

**INQUIRY INTO BUDGET PROCESS FOR INDEPENDENT
OVERSIGHT BODIES AND THE PARLIAMENT OF NEW
SOUTH WALES**

Organisation: Office of the Legislative Assembly for the Australian Capital
Territory

Date Received: 7 November 2019

LEGISLATIVE ASSEMBLY
FOR THE AUSTRALIAN CAPITAL TERRITORY



Office of the Legislative Assembly

The Director
Public Accountability Committee
Parliament House
Macquarie Street
Sydney NSW 2000.

Dear Director

Please see attached a submission to the committee's inquiry into the Budget process for independent oversight bodies.

It briefly summarises relevant provisions of the *Financial Management Act 1996* and *Budget protocols agreement for the Office of the Legislative Assembly and Officers of the Legislative Assembly* (see Attachment A).

I trust you find the information useful and please do not hesitate to contact us for further information.

Yours sincerely

Tom Duncan
Clerk of the Legislative Assembly
7 November 2019



Office of the Legislative Assembly submission

Independent oversight bodies

In the ACT, the following officers have, under relevant legislation, been designated as 'Officers of the Assembly':

- the Auditor-General;
- members of the ACT Electoral Commission;
- the Ombudsman;
- the Integrity Commissioner; and
- the Inspector of the Integrity Commission.

Officers of the Assembly have a special status afforded by relevant statutory provisions on the basis that they perform independent oversight and integrity roles which require a high degree of separation from Executive government. Officers¹ are appointed by the Speaker with the agreement of the relevant standing committee of the Assembly.

Following the establishment of Officers of the Assembly in 2013 by way of the [Officers of the Assembly Legislation Amendment Act 2013](#), specialised arrangements for the development of appropriations for applicable officers have, through consequential amendments, been enshrined in the [Financial Management Act 1996](#).

Budget protocols have also been developed between the Speaker of the Legislative Assembly and the Treasurer, which establish procedures for the development of budgets for Officers of the Assembly. These procedures are distinct from the arrangements that apply in relation to other public sector entities such as government directorates.

The Office of the Legislative Assembly, although not an Officer of the Assembly, is also governed by these arrangements on the basis of the unique statutory function it performs in supporting the legislative arm of government in the Territory.²

¹ With the exception of the ACT Ombudsman who is also the Commonwealth Ombudsman and the Inspector of the Integrity Commission who is also the Commonwealth Ombudsman.

² See s 6 of the [Legislative Assembly \(Office of the Legislative Assembly\) Act 2012](#)

Financial Management Act

The Financial Management Act provides that:

- There must be a separate appropriation Act for the Office of the Legislative Assembly (s 8(3)).
- Any appropriation for an Officer of the Assembly must be contained in the appropriation Act for the Office of the Legislative Assembly (s 8(4)). See Attachment B for a copy of the *Appropriation (Office of the Legislative Assembly) Act 2019-2020* for your information.
- The Speaker must, before the beginning of a financial year and after consultation with the appropriate committee of the Legislative Assembly,³ advise the Treasurer of the appropriation that the Speaker considers should be made for the Office of the Legislative Assembly (s 20). This is known as a 'recommended appropriation'.
- Where the Treasurer presents a bill for an appropriation Act for the Office of the Legislative Assembly that is less than the recommended appropriation, the Treasurer must present to the Legislative Assembly a statement of reasons for departing from the recommended appropriation (s 20AA).
- For an Officer of the Assembly, the Speaker must before the beginning of a financial year and after consultation with the relevant officer and the appropriate Assembly committee, advise the Treasurer of the recommended appropriation for the officer and must present the recommended appropriation to the Assembly (s 20AB).
- Where the Treasurer presents a bill for an appropriation Act for the relevant Officer of the Assembly that is less than the recommended appropriation, the Treasurer must present to the Legislative Assembly a statement of reasons for departing from the recommended appropriation (s 20AC). See Attachment C for a copy of the Statement of Reasons presented to the Assembly as part of the most recent budget process.

Budget protocols

Budget protocols between the Speaker and the Treasurer were first developed in 2015 and covered the Office of the Legislative Assembly. They were later updated in 2018 to include the Auditor-General and the Electoral Commission.

A copy of the budget protocols is attached at Attachment A.

³ Currently, the Standing Committee on Administration and Procedure.

**BUDGET PROTOCOLS AGREEMENT FOR THE
OFFICE OF THE LEGISLATIVE ASSEMBLY AND
OFFICERS OF THE LEGISLATIVE ASSEMBLY**

1. PREAMBLE

- 1.1 This Budget Protocols Agreement (the Agreement) establishes: the principles to which the parties commit; the responsibilities of the participants in the budgetary process; and the protocols to be observed in developing and considering budget appropriations for the Office of the Legislative Assembly and Officers of the Legislative Assembly (ACT Auditor-General and ACT Electoral Commissioner).
- 1.2 It gives further effect to the 'separation of powers doctrine' while at the same time acknowledging and supporting the exclusive right of the Executive to develop and frame appropriations for consideration by the Legislature.

