

Response to Question on Notice

SENATE FINANCE AND PUBLIC ADMINISTRATION REFERENCES COMMITTEE

Inquiry into the Operation of the Administrative Arrangements Order

SPECIFIC QUESTIONS ON NOTICE

Question 1

CHAIR: *I want to move to something different. In your regular consultations, Ms Lynch and Mr Rush, have any departments or agencies made suggestions to you about changes to the distribution of responsibilities for domestic security? One example is the creation of a consolidated homeland security department.*

Mr Rush: *We are aware of the commentary that has been going on in the media about an alleged proposal for a department of homeland security, but we have not had any specific input on that from other departments. We are aware also that the government has announced a review of intelligence agencies, which is, amongst other things, looking at the structure of those agencies, but that is ongoing. The short answer is no. We have not got any current or recent specific input work going on in relation to those kinds of proposals.*

CHAIR: *To be very clear about the answer: do you have inputs from the line agencies that might be interested or affected by such a proposal?*

Mr Rush: *Not from government division and not the terms of the administrative arrangements order. I am sure that the national security part of the department would be in constant discussion with those agencies in the national security and intelligence area, but nothing has come to the point of needing the technical advice about AAO and machinery change.*

CHAIR: *I am conscious that that part of the department is not represented here today. Can you take on notice what materials have been prepared in relation to any such consolidation of agencies into a department of this kind and when they were prepared?*

Ms Lynch: *Yes.*

CHAIR: *Has the Department of Finance been asked to provide costings or input into any such changes?*

Mr Greenslade: *I certainly have not. It is possible that Budget Group would give advice on related matters, but I am not aware of any*

CHAIR: *Could you take that on notice:*

Hansard, pp 4-5.

Response

As costings undertaken by the Department of Finance in response to requests from the Government constitute policy advice as part of the normal budget process, we are not able to provide details.

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Question 2

CHAIR: *In relation to that first machinery-of-government change in December, I think Dr Helgeby has previously advised the estimates committee that around 34 staff went across to DTA?*

Ms O'Loughlin: *That is correct.*

CHAIR: *Mr Richardson, how many remain at Finance in the ICT area?*

Mr Richardson:: *In the ICT area we retained functions related to the budget process in terms of the ICT investment approval process. There are approximately eight people in that area, and we also retained a function around gateway assurance. I would have to take on notice exactly how many people are in that area. I think there are approximately six or seven.*

Hansard, page 6.

Response

The staffing levels for the ICT Investment Review team consists of six Average Staffing Level (ASL).

The Gateway Review Process methodology is applied to all high risk proposals and is not an ICT specific function. The staffing levels for the Assurance Reviews Unit which includes the Gateway Review Process, Implementation Readiness Assessment and the Risk Potential Assessment tool is 6.7 ASL.

There are 60.3 ASL in the area of ICT procurement who will move to Digital Transformation Agency in the second tranche of the machinery of government change.

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SPECIFIC QUESTIONS ON NOTICE

Question 3

CHAIR: So something in the order of 14 people remain in finance, accepting that the exact numbers may differ from that a little. This second machinery of government change that is under discussion, Ms O'Loughlin: what are the key issues that you are weighing up in deciding which functions and personnel to bring across? You mentioned, I suppose, transition issues and risks—

Ms O'Loughlin: Absolutely

CHAIR: associated with this in procurement. But is it your expectation that all of these personnel or the bulk of these functions will transfer into your group

Ms O'Loughlin: The discussions that we are having at the moment are around a couple of roles in the Department of Finance. There are established assurance processes for government ICT projects. There is a process for going to government around stage 1 business case, stage 2 business case and the gateway assurance process. Those remain in place at the moment because they provide a strong assurance framework. But what the government has asked the Digital Transformation Agency to look at is whether that assurance framework can be bolstered in the future—how it is working and what it is doing. At the moment, what we are really talking about with the Department of Finance are transition issues, to make sure that we do not lose those important assurance processes and also that we do not disturb the current negotiations going on in ICT procurement contracts as we move those functions across. But I would expect that the bulk of the remaining staff in the Department of Finance would move over, over time.

CHAIR: So you expect that the assurance function will sit with DTA in the future?

Ms O'Loughlin: That is correct.

Mr Yeaman: Just for completeness and to be clear to the committee about the first dot point you were referring to there in the executive orders, which goes more to these assurance matters: there are also further points in the Administrative Arrangement Orders that relate to procurement, and so I am aware of more people in the finance department working on broad procurement issues which were not captured by that earlier answer. I just want it to be clear for the committee: it is not related to the first dot point, but it will be relevant to the further discussions. If you are trying to get a sense of the overall scale of possible future changes there are other factors that were not covered by that first point.

CHAIR: Right. So there are other staff who have a role in procurement generally who, from time to time, interact with ICT procurement? Is that correct?

Mr Yeaman: Correct.

Mr Richardson: I would have to take the number of ASLs on notice as well.

CHAIR: *Mr Richardson: I would appreciate it if you would, thanks.*

Hansard, page 6.

Response

There are 81.5 ASL in whole of government procurement policy and operations areas that are not directly involved in ICT procurement.