



COMMONWEALTH OF AUSTRALIA

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EXECUTIVE MINUTE

on

JOINT COMMITTEE OF PUBLIC ACCOUNTS AND AUDIT

REPORT No. 382

Report 382- Review of Auditor-General's Reports, 1999-2000, Fourth Quarter

General comments

The JCPAA recommendations emanate from Audit Report No.42 regarding the Magnetic Resonance Imaging Services – effectiveness and probity of the policy development process and implementation. Only two recommendations referred to the Department of Health and Aged Care.

Response to the recommendations

Recommendation No. 2 paragraph 3.76

"The Committee recommends that the Department of Health and Aged Care develop clear guidelines - informed by appropriate legal advice - to assist its staff (a) in the negotiation and management of valid contracts; and (b) in their assessment of existing statutory declarations and contracts."

Recommendation No. 3 paragraph 3.77

"The Committee recommends that in its development of clear contract guidelines, the Department of Health and Aged Care base its guidelines on the Better Practice Guide on Contract Management issued by the Australian National Audit Office in 2001."

The Department of Health and Aged Care supports the recommendations . It has clear guidelines on Contract Management contained in the Chief Executive Instructions and Procedural Rules which are continually under review.

As well the Department has now established a unit to provide policy and advice relating to contract management issues and to assist staff develop the necessary skills to negotiate, and then manage contracts. The unit is currently redeveloping documentation to improve the level of contract management at all stages of the process. The Better Practice Guides produced by the ANAO will be featured references.



Officers of the Legal Services Branch can assist staff in the negotiation and interpretation of contracts.



A. S. PODGER
Secretary

9 October 2001

cc. Ms Liza Marando
Finance and Banking Branch
Department of Finance and Administration