

Senate Standing Committee on Environment and Communications
Legislation Committee
Answers to questions on notice
Environment portfolio

Question No: 135

Hearing: Supplementary Budget Estimates

Outcome: Corporate

Programme: Corporate Strategies Division

Topic: Portfolio Wide – Public Service Efficiencies – Consultants and Contractors

Hansard Page: N/A

Question Date: 27 November 2013

Question Type: Written

Senator Ludwig asked:

1. Has there been a reduction in the use of external consultants and contractors?
2. Has this impacted on the Department/agency, and how?
3. What are the estimated savings for each year over the forward estimates?

Answer:

Department of the Environment (the Department)

1. There has been a reduction in the use of external consultant and contractors. As per the Annual Report 2012-13:
Contractor costs have reduced from \$106,504,000 in 2011-12 to \$79,146,000 in 2012-13.
Consultant costs have reduced from \$12,787,000 in 2011-12 to \$9,893,000 in 2012-13.

To 31 October this financial year, spend on consultancies amounted to \$1,374,166. In the same period, spend on contractors was \$16,796,129.

2. The Department has sustained its delivery of services through efficiencies including improved sharing of consultant products among users of related information, more targeted use of consultants, increased short term reallocation of internal resources to minimise the requirement for contractor support, and the adoption of a more risk-based approach to needs assessment to ensure that only high priority consultancy and contractor services are acquired.
3. The Department cannot provide estimated savings for the forward years as budgets are not projected at this level for forward years.

Sydney Harbour Federation Trust (the Trust)

1. Consultancy expenditure for 2012-13 was \$1.079 million. For financial year 2013-14 up to 31 October 2013 expenditure was \$0.220 million. Notwithstanding the variable nature of consultancy expenditure, indications are that the full year expenditure will be appreciably lower than 2012-13.

2. The Trust's consultancy costs have naturally reduced as a result of the contraction in the Trust's capital works program across its sites. Expenditure on contractors is not specifically identifiable within the account codes; however, similar controls and scrutiny are applied to contractor expenditure.
3. It is difficult at this stage to provide assurance that consultant and contractor costs won't increase in the forward year estimates. If additional capital funding is provided to the Trust for a number of sites the Trust would expect consultancy and contractor expenditure may increase in the forward estimates.

National Water Commission (the Commission)

1. The Commission has experienced a reduction in the use of external consultants and contractors, especially since the conclusion of the Raising National Water Standards program. Consultancy figures were \$809,012 (inc GST) in 2012-13 and are currently \$10,208 (inc GST) for financial year 2013-14 up to 31 October 2013. Contractor costs for the Commission were \$237,217 (inc GST) in 2012-13 and are currently \$9,639 (inc GST) for financial year 2013-14 up to 31 October 2013.
2. The Commission has sustained its delivery of services through efficiencies including more targeted use of consultants, increased short term reallocation of internal resources to minimise the requirement for contractor support, and the adoption of a more risk-based approach to needs assessment to ensure that only high priority consultancy and contractor services are acquired.
3. As the Commission's work program for each year over the forward estimates has not yet been determined, it is not possible to quantify estimated savings over this period.

Climate Change Authority (the Authority)

1. As a new agency, the Authority does not have relevant comparative data.
2. The Authority looks to ensure value for money at all times. There may be occasions where the Authority will need to draw on external expertise to conduct specialist work based on a high priority and risk based approach.
3. The Authority cannot provide estimated savings for the forward years as budgets are not projected at this level for forward years.

Bureau of Meteorology (the Bureau)

1. The Bureau has experienced a reduction in the use of external consultants and contractors, however does not have relevant comparative data on hand for further analysis.
2. The Bureau has sustained its delivery of services through efficiencies including more targeted use of consultants, increased short term reallocation of internal resources to minimise the requirement for contractor support, and the adoption of a more risk-based approach to needs assessment to ensure that only high priority consultancy and contractor services are acquired.
3. The Bureau cannot provide estimated savings for the forward years as budgets are not projected at this level for forward years.

Director National Parks

1. The Director of National Parks has experienced a reduction in the use of external consultants and contractors for our core business functions, however does not have relevant comparative data on hand for further analysis.
2. The Director of National Parks is ensuring adequate controls and scrutiny are applied to constraining costs through more targeted use of consultants, increased short term reallocation of internal resources to minimise the requirement for contractor support, and the adoption of a more risk-based approach to needs assessment to ensure that only high priority consultancy and contractor services are acquired.
3. The Director of National Parks cannot provide estimated savings for the forward years as budgets are not projected at this level for forward years.

Great Barrier Reef Marine Park Authority (the Authority)

1. The Authority has experienced an increase in the use of external consultants and contractors.
2. During 2012-13 the Authority had an appropriate increase in the use of external consultancies to inform the Strategic Assessment of the Great Barrier Reef Region, continue work on the development of Traditional Use of Marine Resources Agreements, continue the Marine Monitoring program and undertake a Targeted Control Program on Crown of Thorns Starfish.
3. The Authority focuses on constraining costs by minimising the use of consultants to specialist or if required, independent, expertise only. Expenditure on consultants is not specifically identified over the forward estimates.

Murray Darling Basin Authority (the Authority)

1. The Authority has experienced a reduction in the use of external consultants and contractors, however does not have relevant comparative data on hand for further analysis.
2. The Authority has sustained its delivery of services through efficiencies including more targeted use of consultants, increased short term reallocation of internal resources to minimise the requirement for contractor support, and the adoption of a more risk-based approach to needs assessment to ensure that only high priority consultancy and contractor services are acquired.
3. The Authority does not maintain forward departmental estimates at an individual account code level that would allow savings against the forward estimates to be quantified specifically.