

STANDING COMMITTEE ON ESTIMATES AND FINANCIAL OPERATIONS

INQUIRY INTO THE GOVERNMENT'S LOCAL PROJECTS, LOCAL JOBS PROGRAM



**TRANSCRIPT OF EVIDENCE
TAKEN AT PERTH
MONDAY, 2 SEPTEMBER 2019**

**SESSION TWO
DEPARTMENT OF TRANSPORT**

**Members
Hon Tjorn Sibma (Chair)
Hon Alanna Clohesy (Deputy Chair)
Hon Diane Evers
Hon Jacqui Boydell
Hon Colin Tincknell**

Hearing commenced at 11.30 am

Ms CATHERINE WALLACE

Executive Director, Freight, Ports, Aviation and Reform, Department of Transport, sworn and examined:

Ms MICHELLE PRIOR

Acting Director Active Transport and Safety, Department of Transport, sworn and examined:

The CHAIR: On behalf of the committee I would like to welcome you both to today's hearing. Today's hearing will be broadcast, and before we go live, I would just like to remind all parties that if you have any private documents with you, please keep them flat on the desk to avoid the cameras. Before I ask AV to begin the broadcast, if you would not mind speaking directly into the microphone when you answer a question, just because we had a little bit of trouble in the last hearing. AV, I request that the broadcast begin, please.

I require you to take either the oath or the affirmation, which should be in front of you.

[Witnesses took the affirmation.]

The CHAIR: You will have signed a document entitled "Information for Witnesses". Have you read and understood that document?

The WITNESSES: Yes.

The CHAIR: Thank you for appearing in front of us today. This is an inquiry into the government's Local Projects, Local Jobs program. The terms of reference of the inquiry, I hope, should be in front of you. I would like to thank you, first and foremost, for providing a very helpful departmental submission, which I think the acting managing director, Iain Cameron, submitted to us on 30 April. It gets to the heart of a number of issues that this inquiry of the committee has taken an interest in. Can I first of all begin with a broad sense, and it is included here in your submission document, of an update on the total dollar value of all the Local Projects, Local Jobs projects you are in the process of administering or have administered.

Ms WALLACE: The total value of the projects that the Department of Transport administered was \$2.68 million for 20 projects.

The CHAIR: I think you indicated in the submission the diversity of those projects in financial scope. I think they are anywhere between \$4 000 to \$250 000, and you have also indicated that the department took the view to model the grant administration processes on the existing WABN grants. I presume that is the Western Australian bicycle network; is that the right one?

Ms WALLACE: That is right.

The CHAIR: Would it be possible to just describe very broadly how that administration process works and what the funding allocation is for the WABN?

Ms PRIOR: The funding allocation for the WA bicycle network grants program is such that we have an expression of interest that is annually sent out to all our local government networks. We have a briefing process associated with that grants program. The local governments submit an expression of interest related to specific projects. Then we have a committee consisting of representatives from WALGA, Department of Transport, Main Roads and, I believe, the Public Transport Authority—I can confirm that shortly—which then suggest which are the successful expressions of interest. Those

local governments that are successful will then be requested to submit a full submission. A full submission is sent through and, again, that is assessed. Once the assessment has been made, a list of projects is sent out to the Minister for Transport for approval. Upon that approval, we will then inform governments that they are successful for a WA bicycle network grant.

The CHAIR: What is the value of that grant pool?

Ms PRIOR: The WA bicycle network local government grants program has a total value this financial year of \$5 million a year.

The CHAIR: The overview is that effectively it is an open process. The merits of an application are presumably by a panel against some criteria, a determination is made by that stakeholder group or multi-user panel and then those recommendations are forwarded to a minister for approval or endorsement and then disbursement.

Ms PRIOR: That is correct.

The CHAIR: That is interesting. Could you indicate why perhaps the WABN grants scheme was considered to be the most appropriate mechanism for modelling the Local Projects, Local Jobs commitments against?

Ms WALLACE: Generally speaking, the scale of the projects and the types of delivery, as well as the project partners being local governments, are all very similar to WA bicycle network grants, so it was possible to tailor effectively an existing process that has been developed pretty robustly over a number of years and apply it to Local Projects, Local Jobs program.

The CHAIR: Okay, so it is a test of means.

