

Auditor-General's Report 1980-81 —Response

Report

230

Joint Committee of
Public Accounts



THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

JOINT COMMITTEE OF PUBLIC ACCOUNTS

AUDITOR-GENERAL'S REPORT 1980-81 -
RESPONSE

230TH REPORT

FINANCE MINUTE ON THE COMMITTEE'S 209TH REPORT

Australian Government Publishing Service
CANBERRA 1985

JOINT COMMITTEE OF PUBLIC ACCOUNTS

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DUTIES OF THE COMMITTEE

Section 8.(1) of the Public Accounts Committee Act 1951 reads as follows:

Subject to sub-section (2), the duties of the Committee are:

- (a) to examine the accounts of the receipts and expenditure of the Commonwealth including the financial statements transmitted to the Auditor-General under sub-section (4) of section 50 of the Audit Act 1901;
- (aa) to examine the financial affairs of authorities of the Commonwealth to which this Act applies and of intergovernmental bodies to which this Act applies;
- (ab) to examine all reports of the Auditor-General (including reports of the results of efficiency audits) copies of which have been laid before the Houses of the Parliament;
- (b) to report to both Houses of the Parliament, with such comment as it thinks fit, any items or matters in those accounts, statements and reports, or any circumstances connected with them, to which the Committee is of the opinion that the attention of the Parliament should be directed;
- (c) to report to both Houses of the Parliament any alteration which the Committee thinks desirable in the form of the public accounts or in the method of keeping them, or in the mode of receipt, control, issue or payment of public moneys; and
- (d) to inquire into any question in connexion with the public accounts which is referred to it by either House of the Parliament, and to report to that House upon that question,

and include such other duties as are assigned to the Committee by Joint Standing Orders approved by both Houses of the Parliament.

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PREFACE

Arrangements to ensure that appropriate action is taken in response to comments contained in the Committee's Reports have been in operation since 1952 although they have been reviewed periodically. These were known as Treasury Minute arrangements.

Following the creation of the Department of Finance on 7 December 1976 it was agreed that the arrangements should continue as before but should be known as the Department of Finance Minute.

As they now stand the procedures are:

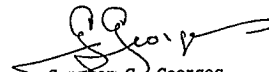
1. The Report of the Committee is tabled by the Chairman in the Senate and by a Member of the Committee in the House of Representatives. Motions are moved in both Houses of the Parliament that the Report be printed as a Parliamentary Paper.
2. The Chairman of the Committee thereafter forwards a copy of the Report to the responsible Minister and to the Minister for Finance with a request that he give the Report his consideration and inform the Chairman of the action taken to deal with the Committee's conclusions.
3. The reply received, in the form of a Department of Finance Minute, is then examined by the Committee and, together with the conclusions of the Report to which it relates, is submitted as soon as possible as a Report to the Parliament.
4. Should the Committee find during its examination of a Department of Finance Minute that certain recommendations are not fully dealt with or are subject to a further Minute, it holds an exploratory discussion with officers of the Department of Finance prior to the submission of the Minute to the Parliament.
5. In reporting a Minute to the Parliament, the Committee, except in special cases does not usually make any comment other than to note recommendations not fully dealt with or subject to a further Minute.

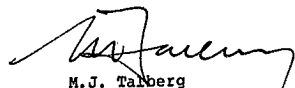
6. When the Committee next examines the Department concerned the Department of Finance Minute is considered by the Committee if applicable.

7. The Department of Finance furnishes the Committee with a half-yearly report on outstanding Minutes, indicating the progress made in dealing with the Committee's comments.

In accordance with the procedures outlined above, this report documents the Department of Finance Minute which was submitted in response to the Committee's 209th Report.

For and on behalf of the Committee,


Senator G. Georges
Chairman


M.J. Tanberg
Secretary
Joint Committee or Public Accounts
Parliament House
Canberra ACT
17 April 1985

CHAPTER 1

INTRODUCTION

1.1 The Committee's 209th Report, which examined Reports of the Auditor-General - 1980-81, was tabled on 8 November 1983. A summary of that Report appears in Chapter 2. The recommendations together with the Department of Finance Minute appear in Chapter 3.

1.2 The Committee's conclusions and recommendations concerned the Audit Act requirements regarding Governor-General's Warrants, the responsibility of the Department of Finance; and the administration of the Department of Social Security's National Benefits System and Homeless Persons Assistance Program.

