

Senate Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Supplementary Budget Estimates October/November 2005

Agriculture, Fisheries and Forestry

Question: Additional MS 01

Division/Agency: Management Services

Topic: Travel

Hansard Page: Written question

Senator Fielding asked:

How much money has the portfolio spent on domestic airfares for each of the last three financial years?

Answer:

The estimated expenditure on domestic airfares for each of the past three years for the portfolio was:

	2002-2003	2003-2004	2004-2005
Domestic Airfares	\$7,070,179	\$7,957,678	\$8,459,190

The response for the portfolio includes the Department of Agriculture, Fisheries and Forestry, Biosecurity Australia since it was established as a Prescribed Authority in December 2004 and those agencies that had sufficient records and/or the resources to enable them to provide a response to the question.

Question: Additional MS 02

Division/Agency: Management Services

Topic: Travel

Hansard Page: Written question

Senator Fielding asked:

How much money has the portfolio spent on overseas airfares for each of the last three financial years?

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Answer:

The estimated expenditure on overseas airfares for each of the past three years for the portfolio was:

	2002-2003	2003-2004	2004-2005
Overseas Airfares	\$2,384,088	\$3,231,678	\$3,182,238

The response for the portfolio includes the Department of Agriculture, Fisheries and Forestry, Biosecurity Australia since it was established as a Prescribed Authority in December 2004 and those agencies that had sufficient records and/or the resources to enable them to provide a response to the question.

Question: Additional MS 03

Division/Agency: Management Services

Topic: Travel

Hansard Page: Written question

Senator Fielding asked:

How much money has the portfolio spent on economy class domestic airfares for each of the last three financial years?

Answer:

The estimated expenditure on economy class domestic airfares for each of the past three years for the portfolio was:

	2002-2003	2003-2004	2004-2005
Economy Class Domestic Airfares	\$5,550,029	\$6,177,926	\$6,652,355

The response for the portfolio includes the Department of Agriculture, Fisheries and Forestry, Biosecurity Australia since it was established as a Prescribed Authority in December 2004 and those agencies that had sufficient records and/or the resources to enable them to provide a response to the question.

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Question: Additional MS 04

Division/Agency: Management Services

Topic: Travel

Hansard Page: Written question

Senator Fielding asked:

How much money has the portfolio spent on business class domestic airfares for each of the last three financial years?

Answer:

The estimated expenditure on business class domestic airfares for each of the past three years for the portfolio was:

	2002-2003	2003-2004	2004-2005
Business Class Domestic Airfares	\$1,520,150	\$1,779,753	\$1,806,836

The response for the portfolio includes the Department of Agriculture, Fisheries and Forestry, Biosecurity Australia since it was established as a Prescribed Authority in December 2004 and those agencies that had sufficient records and/or the resources to enable them to provide a response to the question.

Question: Additional MS 05

Division/Agency: Management Services

Topic: Travel

Hansard Page: Written question

Senator Fielding asked:

How much has the portfolio spent on first class domestic airfares for each of the last three financial years?

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Answer:

Expenditure on first class domestic airfares for each of the past three years for the portfolio was:

	2002-2003	2003-2004	2004-2005
First Class Domestic Airfares	\$0	\$0	\$0

The response for the portfolio includes the Department of Agriculture, Fisheries and Forestry, Biosecurity Australia since it was established as a Prescribed Authority in December 2004 and those agencies that had sufficient records and/or the resources to enable them to provide a response to the question.

Question: Additional MS 06

Division/Agency: Management Services

Topic: Travel

Hansard Page: Written question

Senator Fielding asked:

What would be the estimated financial year dollar saving if all public servants in the portfolio travelled economy class for flights of less than one and a half hours duration?

Answer:

The information required to complete this assessment is not readily available from the records maintained by the Department of Agriculture, Fisheries and Forestry, Biosecurity Australia and some agencies. The savings could not be estimated without a significant diversion of resources.

Question: Additional MS 07

Division/Agency: Management Services

Topic: IT outsourcing arrangements

Hansard Page: Written question

Senator Conroy asked:

Please provide details of total departmental/organizational spending on Information and Communications Technology products and services during the last 12 months. Please break down this spending by ICT function (eg communications, security, private network, websites).

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Answer:

The Department of Agriculture, Fisheries and Forestry (including Biosecurity Australia since being established in December 2004) and its portfolio agencies spent \$23,094,082 on outsourced Information and Communications Technology products and services during 2004-05.