Ms PRIOR: Can I clarify, though?

The CHAIR: Please, yes.

Ms PRIOR: Specifically, it is the grant agreement that we have between the Department of Transport and the local governments.

The CHAIR: Was that effectively that you applied the same template agreement to —

Ms PRIOR: Essentially, we did, and then our legal services also checked the grant agreement for a specific Local Projects, Local Jobs agreement.

The CHAIR: Of the 20 projects that you have, did you use effectively the same template agreement?

Ms PRIOR: In effect, yes.

The CHAIR: You can de-identify the recipient and the project, but would it be possible for you to provide committee with a copy of the template that you use?

Ms PRIOR: Yes.

The CHAIR: I give that supplementary information number B1; that is just how we register these things as we go along. That is interesting. What is the source of funding for these Local Projects, Local Jobs commitments? Did DOT receive an appropriation to supplement its budget or have these projects been funded from within department's agreed budget parameters?

Ms PRIOR: We received an appropriation.

The CHAIR: Could you tell me the size of that appropriation?

Ms PRIOR: It is the same value as what was quoted.

The CHAIR: Okay, so 100 per cent of these projects were funded by way of supplementary budget allocations?

Ms PRIOR: That is correct.

The CHAIR: It changes a little bit between departments, which is why we are asking questions that may seem quite obvious.

I found your submission quite useful to guide questions, but it is an opportunity perhaps that not every department took up, so thank you. Of the scheme overall, was the department given any guidance about intended project outcomes along the lines of job creation, local content or anything of that nature?

Ms PRIOR: We were not given any specific requirements to address job numbers or, should I say, report on job numbers. The definition of what project was to be funded was made very clear.

[11.40 am]

The CHAIR: So the department essentially received information—jump in if I get this wrong—I imagine from the Department of the Premier and Cabinet about a list of commitments that had been made, and there was a determination that the Department of Transport was probably the best placed agency to deliver on those arrangements. There was also a meeting, I understand, I think on 19 April 2017—I do not know if either of you were present at that—but was the DOT represented at a meeting with the Parliamentary Secretary to the Premier or the Department of the Premier and Cabinet about these issues?

Ms PRIOR: I cannot answer. I was not present.

The CHAIR: Nevertheless, was it formalised information? How did you receive advice that these were the commitments that the department was entrusted to deliver upon?

Ms PRIOR: We received an Excel spreadsheet with that information.

The CHAIR: Would you be able to provide information about when you received that information and from whom it was received?

Ms PRIOR: Yes, on notice.

The CHAIR: Fantastic. Could I give that B2, the supplementary.

With respect, I think you have answered this in the submission. Funds from DOT have been administered across financial years first commencing 2016–17—this is from page 2 of your submission—and then in the first half of 2018. I think that is the majority of projects. Could I get a sense, please, of the ones that were dealt with earlier and why they were dealt with earlier in the 2016–17 year?

Ms PRIOR: I will have to come back to you to specifically state what projects we funded, if any, in 2016–17. What I can say is that we would have prepared some of the grant agreements, quite likely.

The CHAIR: Okay, so money might not have been allocated in that year. Would it be possible by way of supplementary question to provide us with a breakdown of when? I know there are a number that have not been dealt with yet, but of the 18 that have been, in which financial year an agreement was struck and when funding started to flow.

Ms PRIOR: We can do that.

The CHAIR: That will be fantastic. I will give that B3.

An issue has arisen in this inquiry that, on occasion, project recipients have sought a variation to the commitment, I suppose—either a variation to the purpose of the grant allocation or perhaps a re-phrasing or even sought to use a certain allocated notional amount for another purpose. Of the 20

or so projects that you have, have there been any variations from original intent or have they all remained the same?

Ms PRIOR: Of the projects we have funded to date, there has been no change in the scope of the project details as originally defined.

The CHAIR: Okay, zero change to scope of the 18 that you have dealt with to date.

Ms PRIOR: That is correct.

The CHAIR: Should I infer as well zero change to budget allocation?

Ms PRIOR: That is correct.

The CHAIR: At the front end of this, did DOT receive any advice from the Department of the Premier and Cabinet, or some other organisation or person in government, about how variations might be dealt with procedurally? It does not seem to have affected you.

Ms PRIOR: It did not affect us.