2. PARTIES

- 2.1 The following parties endorse and commit to this Agreement:
 - **The ACT Legislature**
Represented by Joy Burch MLA, Speaker of the Legislative Assembly for the ACT
 - **The ACT Executive**
Represented by Andrew Barr MLA, Chief Minister for the ACT

3. TERM OF EFFECT

- 3.1 This Agreement will have effect upon signing by each party, and will be tabled by the Speaker in the Legislative Assembly.
- 3.2 This Agreement will remain in effect in the form tabled unless otherwise discontinued or amended by mutual agreement of the parties.
- 3.3 This Agreement may be discontinued by written agreement of the parties. Where the Agreement is discontinued, the Legislative Assembly will be notified on the first sitting day following its discontinuation.
- 3.4 This Agreement may be amended with the written agreement of the parties. Where this Agreement is amended, a copy of this Agreement, as amended, will be tabled in the Legislative Assembly on the first sitting day following the amended Agreement having been agreed and signed by the parties.

3.5 The parties agree that a review will be conducted:

- at the end of the 2020 calendar year to assess whether the Agreement is working effectively, with details of the reviewer, the scope and the timing to be agreed between the parties at the end of the 2020 calendar year;
- once during each term of the Legislative Assembly; and
- should the review need to be conducted before the 2020 calendar year, both parties should mutually agree on the new review date.

4. SCOPE OF EFFECT

4.1 Nothing in this Agreement purports to take precedence over, or to limit any rights or obligations arising from: the standing orders; legislation; or resolutions of the Legislative Assembly. Where a conflict with this Agreement arises, it will be resolved in favour of the relevant standing order (in the case of OLA), relevant legislation, or resolution by the Legislative Assembly.

4.2 This Agreement should be read in conjunction with the:

- *Auditor-General Act 1996*
- *Electoral Act 1992*
- *Financial Management Act 1996*
- *Legislative Assembly (Office of the Legislative Assembly) Act 2012*
- *Public Sector Management Act 1994*
- *Standing Orders and Continuing Resolutions of the Assembly*

5. STATEMENT OF PRINCIPLES

5.1 The parties commit to advance the 'separation of powers doctrine' as it relates to the mutually independent status of the legislative and executive branches of government in the ACT's form of parliamentary democracy. The parties recognise that each branch has distinct roles and responsibilities that will not be encroached by one another.

5.2 The parties agree that the doctrine will be given due recognition at all stages of the development and consideration of the annual budget and appropriation bill for the Office of the Legislative Assembly and Officers of the Legislative Assembly and any additional appropriation.

5.3 The parties acknowledge and support the principle of the exclusive right of executive arm of government to develop and frame appropriation bills for consideration by the legislative arm of government.

5.4 The parties acknowledge that, while the executive government is entitled to frame a budget appropriation bill as it sees fit, the *recommended appropriation* for the Office of the Legislative Assembly and/or Officers of the Legislative Assembly will, as a matter of fundamental principle,

be regarded as a statement of the Legislature's resource requirements and priorities. The Office of the Legislative Assembly and Officers of the Legislative Assembly will be guided by the budget process, particularly when it relates to acquiring additional funds.

- 5.5 The parties acknowledge that there will be occasions where the demands of government policy have the potential to conflict with the roles and functions of an effective legislature. Where actual or potential conflicts arise, the parties agree to ensure that the Legislature can perform its accountability, representative and legislative roles effectively.
- 5.6 The parties recognise and support the independent status of the Legislative Assembly, Office of the Legislative Assembly and Officers of the Legislative Assembly.
- 5.7 The parties acknowledge that the Office of the Legislative Assembly and Officers of the Legislative Assembly are not subject to the direction of the Executive, and are not, therefore, bound by policies, procedures and other governance arrangements promulgated by the Executive or its officers in the ACT public service, unless otherwise provided for by law.

6. APPROPRIATE COMMITTEE

- 6.1 For the purposes of the Agreement, a reference to the *appropriate committee* means:
- the Standing Committee on Administration and Procedure in relation to the budget for the Office of the Legislative Assembly;
 - Standing Committee on Public Accounts in relation to the budget for the ACT Auditor-General; or
 - Standing Committee on Justice and Community Safety in relation to the budget for the ACT Electoral Commissioner.
- 6.2 Where, after the date of this Agreement, the *appropriate committee* is changed, a reference in this Agreement to *appropriate committee* is to be a reference to the new committee (however named).

