipt of the request, providing that members are given at least 24 hours' notice.
- (7) A majority of committee members is required to adopt the self-reference.
- (8) Whenever a committee resolves to self-refer a matter, the terms of reference are to be reported to the House on the next sitting day.

Membership

- (9) The committee is to consist of seven members comprising:
- (a) three government members,
 - (b) two opposition members, and
 - (c) two crossbench members.

Chair and Deputy Chair

- (10) The committee is to elect the Chair and Deputy Chair in accordance with the standing orders.
- (11) The Chair of the committee is to be a non-government member.

Conduct of committee proceedings

- (12) Unless the committee decides otherwise:
- (a) all inquiries are to be advertised via social media, stakeholder emails and a media release distributed to all media outlets in New South Wales,

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- (b) submissions to inquiries are to be published, subject to the Committee Clerk checking for confidentiality and adverse mention and, where those issues arise, bringing them to the attention of the committee for consideration,
 - (c) attachments to submissions are to remain confidential,
 - (d) the Chair's proposed witness list is to be circulated to provide members with an opportunity to amend the list, with the witness list agreed to by email, unless a member requests the Chair to convene a meeting to resolve any disagreement,
 - (e) the sequence of questions to be asked at hearings is to alternate between government, opposition and crossbench members, in order determined by the committee, with equal time allocated to each,
 - (f) transcripts of evidence taken at public hearings are to be published,
 - (g) supplementary questions are to be lodged with the Committee Clerk within two business days, following the receipt of the hearing transcript, with witnesses requested to return answers to questions on notice and supplementary questions within 21 calendar days of the date on which questions are forwarded to the witness,
 - (h) answers to questions on notice and supplementary questions are to be published, subject to the Committee Clerk checking for confidentiality and adverse mention and, where those issues arise, bringing them to the attention of the committee for consideration, and
 - (i) media statements on behalf of the committee are to be made only by the Chair.

3. Election of Chair

The Committee Clerk called for nominations for the Chair.

Mr Latham moved: That Ms Boyd be elected Chair of the committee.

There being no further nominations, the Clerk declared Ms Boyd elected Chair.

4. Election of Deputy Chair

Ms Boyd took the Chair.

The Chair called for nominations for Deputy Chair.

The Chair moved: That Mr Farlow be elected Deputy Chair of the committee.

There being no further nominations, the Chair declared Mr Farlow elected Deputy Chair.

5. Briefing on the resolution establishing the committee and conduct of committee proceedings

The Committee Clerk provided a briefing to committee members on the resolution establishing the committee and conduct of committee proceedings.

6. Conduct of committee proceedings

The Committee noted the Broadcast of Proceedings resolution (as amended by the Legislative Council on 19 October 2022), in particular the provisions relating to the filming, broadcasting, rebroadcasting and photography of committee proceedings, which read as follows:

- (4) That unless resolved otherwise by a committee, this House authorises:
 - (a) the filming, broadcasting and photography of members and witnesses in committee proceedings:
 - i. by representatives of media organisations, including from around the committee meeting table,

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- ii. by any member of the public, from the position of the audience, and
- (b) the rebroadcasting of committee proceedings on the Legislative Council and Parliament's social media channels.

7. Publication of minutes of the first meeting

Resolved, on the motion of Mr Latham: That the committee publish the minutes of the first meeting on the committee's webpage, subject to the draft minutes being circulated to members.

8. Correspondence

The committee noted the following items of correspondence:

Received

- 11 December 2022 – Email from an individual to the Public Accountability Committee, regarding allegations of corruption and RailCorp
- 20 February 2023 – Email from an individual to the Public Accountability Committee, regarding violence against women and RailCorp
- 15 April 2023 – Email from Dr Siri Gamage to secretariat, regarding potential future inquiry topics for the Public Accountability Committee to consider.

Resolved, on the motion of Mr Latham: That the committee keep the following correspondence confidential, as per the recommendation of the secretariat, as they contain identifying and/or sensitive information and are not related to an inquiry:

- 11 December 2022 – Email from an individual to the Public Accountability Committee, regarding allegations of corruption and RailCorp
- 20 February 2023 – Email from an individual to the Public Accountability Committee, regarding violence against women and RailCorp.

9. Statutory reviews

The committee noted that s 109 of the *Design and Building Practitioners Act 2020* and s 69 of the *Residential Apartment Buildings (Compliance and Enforcement Powers) Act 2020* require the Public Accountability Committee to review the Acts 'as soon as possible after 30 March 2022' and that a report on the outcome be tabled 'by 30 June 2022 (or a later date determined by the Committee)'.

Resolved, on the motion of Mrs Taylor:

- that the Chair write to the NSW Building Commissioner, noting the committee's requirements under the above Acts and requesting a confidential briefing on the Commissioner's current work in this area; and
- that the Chair write to the Minister for Building, the Hon. Anoulack Chanthivong, noting the committee's requirements under the above Acts and requesting a written briefing on the Minister's current work in this area.

10. Consideration of terms of reference

The Chair tabled a letter to the Committee Clerk signed by Ms Boyd, Mr Buttigieg, Dr Kaine and Mr Latham requesting a meeting of the committee to consider the proposed terms of reference into the NSW Government's use and management of consulting services:

Inquiry into NSW Government's use and management of consulting services

- (1) That the Public Accountability and Works Committee inquire into and report on the use and management of consulting firms by NSW Government agencies, including:
 - (a) the setting and enforcement of procurement policies,
 - (b) the transparency of work undertaken by consultants, and the accountability of consultants for this work,
 - (c) the adequacy of agency classification, reporting on and disclosure requirements for the use of consultants,
 - (d) whether consultants are being used strategically and in a way that delivers value for money,
 - (e) the management of and measures to prevent conflicts of interest, breaches of contract or any other unethical behaviour,
 - (f) the impact on the capacity and future development of the NSW public service as a result of the increasing reliance on the use of consultants,
 - (g) integrity and transparency obligations of NSW Government agencies in relation to their use of consultants,
 - (h) the use of 'consultant shopping' and the poor public policy outcomes that have arisen from such practices,
 - (i) enforcement actions that have been taken previously, and the adequacy of existing legislation to support integrity agencies to investigate and enforce penalties,
 - (j) the process and timing for releasing reports unfavourable to government policy priorities and initiatives, and
 - (k) any other related matter.
- (2) That the Committee report by 31 May 2024.

Resolved, on the motion of Dr Kaine:

- that the committee adopt the terms of reference
- that the committee agree to the following via email, unless there is any disagreement among members:
 - the inquiry timeline (including the closing date for submissions and initial hearing dates); and
 - the list of stakeholders to be invited to make a submission.

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11. Adjournment

The committee adjourned at 12.51 pm *sine die*.

Kate Mihaljek
Committee Clerk