The CHAIR: But do you recall receiving any advice from DPC, in the event there is a variation, about how you would deal with it?

Ms PRIOR: Just to be clear, not about variation, but we were to inform our minister's office and through to the Department of the Premier and Cabinet on quarterly updates, so we had quarterly updates.

The CHAIR: That was the reporting requirement. Was that requirement for quarterly reports set by DPC?

Ms PRIOR: That was.

The CHAIR: This might be getting into marginal returns territory now that you have 18 dealt with and two yet to come, and we will get into those. Is that quarterly reporting obligation still something that the DOT is complying with?

Ms PRIOR: As far as I am aware, yes.

The CHAIR: Who do those reports go to? Are they to the minister and DPC? I am just trying to get a sense of who takes ownership.

Ms PRIOR: Currently, the reports go through the ministerial governance unit at the Department of Transport, which then forwards it on to the minister's office.

The CHAIR: Are they effectively "for noting" briefs? I mean, you are not seeking decision, really.

Ms PRIOR: It is to essentially provide an update on election commitments.

The CHAIR: I am just dealing with variations again. I dealt with changes to scope—you said zero of 18. Changes to budget allocation, zero of 18. Has there been any change from the intended election recipient to a local government authority or were all the election commitments provided to local governments?

Ms PRIOR: Sorry; can you repeat the question?

The CHAIR: When you got your master list of the 20 election commitments that had been entered into, did that information pertain to an individual recipient organisation?

Ms PRIOR: On occasion it did.

The CHAIR: On occasions that it did, was there any need, for governance purposes, to alter the recipient?

Ms PRIOR: Yes. I can quote an example. The project MET 216 was the Gosnells Bicycle User Group. In order to deliver that election commitment, we realised that the Gosnells Bicycle User Group did not have an ABN or was not able to receive those funds. So we worked with the two local governments in order to effect that outcome, where they then worked with the Gosnells Bicycle User Group. This demonstrates, I guess, our accountability in probity processes around the distribution of these funds.

The CHAIR: That was a \$50 000 funding commitment.

Ms PRIOR: That is correct.

The CHAIR: Could you just elaborate a bit more on what that project entailed?

Ms PRIOR: The project entailed the bicycle user group facilitating, I believe it was bicycle maintenance and how-to-ride training sessions, as well as a promotional campaign around shared paths for cyclists and pedestrians.

The CHAIR: So it was not a capital spend; you were not building a new bicycle path. You were just informing the user experience and attempting to promote it.

Ms PRIOR: No.

The CHAIR: Just a question about that particular program, for example, and the WABN grant system that you administer ordinarily: would that be something that could be considered or funded by way of an WABN grant?

Ms PRIOR: No.

The CHAIR: What would the difference be?

Ms PRIOR: A WA bicycle network grants program is a cycling infrastructure —

The CHAIR: It is specifically infrastructure related.

Ms PRIOR: Local government infrastructure, which is 50–50 funded between local government and state government.

[11.50 am]

The CHAIR: It is nice to know how this scheme relates to the broader grant landscape, both across government and within individual departments. When you identified with project MET216 that the intended recipient organisation did not have an ABN and therefore the department could not give them money, did that generate a report back to DPC for information or for guidance, or was it left to the department or departmental officials to exercise their best professional judgement about how to go ahead?

Ms PRIOR: We informed them as part of the quarterly reports.

The CHAIR: Okay. Did that also involve informing the local member or members who made the commitment?

Ms PRIOR: That was not our remit.

The CHAIR: That was not your remit; okay. The reason I asked that question was because in some other instances, in other departments, the guidance seemed to be, “Please also just inform the local member as a matter of courtesy”, but that was not within the remit—you did not do that in any instance in this particular case. That is good to clarify.

Ms PRIOR: Just to be clear, though, there was one project where we did contact the local member’s office.

The CHAIR: Could you tell me which one that was?

Ms PRIOR: Just to seek clarification: that is project MET425, the Secret Harbour Primary School guarded crossing safety measures.

The CHAIR: Right. And this is the one that you have identified as a project of concern about the ability to complete. Could you provide a bit of an overview about the challenges and why you would contact the local member about this particular project?

