



Australian Government

Department of Health

COPY

Secretary

Ms Elizabeth Alexander AM
Independent Reviewer PGPA Act
Department of Finance
One Canberra Avenue
FORREST ACT 2603

Dear Ms Alexander

Independent Review of the Public Governance, Performance and Accountability Act 2013 (PGPA Act) and Rule

Thank you for your correspondence of 9 October 2017 advising of the review of the PGPA Act and Rule. I welcome the opportunity to provide a response on behalf of the Department of Health.

Since coming into effect, the PGPA Act and Rule have been beneficial in providing principles that are consistent across agencies, especially in relation to financial management and reporting. Similarly, the enhanced performance reporting elements of the Act, such as the requirement to provide Annual Performance Statements has facilitated clear linkages and a consistent narrative between performance reporting documents, including the Portfolio Budget Statements (PBS), Corporate Plan and Annual Report.

The Department of Health continues to improve its performance reporting and assurance arrangements to support the requirements of the enhanced Commonwealth performance framework, particularly with respect to transparency, consistency and clarity of information.

The Department of Health recommends that the review assess the extent to which the obligations in the PGPA Act for performance reporting, which is intended to be a principles-based framework, are required to such a detailed extent. Should the review propose further amendments, the Department asks that consideration be given to whether governance, performance and accountability mechanisms need to be embedded in legislation or whether policy and procedural advice would be preferable.

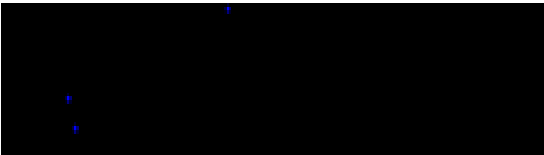
With regard to the consideration of bringing forward and potentially legislating an earlier Annual Report delivery and tabling date, the Department can foresee considerable risks with this approach if the date is set too early in the year. The Department draws input for the Annual Report from end of financial year program data, sourced from within the Department, portfolio entities and other parties, which must then be compiled, interpreted and quality assured (not to mention the preparation and auditing of annual financial statements).

It is important to note that the majority of financial information for Health is provided from other agencies (including the Department of Human Services, and the Department of Social Services), who undertake transaction and delivery services on our behalf. We are dependent upon these agencies for the timeliness of the provision of this information, and would be concerned if the quality of the Department's Annual Report may be compromised if tabling timeframes were to be brought forward in any significant way.

Finally, I note that the Department of Finance has prepared a range of Resource Management Guides to assist in meeting obligations under the PGPA Act, and staff in Health have found these guides useful.

If you would like to discuss further, please contact Charles Wann, A/g First Assistant Secretary, Portfolio Investment Division on 

Yours sincerely



Glenys Beauchamp PSM

9 November 2017