7. BUDGET RESPONSIBILITIES

THE SPEAKER – RECOMMENDED APPROPRIATION AND DRAFT BUDGET FOR THE OFFICE OF THE LEGISLATIVE ASSEMBLY

- 7.1 Under s20 of the *Financial Management Act 1996* (or FMA), the parties acknowledge that the Speaker is responsible for:
- after consulting with the *appropriate committee* on the *recommended appropriation*, advising the Treasurer of the appropriation that the Speaker considers should be made for the Office of the Legislative Assembly for the financial year (the *recommended appropriation*) (s20(a) of the FMA); and
 - giving the *draft budget* for the Office of the Legislative Assembly to the Treasurer (s20 (b) of the FMA).

THE SPEAKER – RECOMMENDED APPROPRIATION AND DRAFT BUDGET FOR OFFICERS OF THE LEGISLATIVE ASSEMBLY

7.2 Under s20AB of the *Financial Management Act 1996*, the parties acknowledge that the Speaker is responsible for:

- after consulting with each Officer of the Legislative Assembly and the *appropriate committee* on the *recommended appropriation*, advising the Treasurer of the appropriation that the Speaker considers should be made for each Officer of the Legislative Assembly for the financial year (the *recommended appropriation*) (s20AB(a) of the FMA);
- presenting the *recommended appropriation* for each Officer of the Legislative Assembly to the Legislative Assembly (s20AB(b) of the FMA); and
- giving the *draft budget* for each Officer of the Legislative Assembly to the Treasurer (s20AB(c) of the FMA).

THE SPEAKER – ORAL SUBMISSION TO BUDGET COMMITTEE OF CABINET – OFFICE OF THE LEGISLATIVE ASSEMBLY AND OFFICERS OF THE LEGISLATIVE ASSEMBLY

7.3 Where the Speaker seeks to advance a Legislative Assembly Budget Proposal (which includes the *recommended appropriation*) for the Office of the Legislative Assembly or an Officer of the Legislative Assembly, the parties agree that the Speaker shall be given the opportunity to make an oral submission to the Budget Committee of Cabinet on the *recommended appropriation*.

THE CLERK OF THE LEGISLATIVE ASSEMBLY

7.4 The parties agree that the Clerk, supported by the Office of the Legislative Assembly, will:

- provide advice to the Speaker and the *appropriate committee* on the funding requirements of the Office of the Legislative Assembly;
- prepare information and analysis for the Speaker to assist in quantifying the *recommended appropriation* and *draft budget* for the Office of the Legislative Assembly;
- prepare any Assembly Budget Proposals forming part of the *recommended appropriation* and *draft budget* for the consideration of the Speaker;
- provide sufficient and timely information to the Executive to allow technical and other adjustments to the Legislative Assembly's annual budget to be made and to allow year to year comparisons to be made in relation to the financial statements of the Office of the Legislative Assembly; and
- appear before the Budget Committee of Cabinet to assist in the Speaker's oral submission on the *recommended appropriation*.

OFFICERS OF THE LEGISLATIVE ASSEMBLY

7.5 The parties agree that each Officer of the Legislative Assembly, supported by their respective offices, will:

- provide advice to the Speaker and the *appropriate committee* on funding requirements of

the Officer of the Legislative Assembly;

- prepare information and analysis for the Speaker to assist in quantifying the *recommended appropriation* and *draft budget* for the Officer of the Legislative Assembly;
- prepare any Assembly Budget Proposals forming part of the *recommended appropriation* and *draft budget* for the Officer of the Legislative Assembly for the consideration of the Speaker;
- provide sufficient and timely information to the Executive to allow technical and other adjustments to the annual budget of the Officer of the Legislative Assembly to be made and to allow year to year comparisons to be made in relation to the financial statements of the Officer of the Legislative Assembly; and
- appear before the Budget Committee of Cabinet to assist in the Speaker's oral submission on the *recommended appropriation*.

OFFICE OF THE LEGISLATIVE ASSEMBLY – CONSULTATION WITH THE APPROPRIATE COMMITTEE

- 7.6 Under s20 of the *Financial Management Act 1996*, the parties acknowledge that the *appropriate committee* will be consulted in relation to the *recommended appropriation* for the Office of the Legislative Assembly that is to be given to the Treasurer by the Speaker.
- 7.7 The parties acknowledge that the *appropriate committee* has a consultative and not a determinative role in the development of the *recommended appropriation* given by the Speaker to the Treasurer.

OFFICERS OF THE LEGISLATIVE ASSEMBLY – CONSULTATION WITH THE APPROPRIATE COMMITTEE

- 7.8 Under s20AB of the *Financial Management Act 1996*, the parties acknowledge that the *appropriate committee* will be consulted in relation to the *recommended appropriation* for each Officer of the Legislative Assembly that is to be given to the Treasurer by the Speaker.
- 7.9 The parties acknowledge that the *appropriate committee* has a consultative and not a determinative role in the development of the *recommended appropriation* given by the Speaker to the Treasurer.

