

# TRANSCRIPTS

## STANDING COMMITTEE ON LEGAL AND SOCIAL ISSUES

### Subcommittee

#### Inquiry into machinery of government changes

Melbourne — 21 July 2015

#### Members

Mr Edward O'Donohue — Chair

Mrs Inga Peulich

Mr Cesar Melhem

Mr Gordon Rich-Phillips

Mr Daniel Mulino

#### Staff

Secretary: Ms Lilian Topic

Research officer: Ms Annemarie Burt

#### Witness

Mr Shaun Condron, chief finance officer, Department of Justice and Regulation.

**Necessary corrections to be notified to  
executive officer of committee**

**The CHAIR** — I reopen the public hearing of the Legislative Council Standing Committee on Legal and Social Issues in relation to machinery of government changes. I welcome Mr Shaun Condrón, the chief finance officer of the Department of Justice and Regulation. Thank you, Mr Condrón, for making yourself available this morning.

I caution that all evidence taken at this hearing is protected by parliamentary privilege as provided by the Constitution Act 1975 and further subject to the provisions of the Legislative Council standing orders. Therefore the information you give today is protected by law; however, any comment repeated outside this hearing may not be so protected. All evidence is being recorded. You will be provided with proof versions of the transcript in the next couple of days.

We have allowed half an hour for this session, so I would welcome a short introductory statement from you. Thereafter committee members will have questions. Thank you again for being here, Mr Condrón.

**Mr CONDRÓN** — Thank you, Chair. Just briefly, the changes as they affected the Department of Justice and Regulation were reasonably minor compared to some of the other matters you would have been looking at today. We had six bodies transferred out of the department and over to the Department of Premier and Cabinet. They were the Freedom of Information Commissioner, the Independent Broad-based Anti-corruption Commission, the privacy and data protection commission, the Public Interest Monitor, the Victorian Inspectorate and the Victorian Electoral Commission. Out of those six bodies only one of them was technically part of the department, which was the Public Interest Monitor. Another three were separate, stand-alone statutory entities, and the alignment essentially shifted from the Department of Justice to DPC. Therefore, in relation to them, there was no need to transfer staff or anything like that; they just shifted. We also shifted four outputs out of the department, which were privacy regulation, the state electoral roll and elections, anticorruption and public sector integrity, and the Freedom of Information Commissioner. They are all now wholly reported under DPC's output structure.

Because of the reasonably minor changes as they affected the department, there were no specific benefits or limitations to the department as a consequence of the MOG changes. We incurred no costs, excluding staff time, to manage the transfer of those bodies out of the department, although I do understand that DPC incurred some costs in incorporating those entities into its systems. For us it was a matter of relinquishing them, so the cost was non-existent. There are no expected office closures or any other changes to public service points as a result of the MOG changes. We did essentially transfer one office, which was for the Public Interest Monitor, where they were operating out of — it is no longer the department, and it is part of DPC, but because the Public Interest Monitor is only two staff it was a very small change. This response is consistent with our response to the Public Accounts and Estimates Committee, which was provided earlier this year.

That is really all I have to say in terms of the changes as they affected us. We had a name change as well; we went from the Department of Justice to the Department of Justice and Regulation, which reflected more fully the function of the department, but other than that it was a very minor change. I am happy to answer any questions.

**The CHAIR** — Thank you, Mr Condrón.

**Mr MULINO** — Thank you for your time, Mr Condrón. As you said, this machinery of government series of changes had a very minor impact in terms of costs. In terms of the broader strategy of bringing some integrity functions together in DPC, is that something you think is going to improve some of the functionality, potentially, of a number of those different oversight functions?

**Mr CONDRÓN** — I am not going to give a personal opinion, because it is a government policy in terms of that a government structures its arrangements as it feels it best needs to. I can understand the logic of bringing together public integrity oversight functions in one place — in a central agency rather than in a line department. If you think about the justice department's obligations, they involve integrity and oversight in terms of the broader community, police and courts, or previously the courts; they are separated from the department. The rest of the department does have that sort of regulatory role, but oversight of the public sector itself — I can see why it makes sense for that to be in a central agency and bringing together the Auditor-General as well, and the Ombudsman and so forth, in one space. So I can understand the logic of it, yes.