Ms PRIOR: The project was identified as a Local Projects, Local Jobs project, making reference to some concerns at the school guarded crossing. We sought to clarify what this was as part of our probity and accountability processes. We inquired with the WA Police Force, who look after crossings and guarded crossings, and it was found that that crossing met Main Roads standards. We also checked with the City of Rockingham regarding issues. They also said that it was compliant with Main Roads requirements and standards and did not support further changes to the crossing. We wanted to ensure that issues had not been resolved previously, and I believe that that is what had occurred—that some of the concerns that were had with speeding motorists or others had been addressed or were not an issue anymore. We contacted the local member to clarify what their concerns were so we could progress the project.

The CHAIR: Okay. With respect to this one, were you provided with direct guidance to contact the local member to clarify the nature of the issue?

Ms PRIOR: Yes, we were. But when I say “the local member”, it was just the office; we did not actually speak to the member.

The CHAIR: That is fine. But there was a direction or some guidance provided to you that that would be an appropriate first means and common sense on the face of it. Who provided that advice?

Ms PRIOR: WAPC.

The CHAIR: The planning commission or WAPOL?

Ms PRIOR: Sorry; the Department of the Premier and Cabinet.

The CHAIR: DPC; okay. Was that advice provided verbally or in an email form or in writing of some kind?

Ms PRIOR: I cannot confirm.

The CHAIR: You cannot confirm that; okay. That is all right. But advice was provided. Could you indicate what the actual nature of the pledge was, and practically why that was seen to be redundant or troublesome?

Ms PRIOR: My understanding is that, again, issues of concern with motorists not complying with the crossing had been resolved. There were previous issues that had been resolved.

The CHAIR: Okay. So it is now effectively in abeyance. What is happening with this commitment now? Is it proceeding in some form or subject to further —

Ms PRIOR: As far as I am aware, we have had a request to transfer the funds to the Department of Education for the installation of signs at the location.

The CHAIR: Okay.

Ms PRIOR: My understanding is that we will be seeking permission to have a transfer of funds from the Department of Transport to the Department of Education to address—I think it is perhaps signs for awareness.

The CHAIR: Okay.

Hon JACQUI BOYDELL: Where has that request come from?

Ms PRIOR: I would have to clarify. I believe it was via our minister's office. I would need to clarify.

The CHAIR: If you can. We might just give that a supplementary question number. It is just to confirm advice around, and who provided that advice about, how to transfer funds—the \$50 000—to the Department of Education for the installation of electronic warning signs.

Ms PRIOR: Just to be clear, I am unsure if it is electronic warning signs.

The CHAIR: Effectively, it is the transfer of funds to that department for another way, I suppose, of delivering on the spirit of that election commitment.

Hon JACQUI BOYDELL: I was going to ask, Chair: who made the decision that that would be the allocation the funding would be used for?

Ms PRIOR: I would have to clarify. As far as I am aware, the request came via our ministerial team, so there would have been some conversation with the minister's office.

Hon JACQUI BOYDELL: So we will request that.

The CHAIR: Yes. That is supplementary question B4. I think it had an earlier part to it.

Can I just ask some questions about individual projects that you have identified on this list? Actually I might, if I can—I am not picking on it; it is just the information provided leads me to ask precisely what is being done. It is project code MET418. I have just got here "Roleystone Senior High School—\$20 000". Can I ask what that is for?

Ms PRIOR: Certainly. Apologies for that; that is probably an admin error on our side. We could have given a little bit more description of what we were given. It was for Roleystone Senior High School—a shelter for a school bus stop.

The CHAIR: That leads me to this question: was it a new one or an upgrade to an existing one?

Ms PRIOR: I believe it was a new one.

The CHAIR: A new one. Could I ask how the Department of Transport or the PTA, perhaps, ordinarily funds bus shelters and bus stops? Is that not normally core departmental —

Ms PRIOR: It is not something that usually sits with the Department of Transport. We would have to check what the arrangements are, but, to the best of my knowledge, it generally sits with local governments rather than the PTA to install bus shelters. I would have to confirm that.

The CHAIR: Perhaps I will take that by supplementary, because we all might learn something as part of that.

Hon ALANNA CLOHESY: But just to clarify, this was a request to complete the election commitment for a local area. Is that correct?

Ms PRIOR: That is correct.

The CHAIR: That is correct. I am just trying to get a sense, though, because there is a broad suite. Likewise, could I ask a question about project MET262, which is around improving security around Greenwood train station? What did that necessitate?

