

**Senate Finance and Public Administration Legislation Committee
—Supplementary Budget Estimates Hearing—October 2016**

Answers to Questions on Notice

Parliamentary departments, Department of Parliamentary Services

Topic: **ANAO Performance Audit Report – Managing Contracts at Parliament House**

Question: **19**

Written: **Senator Wong**

Date set by the committee for the return of answer: 2 December 2016

With reference to the Australian National Audit Office Performance Audit Report *Managing contracts at Parliament House* (No. 19 of 2016-17):

1. Given the comment that “there is more to be done to ensure that staff follow that guidance”, please outline the deficiencies that led to this observation by the Australian National Audit Office.
2. What action is being taken to be done to address these deficiencies?

Answer

1. The Australian National Audit Office Performance Audit Report *Managing contracts at Parliament House* (No. 19 of 2016-17), states “There has been an overall improvement in the department’s performance in establishing and managing contracts since the previous audit, although there is more to be done to ensure staff follow that guidance.”

As noted by the ANAO in Figure 2.2, DPS has implemented policies, procedures and guidance that is compliant with both legislation and the ANAO better practice – Developing and Managing Contracts. It was noted however, in Table 3.2, that DPS did not achieve 100% compliance with this guidance against the sample contracts tested.

2. DPS recognises the need for continual improvement in the contract management space. To achieve this DPS will continue to embed the financial and procurement frameworks into business activities, evolve the SAP Procure to Pay system module and controls, provide formal and informal training opportunities and improved communications. It is expected that the department will realise noticeable improvements as organisational knowledge, capability and systems mature.