For the Department (including Biosecurity Australia) the breakdown of this expenditure was:

Computing services	\$21,370,000
Secure Gateway services	<u>\$630,000</u>
	<u>\$22,000,000</u>

The Department does not directly outsource its information technology security or voice communications functions. However, included in the outsourced computing services expenditure are elements of systems and network security and data communications services which are integral to delivering computing services and maintaining a secure environment. Those specific items of expenditure are not readily dissected.

For the remaining portfolio agencies the breakdown of this expenditure was:

Computing services	\$682,200
Website and Gateway services	\$268,380
Communications	\$130,157
Security	<u>\$13,345</u>
	<u>\$1,094,082</u>

Question: Additional MS 08

Division/Agency: Management Services

Topic: IT outsourcing arrangements

Hansard Page: Written question

Senator Conroy asked:

Was this spending in line with budget forecasts for this 12 month period?

- a. If not, please provide details of:
 - i. The extent that ICT spending exceeded budget forecasts for this 12 month period;
 - ii. Details of on specific ICT contracts which resulted in department/organisation spending in excess of budget forecasts for this 12 month period;

The reasons ICT spending exceeded budget forecasts for this 12 month period.

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Answer:

The expenditure as provided in the answer to the Senator's previous question (reference MS07) on outsourced Information and Communications Technology contracts during the 2004-05 fiscal year) was consistent with budget forecasts for that period.

Question: Additional MS 09

Division/Agency: Management Services

Topic: IT outsourcing arrangements

Hansard Page: Written question

Senator Conroy asked:

Please provide details of any ICT projects that have been commissioned by the Department/organisation during the past 12 months that have failed to meet designated project time frames (ie have failed to satisfy agreed milestones by agreed dates).

- a. For such projects that were not completed on schedule, please provide details of:
 - i. The extent of any delay;
 - ii. The reasons these projects were not completed on time;
 - iii. Any contractual remedies sought by the Department/organisation as a result of these delays (eg penalty payments).

Answer:

The Department of Agriculture, Fisheries and Forestry (including Biosecurity Australia since being established in December 2004) and its portfolio agencies did not commission any Information and Communications Technology projects under its IT outsourcing arrangement during the 2004-05 fiscal year that failed to meet agreed project timeframes.

Question: Additional MS 10

Division/Agency: Management Services

Topic: IT outsourcing arrangements

Hansard Page: Written question

Senator Conroy asked:

Please provide details of any ICT projects delivered in the past 12 months that have materially failed to satisfy project specifications.

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Agriculture, Fisheries and Forestry

Answer:

The Department of Agriculture, Fisheries and Forestry (including Biosecurity Australia since being established in December 2004) and its portfolio agencies did not enter into any Information and Communications Technology projects under its IT outsourcing arrangement during the 2004-05 fiscal year that materially failed to satisfy project specifications.

Question: Additional MS 11

Division/Agency: Management Services

Topic: IT outsourcing arrangements

Hansard Page: Written question

Senator Conroy asked:

Please provide details of any ICT projects that were abandoned by the Department/organisation within the last 12 months before the delivery of all project specifications outlined at the time the project was commissioned.

- a. For such abandoned projects, please provide details of:
 - i Any contractual remedies sought by the Department as a result of the abandonment of these projects.
 - ii Any costs of re-tendering the ICT project.

Answer:

For the 2004-05 fiscal year, the Department of Agriculture, Fisheries and Forestry (including Biosecurity Australia since being established in December 2004) and its portfolio agencies did not abandon any Information and Communication Technology projects under its outsourcing arrangement before the delivery of all specifications outlined at the time the projects were commissioned.

Question: Additional MS 12

Division/Agency: Management Services

Topic: Contract negotiations

Hansard Page: Written question

Senator Murray asked:

What guidance is provided to staff with responsibilities for contract negotiations specifically about the requirements of the Senate Order? If relevant guidance is not provided, please explain why this is the case.

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Answer:

In January 2005, the Department of Agriculture, Fisheries and Forestry established a centralised Procurement Advisory Unit (PAU) to provide advice and assistance to the Department's and Biosecurity Australia's staff involved in contract negotiations. The primary responsibility of the Unit is to provide guidance on procurement to enable staff to comply with the new Commonwealth Procurement Guidelines and the reporting requirements, including those regarding the Senate Order. The PAU also manages the compilation of the Senate Order report for the internet and the Minister's letter of compliance to the Senate.

Question: Additional MS 13

Division/Agency: Management Services

Topic: Training

Hansard Page: Written question

Senator Murray asked:

What training and awareness sessions are provided, either in-house or through other training providers (eg. DOFA, APS Commission or private firms) in respect of the Order? Please provide a list of the dates, the identity of the training providers and the content of the training that staff attended in 2005. If training and awareness sessions are not provided, please explain why this is the case.