THE TREASURER – OFFICE OF THE LEGISLATIVE ASSEMBLY AND OFFICERS OF THE LEGISLATIVE ASSEMBLY

- 7.10 The parties agree that the Treasurer is responsible for receiving the *recommended appropriation* for the Office of the Legislative Assembly and each Officer of the Legislative Assembly from the Speaker, and giving the *recommended appropriation* to all members of the Cabinet for the consideration of the Budget Committee of Cabinet.

THE TREASURER – OFFICE OF THE LEGISLATIVE ASSEMBLY AND OFFICERS OF THE LEGISLATIVE ASSEMBLY – STATEMENT OF REASONS

- 7.11 Where the Treasurer presents a bill for an Appropriation Act for the Office of the Legislative Assembly and Officers of the Legislative Assembly relating to a financial year in the Legislative Assembly and the appropriation is less than the *recommended appropriation* for the financial year, the Treasurer must present to the Legislative Assembly a *statement of reasons* for

departing from the *recommended appropriation* immediately after presenting the bill (s20AA(1) and (2) FMA and (s20AC(1) and (2) of the FMA).

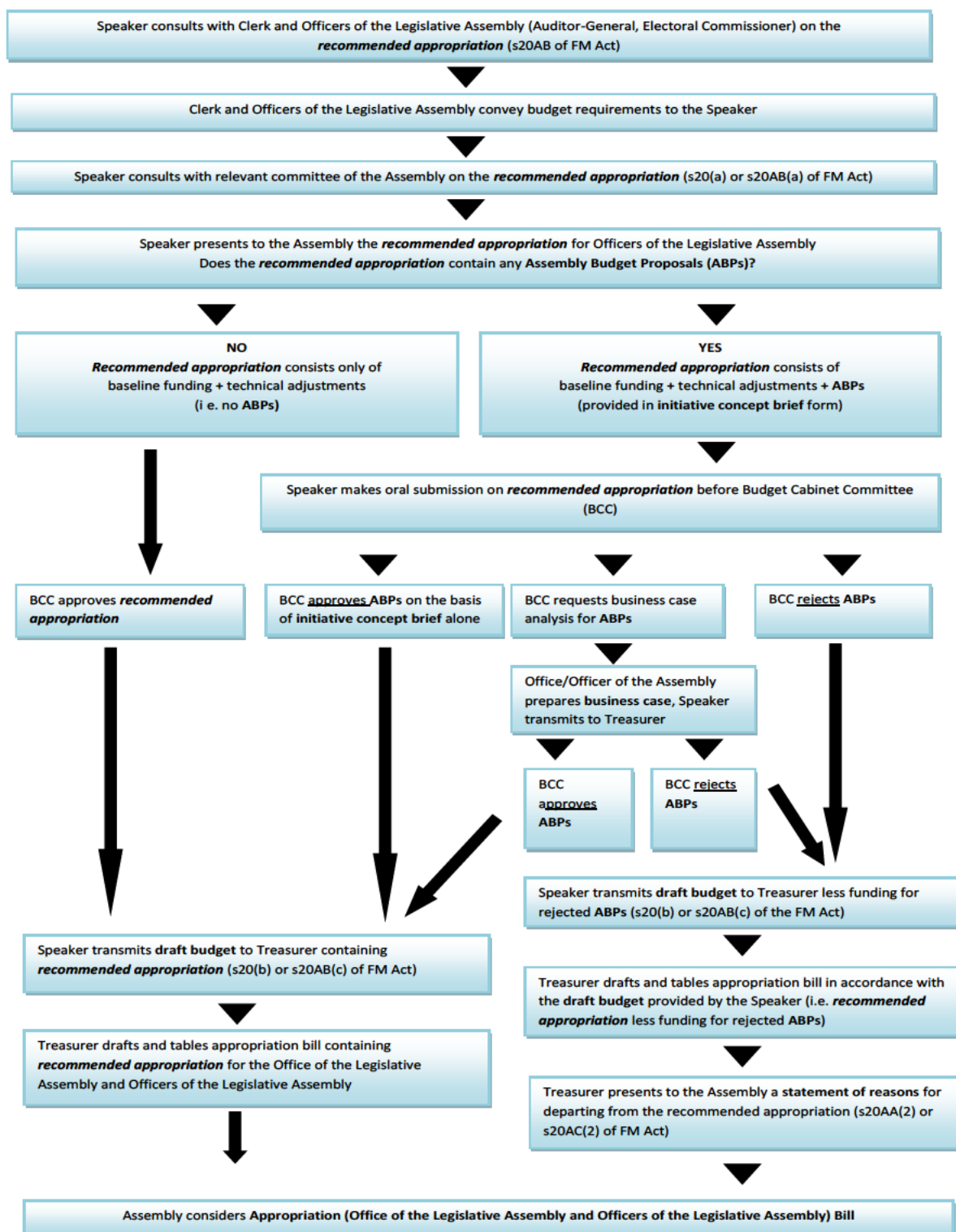
BUDGET COMMITTEE OF CABINET — OFFICE OF THE LEGISLATIVE ASSEMBLY AND OFFICERS OF THE LEGISLATIVE ASSEMBLY

- 7.12 The parties agree that the Budget Committee of Cabinet is responsible for deciding the amount of funding to be included in the appropriation bill and draft budget for the Office of the Legislative Assembly and each Officer of the Assembly, including whether or not Assembly Budget Proposals will be funded via appropriation.