**Mr RICH-PHILLIPS** — Mr Condron, I do not have a lot to ask you this morning, obviously, with the relatively minor changes at justice and regulation. Just with respect to costs, a whole-of-government submission came in from DPC last night that recorded zero cost against your department.

**Mr CONDRON** — Yes.

**Mr RICH-PHILLIPS** — What costs have been incurred just with the name change, with the stationery, rebranding and so forth?

**Mr CONDRON** — We issued a directive to staff to re-use all the existing stationery, because again the name change was so minor — adding on ‘and Regulation’ to the end — that we decided to re-use all the existing envelopes, paper and everything. While we did order new stationery, it was only ordered in line with when we would normally order new stationery. No stationery was discarded or written off.

In terms of signage change, we have changed some signage at some sites — only six in the state so far. We have taken a view again that we are not changing as a result of the machinery of government change, because to do so would have incurred a large amount of additional cost over and above what we had in terms of existing funding that we had. We looked at it and said, ‘We will replace it as needed’, so we have had six sites where we have had to change it only because the signage was in poor condition or there was some sort of policy change, such as the smoking ban in prisons and so forth, so that we had to change signage. At that point we changed the name at the same time. That is why we reported it as zero in response to the question.

**Mr RICH-PHILLIPS** — You have lost the Public Interest Monitor and those integrity functions. You said they are outside — with the exception of the PIM — the department structure. What impact has the creation of Court Services Victoria had on the department structure?

**Mr CONDRON** — That had a lot larger impact on our structure. Unfortunately I have not come prepared to talk about that.

**Mr RICH-PHILLIPS** — Sorry; that took effect — —

**Mr CONDRON** — It took effect from 1 July last year. But, yes, in terms of impact on the department that was a much larger change and did impact on the department quite substantially. The department and Court Services Victoria still share a lot of functions, because again it was a zero cost commitment that we were trying to implement. The idea was to do it as efficiently as we possibly could. I, for example, still provide financial systems support and a number of financial support functions to courts, but we shifted all of the responsibility for managing budget and so forth over to courts, so they manage their own.

All of their own accommodation requirements were handed over, so they manage all their own accommodation, but we assist them in areas which made sense to still do so: payroll, finance systems, IT and so forth. However, the decision to continue those or otherwise rests with the courts, so they could decide at any point that they would like to go on their own, and that is fine for them to do so. It is within their right. Obviously there would be a cost to that. So, again, it was done in line with trying to ensure it was as efficient as possible. There were a number of staff, mainly those who were already court staff, who shifted out of the department and over to courts — just under 2000, from memory — and a number of corporate staff as well were shifted into roles with the courts, again to support the establishment of Court Services Victoria predominantly. That was a much larger change. I am happy to give detail on that, but I do not have it with me today.

**Mr RICH-PHILLIPS** — That is fine. That predates the — —

**Mr CONDRON** — Yes.

**Mr RICH-PHILLIPS** — Yes, that is fine. Thank you for that. With respect to the transfer of the integrity bodies to DPC, has that resulted in any internal structural change within the department of justice, or are any other changes planned with respect to the internal structure of justice?

**Mr CONDRON** — No, the structure of the department is exactly the same after the MOG change as it was before.

**Mr RICH-PHILLIPS** — And Mr Wilson has no plans to alter that?

**Mr CONDRON** — Not that I am aware of.

**The CHAIR** — Mr Condon, as you said earlier, five independent bodies and the PIM have relocated to DPC. Have they physically relocated to 1 TP or are they still at 121?