1.3 The Committee is satisfied with the responses provided by the Departments concerned.

1.4 As a result of the Committee's recommendations, the Departments of Social Security and Housing have:

- developed a new formula for assessing subsidy levels for proposed facilities;
- replaced the Homeless Persons Assistance Program with the Supported Accommodation Assistance Program (SAAP);
- completed and printed the Homeless Persons Assistance Program Guidelines;
- provided, under the new Crisis Accommodation Program (CAP), housing capital funds for SAAP services;
- stated their willingness to undertake regular evaluation studies on existing homeless persons facilities to assess past design decisions.

1.5 The Department of Social Security responded to the Committee's recommendations regarding the National Benefits System by instituting a Project Control System (MAPPS) and investigating its use to ensure proper recording of resource utilisation. In addition, a national back-up computer strategy has been implemented.

1.6 The Department of Finance, in consultation with the Auditor-General, is considering simplification of the warrant procedures, to be introduced during 1985.

CHAPTER 2

SUMMARY OF THE COMMITTEE'S REPORT TWO HUNDRED AND NINE

2.1 Following the tabling of the reports of the Auditor-General for the year ended 30 June 1981 in March and September 1981, the Committee took evidence on four items relating to the Departments of Finance (Expenditure in Excess of Warrants of the Governor-General and Closing of Accounts at Year End, including moneys unbanked) and Social Security (National Benefits System and Assistance for Homeless Persons).

Assistance for Homeless Persons

2.2 The Committee was concerned with the costs of two homeless persons centres referred to in the Auditor-General's Report of 30 March 1981. The Committee felt that differences in the costs of the two projects required further analysis, and suggested that an alternative and more viable formula to the cost per bed basis be developed. Other recommendations included:

- . the promulgation of detailed Departmental standards and guidelines for planning, designing and constructing homeless persons facilities;
- . the incorporation of standards and guidelines with physical building standards and guidelines into a comprehensive Program Manual;
- . the provision by the Department of Housing and Construction of a Design Service to organizations embarking on a homeless persons project;
- . the evaluation of the architectural design plans in terms of compliance with the Program Manual by the Design Service; and
- . the evaluation of existing homeless persons facilities to assess past design decisions by the Department of Housing and Construction and the Department of Social Security.

National Benefits System

2.3 The Auditor-General's 1980/81 Report contained specific comments and criticisms of the National Benefits System. The Committee's recommendations were made under the following headings:

Cost Effectiveness/Strategic Analysis

- . The Committee was concerned that the manpower resources estimated to be required for the design and implementation of the National Benefits System were inadequate. The Committee recommended that the Department should ensure that adequate records are kept to ensure proper assessment of the cost effectiveness of such projects.
- . The Committee recommended that the management and implementation of large ADP projects such as the National Benefits System be under the overall control of one individual senior officer.
- . The Committee recommended that for all future pilot projects, such as the South Australian implementation of the National Benefits System, the Department develop an integrated pre-implementation testing procedure covering ADP system logic, support machinery and staff training. The Committee also recommends that pre-implementation procedures to test pilot programs be so designed to ensure that the operation and consequence of late system changes and amendments are fully understood by all associated personnel.

Control Over Source and Project Modules

- . The Committee recommended that the necessary investigation work and consultation required to ensure the resolution of the problems experienced with the PANEXEC software package program be given the highest priority and that pending this resolution the present manual controls be strictly applied.

Ongoing Operational Difficulties and South Australian Operations

- . The Committee recommended that the highest priority be given to the completion and implementation on a national scale of the Department of Social Security's 'Integrated National Computer Centre Contingency Plan'.

Expenditure in Excess of Governor-General's Warrant

2.4 The Committee commented on the Auditor-General's criticism of the system of recording Governor-General's Warrant and the issue of Warrant Authority. The Committee suggested that the Department of Finance in conjunction with Auditor-General's Office may wish to investigate the appropriateness of and necessity for the Audit Act requirements regarding Governor-General's Warrant. Current control mechanisms were considered acceptable pending the introduction of a computerised system.

Closing of Accounts at Year End

2.5 The Auditor-General considered that the incidence and variety of deficiencies disclosed in 1980-81 suggested that adherence to the closing of accounts directions was inadequate in some departments. A particular concern of the Auditor-General was to ensure that significantly large amounts of money, due on or before 30 June, are received and processed in sufficient time to permit lodgement in the Commonwealth Public Account before the close of accounts on 30 June. The Auditor-General cited a number of instances where the directions for the closing of accounts had not been adhered to.