SPEAKER'S PROCEDURE TO ENSURE COMPLIANCE

- 7.13 The parties agree that the Office and Officers will comply with the *Speaker's procedure — compliance with sections 20 and 20AB of the Financial Management Act 1996*.
- 7.14 The procedure may be varied by the Speaker from time to time following consultation with the relevant standing committee, the Office and Officers.

8. BUDGET PROCESS OVERVIEW



9. BUDGET PROTOCOLS

- 9.1 The parties commit to and will abide by the following in relation to the development and consideration of the budget for the Office of the Legislative Assembly and for the Officers of the Legislative Assembly.

OFFICE OF THE LEGISLATIVE ASSEMBLY

Recommended Appropriation

- 9.2 Before the end of a given financial year, the Speaker will advise the Treasurer of the *recommended appropriation* for the subsequent financial year (s20 (a) of the FMA).
- 9.3 In any given year, the *recommended appropriation*, in relation to both the Territorial and Controlled entities administered by the Office of the Legislative Assembly, is taken to mean:

a) **Base funding**

+

b) **Technical adjustments**

+

c) **Funding for any Assembly Budget Proposals**

- 9.4 Given precise amounts are not available at the time that the *recommended appropriation* is provided to the Treasurer, the *recommended appropriation* will not generally contain a specific amount for: **a) Base funding + b) Technical adjustments.**

Base Funding

- 9.5 The base funding for the Office of the Legislative Assembly refers to the funding appropriated to the Office of the Legislative Assembly in the current financial year in which a *recommended appropriation* is provided for the subsequent year and includes:
- Controlled Recurrent Payments (Controlled Entity)
 - Payments on Behalf of the Territory (Territorial Entity)
 - Better Infrastructure Fund (Territorial) and/or
 - Capital Injection Funding (Controlled)¹

¹ Where the name of these revenue sources changes in the future ACT Treasury nomenclature, equivalence should be drawn between these terms (as they were applied in the 2017-18 budget papers) and any new terms.

Technical Adjustments to the Budget

- 9.6 Technical adjustments refer to any change to the budget estimates which result from factors outside the direct control of the Office of the Legislative Assembly, and are not triggered by an explicit decision by Cabinet. These include, for example, accounting and other technical adjustments such as consumer price indexation or adjustments arising from changes to applicable Australian Accounting Standards.

OFFICERS OF THE LEGISLATIVE ASSEMBLY

Recommended Appropriation

- 9.7 Before the end of a given financial year, the Speaker will advise the Treasurer of the *recommended appropriation* for the subsequent financial year (s20AB of the FMA).
- 9.8 In any given year, the *recommended appropriation* is taken to mean:

a) Base funding

+

b) Technical adjustments

+

c) Funding for any Assembly Budget Proposals

- 9.9 Given precise amounts are not available at the time that the *recommended appropriation* is provided to the Treasurer, the *recommended appropriation* will not generally contain a specific amount for: **a) Base funding + b) Technical adjustments.**

Base Funding

- 9.10 The base funding for the ACT Auditor-General and ACT Electoral Commissioner refers to the funding appropriated to the ACT Auditor-General in the current financial year in which a *recommended appropriation* is transmitted for the subsequent year and consists of:
- Controlled Recurrent Payments and/or
 - Capital Injection Funding²

Technical Adjustments to the Budget

- 9.11 Technical adjustments refer to any change to the budget estimates that results from factors outside the direct control of the Officers of the Legislative Assembly and are not triggered by an explicit decision by Cabinet. These include, for example, accounting and other technical

² Where the name of these revenue sources changes in the future ACT Treasury nomenclature, equivalence should be drawn between these terms (as they were applied in the 2017-18 budget papers) and any new terms.

adjustments such as consumer price indexation or adjustments arising from changes to applicable Australian Accounting Standards.