Ms PRIOR: Sorry; do you want to know what actually occurred?

The CHAIR: Yes, what happened. How was that \$20 000 spent?

Ms PRIOR: Yes, certainly. The Public Transport Authority installed a CCTV camera and emergency telephone.

[12 noon]

The CHAIR: The PTA did this?

Ms PRIOR: That is correct—through these funds.

The CHAIR: So the DOT allocation, the overall umbrella supplementary funding, did you have to transfer that \$20 000 to PTA to enable them to do that task?

Ms PRIOR: That is correct.

The CHAIR: Bearing in mind I am asking you a question about another agency, so you are entitled to respond in kind, but is that ordinarily the purview of the Public Transport Authority anyway, to ensure public safety at train stations?

Ms WALLACE: I think that is probably best directed to the PTA.

The CHAIR: Okay, fair enough.

Hon ALANNA CLOHESY: Just to clarify, you administered this project as a request with all of them as part of an election commitment. Is that correct?

Ms PRIOR: That is correct. Just to be clear: the election commitments, again, we report on all of our election commitment deliveries and these are incorporated as part of our election commitments.

The CHAIR: Okay, that is fine. Again, MET100, I have just got here, “Bus shelters”. For the sum of \$138 500, is there possibly more information you can —

Ms PRIOR: Yes. Apologies for the lack of information, but we had shelters that were installed at six locations within—I will have to clarify what suburbs, but there were six bus shelters.

The CHAIR: Could I take that as supplementary information, B6: further information specifying the bus shelters referred to against MET100.

Hon DIANE EVERS: First off, just on the overall amounts in that, did the funding that went through your department to the Local Projects, Local Jobs impact on any other processes that you might have for approving grant funding for these types of items?

Ms PRIOR: No.

Ms WALLACE: No.

Hon DIANE EVERS: Do you have a program that councils would go through to try to get some of the items that you have put in place here?

Ms PRIOR: No.

Hon DIANE EVERS: So it is just in addition to whatever you were doing. Okay, that is fine. I noticed on the list you have got, there is one that just says it is to encourage works to be brought forward to a sooner year. It is MET234. It is on a spreadsheet that we have, I am just wondering —

Hon ALANNA CLOHESY: Sorry, can you identify the spreadsheet?

Hon DIANE EVERS: The spreadsheet that we have with the whole list of all the projects.

Hon ALANNA CLOHESY: All of the list of the projects from DPC that we got?

Hon DIANE EVERS: That is correct. It was MET234. It just sort of stands out, because if it is a project that was already in line to happen, and this was just bringing it forward, it seems like it is different to the rest. I am just wondering if there were others of that sort of nature.

Ms PRIOR: I cannot comment on that. This was clearly an election commitment that we were facilitating, and expediting the delivery of it. I am not aware of it being in any other works programs or it being available for any other —

Hon DIANE EVERS: Okay. Then just the next question and the last question on these items that the local governments are getting these things. How would they normally get funding if they needed some of the items that these projects supply? You know, pedestrian safety areas—you did talk about the bike program that you do have. If we just look at that as one item, you have got the program for bicycle paths and that. Was there still funding going out in addition to these Local Projects, Local Jobs for bike paths?

Ms WALLACE: The Department of Transport has a number of recurring grants schemes, and the WA bicycle network is one of them, regional airport development grants are another. Projects that fall within those sorts of schemes, local governments can apply to the department through those, but as far as the avenues that they would use to apply for the other types of projects, that, I think, would vary by department and we are only really aware of the ones that DOT manages.

Hon DIANE EVERS: Okay, let us just look at the bike paths, then. The projects that we see funded through this program to do with bike paths, it is outside of the normal scope of that grant funding program you have. Did that grant funding program continue with the amount, or did the amount that was used in this project take up some of that normal project? I think you said \$5 million was what the —

Ms PRIOR: That is correct.

Hon DIANE EVERS: Through the Local Projects, Local Jobs, roughly how much was it for bike paths?

Ms PRIOR: I can take that on notice. With this note here, MET057, it is the Balga Perth bike network route upgrade, so that had a funding commitment of \$100 000. This was a specific separate election commitment. That \$100 000 was, you know, what the City of Stirling received to deliver that. That was not taken from our WA bicycle network grants program.

