

Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
BUDGET ESTIMATES 2017-18

Finance Portfolio
24-25 May 2017

Department/Agency: Finance
Outcome/Program: 2/2.1
Topic: Modernisation Fund

Senator: Gallagher

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Question:

Senator GALLAGHER: The modernisation fund. Was there a standard set of criteria?

Dr Helgeby: There were slightly different criteria for the two streams. The Transformation and Innovation Stream, which was the \$350 million stream, had to look at transformative potential: would it deliver something significantly different from what would have been the case in the absence of the investment; potential for collaboration; and ability to benefit across the APS. So, in general, it was about investments where there would be benefits beyond one agency into multiple agencies—not necessarily all entities, but across that. In the other stream, the \$150 million stream on sustainability, the focus was on sustainability and capacity, and, therefore, the key interest was whether an entity had a reform program or agenda, and how an investment would impact positively on that.

Senator GALLAGHER: Okay. Who made the decisions? I presume there were more applications than there were funds available.

Ms Huxtable: There were. There was an initial shortlisting process—an assessment of applications against the criteria. That was undertaken by a secretary's committee, comprising: myself; Mr Parkinson; Dr Bruniges from the education department; John Lloyd, the Australian Public Service Commissioner; and Ramez Katf, the Chief Information Officer from the ATO. The initial shortlisting process occurred, then those projects went through a further development, and then there was a second meeting and the outcome of the secretary's consideration was recommendations to government in respect of projects to be funded.

Senator Cormann: And the government accepted 100 per cent of the recommendations that came out of that process.

Senator GALLAGHER: That is why you have secretaries, I guess, isn't it, to make those good decisions? Do you have a figure on what bids came in versus the resourcing available?

Ms Huxtable: We might have to take that on notice; I cannot remember that off the top of my head.

Answer:

A total of 166 applications totalling around \$1.5 billion were received from 63 entities as part of the Modernisation Fund initial application process. A total of \$500 million was available under the Modernisation Fund. \$20.4 million was allocated at the 2016-17 Mid-Year Economic and Fiscal Outlook and the remaining \$479.6 million was allocated at the 2017-18 Budget.

The final package of agreed proposals involved the amalgamation of a number of original applications into joint proposals to remove duplication, and enhance the transformative nature of projects where commonalities existed.