

2022

**THE LEGISLATIVE ASSEMBLY FOR THE
AUSTRALIAN CAPITAL TERRITORY**

TENTH ASSEMBLY

**Report No. 6 of the Standing Committee on Public Accounts - Report on Inquiry into
the Financial Management Amendment Bill 2021 (No 2) – Update Government
Response (November 2022)**

**Presented by
Mick Gentleman MLA
Minister for Industrial Relations and Workplace Safety
November 2022**



Mick Gentleman MLA

Manager of Government Business
Minister for Planning and Land Management
Minister for Police and Emergency Services
Minister for Corrections
Minister for Industrial Relations and Workplace Safety

Member for Brindabella

Mrs Elizabeth Kikkert MLA
Chair, Standing Committee on Public Accounts

Via email: LACommitteePA@parliament.act.gov.au

Dear Mrs Kikkert *E. 12/11/2021*

I refer to the report on your inquiry into the *Financial Management Amendment Bill 2021 (No 2)*. In your report, you have recommended:

- the use of a notifiable instrument, rather than a disallowable instrument
- the removal of the Office of the Legislative Assembly and Officers of the Legislative Assembly as subjects of the Bill
- the provision of the insourcing framework to the Committee as soon as possible
- meaningful consultation with the Officers of the Legislative Assembly and the Office of the Legislative Assembly on the insourcing framework
- publication of the two discussion papers
- that outsourcing be minimised by the ACT Government

I can confirm we have published the two discussion papers you have referenced in your report, and that we have been consulting – and continue to consult – the Office of the Legislative Assembly and the Officers of the Legislative Assembly with respect to the insourcing framework.

I can also confirm that I have drafted a disallowable instrument, rather than a notifiable instrument, to support the establishment of the insourcing framework. I have enclosed a copy of the Draft Financial Management (Insourcing Framework) Determination for your reference. You will also note that the Determination does not make the Clerk of the Legislative Assembly or Officers of the Legislative Assembly subject to ministerial decision-making under the insourcing framework.

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When the insourcing framework is finalised, I undertake to provide you with a copy. I welcome your recommendation that outsourcing be minimised by the ACT Government and thank you for your careful review of, and report on, the Bill.

Yours sincerely



Mick Gentleman MLA
Minister for Industrial Relations and Workplace Safety

11/10/2020

encl. Draft Financial Management (Insourcing Framework) Determination

Financial Management (Insourcing Framework) Determination 2022 (No 1)

Disallowable instrument DI[year]–

made under the

Financial Management Act 1996, s 128 (Insourcing Framework)

1 Name of instrument

This instrument is the *Financial Management (Insourcing Framework) Determination 2022 (No 1)*.

2 Commencement

This instrument commences the day after notification.

3 Determination of Insourcing Framework

I determine that an Insourcing Framework with the features outlined in Schedule 1 of this instrument is to be used for the purpose of evaluating whether services or works required by a public sector entity should be provided by the public sector or an external provider.

Name of Minister
Ministerial portfolio
date made

Schedule 1 Determination of Insourcing Framework

Column 1 Feature	Column 2 Requirement
Evaluation	Evaluations will be undertaken using the <i>ACT Government Insourcing Framework</i> as published on <i>ACTPS Employment Portal</i> .
Assessment threshold	Any service work works with an estimated value of more than \$200,000 is to be evaluated under the <i>ACT Government Insourcing Framework</i> .
Inclusion of certain works and services	Unless otherwise excluded, the <i>Act Government Insourcing Framework</i> will automatically include: <ul style="list-style-type: none">vulnerable workforces

	<ul style="list-style-type: none"> • consultancy services • municipal services • security services. <p>These services and works will be defined in the <i>ACT Government Insourcing Framework</i>.</p>
Exclusion of not-for-profit sector	Existing outsourced arrangements to not-for-profit agencies will not be considered under the <i>ACT Government Insourcing Framework</i> . New, unfunded proposals that otherwise qualify for evaluation will be evaluated.
Public sector to be included	Where public sector agencies have a Statutory Head that is not a Minister, the decision maker is that Statutory Head.
Ministerial discretion	A Minister has the discretion to require an evaluation in circumstances where an evaluation is not otherwise required.

DRAFT