Hon DIANE EVERS: You would assume that anything that was spent on the bike paths was in addition to the other \$5 million that you had?

Ms PRIOR: That is correct.

Hon DIANE EVERS: Okay, that is, I guess, what I was interested in. Here is the other question: with the bike paths then that came up through Local Projects, Local Jobs, can you give me an idea as to whether they would have met the criteria of that normal grant-funded program?

Ms PRIOR: We have not assessed these against any of the WA bicycle network grants.

Hon DIANE EVERS: So you really do not know, it is just, “Here’s the ones that we might need to deliver.”

Ms PRIOR: This is a clear government election commitment we just facilitated through our grants program.

The CHAIR: Perhaps, though, if you do not mind, what are the parameters for accessing the WABN grant scheme in terms of purpose, milestone, co-funding? I think this might be the question around: Is this potentially duplicating what is already available? Is there a good resource to go to to show how you would go about accessing the WABN grants scheme? Presumably there is, because you have got a lot of involvement; it is well established.

Ms PRIOR: Yes, we do. We have got certain information and briefing information for local governments on that; however, what I will say is that the WA bicycle network grants program is highly competitive, so they are always oversubscribed.

Hon DIANE EVERS: Oversubscribed, with ones that if you had more money, you would approve them—is that the idea? You are getting a good level of application for these?

Ms PRIOR: That is correct.

Hon COLIN TINCKNELL: Just looking at the projects and the grants, I have not noticed too many regional commitments there, I think. Of the 21 or 20 projects, the \$2.6 million, were any of these projects, or were there any other projects, in the regional areas? We have got outer suburbs, but there is no actual regional projects I can see.

Ms WALLACE: The list that has been provided is the list of projects that was given to the department to deliver by DPC.

Hon COLIN TINCKNELL: Do you find that unusual, considering they are all virtually metro? The Department of Transport works right across the state?

Ms WALLACE: We do, but this is a subset of projects that were given to us by DPC and we did not really have any sort of criteria to assess the locations in which they were delivered or anything like that.

Hon ALANNA CLOHESY: This may not be part of your role, but are you aware of any other election commitments for the department in regional areas, or is that something that I would ask someone else in the department?

Ms WALLACE: There are certainly a range of election commitments that are across the entire state that sit with the department. I could not, off the top of my head, give you that list at the moment, but, yes, certainly there are election commitments we track elsewhere.

Hon ALANNA CLOHESY: These are the only ones that you received to administer in relation to local election commitments?

Ms WALLACE: In relation to this particular scheme, the Local Projects, Local Jobs, yes.

Hon COLIN TINCKNELL: Just to continue on, were you consulted beforehand on any of the selection of these projects? Was there any consultation whatsoever in the selection of these projects?

Ms WALLACE: No.

Hon ALANNA CLOHESY: As far as you are aware, what was the origin of those projects that you were given to administer?

Ms PRIOR: As far as I am aware, these were election commitments.

Hon COLIN TINCKNELL: You also mentioned that there was some quarterly reporting. Was that as normal? Was that to the minister and also the DPC?

The CHAIR: I think that question has been answered, member, already.

Hon COLIN TINCKNELL: I was just wondering whether it was different or it was pretty much the same, that is all. I did not hear that.

Ms WALLACE: The reports were to the minister and, I think, relatively standard update reports.

Hon COLIN TINCKNELL: Also, did you identify any instances of actual or perceived conflict of interest?

[12.10 pm]

Ms PRIOR: No, I did not identify any conflict perception, perceived or otherwise. Our staff, again, as administrators of these election commitments and the deliverer of the projects, all go through relevant ethics training and conflict-of-interest training in relation to their roles as public servants.

The CHAIR: Are there specified guidance or procedures in place that DOT utilises that actually deals with that potential conflict of interest dimension in the disbursement of grants moneys, at, I

suppose, a project officer level within the department or throughout or is that a clause within these grant agreements?

Ms WALLACE: There is departmental-wide training on procurement practices and accountable and ethical decision-making that all employees are required to complete, and that covers off not specifically this program but all relevant instances.

