

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Finance and Administration Portfolio

Department of Finance and Administration

November Estimates Hearings 2003-04 – 4 November 2003

Question: 20A

Outcome 1 Sustainable Government Finances, Output 1.1.1 Budget Advice

Topic: Budget Estimates Framework Review

Hansard page: N/A

Written Question on Notice: 4 November 2003

Senator Forshaw asked:

When did this review commence and when was it completed?

Answer:

The Budget Estimates and Framework Review commenced after the 2002-03 Budget in May 2002 and was completed in October 2002.

Date:	10 December 2003
Cleared by (SES):	Phillip Prior
Group/Branch:	Budget Group / BEFR Branch
Contact Officer:	Antony Stinziani
Telephone No:	6215 3636

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Finance and Administration Portfolio

Department of Finance and Administration

November Estimates Hearings 2003-04 – 4 November 2003

Question: 20B

Outcome 1 Sustainable Government Finances, Output 1.1.1 Budget Advice

Topic: Budget Estimates Framework Review

Hansard page: N/A

Written Question on Notice: 4 November 2003

Senator Forshaw asked:

What structure did this review take?

Answer:

The Review was undertaken by the Treasurer and the Minister for Finance and Administration through a Steering Committee comprising the Secretaries of the Departments of Finance and Administration (chair), the Treasury, Family and Community Services, and Agriculture, Fisheries and Forestry, and a Deputy Secretary from the Department of the Prime Minister and Cabinet. The Review was serviced by a Finance-led working group and had input from various cross-portfolio reference groups.

Date: 3 December 2003
Cleared by (SES): Phillip Prior
Group/Branch: Budget Group / BEFR Branch
Contact Officer: Antony Stinziani
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Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Finance and Administration Portfolio

Department of Finance and Administration

November Estimates Hearings 2003-04 – 4 November 2003

Question: 20C

Outcome 1 Sustainable Government Finances, Output 1.1.1 Budget Advice

Topic: Budget Estimates Framework Review

Hansard page: N/A

Written Question on Notice: 4 November 2003

Senator Forshaw asked:

What level were the officers that participated in the review?

Answer:

The level of officers that participated in the Review included Secretary, Deputy Secretary, Senior Executive Service Band 1 and 2 and Executive Level officers.

Date: 3 December 2003
Cleared by (SES): Phillip Prior
Group/Branch: Budget Group / BEFR Branch
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Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Finance and Administration Portfolio

Department of Finance and Administration

November Estimates Hearings 2003-04 – 4 November 2003

Question: 20D

Outcome 1 Sustainable Government Finances, Output 1.1.1 Budget Advice

Topic: Budget Estimates Framework Review

Hansard page: N/A

Written Question on Notice: 4 November 2003

Senator Forshaw asked:

Who was involved in this process? Were other agencies/departments involved and if so which agencies?

Answer:

Committee Involvement

Department of Finance and Administration
Department of Agriculture, Fisheries and Forestry
Department of Family and Community Services
Department of the Prime Minister and Cabinet
Department of the Treasury

Working Group discussion on specific issues

Attorney General's Department – on small agency issues
Department of Defence – departmental programme information issues
Australian Office of Financial Management (AOFM) – cash management issues

Other Contact including consultation with Portfolio Agencies

Australian Fisheries Management Authority
Attorney General's Department
Department of Communications, Information Technology and the Arts
Department of Defence
Department of Education Science and Training
Department of Employment and Workplace Relations
Department of Environment and Heritage
Department of Family and Community Services
Department of Foreign Affairs and Trade
Department of Health and Ageing
Department of Immigration and Multicultural and Indigenous Affairs
Department of Industry Tourism and Resources
Department of the Prime Minister and Cabinet
Department of Transport and Regional Services
Department of the Treasury

Date: 3 December 2003
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Question: 20E

Outcome 1 Sustainable Government Finances, Output 1.1.1 Budget Advice

Topic: Budget Estimates Framework Review

Hansard page: N/A

Written Question on Notice: 4 November 2003

Senator Forshaw asked:

Why were these particular agencies selected for inclusion in the process?