**Mr CONDRON** — No, they are all exactly where they were previously. That is my understanding. So the Freedom of Information Commissioner is still located on level 27 at 121 Exhibition Street. Even the PIM is still located exactly where it was previously. Some of them have varying reasons for why they are located where they are in terms of the integrity oversight bodies, so they have not shifted at all. All that has shifted in terms of staff from the department to DPC is two staff who shifted along with those changes: one policy staff member who provided legislative and policy support for those functions that shifted in terms of the integrity legislation and one corporate staff member who provided predominately financial support to those bodies, because they are all quite small other than IBAC — and the electoral commission, which operates largely independently — but IBAC is large enough to have its own financial support structure.

The other ones are very small, and we have tended to provide support services and so forth to them. We had one staff member for whom that would have been 50 per cent of her role. She shifted over as well, and she was available to do other corporate support functions for DPC as well. So there were only two staff, and they did shift from 121 Exhibition Street to 1 Treasury Place.

**The CHAIR** — Is there any plan or thought in the future for those bodies that are still at 121 to relocate to 1 Treasury Place?

**Mr CONDRON** — I have not heard anything about that. If there is, I would not know.

**Mr RICH-PHILLIPS** — Does justice provide accommodation for those bodies, or do they have their own separate process?

**Mr CONDRON** — All of the accommodation is managed through the Shared Service Provider. We went through a process following the MOG change of identifying which sites, including at 121, even which parts of the floor — level 27 at 121 is a floor that is structured such that there are a number of integrity bodies, and there is a conference facility there as well. It includes the FOI commissioner, the racing integrity commissioner and the road safety camera commissioner; they are all on that one floor. But the part that was the FOI commissioner has always been charged separately, and so Shared Services just identified how much of that floor space was for them, and that shifted to DPC's responsibility.

**The CHAIR** — With the change in the ministerial portfolios, the crime prevention portfolio no longer exists as a separate portfolio, but as I understand it the community crime prevention unit now reports to the Minister for Police.

**Mr CONDRON** — Correct, yes.

**The CHAIR** — There is no longer a minister for bushfire response, so I assume that the functions of that portfolio had now report to the Minister for Emergency Services.

**Mr CONDRON** — Yes, they do.

**Mr RICH-PHILLIPS** — I have just one question. With respect to IT service provision in justice, is the department continuing to use CenITex services?

**Mr CONDRON** — At the moment, yes, we are currently continuing to use CenITex services. We are still considering the results of the recent announcement that was made in terms of what is happening with CenITex going forward. We understand that CenITex will continue to provide some services; however, there will be some services which may be taken out to market. At the moment I think the department is reserving its position in terms of what it does as a result of that and is still considering things, so I would not know what is likely to happen in the future, but at the moment we are still with CenITex, yes.

**Mr RICH-PHILLIPS** — How many desktops does justice have — or a headcount, approximately?

**Mr CONDRON** — How many desktops? There are around 7000 staff, but the desktops would be quite considerably more than that, I would imagine. And then there are other computers that are used in justice service centres and so forth for public use and other things. It would be probably more than 10 000, but I do not know off the top of my head.

**The CHAIR** — One thing came to my attention while reading a bill that is before the Legislative Assembly at the moment, the Corrections Legislation Amendment Bill. I noted that some of the amendments there are to change the name of the department from the Department of Justice to the Department of Justice and Regulation. That has obviously incurred costs in terms of the office of parliamentary counsel and other processes to make those sorts of changes; and presumably other departments that have had name changes will also similarly update their names in legislation at the relevant time. Noting that there is no itemised cost for the Department of Justice and Regulation, I assume it is the position of the department that those costs have been managed within the current budget framework, noting that any change incurs staff time and some cost.

**Mr CONDRON** — Yes, that is correct. It has just been staff time involved in managing those changes.

**The CHAIR** — Mr Condon, thank you very much for your presentation this morning and your preparedness to answer questions from members of the committee. If things do change down the track with regard to, for example, the relocation of some of those integrity bodies, we would appreciate being kept up to date with the costs that the Department of Justice and Regulation is incurring as a result of the MOG changes. Thank you again.

**Mr CONDRON** — Thank you.

**Witness withdrew.**