

Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Supplementary Budget Estimates 20-24 October 2014

Prime Minister and Cabinet Portfolio

Department/Agency: Department of the Prime Minister and Cabinet

Outcome/Program: Outcome 1: Prime Minister and Cabinet

Topic: Annual Reports

Senator: Senator Nick Xenophon

Question reference number: 61

Type of question: Written

Date set by the committee for the return of answer: 5 December 2014

Number of pages: 2

Question:

1. From the recent Budget Estimates June 2014, I asked Q.170 which became 'Requirements for Annual Reports document'.

Can the Department of Prime Minister & Cabinet identify which Departments, Executive Agencies and FMA Act Bodies and with what monetary value have contravened section 48 of the Financial Management and Accountability Act 1997?

This appears to have occurred concurrently with the Department of Defence in the financial year 2004-05.

2. I understand the Department requires a mandatory reporting of compliance with section 19 of the same Act as directed within the DPM&C's 'Guidelines for Annual Reports' and which were presented to the Parliament by their Minister. Has there been a failure in the quality of the reporting to the Parliament?

3. On the 15th October 2014, the 'Successful Implementation of Policy Initiatives' was jointly released by the Department of the Prime Minister and Cabinet and the Australian National Audit Office. One section is titled, 'Strong leadership, an inclusive approach, sound processes and the effective use of resources'.

Given my ongoing concerns about 'risk management services, internal audit, fraud and compliance mechanisms', can you advise what effective enforcement protocols will be employed to monitor this implementation of policy initiatives?

Answer:

1. The Department had no monitoring role in relation to section 48 of the *Financial Management and Accountability Act 1997*, nor does it have such a role under the equivalent provision of the *Public Governance, Performance and Accountability Act 2013*, section 41.

2. The 'Requirements for Annual Reports' prepared by the Department pursuant to subsections 63(2) and 70(2) of the *Public Service Act 1999*, and approved by the Joint Committee of Public Accounts and Audit, makes no reference to section 19 of the *Financial Management and Accountability Act 1997*.

3. The document referred to provides guidance to senior executives wishing to improve practices in their departments. It is complementary to and does not supersede or override legislative or Commonwealth policy requirements.