OFFICE OF THE LEGISLATIVE ASSEMBLY AND OFFICERS OF THE LEGISLATIVE ASSEMBLY – ASSEMBLY BUDGET PROPOSALS

- 9.12 Office of the Legislative Assembly – an Assembly Budget Proposal is any proposal advanced by the Speaker in relation to the Territorial or Controlled entities administered by the Office of the Legislative Assembly seeking additional appropriation, above and beyond the base budget for the Office of the Legislative Assembly.
- 9.13 Officers of the Legislative Assembly – an Assembly Budget Proposal is any proposal advanced by the Speaker in relation to the operations of an Officer of the Legislative Assembly seeking additional appropriation, above and beyond the base budget of the Officer of the Legislative Assembly.
- 9.14 All Assembly Budget Proposals will relate to the:
- effective performance of the roles and functions outlined in s6 of the *Legislative Assembly (Office of the Legislative Assembly) Act 2012* (Office of the Legislative Assembly), s10(1) of the *Auditor-General Act 1996* (ACT Auditor-General) or s7(1) of the *Electoral Act 1992* (ACT Electoral Commissioner); and/or
 - effective performance of the legislative, representative and accountability related functions of the Legislature and its members.
- 9.15 Assembly Budget Proposals will typically be developed in two stages: 1. the **concept stage**; and 2. the **business case stage** (where required).

Concept brief stage

- 9.16 Before the end of a financial year, the Speaker will provide to the Treasurer any Assembly Budget Proposals for the subsequent year in the form of a concept brief.
- 9.17 Concept briefs will provide sufficient financial information and relevant supporting evidence to allow due and proper consideration by Budget Committee of Cabinet, including relevant information in relation to:
- the underlying policy rationale for a proposal and a proposal's capacity to support the effective performance of the roles and functions of the Legislature, MLAs, and the Office of the Legislative Assembly and/or Officers of the Legislative Assembly;
 - the estimated financial impacts of a proposal, including any out-year effects; and
 - any risk management or cost-benefit analyses undertaken in relation to a proposal.
- 9.18 Upon receipt of an Assembly Budget Proposal from the Speaker, the Treasurer will circulate the proposal to members of the Cabinet, and list the proposal on the Budget Committee of Cabinet agenda.

- 9.19 Where the Speaker has one or more Assembly Budget Proposals to advance, the parties agree that the Speaker is entitled to be heard by the Budget Committee of Cabinet in relation to the *recommended appropriation* of the Office of the Legislative Assembly and/or Officers of the Legislative Assembly.
- 9.20 The parties agree that the Executive, through Cabinet, will give due and proper consideration to the *recommended appropriation* including any Assembly Budget Proposals advanced by the Speaker.
- 9.21 The Budget Committee of Cabinet will consider any Assembly Budget Proposals and determine whether the proposal(s):
- a) are agreed to on the basis of the concept brief alone; or
 - b) require further analysis in the form of a business case for further consideration by the Budget Committee of Cabinet; or
 - c) are not agreed to.
- 9.22 Following the Cabinet having made its decision in relation to paragraph 9.21, the Treasurer will write to the Speaker advising of the Cabinet's decision.

Business case stage

- 9.23 Where the Cabinet agrees that an Assembly Budget Proposal will be further considered in the form of a business case, the Speaker will transmit to the Treasurer a more detailed analysis of any proposal.
- 9.24 The Budget Committee of Cabinet will give due and proper consideration to the additional analysis and determine whether the proposal(s) are:
- a) agreed to; or
 - b) not agreed to.
- 9.25 Following the Cabinet having made its decision in relation to paragraph 9.24, the Treasurer will write to the Speaker advising of the Cabinet's decision.

OFFICE OF THE LEGISLATIVE ASSEMBLY AND OFFICERS OF THE LEGISLATIVE ASSEMBLY— DRAFT BUDGET

- 9.26 Following the receipt of the Budget Committee of Cabinet's consideration of the *recommended appropriation* for the Office of the Legislative Assembly and Officers of the Legislative Assembly. The Office of the Legislative Assembly and Officers of the Legislative Assembly will prepare a *draft budget* (pursuant to s20 (b) and s20AB(c) of the FMA) for the Speaker's endorsement.
- 9.27 Where the *recommended appropriation* is agreed to by the Budget Committee of Cabinet, the *draft budget* will be drafted consistent with that decision.

- 9.28 Where the *recommended appropriation* is not agreed to by the Budget Committee of Cabinet, the Speaker will give a *draft budget* to the Treasurer (s20 (b) and s20AB(c) of the FMA) which does not contain any funding that has not been approved by the Budget Committee of Cabinet.
- 9.29 Where the Treasurer presents a bill for an Appropriation Act for the appropriation for the Office of the Legislative Assembly and the appropriation is less than the *recommended appropriation* for the financial year, the Treasurer must present to the Legislative Assembly a *statement of reasons* for departing from the recommended appropriation immediately after presenting the bill (s20AA (1) and (2), FMA and s20AC (1) and (2) of the FMA.

10. OWN SOURCE REVENUE

- 10.1 The parties agree that any own source revenue generated by the Office of the Legislative Assembly or Officers of the Legislative Assembly may be used.

