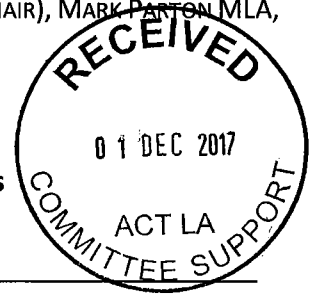




STANDING COMMITTEE ON ECONOMIC DEVELOPMENT AND TOURISM

**JEREMY HANSON MLA (CHAIR), MICHAEL PETTERSSON MLA (DEPUTY CHAIR), MARK PARTON MLA,
SUZANNE ORR MLA**

**Inquiry into referred 2016–17 Annual and Financial Reports
ANSWER TO QUESTION ON NOTICE**



Asked by MR COE MLA:

Chief Minister, Treasurer and Economic Development Directorate 2016/17 Annual Report, Financial Management, Output 4.2

In relation to: Government Budget Management System and Advice on national reform initiatives.

1. The AR states on page 49 that the directorate “implemented the bulk of the Territory’s new budgeting system – the Government Budget Management System”
 - a. How does the Government Budget Management System change the work of the Directorate?
 - i. What issues were present in the previous system?
 - ii. What is the status of the implementation of the new system?
 - b. What are the costs associated with the implementation of the new system?
 - c. When will it be fully implemented?
2. The AR states on page 49 that the directorate “coordinated and participated in a cross-government and national working groups and provided policy advice on national reform initiatives including the National Health Reform Agreement, National Disability Insurance Scheme and school funding reforms”
 - a. What steps has the directorate taken to ensure the best outcomes for the ACT with these national reform initiatives?
 - i. How is the directorate ensuring that the Government is maximising funding for disability groups in the Territory through NDIS?

Mr BARR MLA: The answer to the Member’s question is as follows:–

1. a. The Government Budget Management System (GBMS) has provided a more robust interface for capturing and analysing financial budgetary impacts. Enhanced functionality available in the GBMS has enabled the Finance and Budget Division to focus more on value add analysis rather than simply checking entries.
 - i. Some of the main issues regarding the previous system included:
 - it was based on a Microsoft Access platform that became unstable following upgrades to the standard operating environment;
 - there was no longer any vendor support for the system;
 - the inability to support multi- user access within each agency; and
 - it lacked a user-friendly interface and the granularity of reporting was limited.



LEGISLATIVE ASSEMBLY

FOR THE AUSTRALIAN CAPITAL TERRITORY

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- ii. All core functionality required by agencies has been fully implemented. Further enhancement work is being undertaken in 2017-18 to refine reports, complete the whole of government consolidation functionality, and refine the production of agency budget statements.
- b. As at 30 June 2017, total expenses of \$818,709 had been paid, while capital expenditure was \$1,905,650.
- c. The core functionality of GBMS has been implemented. The enhancement work currently being undertaken is expected to be fully implemented by June 2018.
- 2. a. The Directorate assesses the policy, budgetary and federal financial relations aspects of each agreement with the Commonwealth. Treasury officials work closely with relevant directorates and their respective COAG Ministerial Council representatives prior to Cabinet endorsing the ACT position that I take at COAG meetings.
- i. The Commonwealth's National Disability Insurance Agency is responsible for determining individual funding packages in line with nationally agreed principles. The Chief Minister, Treasury and Economic Development Directorate, together with the Community Services Directorate, represents the interests of Canberrans with disability through governing committees such as the NDIS Senior Officers' Working Group. Treasury is also consulted regularly and provides advice to working group representatives on relevant NDIS funding matters. Such cross-directorate collaboration ensures the interests of Canberrans with disability are represented from a subject matter expert perspective while also ensuring governance of funding is appropriate, manageable and aligned with the government's strategic policies. The Government's approach ensures consideration of all relevant issues and that an agreed position is taken into specific NDIS funding discussions and related COAG forums to maximise outcomes for our community.

Approved for circulation to the Standing Committee on Economic Development and Tourism

Signature:

Date: 30.11.17

By the Treasurer, Andrew Barr MLA