

Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
BUDGET ESTIMATES 2014-15

Finance Portfolio

Department/Agency: Finance

Outcome/Program: 1/1.1

Topic: Whole of Government procurement arrangements

Senator: Ludwig

Question reference number: F273

Type of question: Written

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Number of pages: 2

Question:

Further to F31 from the February 2014 estimates, can you provide an update to the savings figures for the whole-of-government procurement arrangements, including figures for 2016-17 and 2017-18?

Answer:

Table 1 shows the achieved and projected savings retained by agencies and returned to the Budget for the ICT and Non-ICT arrangements from 2008-09 to 2016-17. Estimates are not available for 2017-18:

TABLE 1 – Whole of Government Arrangements Savings (May 2014)

Whole-of-Government Arrangements											
As at May 2014											
Cost Reductions or Savings Retained by Agencies											
Arrangement		2008/ 09	2009/ 10	2010/ 11	2011/ 12	2012/ 13	2013/ 14	2014/ 15	2015/ 16	2016/ 17	Total
		\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
Non ICT	Stationery & Office Supplies					2.8	7.3	7.3	7.3	7.3	32
	Air Travel*			20	20	20	20	8	8	8	104
	Major Office Machines				2.9	4	5.4	6.4	8.5	8.5	35.7
	Recruitment, Tender & Public Notices Advertising		27	30	22	13	13	1	1	1	108
	Fleet**										0
ICT	Desktop			7.5	18	1.3	1.1				27.9
	Volume Sourcing Agreement 2	15.6	21.8	24.4	23.7	23.4					108.9
	Data Centres				9	15	23	27	41	59	174
Total Agency Cost Reductions and Savings		15.6	48.8	81.9	95.6	79.5	69.8	49.7	65.8	83.8	590.5
Savings Returned to Budget (out years estimated)											
Air Travel				40	40	70	70	30			250
Major Office Machines					0.5	0.8	1	1.1	1.4	1.4	6.2
Desktops						6.2					6.2
Internet-based Network Connected Services						1.4	11.9	13.6	12.6	11.6	51.1
Volume Sourcing Agreement 2							33.3	33.3	33.4		100
Total Returned to Budget		0	0	40	40.5	78.4	116.2	78	47.4	13	413.5
Gross WoAG Arrangements		15.6	48.8	121.9	136.1	157.9	186	127.7	113.2	96.8	1004
Less Funding (NPP and Admin fee)		0.6	6.8	7.5	7.3	8	13.1				43.3
Net WoAG Arrangements		15	42	114.4	128.8	149.9	172.9	127.7	113.2	96.8	960.7

* Air Travel and related services – figures for FY 10-11 to FY 13-14 are in accordance with government decision for Travel 1. Savings for Travel Phase 1 also cover Travel Phase 2. ** Fleet – not able to provide savings figures as no base established/quantified. Savings were not an objective of the arrangement. *** Internet Gateways – not able to provide savings figures as no quantifiable base. Many agencies still in transition and the Program will not be completed until September 2015.