11. RETENTION OF CONTROLLED RECURRENT PAYMENTS APPROPRIATION

- 11.1 Any funds appropriated as Controlled Recurrent Payments that are not expended by the Office of the Legislative Assembly during the financial year, subject to the FMA requirements being met, will be retained by the Office of the Legislative Assembly.
- 11.2 The Office of the Legislative Assembly may invest any surplus and draw down on any investment balance to meet expenditure requirements or current and future liabilities.
- 11.3 Ten per cent of funds appropriated as Controlled Recurrent Payments that are not expended by the Officers of the Legislative Assembly during the financial year, subject to the FMA requirements being met, will be retained by the Officers of the Legislative Assembly.

12. BUDGET PROCESS REQUIREMENTS

- 12.1 The parties recognise that the administrative arrangements that apply to the development and consideration of budgets for executive government agencies are not always well-suited for application to the Legislature.
- 12.2 The Office of the Legislative Assembly, Officers of the Legislative Assembly and Treasury acknowledge that the Office of the Legislative Assembly and Officers of the Legislative Assembly are not subject to the budget timetable and guidance material issued by Treasury in relation to the annual budget process. However, the Office of the Legislative Assembly and Officers of the Legislative Assembly will have regard to the budget timetable and guidance material issued by Treasury in relation to the annual budget process.

13. OFFICE OF THE LEGISLATIVE ASSEMBLY ONLY – TERRITORIAL ENTITY FUNDING IN AN ELECTION YEAR

- 13.1 In determining the amount appropriated with respect to Payment for Expenses on behalf of Territory in a financial year in which a Territory election occurs, the Executive will give due consideration to the potential for abnormally high liabilities being incurred by the Office of the Legislative Assembly in meeting the costs associated with termination payments and paying out employee entitlements.

14. OFFICE OF THE LEGISLATIVE ASSEMBLY AND OFFICERS OF THE LEGISLATIVE ASSEMBLY – FUNDING EMPLOYEE LIABILITIES

- 14.1 Where the total amount of employee entitlements paid, or required to be paid, by the Office of the Legislative Assembly or Officers of the Legislative Assembly in a given financial year exceeds the amount appropriated for the Office of the Legislative Assembly or Officers of the Assembly in relation to employee entitlements for the financial year, the parties agree that the Office of the Legislative Assembly or Officers of the Assembly will be given the same consideration by the Executive as that given to other Territory entities with respect to appropriation for accrued employee entitlements pursuant to s16A of the *Financial Management Act 1996*.

15. OFFICE OF THE LEGISLATIVE ASSEMBLY AND OFFICERS OF THE LEGISLATIVE ASSEMBLY – SAVINGS PROPOSALS

- 15.1 The parties agree that, although the Executive has historically not applied any across-the-board savings proposals to the Assembly, it may decide to do so in the future. Should there be a proposal to apply across-the-board savings or other budget cuts in relation to the Office of the Legislative Assembly and/or the Officers of the Legislative Assembly, the parties agree that the Executive will consult with the Speaker who, in turn, will consult with the appropriate committee.

16. REQUIREMENT THAT ONLY THE SPEAKER MAY PROVIDE CERTAIN REQUESTS

- 16.1 The parties agree that the following requests to the Treasurer on behalf of the Office or an Officer will only be made by the Speaker where the Speaker is satisfied that the request is a reasonable request:
- transfer of funds between appropriations (see s 14 of the FMA);
 - transfer of funds from capital injection appropriation to other appropriations (see s 14A of the FMA);
 - transfer of funds from other appropriations to capital injection appropriation (see s 14B of

the FMA Act);

- reclassification of certain appropriations (see s 15A of the FMA);
- appropriation for accrued employee entitlements (see s 16A of the FMA);
- rollover of undisbursed appropriation (see s 16B of the FMA);
- treasurer's advance (see s 18A of the FMA); and
- amendment of capital injection conditions (see s 19C of the FMA).

Joy Burch MLA Speaker On behalf of the Legislative Assembly for the ACT	Andrew Barr MLA Chief Minister On behalf of the ACT Executive



Australian Capital Territory

Appropriation (Office of the Legislative Assembly) Act 2019-2020

A2019-25

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Australian Capital Territory

Appropriation (Office of the Legislative Assembly) Act 2019-2020

A2019-25

An Act to appropriate money for expenditure in relation to the Office of the Legislative Assembly and officers of the Assembly for the financial year beginning on 1 July 2019, and for other purposes

The Legislative Assembly for the Australian Capital Territory enacts as follows:

1 Name of Act

This Act is the *Appropriation (Office of the Legislative Assembly) Act 2019-2020*.

2 Commencement

This Act commences, or is taken to have commenced, on 1 July 2019.

