

**Senate Finance and Public Administration Legislation Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**  
**BUDGET ESTIMATES 2012-2013**

Finance and Deregulation Portfolio

**Department/Agency: Department of Finance and Deregulation**

**Outcome/Program: 1/1.3**

**Topic: Health and Hospitals Fund board**

**Senator: Fierravanti-Wells**

**Question reference number: F33**

**Type of question: Hansard, F&PA Committee, page 46, 24 May 2012**

**Date set by the committee for the return of answer: Friday, 6 July 2012**

**Number of pages: 2**

**Question:**

**Mr Tune:** No. Not necessarily. I am reliant very much on whether they have gone through the due process of the board of the Health and Hospitals Fund. If they come up as viable and sensible against that then that is fine.

**Senator FIERRAVANTI-WELLS:** One last question. In relation to the criteria that the board is using to determine the allocation of processes, did the Department of Finance have any role in establishing those guidelines and the parameters of their work?

Mr Tune: Yes, I think we did. I am going back a couple of years now, though.

**Senator FIERRAVANTI-WELLS:** Could you take that on notice, and provide to me an outline of the work that you did, what advice was sought by the Department of Health and Ageing and what broad outlines the Department of Finance gave to the Department of Health and Ageing to ensure appropriate guidance that you gave them to establish those guidelines. Can you also provide to me—without giving me a copy of the draft guidelines—whether there was any exchange on guidelines, draft or otherwise.

**Mr Tune:** Can do.

**Answer:**

Consistent with the *Nation-building Funds Act 2008* (the Act), the Minister for Health (Health Minister) is required to formulate the Health and Hospitals Fund (HHF) evaluation criteria, which is to be used by the HHF Advisory Board when assessing applications under a HHF funding round.

The HHF evaluation criteria commenced from January 2009 by legislative instrument, and were subject to disallowance by either House of the Parliament.

Prior to the formulation of the HHF evaluation criteria, the Health Minister consulted with the Minister for Finance and Deregulation (Finance Minister) and the Treasurer as required under the Act. Under that process, the Treasurer and the Finance Minister considered the

evaluation criteria to be in line with the Government's overarching principles for the Nation-building Funds, that projects financed from the three Funds should:

- address national infrastructure priorities;
- demonstrate high benefits and effective use of resources;
- efficiently address infrastructure needs; and
- demonstrate they achieve established standards in implementation and management.

The HHF Advisory Board has assessed projects under the various HHF funding rounds, including the \$1.8 billion Regional Priority funding round, against those HHF evaluation criteria. The Health Minister also provided additional guidance to the HHF Advisory Board to reflect the regional focus of the HHF Regional Priority Round. The Finance Minister supported the additional guidance as they reflected the scope of the funding round that was agreed to by the Government.