2.6 The Committee supported the action by the Department of Finance of specifically instructing departments of the need to reimburse their drawing accounts by 30 June each year. The Committee noted that the standing instruction from the Department of Finance on unpaid accounts is specific and should be followed by all departments.

CHAPTER 3

DEPARTMENT OF FINANCE MINUTE

3.1 This Minute has been prepared on the basis of responses received from the Departments of Finance and Social Security.

3.2 In this chapter each of the Committee's recommendations is produced in turn and is followed by the response, as provided in the Department of Finance Minute.

Department of Social Security
Assistance For Homeless Persons

CONCLUSION

The Committee concludes that the differences in the costs to the Commonwealth of \$2.457m or \$12,164 per bed for Project A and \$3.352m or \$20,190 per bed for Project B requires further analysis.

CONCLUSION

The Committee does concede that Project B provides a wider range of facilities and services for homeless persons and consequently, a direct comparison of average costs per bed is not an entirely valid guide to 'value for money' as a homeless persons centre. The Committee concludes that emphasis on a cost per bed basis ignores the other important functions that are provided by homeless persons projects and suggests that for cost comparison purposes, where multi purpose complexes are involved, a formula be developed on the basis of weighted averages between overnight accommodation and other facilities and services provided.

CONCLUSION

Consequently, the Committee concludes that the Department should have been able to draw on past experience to formulate appropriate parameters of standards and costs for use by organisations seeking financial assistance in the provision of homeless persons facilities and services. In this regard, for example, appropriate minimum and maximum floor areas per bed for overnight accommodation could have been laid down as well as appropriate minimum provisions for dining, recreational and staff facilities for drop-in or day care centres.

Response

3.3 Representatives from the Department of Social Security and the Department of Housing and Construction examined means of developing a formula based on weighted averages for costing proposals for persons requiring overnight accommodation and/or provision of services in a range of facilities available to homeless people. Consideration was also given to appropriate minimum and maximum floor areas per bed for overnight accommodation, as well as appropriate minimum provisions for dining, recreational and staff facilities for drop-in and day centres. Currently, as noted by the Committee, a maximum per capita bed subsidy limit of \$14,000 applies.

3.4 In view of the wide range of facilities provided to homeless people; the diversity of site restraints encountered in the provision of accommodation for the homeless; the varying needs of the several different groups and their mobile and transient lifestyle; it was agreed that a single upper-limit subsidy figure would not be valid equally for every project.

3.5 The Department of Housing and Construction believes that it would be more practical and equitable if a Limited Range of Construction Costs Per Area (M²) and Person Accommodated and/or Served were adopted for assessing subsidy levels for proposed facilities. To assist the Department of Housing and Construction to provide this, the Department of Social Security will now submit to it:-

- Broad classifications and descriptions of the basic range of services offered to homeless people;
- Client occupation levels (both minimum and optimal) for the proposed facilities which would provide such services;
- Accommodation quality standards.

For reasons already mentioned, it was not considered practicable to lay down formal design standards for homeless persons assistance centres, as each proposal needs to be assessed on its merits.

CONCLUSION

The Committee considers that until recently, the lack of specific standards and guidelines and a ceiling limit per bed for capital funding of projects has made the Department's responsibility for ensuring cost effectiveness of the Commonwealth's contribution under the Act more difficult. The Committee concludes that as a result of the Homeless Persons Assistance Act providing Commonwealth capital assistance of up to 100% of project cost, there has been little incentive for sponsoring organisations and their architects to restrict costs on new projects.

CONCLUSION

Accordingly, the Committee approves of detailed Departmental standards and guidelines which organisations and their architects are required to observe when planning, designing and constructing homeless persons facilities as a guide to the nature and extent of Commonwealth financial assistance. The Committee also recommends the promulgation of standards for furniture, equipment and inclusions for Homeless Persons Centres.

Response

3.6 Subject to the agreement of the States and Territories, the Homeless Persons Assistance Program is to be replaced by the proposed Supported Accommodation Assistance Program (SAAP) to come into effect from 1 January 1985. SAAP is to be administered by the States with the States matching nominated Commonwealth expenditure.

