

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Inquiry into the Management and Assurance of Integrity by Consulting Services

Department: Department of the Treasury
Topic: Communication between Treasury and the AFP
Reference: Spoken
Senator: Deborah O'Neill

Question:

Senator O'NEILL: I am wanting to confirm whether there is a deficit of particular skills in the AFP. If you don't know what to ask, you don't know what to ask. How effectively are the AFP and Treasury communicating to make sure that the right questions are asked? Some of this is quite dense. We are starting to get into that. We will do that more and more in the other committee as well. That relationship between you and the AFP and the sharing of knowledge at critical points is what I am asking about.

Ms Brown: We will have to take that on notice. That engagement occurs through our law division. They would be the more appropriate people. We will see what they can tell you.

Answer:

The Treasury and the AFP continue to communicate as appropriate since referring the PwC-Collins matter to the AFP on 24 May 2023. The Treasury has cooperated with the AFP by responding to any questions and requests made by the AFP. As the investigation is ongoing, Treasury is unable to provide any further details about the nature of any information provided to the AFP without prejudicing its investigation.

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Treasury Portfolio

Inquiry into the Management and Assurance of Integrity by Consulting Services

Department: Department of the Treasury
Topic: Transferring consultancy contracts
Reference: Spoken
Senator: Barbara Pocock

Question:

Senator BARBARA POCOCK: This is transferring a set of existing procured projects from PwC to Scyne, is it not?

Dr Barrett: If we were to novate those contracts, we would consider whether we wanted to proceed with novating a contract.

Senator BARBARA POCOCK: Each of those contracts will undergo a procurement process as they are transferred?

Dr Barrett: No. My understanding is that organisations would have to make a decision about whether they want to novate the current contract across. If you need more detail, I will have to take on notice exactly how that works. It is not something I am across at this stage.

Answer:

Consistent with advice from the [Department of Finance](#) Commonwealth entities can now consider contracting with Scyne in the same way they consider other tenderers, including considering novation of existing PwC contracts to Scyne.

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Treasury Portfolio

Inquiry into the Management and Assurance of Integrity by Consulting Services

Department: Department of the Treasury
Topic: Contractors and consultants code of conduct
Reference: Spoken
Senator: Deborah O'Neill

Question:

Senator O'NEILL: Point No. 8, on the page that has 'TRAPS' in the middle—this is before we get to 'TRAPS'—says:

Agencies should consider whether, and if so which, parts of the APS Values and Code of Conduct might apply to contractors performing services on behalf of the APS.

How do you interact with the requirement to consider the application to contractors of 'APS Values and Code of Conduct'? How strenuously do you demand that of any consultancies you engage?

Dr Barrett: That would be covered by the contracts we put in place. I would have to take on notice exactly what is written in those contracts. But our conflict of interest policy, which was updated in the past 12 months, makes it clear that it applies as per the contract; we expect contractors and consultants to adhere to the Code of Conduct.

Senator O'NEILL: Have you had to take any action with regard to failures in that regard; failures to uphold APS values, or to declare conflicts of interest which become apparent?

Dr Barrett: In regard to consultancies?

Senator O'NEILL: Yes.

Dr Barrett: Not that I am aware of, but I would have to take that on notice to make sure I give you an accurate answer.

Answer:

Treasury consultants are subject to requirements in the contracts they sign with Treasury. Treasury often uses panels (such as the Management Advisory Services Panel) or the Commonwealth Contracting Suite (CCS) for these engagements. As the APS Values and Code of Conduct only apply under the *Public Service Act 1999* to APS employees, standard terms and conditions (in both the CSS and in panel arrangements) do not expressly require a non-Commonwealth contracting party to comply with the APS Values or Code of Conduct. They do, however, contain express provisions that align with key Code of Conduct requirements including conflicts of interest and confidentiality.

If Treasury were to engage a consultant on a secondment to work within the department, our standard secondment agreement template requires compliance with the APS Values and Code of Conduct “*as if they were an employee of Treasury*” and other Treasury policies and guidelines as well as imposing express confidentiality and conflict of interest requirements.

No consultants have been found to breach the APS Values or Code of Conduct in the past 12 months.