Answer:

No formal training and awareness sessions relating to the Senate Order have been provided directly to staff by the Department of Agriculture, Fisheries and Forestry (DAFF) and Biosecurity Australia. Until now, staff have been encouraged to attend procurement seminars, forums and conferences conducted by the Department of Finance and Administration (DOFA). They have also been provided with an intranet based procurement tutorial developed by DAFF which includes links to the specific guidance material which is available on DOFA's website about complying with the Senate Order.

However, as recommended in the recent ANAO audit report (No. 11 2005-2006), the Department will include greater detail on the requirements of the Senate Order when developing future procurement training.

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Question: Additional MS 14

Division/Agency: Management Services

Topic: Commonwealth Procurement Guidelines

Hansard Page: Written question

Senator Murray asked:

Has the department/agency revised its procurement guidelines to incorporate the new Commonwealth Procurement Guidelines that took effect from 1 January 2005, particularly with respect to the confidentiality elements contained in those guidelines? If so, when did this occur and can a copy be provided? If not, what is the cause of the delay and when will the revision occur?

Answer:

The Department of Agriculture, Fisheries and Forestry amended its Chief Executive Instructions (CEIs) in December 2004 and has progressively amended its standard procurement templates and instructions to incorporate the revised Commonwealth Procurement Guidelines (CPGs). The CEI titled *Procurement* provides links to the Department of Finance and Administration's (DOFA's) Procurement internet website. In June 2005, the Department's and Biosecurity Australia's staff were provided with an intranet based procurement tutorial which also includes links to DOFA's website. That website contains all the specific guidance material on complying with the CPGs, the Senate Order and on determining the confidentiality of contract material.

Attached is a copy of the *Department of Agriculture, Fisheries and Forestry, Chief Executive Instruction No.4 Procurement*. The reference within the CEI to confidentiality matters and link to the DOFA's guidance material are at page 5 - Section 3.3 (second dot point).

The DOFA website address link contained in the above reference is:
www.finance.gov.au/ctc/confidentiality_of_contractors.html

Further detailed guidance on meeting the Senate Order is contained on DOFA's website at reference:
www.finance.gov.au/ctc/toolkits/listing_contract_details_on_the_Internet/listing_of_contract_details_on.html

[Add MS 14 attachment – not included. Available from the committee secretariat on request.]

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Question: Additional MS 15

Division/Agency: Management Services

Topic: ANAO Audits

Hansard Page: Written question

Senator Murray asked:

ANAO audits for the last three years have revealed a consistently low level of compliance across most agencies with DOFA confidentiality criteria (February 2003) for determining whether commercial information should be protected as confidential. The ANAO's latest report on the Order (No.11 2005-2006, September 2005) states that departments and agencies need to give higher priority with this important requirement of the Senate Order.

- What specific measures have been or will be taken to address this problem, give it higher priority and raise compliance levels?
- What guidance and training are provided to staff about the confidentiality criteria and the four tests employed to determine whether information should be protected?
- What internal auditing or checking is performed to test compliance in this area? If none is performed, why not and is the agency considering the adoption of internal controls and checks?

Answer:

- The requirements in relation to the confidentiality provisions have been incorporated into the Department of Agriculture, Fisheries and Forestry's *Chief Executive Instruction No. 4 Procurement*.
- The requirements of the Senate Order in relation to confidentiality provisions will be incorporated into the Department's procurement training program and specific guidance will also be placed on the Department's intranet.
- The Department's internal audit program for 2005-06 includes an audit of compliance with the *Chief Executive Instruction No. 4 Procurement*, which incorporates the requirements of the Senate Order. The audit is currently in progress.

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Question: Additional MS 16

Division/Agency: Management Services

Topic: Senate Order

Hansard Page: Written question

Senator Murray asked:

What problems, if any, has the agency and/or relevant staff experienced in complying with the Senate Order? What is the nature and cause of any problems? What measures have been, or could be, adopted to address these concerns?

Answer:

The Department of Agriculture, Fisheries and Forestry and Biosecurity Australia are not aware of any problems having arisen in complying with the Senate Order. Toward ensuring the completeness and accuracy of internet listings, improvements have recently been made to the Department's systems to ensure that the Contracts' Register and Commitments' Register in the Financial Management Information System (FMIS) can be reconciled. Without these improvements, there was potential for a single contract to be reported in multiple parts. The reconciliation of these two information sources now ensures that multiple purchase orders are reported against a single contract.