3.7 Commonwealth/State/non-government organisations co-ordinating committees will be responsible for recommending funding for services to State and Commonwealth Ministers.

3.8 It is not intended that the Commonwealth's guidelines, which stipulate minimum Commonwealth requirements of the States, will refer to furniture and equipment standards.

CONCLUSION

During the preparation of the report the Committee was pleased to note that the Department was in the process of formulating revised and more detailed guidelines on administrative procedures to be followed by departmental staff involved in the Homeless Persons Assistance Program and that the specific points raised by the Auditor-General are to be incorporated therein. The Committee wishes to be informed of the completion of these guidelines.

Response

3.9 The Homeless Persons Assistance Program Guidelines have been completed, and printed by the Australian Government Publishing Service. The guidelines will be updated whenever necessary.

The Committee recognises the need for a flexible administrative approach to the Homeless Persons Program in order to encourage a variety of service organisation responses to the problems associated with the homeless. However, the Committee agrees with the Auditor-General's comment that service organisations should be made aware in advance of requirements and limitations on design in terms of eligibility for assistance funding.

RECOMMENDATION

The Committee recommends that detailed Departmental standards and guidelines be incorporated along with physical building standards and guidelines into a comprehensive Program Manual. The Committee does not suggest that there should be complete standardisation in the facilities or design of homeless persons centres but rather the Department draw on past experience with both Homeless Persons and Nursing Home Programs to develop a Program Manual.

The Committee considers that a Program Manual would be of immeasurable assistance and guidance to both organisations embarking on homeless persons projects and the Departmental staff evaluating and administering the program, without sacrificing the necessary degree of flexibility required for the successful development and administration of community welfare projects.

Response

3.10 Subject to the States and Territories agreeing to SAAP (see response to Paragraphs 1.40 and 1.41), the Commonwealth will provide the States with funds under the new Crisis Accommodation Program (CAP) within the Commonwealth-State Housing Agreement. CAP will provide housing capital funds for SAAP services. Unless decided otherwise by the Commonwealth Minister for Housing and Construction, decisions on the provision of housing stock for SAAP projects will be made by State Housing Ministers.

RECOMMENDATION

The Committee recommends that in addition to the services rendered under the Memorandum of Agreement, the Department of Housing and Construction provide a Design Service to organisations embarking on a homeless persons project.

RECOMMENDATION

The Committee recommends that the Design Service be undertaken by suitably qualified officers of the Department of Housing and Construction prior to formal approval for capital funding of a project by the Department of Social Security.

RECOMMENDATION

In particular, the Committee recommends that the Design Service include evaluation of the architectural design plans in terms of compliance with the Program Manual.

Response

3.11 The Department of Housing and Construction provides a design service to Commonwealth Government Authorities but at present has no charter to provide such a service to private sector organisations, even when projects requiring Commonwealth funding are involved.

3.12 With the the current arrangements, when plans are submitted to the Department of Social Security (DSS) by the Benevolent Societies, the Department of Housing and Construction provides professional advice to DSS on two main points, viz:

- the degree of compliance of the proposal with the Program Manual which was produced specifically for the design of nursing homes but which is generally relevant for proposals relating to the design of homeless persons accommodation. The manual was prepared by DHC in consultation with DSS and is available to designers before design commences, and,

- the overall cost effectiveness of the individual proposals.

3.13 It is the responsibility of DSS to make relevant decisions on the acceptability of the proposal based on all matters which need to be considered, and not necessarily restricted to design aspects.

3.14 If it were a requirement of Government that DHC provide the service suggested by the Committee it would be necessary to increase DHC staffing levels or the provision for equivalent resources (eg consultant funds) and the overall administrative appropriation provided to DHC.

3.15 It would also be logical to expect that Benevolent Societies and private sector professional organisations would regard any extension of the DHC role as envisaged by the Committee as totally inconsistent with the role of a Commonwealth Department.

RECOMMENDATION

The Committee also recommends that in conjunction with the Department of Housing and Construction, the Department of Social Security undertake regular evaluation studies on existing homeless persons facilities to assess past design decisions. Results of evaluation studies would be used to systematically update the data base for homeless persons projects - the Program Manual. In this regard the Committee recognises the need for future flexibility in the Homeless Persons Program.

Response

3.16 The Department of Housing and Construction is prepared, in conjunction with the Department of Social Security, to undertake regular evaluation studies on existing homeless persons facilities to assess past design decisions.

