

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

1 June – 3 June 2010

Question: BET 190

Topic: Consultancies (AOFM)

Hansard Page: Written

Senator Barnett asked:

1. How many consultancies have been undertaken or are underway since November 2007? Please identify the name of the consultant, the subject matter of the consultancy, the duration and cost of the contract, and the method of procurement (ie. open tender, direct source, etc).

Please also include total value for all consultancies, including figures for total *spending* on consultancies and also *value of contracts awarded*? Provide total figures since November 2007 and a breakdown on these figures for FY 2008/09 and 2009/10 FYTD.

2. Is the Department/agency up to date with its reporting requirements on the Government's tenders and contracts website? Are the figures available on that site correct?
3. How many consultancies are planned for this calendar year? Have these been published in your Annual Procurement Plan (APP) on the AusTender website and if not why not? In each case please identify the subject matter, duration, projected cost and method of procurement as above, and the name of the consultant if known.

All answers should be current at the time the answer is submitted.

Answer:

1. Consultancies commenced since November 2007 are as follows:

November 2007 – 30 June 2008

Name	Subject matter	Duration	Cost	Value of contract	Procurement Method
Australian Government Actuary	Actuarial services	February to April 2008	\$5,977	\$5,977	Direct source
Australian Valuation Office	Valuation of assets	March 2008	\$2,000	\$2,000	Direct source
Australian Government Solicitor	Advice on borrowing legislation	April to May 2008	\$5,330	\$5,330	Direct source
		TOTAL	\$13,307	\$13,307	

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1 July 2008- 30 June 2009

Name	Subject matter	Duration	Cost	Value of contract	Procurement Method
Australian Government Solicitor	Advice on borrowing legislation	August 2008 to November 2008	\$13,192	\$13,192	Direct source
Australian Government Actuary	Actuarial services	February to April 2009	\$5,500	\$5,500	Direct source
Australian Valuation Office	Valuation of assets	April 2009	\$2,970	\$2,970	Direct source
		TOTAL	\$21,662	\$21,662	

1 July 2009- 30 June 2010

Name	Subject matter	Duration	Cost	Value of contract	Procurement Method
Infact Consulting	Business system advisory	September 2009 to September 2010	\$64,969	\$78,500	Direct source
Australian Government Solicitor	Advice on legislation	December 2009 to May 2010	\$19,782	\$19,782	Direct source
Australian Valuation Office	Valuation of assets	April 2010	\$550	\$550	Direct source
Australian Government Actuary	Actuarial services	April 2010	\$5,500	\$5,500	Direct source
Mercer	Job evaluation review	April 2010	\$11,993	\$11,993	Direct source
		TOTAL	\$102,794	\$116,325	

2. The AOFM reviews and updates (where necessary) its AusTender reporting requirements (a) for contracts entered into - on a monthly basis, and (b) for its Annual Procurement Plan - on a semi-annual basis. This exceeds the minimum requirements set out in Financial Management Guidance No. 15: Guidance on Procurement Publishing Obligations.
3. The AOFM currently expects to award two consultancy contracts in 2010-11: one for internal audit and one for treasury system consultancy services.

The internal audit tender was published in the AOFM's 2010-11 Annual Procurement Plan (APP) on the AusTender website. The contract will be for a period of 3 to 5 years at an estimated total cost between \$450,000 and \$750,000. The procurement method is by open tender. The consultant is not yet known as the tender is not finalised.

An open tender for treasury system consultancy services commenced in May-June 2010. The AOFM is currently in contract negotiations with the preferred tenderer. The contract will be for a period of 3 years and the total cost is estimated at less than \$250,000. The proposed consultancy was not published in

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the 2009-10 APP because it was not envisaged when the Plan was last revised in March 2010. In April 2010 the AOFM decided to market test its treasury system requirements and to obtain consultants to provide technical advice to assist it in this task. The consultancy requirement was then put to tender. It was not included in the 2010-11 APP because the tender had already been held.