Answer:

Participating agencies were chosen to enable representative discussion at various levels across a broad range of issues. Large and small agencies, operational and policy agencies, and agencies operating under the *Financial Management and Accountability Act 1997 (FMA Act)* and *Commonwealth Authorities and Companies Act 1997 (CAC Act)* bodies were consulted.

Date:	5 December 2003
Cleared by (SES):	Phillip Prior
Group/Branch:	Budget Group / BEFR Branch
Contact Officer:	Trixie Makay
Telephone No:	6215 3735

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ANSWERS TO QUESTIONS ON NOTICE

Finance and Administration Portfolio

Department of Finance and Administration

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Question: 20F

Outcome 1 Sustainable Government Finances, Output 1.1.1 Budget Advice

Topic: Budget Estimates Framework Review

Hansard page: N/A

Written Question on Notice: 4 November 2003

Senator Forshaw asked:

Was the Department of Defence involved in this review? If yes, how were they involved? If not, why?

Answer:

The Department of Defence was involved during the course of the Review. The Chief Finance Officer and his staff were consulted on several issues and participated in discussions on key aspects of the review, including the just in time cash drawdown and departmental programme information requirements.

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Finance and Administration Portfolio

Department of Finance and Administration

November Estimates Hearings 2003-04 – 4 November 2003

Question: 20G

Outcome 1 Sustainable Government Finances, Output 1.1.1 Budget Advice

Topic: Budget Estimates Framework Review

Hansard page: N/A

Written Question on Notice: 4 November 2003

Senator Forshaw asked:

What was the cost of conducting this review?

Answer:

The cost of conducting the Review was \$0.351 million comprising mainly direct staff, administrative, IT support and internal audit costs.

Date:	9 December 2003
Cleared by (SES):	Phillip Prior
Group/Branch:	Budget Group / BEFR Branch
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Finance and Administration Portfolio

Department of Finance and Administration

November Estimates Hearings 2003-04 – 4 November 2003

Question: 20H

Outcome 1 Sustainable Government Finances, Output 1.1.1 Budget Advice

Topic: Budget Estimates Framework Review

Hansard page: N/A

Written Question on Notice: 4 November 2003

Senator Forshaw asked:

What were the objectives of the review?

Answer:

At the request of the Prime Minister, the Treasurer and the Minister for Finance and Administration commenced a review of the budget estimates and advice processes after the 2002–03 Budget was brought down in May 2002. The Review was a thorough assessment of the budget estimates and advice system and canvassed ways to improve the accuracy, responsiveness and effectiveness of the Australian Government's budget estimates and framework system. It was also aimed at assisting agencies to improve financial management and reporting within their own organisations.

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ANSWERS TO QUESTIONS ON NOTICE

Finance and Administration Portfolio

Department of Finance and Administration

November Estimates Hearings 2003-04 – 4 November 2003

Question: 201

Outcome 1 Sustainable Government Finances, Output 1.1.1 Budget Advice

Topic: Budget Estimates Framework Review

Hansard page: N/A

Written Question on Notice: 4 November 2003

Senator Forshaw asked:

How has the review addressed these objectives?

Answer:

The Review has addressed the objectives by making a series of recommendations that were agreed in October 2002. The main themes of the Review recommendations were to provide:

- greater focus on programme information;
- more detailed and timely reporting of financial information;
- strengthened processes to monitor agencies' financial performance, cash flows across Australian Government agencies and estimates construction;
- systems capable of capturing and recording the increased information requirements; and
- An increase in the number of professional staff in the Department of Finance and Administration (Finance) and line agencies with financial and analytical skills to provide high quality advice required by Government.

The Government agreed to a staged implementation of the recommendations through to June 2005 to allow Finance and agencies to bed down the new arrangements.

Date:	8 December 2003
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Group/Branch:	Budget Group / BEFR Branch
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Finance and Administration Portfolio

Department of Finance and Administration

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Question: 20J

Outcome 1 Sustainable Government Finances, Output 1.1.1 Budget Advice

Topic: Budget Estimates Framework Review

Hansard page: N/A

Written Question on Notice: 4 November 2003

Senator Forshaw asked:

What were the review's specific findings and recommendations? Can the Department provide the committee with a copy of the review's report?

Answer:

The Report was commissioned by the Government for its consideration. The Government has decided not to release the Report and its recommendations.

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