



Inquiry into Annual and Financial Reports 2023–2024

Answer to question on notice

Asked by: Ms Jo Clay MLA

Addressed to: Treasurer

Reference: Treasury

Hearing: 13 February 2025

In relation to: Additional appropriations

Question received: 20/02/2025

Answer Due: 28/02/2025

P 76 of the CMTEDD annual report refers to Treasury's role in preparing appropriation bills. I have questions about the additional appropriations in the Appropriation Bill 2024-2025 (no 2).

(1) Schedule 1 Part 1.1 appropriation for the ACT Local Hospital network \$250M. The health minister gave some explanation about why this funding is sought. Does Treasury have anything to add?

(2) Schedule 1 part 1.2 appropriation for the ACT Health Directorate of \$80M. The health minister indicated this funding is for the local hospital network and due to a cash flow issue, it is being sought through the ACT Health Directorate. Is this correct and does Treasury have anything to add?

(3) Schedule 1 part 1.3 appropriation for the Community Services Directorate of \$24.3M. What is this funding for?

(4) Schedule 1 part 1.4 appropriation for the Chief Minister, Treasury and Economic Development Directorate of \$19.9M. What is this funding for?

(5) Schedule 1 part 1.5 appropriation for Justice and Community Safety Directorate of \$9.7M. What is this funding for?

(6) Schedule 1 part 1.6 Treasurer's advance of \$3.8M. What is this funding for?

(7) The explanatory statement does not give any detail about what the funding is for and why it is needed. Where is the explanation for these funding line items? Is it in the 'Budget 2024-25 Budget Review' and if so, which pages and sections refer to the items in the appropriation bill?

(8) Line items on p 46 of the 'Budget 2024-25 Budget Review' are different from the items in the appropriations bill

- a) \$17.3M for CMTEDD versus \$19.9M in the appropriations bill
- b) \$227M for health versus \$330M in the appropriations bill
- c) \$3.7M for JCS versus \$9.7M for in the appropriations bill
- d) \$0 identified for a Treasurer's advance versus \$3.8M in the appropriations bill.

Can you explain all these differences?

(9) P 46 of the 2024-25 Budget Review sets out \$227M of funding for 2024-25 for the 'Health Portfolio Agencies - Investing in public health care – Delivering sustainable health services'. There is no funding for future years. What happens to this new initiative in 2025-26, 2026-27 and 2027-28?

Chris Steel MLA: The answer to the Member's question is as follows:

The items contained in the Appropriation Bill 2024-2025 (No 2) (the bill) are outlined in the supplementary budget papers

https://www.treasury.act.gov.au/data/assets/pdf_file/0008/2792123/2024-25-Supplementary-Budget-Papers.pdf.

In relation to the Member's more specific questions:

(1) Elements of the \$250 million in additional appropriation for the ACT Local Hospital are identified on page 9 of the Supplementary Budget Papers.

(2) The funding of \$80 million is provided to the ACT Health Directorate (ACTHD) to meet expected expenses of the Local Hospital Network (LHN) while passage of the Appropriation Bill is pending. During this period, ACTHD will use its existing appropriation to meet payments for the LHN where the purpose is consistent with that for which the appropriation was originally provided to ACTHD.

Following passage of the Bill, ACTHD will be reimbursed for covering these estimated expenses.

(3) The appropriation of \$24.3 million for the Community Services Directorate relates to the initiative *More support for out-of-home care* (please refer to page 50 of the 2024-25 Budget Review and page 48 of the 2024-25 Supplementary Budget Papers).

(4) The appropriation of \$19.9 million for the Chief Minister, Treasury and Economic Development Directorate (CMTEDD) relates to the initiative *Whole-of-Government central reserve* (please refer to page 49 of the 2024-25 Budget Review and page 31 of the 2024-25 Supplementary Budget Papers).

(5) The appropriation of \$9.7 million for the Justice and Community Safety Directorate relates to the initiative *Improving pay and conditions for ACT Policing* (please refer to page 54 of the 2024-25 Budget Review and page 59 of the 2024-25 Supplementary Budget Papers).

(6) This funding represents an additional 1 per cent of all appropriations in 2024-25 to be added to the available Treasurer's Advance consistent with section 18(2) of the *Financial Management Act 1996*.

(7) Information on the new policy decisions to be funded through the Appropriation Bill 2024-2025 (No 2) can be found on pages 44 to 58 of the 2024-25 Budget Review. The 2024-25 Supplementary Budget Papers provides information on these decisions and technical adjustments to be funded through the Bill.

(8) Page 46 and 47 of the Budget Review 2024-25 identify the new spending decisions made through the Budget Review process and does not identify expenditure which may be fully or partially offset by existing funding. The total appropriation provided to each entity may include other adjustments identified in the Supplementary Budget Papers, which may include a change in revenue forecast or unrealised savings.

(a) The \$19.9 million in the bill is for the initiative *Whole-of-Government central reserve* (per the response to question 4). This initiative is fully offset by centrally provisioned funding. Appropriation is not included in the supplementary appropriation bill for the initiative *Delivering the Payroll Capability and Human Resource Management (PC-HRM) Program*. (Please refer to page 49 and 48 of the 2024-25 Budget Review for further information).

(b) The difference of \$103 million relates to a net shortfall of estimated revenue to the Local Hospital Network under the National Health Reform Agreement.

(c) I refer the Member to the initiative on page 54 of the Budget Review. The appropriation figure represents the total expense less ACT Policing Savings. The existing provision offset as part of this initiative was previously detailed in the 2024-25 Budget.

(d) See (6).

(9) I refer the member to the response provided to Ms Carrick on page 36 of the *Proof Transcript of Evidence* from the public hearing on Thursday 13 February 2025.

Approved for circulation to the Standing Committee on Public Accounts and Administration

Signature:



By the Treasurer, Chris Steel MLA

Date:

7/3/25