

# Executive Summary

## Report 9 – November 2005

This Third Public Sector Performance Report for 2005 brings to notice legislative compliance and financial management and control issues and the results of a follow-up of a 2002 performance examination.

### LEGISLATIVE COMPLIANCE

#### Unauthorised Driving - Unlicensed Drivers and Unregistered Vehicles in Western Australia

Unauthorised driving occurs when someone drives without a valid driver's licence or drives an unregistered vehicle. Studies here and overseas have shown that unauthorised drivers tend to be high risk drivers who are more likely to drive under the influence of alcohol, or speed or not wear seat-belts than authorised drivers. They are also over-represented in fatal and serious car crashes.

The Department for Planning and Infrastructure (DPI) is responsible for administration and enforcement of Western Australia's driver and vehicle licensing laws. The Western Australia Police Service (Police) have primary responsibility for detecting and prosecuting breaches of the law.

What the examination found...

- There is no reliable data on the incidence of unauthorised driving in Western Australia. Estimates based on data from other jurisdictions suggest as many as 66 000 WA drivers (almost four per cent) and 70 000 vehicles (about three per cent) drive on WA roads without authorisation. Conservative estimates also suggest that the State could be forgoing almost \$9 million annually in unpaid car registration fees. Owners who do register their vehicles are also paying about \$10 more in third party insurance premiums than if all vehicles on the road were registered.
- Legal and technical difficulties limit the ability of Police and DPI to detect and prosecute unauthorised drivers. Proposed legislative amendments and new technology may change this.

What should be done....

- DPI should:
  - determine the incidence and type of unauthorised driving in WA so that it can assess the risks posed to the community.
  - actively pursue amendments to the *Road Traffic Act 1974* to enable Police to issue an infringement notice rather than a court summons to people caught driving an unregistered vehicle and to allow court orderlies to accept surrendered by disqualified drivers.

■ Police should:

- expedite development of high volume electronic licence and registration checks to increase detection of unauthorised driving.
- give priority to resolving the issues delaying proclamation of stronger 'owner onus' legislation passed by Parliament in 2000. This legislation will make owners of vehicles identified by speed or red light cameras responsible for unauthorised driving unless they give a sworn statement either naming the actual driver or giving good reasons why they cannot identify the driver.

### FINANCIAL MANAGEMENT AND CONTROL

#### Management of the Light Vehicle Fleet

Eighty-seven government agencies lease over 9 224 passenger and light commercial vehicles valued at approximately \$211 million from State Fleet, a branch of the Department of Treasury and Finance (DTF). State Fleet operates on a commercial basis. State Fleet has delegated powers to borrow moneys, enter into contracts and to purchase and sell vehicles. State Fleet also manages contracts with two private companies to provide fleet management services to government agencies.

Strategic monitoring and management of the government fleet rests with the Fleet Steering Committee (FSC) though Chief Executives of individual agencies have autonomy to manage their own fleet within the constraints of government policy.

What the examination found...

- The 'WA Government Fleet Policy and Guidelines' provides an adequate framework and direction for whole of government management of the fleet as well as management by individual agencies.
- There is little monitoring and measurement of the performance of the fleet by the FSC as required in the 'WA Government Fleet Policy and Guidelines'.
- State Fleet's operations are financially sustainable though this is dependent upon accurately predicting vehicle residual values. The declining second hand vehicle market makes this task difficult.
- There has been no increase in the contributions of Government Vehicle Scheme members since 2000. An increase in contributions agreed by the FSC in mid 2003 was never implemented.
- The contracted fleet managers provided satisfactory services at competitive rates.



## AUDITOR GENERAL FOR WESTERN AUSTRALIA

- None of the four sampled agencies could provide evidence that their fleet composition met operational needs in the most cost effective manner.

What should be done....

- The FSC should enhance its whole of government measurement, monitoring and management of the fleet.
- Government agencies should ensure that they have up-to-date fleet management plans to provide for a cost effective balance of fleet composition and utilisation to achieve operational needs.

### Redeployment and Redundancy

Redundancy and redeployment is an integral part of the management of the public sector workforce. Government policy does not allow for the involuntary severance of permanent public sector employees made redundant by restructure. During 2004-05 there were 340 people managed for redeployment or redundancy. This represents 0.5 per cent of permanent public sector workers.

The Public Sector Management Division (PSMD) of the Department of the Premier and Cabinet (DPC) manages the redeployment process. The PSMD also conduct case management for 40 per cent of redeployees. Other employees are case managed by their home agencies.

What the examination found...

- Redeployment and redundancy is adequately managed:
  - audit testing indicated that people in redeployment are gainfully employed and that two-thirds are placed within 12 months.
- Some opportunities exist to improve the management of the small number of long-term redeployees:
  - PSMD has been deregistering redeployees without the legal authority to do so. Once deregistered, such persons no longer receive assistance from PSMD in applying for new positions, and remain the responsibility of their home agencies
  - PSMD has limited ability effectively to manage long-term redeployees with no realistic prospect of redeployment.

What should be done....

- DPC should develop alternative strategies for dealing with long-term redeployees who have no realistic prospect of redeployment to bring closure to the process. DPC should also seek amendment to the Regulations to provide the legal authority to deregister redeployees.

## FOLLOW-UP PERFORMANCE EXAMINATION

### Level Pegging: Managing Mineral Titles in Western Australia.

This report follows up our June 2002 report Level Pegging: Managing Mineral Titles in Western Australia. In that examination, we assessed how the (then) Department of Mineral and Petroleum Resources (DMPR) was managing mineral titles. The report made a number of findings and recommendations related to:

- the regulatory and administrative framework for managing mineral titles
- the timeliness and cost of the mineral title application process
- mineral title annual reports
- minimum expenditure conditions.

Shortly after the June 2002 report, DMPR was incorporated into the Department of Industry and Resources (DoIR).

What the examination found...

- DoIR has made significant progress in implementing the report recommendations.
- A small number of matters still need to be addressed:
  - the time taken to assess mineral title applications has improved but is still longer than target timeframes.
  - DoIR now monitors mineral exploration reports for compliance but does not initiate forfeiture for non compliance.

The examination recommended that the Department of Industry and Resources should...

- Build on improvements in assessing mineral title applications by establishing and implementing criteria for assessing exploration licence applicants' work programme and technical and financial resources
- Further improve timeliness of the mineral titles applications process
- Forfeit titles for non-compliance with legislative requirements for mineral exploration reports
- Proceed with current plans to audit annual expenditure on tenements
- Build on the guidelines for granting expenditure exemptions, particularly in relation to exemptions sought in relation to plant and machinery and the ground being unworkable.