CONCLUSION

The Committee is concerned that the sum of \$10,000 for architects fees incurred in respect of sites not purchased was invalidly accepted by the Department of Social Security as a cost incurred in the overall project. It is not entirely clear from the evidence available to the Committee whether this problem has arisen due to inadequate administration of the approval procedures required by the Homeless Persons Assistance Act or whether it was due purely to an incorrect interpretation of the legislation. In either case the result can only be seen as a reflection on the efficiency of the Department in administering the legislation. The matter should be clarified in the guidelines.

Response

3.17 It is now clearly stated in the relevant program guideline that architects fees incurred in respect of sites not purchased cannot be accepted as costs of an approved project.

Department of Social Security
National Benefits System

RECOMMENDATION

The Committee is however concerned that the manpower resources estimated to be required for the design and implementation of the NBS were inadequate and that the Department was unable to accurately determine the resources cost for its implementation. The Committee considers that the project was inadequately controlled and recommends that the Department should in future ensure that adequate records are kept to ensure proper assessment of the cost effectiveness of such projects.

Response

3.18 The Department is currently implementing a new Project Control System (MAPPS) and is investigating how this system can be utilised to ensure proper recording of resource utilisation.

3.19 There will always be some difficulty in arriving at precise costs of development of a project of such size. Any system of this nature, which requires several elapsed years to develop and implement will incur substantial 'maintenance' overheads, particularly to handle any amending legislation which affects that area of work. The size of this maintenance component is very significant - in a system of this nature it probably requires a minimum of 15 full time staff. Much of this maintenance work overlaps for old and new systems and it would be difficult in the extreme to apportion it.

RECOMMENDATION

The Committee recognises that the Department has taken notice of its NBS experience, particularly with regard to the need to provide for prompt replacement of key personnel lost from such projects. However, it is recommended that the management and implementation of large ADP projects such as the NBS be under the overall control of one individual senior officer, to be designated as the project manager with sufficient delegated authority to ensure the project's success.

Response

3.20 The principle that management implementation of large ADP projects should be under the overall control of one senior officer has generally been followed since the pilot NBS implementation. Specifically STRATPLAN (the major re-development of the department's ADP systems) has a senior officer as full time National STRATPLAN Co-ordinator. As particular projects reach the appropriate stage, a Project Manager is appointed to control their development and implementation.

RECOMMENDATION

The Committee accepts that the South Australian implementation of the NBS was a pilot project designed to reveal and enable correction of unforeseen faults and problems in a State where correction of these would not be too great a problem. However, the Committee believes the Department's decision to implement the NBS on 14 April 1980 was premature and that the ADP system should have been more rigorously tested, particularly given the number and complexity of late system changes and demands. The Committee recommends that for all future pilot projects the Department develop an integrated pre-implementation testing procedure covering ADP system logic, support machinery and staff training. The Committee also recommends that pre-implementation procedures to test pilot programs be so designed to ensure that the operation and consequence of late system changes and amendments are fully understood by all associated personnel.

Response

3.21 Where appropriate, the development and implementation of pilot projects, as well as the larger ADP projects, are managed and controlled within the framework of the formal development methodology adopted by the Department. This methodology requires, inter alia, the formulation of a comprehensive test plan at an early stage of the development process; elements of a test plan include a statement of system objectives, definition of acceptance criteria, and a detailed description of the test method to be used. Where a project does not warrant the application of the full methodology, eg where the project is small of where it is a regularly recurring activity for which detailed procedures have been developed in the past, all products of the project are still subject to rigorous testing before acceptance.

3.22 The Department's existing computer payment systems are subject to frequent change as a result of legislative amendments, changes in benefit rates and enhancements to improve overall efficiency. The implementation of these changes is rigorously controlled and tested to ensure accuracy of processing.

3.23 The System Acceptance function is now established and a vastly improved training environment has been created. Review of testing procedures is a continuing process, and the Systems Acceptance Group, in monitoring testing exercises and facilitating the definition of the ideal test environment, is a key element in this review process.

3.24 The Department is confident that all reasonable steps are now being taken to prevent unforeseen faults and problems in its ADP systems.

RECOMMENDATION

The Committee recommends that the necessary investigation work and consultation required to ensure the resolution of the problems experienced with the PANEXEC program be given the highest priority and that pending this resolution the present manual controls be strictly applied.