Hon JACQUI BOYDELL: In your submission, you make the statement that numerous statements have taken a significant amount of time to determine a clear scope as well as to identify the relevant agencies or parties that may be involved. You were given a list by the Department of the Premier and Cabinet and the responsibility of delivering that and working out a clear scope and the relevant agencies and parties you needed to deal with was an internal process that was left to the DOT. Is that right?

Ms PRIOR: Yes, to some extent it was. Just to be clear, some of the project details were quite succinct so in order to deliver the project we had to unpack what the project was in order to adequately define, as according to our grants process, what the project is, what the milestones are and who is involved in order to acquit it.

Hon JACQUI BOYDELL: Did you have to reallocate FTE to address that?

Ms PRIOR: No.

Hon JACQUI BOYDELL: So you managed that all within your current processes that your officers were undertaking?

Ms PRIOR: That is correct.

Hon JACQUI BOYDELL: When you say there were more complex projects that were issued grant agreements, what was the benchmark? Was it a dollar figure or was it the complexity of the project—I am trying to work out the scope and the agencies involved when it became more complex and if that is when you issued the grant agreements later?

Ms PRIOR: That is correct. There was one example, yes. That is why it has taken some time to understand who the asset owners are and what the process would be in order to deliver that election commitment.

Hon JACQUI BOYDELL: In doing that, given that there were probably more agencies involved, or more stakeholders involved—that was apparent at the outset—there were no changes in the determination of the actual intent of the funding in the first place? There were no variations whatsoever?

Ms PRIOR: No, not in our experience.

Hon ALANNA CLOHESY: Just in the administration of the series of projects—the 20 projects that you received to implement? In your reply, the reason given for some taking longer than others for implementation was the result of the department conducting due diligence in relation to each of the individual projects?

Ms PRIOR: Absolutely.

Hon ALANNA CLOHESY: Do you have any measurement or any other election commitments that you were also administering that you could measure whether this selection of election commitments took longer to administer compared with other election commitments? Is there a comparison that we could have?

Ms WALLACE: I do not think there is a ready comparison, just because the scale of election commitments varies so widely. There are some variations we talked about within the scale of these

from a \$4 000 project to a \$250 000 project and then with the other election commitments the department administers, they become far greater than that again. I think it is difficult to make a like-for-like comparison there.

Hon ALANNA CLOHESY: Okay, but for all intents and purposes, the length of time that you were taking to roll the money out was because you were paying attention to the purpose and the scope and the detail?

Ms PRIOR: Absolutely.

The CHAIR: I apologise for jumping around a bit but that is how my brain works. You mentioned earlier, for example, the public safety project at Greenwood train station, which necessitated a transfer of funds to PTA to administer because they were the appropriate agency. Would it be possible for you please to indicate of the 20 projects that you have responsibility for where other similar transfers of responsibility or funding have taken place? From the information I have in front of me, that sounds like kind of a Main Roads project or this seems more like a PTA project. Is it possible to provide advice in this form and where those kinds of transfers have happened?

Ms WALLACE: We are aware of three from the list provided that had agreements in place for PTA to deliver: the one that we have spoken about previously, MET262; the Greenwood one that you just mentioned; and MET418, the Roleystone bus shelters.

The CHAIR: Okay. Just for clarification, effectively, would it be fair to assume that you have an agreement or an arrangement formalised between DOT and PTA to give effect to that transfer of funding and responsibility and you also have an agreement between DOT and the intended recipient, or does that also transfer to the PTA and the grant recipient?

Ms PRIOR: In those examples, the moneys are transferred to PTA, which would then install those projects.

The CHAIR: So, effectively, you are in charge of the heads of agreement between you and the recipient when it pertains to actually, yes, we are going to deliver on this commitment but operationalising that or giving practical effect is an arrangement that you enter into between DOT and PTA? Are there other arrangements that require an arrangement with, say, another transport agency like Main Roads or were they the exception?

Ms PRIOR: No.

Hon ALANNA CLOHESY: But that would come back to the Department of Transport's role, would it not? Is that right?

Ms WALLACE: Yes. The Department of Transport, Main Roads and PTA operate as a portfolio, so it is not an unusual arrangement to have in place.

The CHAIR: Noting that the submission we received was on 30 April and now this year is going at pace, we are four months down the calendar, on page 5 you indicate projects that are underway, and there are seven projects identified on that page. Is it possible to provide updates? Are some of those complete? They give an indication that they are on the verge of being completed. Are you able to identify which ones have been completed?

