

Joint Committee of Public Accounts and Audit

Inquiry into Grants Administration

Department of Finance

Response to Question on Notice

Hearing of 3 March 2023

Written Question on Notice 2 (Proof Hansard Page 8)

Senator REYNOLDS: Thank you. I think that's a good issue to follow up with Finance. Just on that point, I think, Chair, maybe we can pursue this with Finance, because I've heard this already from them—they're the policy owner.

CHAIR: Yes.

Senator REYNOLDS: I'm just trying to think of how to frame this: can we pursue with them further the difference between being a policy owner and a regulator and how would anybody else or any other formal regulator see themselves. Is it just splitting hairs or almost a way of avoiding accountability: 'I'm just the policy owner; I'm not the regulator. It's really not my job'?

Response

The Commonwealth Resource Management Framework (the Framework) governs how officials in the Commonwealth public sector use and manage public resources.

The *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and the *Public Governance, Performance and Accountability Rule 2014* (PGPA Rule) set out the Parliament's governance and accountability arrangements for Commonwealth entities.

The Framework is principles-based and a devolved management framework. It is supported by guidance, tools and resources issued by the Department of Finance (Finance) as the policy owner. It provides the flexibility for accountable authorities to adopt appropriate systems and processes to assist in the achievement of diverse policy and statutory objectives of their entity efficiently and effectively.

Accountable authorities, officials and ministers, in the context of grants, are responsible for understanding and complying with any requirements that apply under finance law (PGPA Act and Rules, including the *Commonwealth Grants Rules and Guidelines* (CGRGs), and Appropriation Acts) and any other legal framework.