

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Finance and Administration Portfolio

Department of Human Services and agencies

Supplementary Budget Estimates 2005-2006, 1 November 2005

Question: HS27

Outcome 1, Output 1

Topic: Department of Human Services - Order for Departmental and Agency Contracts

Hansard Page/Written Question on Notice: Written

SENATOR MURRAY asked on 1/11/05:

1. 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.
2. 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.
3. 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?
4. 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?
5. 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:

1. The Core Department, the Child Support Agency and CRS Australia have specialist procurement and contract management sections that manage the reporting of contracts in

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accordance with the requirements of Senate Order 192. Procurement and contract management staff prepare the reports in accordance with the guidance provided in the following Department of Finance and Administration (Finance) publications:

- i) *Guidance on Procurement Publishing Obligation, January 2005;*
- ii) *Guidance on the Listing of Contact Details on the Internet (Meeting the Senate Order on Departmental and Agency Contracts); and*
- iii) *Guidance on Confidentiality of Contractors' Commercial Information.*

2. Within the Child Support Agency, staff awareness sessions have been conducted by the Child Support Agency's procurement and contract management section on the following dates:

9 February 2005;
20 July 2005;
26 August 2005;
23 September 2005; and
26 October 2005.

The awareness sessions provided information for staff about the requirements of the new Commonwealth Procurement Guidelines, including the Senate Order.

Core Department and CRS Australia staff have also attended regular Procurement Seminars conducted by the Department of Finance and Administration and the APS Commission that refer to the standing order.

3. Yes. The Department's procurement guidelines were revised to incorporate the new Commonwealth Procurement Guidelines in January 2005.
4. The Department's procurement and contract management sections maintain a central contract register holding information relevant to the Senate Order reporting. Access to the contract register is restricted to staff in the procurement and contract management section.

The Department reviews all contracts on a six monthly basis to ensure the accuracy of information reported in accordance with the Senate Order. Since December 2004, each reportable contract has been checked specifically with respect to the confidentiality criteria. Consistent with Recommendation 1 of the ANAO audit report, the Department also reconciles the information in the contracts register with data held in its FMIS.

Procurement and contract management staff who have responsibility for statutory reporting have attended relevant seminars conducted by the Department of Finance and Administration.

Procurement and contract management staff review all contracts to ensure the accuracy of reporting. The Department also commissioned an independent report of its procurement service in October 2005. The draft report from this review confirms that the Department is meeting its statutory reporting obligations and requirements.

5. None.