Note The naming and commencement provisions automatically commence on the notification day (see [Legislation Act](#), s 75 (1)).

3 Purposes of Act

This Act is made for the purposes of—

- (a) the [Self-Government Act](#), section 57 and section 58; and
- (b) the [Financial Management Act 1996](#), section 6 and section 8.

4 Meaning of *financial year*

In this Act:

financial year means the year beginning on 1 July 2019.

5 Terms used in Financial Management Act 1996

A term used in the [Financial Management Act 1996](#) has the same meaning in this Act.

6 Appropriation of \$2 668 000 for integrity commissioner

The amount mentioned in table 6, column 1 is appropriated to the integrity commissioner for net controlled recurrent payments by the integrity commissioner in the financial year.

Table 6 Appropriation—integrity commissioner

column 1 net controlled recurrent payments \$	column 2 total \$
2 668 000	2 668 000

7 Appropriation of \$3 124 000 for auditor-general

The amount mentioned in table 7, column 1 is appropriated to the auditor-general for net controlled recurrent payments by the auditor-general in the financial year.

Table 7 Appropriation—auditor-general

column 1 net controlled recurrent payments \$	column 2 total \$
3 124 000	3 124 000

8 Appropriation of \$4 988 000 for electoral commissioner

- (1) The amount mentioned in table 8, column 1 is appropriated to the electoral commissioner for net controlled recurrent payments by the commissioner in the financial year.
- (2) The amount mentioned in table 8, column 2 is appropriated to the electoral commissioner for capital injection for the commissioner in the financial year, and that appropriation is for, or partly for, the net cost of purchasing or developing assets.

Table 8 Appropriation—electoral commissioner

column 1 net controlled recurrent payments	column 2 capital injection	column 3 total
\$	\$	\$
4 126 000	862 000	4 988 000

9 Appropriation of \$21 386 000 for Office of the Legislative Assembly

- (1) The amount mentioned in table 9, column 1 is appropriated to the Office of the Legislative Assembly for net controlled recurrent payments by the office in the financial year.
- (2) The amount mentioned in table 9, column 2 is appropriated to the Office of the Legislative Assembly for capital injection for the office in the financial year, and that appropriation is for, or partly for, the net cost of purchasing or developing assets.

- (3) The amount mentioned in table 9, column 3 is appropriated to the Office of the Legislative Assembly for payments to be made by the office on behalf of the Territory in the financial year.

Table 9 Appropriation—Office of the Legislative Assembly

column 1 net controlled recurrent payments \$	column 2 capital injection \$	column 3 payments on behalf of Territory \$	column 4 total \$
10 291 000	1 463 000	9 632 000	21 386 000

Endnotes

1 Presentation speech

Presentation speech made in the Legislative Assembly on 4 June 2019.

2 Notification

Notified under the [Legislation Act](#) on 28 August 2019.

3 Republications of amended laws

For the latest republication of amended laws, see www.legislation.act.gov.au.

I certify that the above is a true copy of the Appropriation (Office of the Legislative Assembly) Bill 2019-2020, which was passed by the Legislative Assembly on 20 August 2019.

Clerk of the Legislative Assembly

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**THE LEGISLATIVE ASSEMBLY FOR THE
AUSTRALIAN CAPITAL TERRITORY**

**APPROPRIATION (OFFICE OF THE LEGISLATIVE ASSEMBLY) BILL
2019-20 - DEPARTURES FROM RECOMMENDED APPROPRIATIONS**

STATEMENT OF REASONS

**Presented by
Mr Andrew Barr MLA
Treasurer**

Madam Speaker, on Tuesday 4 June 2019, I presented the *Appropriation (Office of the Legislative Assembly) Bill 2019-20* (the Bill) to the Assembly.

The Bill contained appropriations of \$21.386 million to the Office of the Legislative Assembly, \$3.124 million to the Auditor-General, \$2.668 million to the ACT Integrity Commission, and \$4.988 million to the Electoral Commissioner.

As the amount in the Bill appropriated to the Electoral Commissioner is a departure from the amount requested by the Speaker, I provide the following statement of reasons regarding this departure as required under section 20AA of the *Financial Management Act 1996*.

The Speaker recommended an increase in the number of full-time equivalent (FTE) positions within the Electoral Commission to:

- enact the expected changes to funding and disclosure provisions under the proposed Electoral Amendment Bill 2018; and
- secure a more permanent solution to the Commission's office requirements.

A number of outstanding issues are yet to be resolved regarding the legislative framework that underpins the requested FTE increase. I expect that these matters would be resolved later this year. Further information on the rental market is also expected in the coming months to better inform the identification of a long-term accommodation solution for the Electoral Commission.

On that basis, the Government considers that it is appropriate for the Electoral Commission's requirement for additional FTE positions be considered in a future Budget.

I commend this Statement of Reasons to the Assembly.