Response

3.25 PANEXEC which is the best available system to effectively control the distribution of production programs, is now operational in Central Office and all State Computer Centres.

RECOMMENDATION

The Committee recommends that the highest priority be given to the completion and implementation on a National scale of the Department of Social Security's 'Integrated National Computer Centre Contingency Plan'.

Response

3.26 This recommendation related to the requirement to test that NBS programs could be run on nominated back-up computers. This national back-up strategy has been implemented and is reviewed continually in the light of changing circumstances eg STRATPLAN computing upgrades. The strategy has been confirmed on several occasions recently when live back-up has, in fact, been required.

3.27 It is considered that the operational effectiveness of NBS was a major factor in enabling the Department to cope with the large increase in unemployment benefit payments which occurred in 1981, and carried into 1983. The task of maintaining NBS at an appropriate level of effectiveness is given constant attention.

Department of Finance
Expenditure In Excess Of The Governor-General's
Warrant

CONCLUSION

.....the Committee suggests that the Department of Finance in conjunction with the Auditor-General's Office may wish to investigate the appropriateness of and necessity for the Audit Act requirements regarding Governor-General's Warrant.

Response

3.28 The Department agrees with the Committee view that the Audit Act requirements regarding Governor-General's Warrants can sometimes cause inconvenience and delay in the issue of funds to meet Parliamentary appropriations. The inconvenience and delay relate primarily to the need to obtain a recommendation of the Minister for Finance, a certification of the Auditor-General and the signature of the Governor-General on the Warrant instrument, as well as significant administrative effort leading up to this process. However the controls embodied in the warrant procedures are important in the overall context of accountability for the expenditure of public moneys.

3.29 Existing warrant procedures involve the following steps:

- (i) Governor-General's Warrant (GGW) is issued to the Minister for Finance;
- (ii) Warrant Authority (in accordance with GGW) is issued by the Secretary, Department of Finance, to Departmental Secretaries; and
- (iii) Departmental Secretaries allocate Warrant Advice (not to exceed the amount of Warrant Authority) to Authorising Officers.

3.30 An option which would simplify the warrant procedures while retaining the essential control mechanism would be to eliminate step (i) above and, by amendment to the Audit Act 1901, devolve responsibility for step (ii) to the Minister for Finance (with a power of delegation). Step (iii) would remain unchanged.

3.31 Elimination of the Governor-General from the warrant procedures would not appear to dilute in any significant way his responsibilities in the appropriation process. Under section 56 of the Constitution no vote, resolution, or proposed law for the appropriation of revenue or moneys may be passed by the Parliament unless the purpose of the appropriation has first been recommended by message of the Governor-General. Once legislation containing the appropriation has been passed by the Parliament it does not come into effect until assented to by the Governor-General.

3.32 As suggested by the JCPA, Finance is considering, in consultation with the Auditor-General the appropriateness of and necessity for the GGW requirements under the Audit Act including the possibility of simplification of the warrant procedure along the above lines. It is expected that these considerations will be completed in sufficient time to allow any resultant amendments to the Audit Act to be introduced during 1985.

CONCLUSION

The Committee concludes that the Computer Control Systems for the issue of Warrant Advices by recipient departments to their authorising officers are satisfactory. Also, the more recently instituted manual checks on the issue of warrant authority and the regular reconciliation with the total amount available in the Governor-General's Warrant are considered to be an acceptable control mechanism pending the introduction of a computerised system.

Response

3.33 The JCPA Report notes that revised clerical procedures were introduced by the Department to prevent the recurrence of errors similar to that identified by the Auditor-General in his 1980-81 Report. The JCPA Report also notes that the revised procedures were regarded as satisfactory by the Audit Office.

3.34 No errors of the kind reported in the 1980-81 Report have been detected since the introduction of those procedures.

3.35 The introduction of a comprehensive computer based Warrant Register System has been under consideration by the Department's ADP Priority Review Committee since 1982. The Committee has determined that, in the light of other ADP development tasks which were considered to be of higher priority and the limited staff resources available for these tasks, work on the Warrant Register System should be deferred and incorporated in later phases of the Budget Management System (BMS). The first phase of the BMS is scheduled for implementation in 1985 and whilst no precise dates can be determined for implementation of later phases, it is unlikely that the Warrant Register System could be introduced before 1987.

I. Castles
Secretary
Department of Finance