Ms WALLACE: Yes. The first one on page 5, MET004, is now complete, along with MET216, which is third from the bottom, and the last one, MET236.

The CHAIR: The ones that have not been, they are still in the process of being completed or they are underway?

Ms WALLACE: That is right.

The CHAIR: Can I ask about project MET439, which is the Helena River footbridge upgrade. Is there a status update that you are able to provide because the last information is that the grant agreement is with the City of Swan for review and expected to be completed? Could you give an indication of where that might be up to.

[12.20 pm]

Ms WALLACE: Yes. There was some negotiation required just on the basis of the ownership of the land and who would retain the assets at the conclusion of the project being delivered. There is now an in-principle agreement with the Department of Planning, Lands and Heritage in that regard, and that is that DPLH will approve the designs and that they will take ownership of the asset once it is completed. It is WAPC, to be more precise.

The CHAIR: Right. Do they take ownership of the asset or responsibility for the asset?

Ms PRIOR: The discussion we have had, and the grant agreement currently is in draft, is that DPLH, as the administrator, I believe, of WAPC assets or land, will be the owner of the asset. The City of Swan will build it and will be doing inspections.

The CHAIR: Okay. So that I understand it—I am not impugning anything—\$150 000 of funding has been committed. It is the intent of the agency to deliver on that election commitment. That commitment is about the construction of infrastructure—a footbridge in this instance. I do not know how big or how modest it might be. Essentially, though, that infrastructure will be in the ownership of the state government. Once it is completed, the state government owns that infrastructure. There is no liability which pertains to or responsibility which obliges the City of Swan for maintenance or —

Hon ALANNA CLOHESY: Except it is an upgrade to the bridge, rather than a new one.

The CHAIR: Sorry, it is an upgrade; it is not a new bridge. It is an upgrade to a bridge that was previously in the ownership of the state government and is still likely to be under the ownership of the state government. All right. I have then, probably, an emerging research interest in other projects about who owns what at the end of the day, but that is for another time.

Bearing in mind the time, could I get an indication of whether there are any more questions?

Hon JACQUI BOYDELL: No. I had the same thought.

The CHAIR: One of the defined purposes of the program, as given in the Treasurer's budget speech of 2017, was around job creation. Can I ask whether or not the agency has identified or measured whether any jobs have been created or even retained as a consequence of administering this program?

Ms WALLACE: No, that has not been specifically tracked.

The CHAIR: Am I also right to assume that those outcomes are not included in your quarterly reports to DPC or to the minister?

Ms WALLACE: That is correct.

The CHAIR: And does DOT have any intention to measure that job creation dimension?

Ms WALLACE: Not that I am aware of at present.

The CHAIR: Has DOT been given any guidance from DPC or perhaps the minister to undertake a review or measure that component?

Ms PRIOR: Not that I am aware of.

Hon ALANNA CLOHESY: Just to be clear, when you were given this list, you were given it as a selection of election commitments, but you were not requested by the Department of the Premier and Cabinet or the minister to identify any of the outcomes in relation to local jobs.

Ms PRIOR: That is correct.

Hon ALANNA CLOHESY: You are aware that there would have been some labour attributed to all of that.

Ms PRIOR: Clearly.

Hon ALANNA CLOHESY: There would have been someone working on the upgrade, for example, of the bridge.

Ms WALLACE: Yes.

Ms PRIOR: Yes.

The CHAIR: With that, and bearing in mind the time, we might take an early mark by a few minutes—I am not being too generous!

Hon ALANNA CLOHESY: The clock is slow.

The CHAIR: The clock is slow. Thank you for attending today. AV, if I could kindly request you to end the broadcast. A transcript of this hearing will be forwarded to you for correction. If you believe that any correction should be made because of typographical or transcription errors, please indicate these corrections on the transcript. Errors of fact or substance must be corrected in a formal letter to the committee. When you receive your transcript of evidence, the committee will also advise you when to provide your answers to questions taken on notice. If you want to provide additional information or elaborate on particular points, you may provide supplementary evidence for the committee's consideration when you return your corrected transcript of evidence. On behalf of the committee, thank you very much for attending.

Hearing concluded at 12.25 pm
