


Request for Costing an Election Commitment

Name of election commitment:	<i>Delivering Cost Efficiencies through the use of Internal Audit</i>
Person and party requesting costing:	Meredith Hunter, ACT Greens Parliamentary Leader
Date of public release of election commitment, including source:	11 October 2012 http://act.greens.org.au/content/government-savings
Summary of election commitment:	Utilising Internal Audit activity across Government Directorates to achieve savings through more efficient and effective service delivery.
Intention of election commitment:	Internal Audit is a powerful management tool that is utilised to review an organisation's activities to determine whether they are efficient and effective. It is also an influential mechanism for driving cost savings through the re-design of inefficient and ineffective business processes, control systems and risk management activity. Given this role, Internal Audit across ACT Government will be tasked with identifying on-going cost savings through recommending more efficient and effective processes. It is intended that savings identified by Internal Audit will provide savings across Government of \$500,000 per annum.
Signature of person requesting costing:	
Date of request for costing:	12/10/12

What are the key assumptions that have been made in the election commitment?

Note: that where the request to cost an election commitment differs from the public announcement, the costing will be on the basis of information provided in the costing request.

Note: it will be up to the professional judgment of the Director-General as to whether these assumptions are adopted in the costing of the election commitment.

Where relevant, is the funding for the policy to be demand driven or a capped amount?

N/A

Will third parties, for instance the Commonwealth or other State/Territories, have a role in funding or delivering the election commitment?

No.

Will funding/the cost require indexation?

No.

What are the estimated revenue and operating costs each year (if available) and what are the capital requirements for this election commitment and estimated costs each year (if available)?

	2012-13	2013-14	2014-15	2015-16	2016-17	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue ^(a)						
Expenses ^(a)		500	500	500	500	2,000
Capital						

(a) A negative number indicates a decrease in revenue or an increase in expenses.

What is the likely take up?

N/A

Any other assumptions?

- This initiative to identify government to save \$500,000 through the implementation of more efficient and effective business practices.
- The once of savings are expected to be achieved in 2013-14 and continued through across the forward estimates.

Administration of the election commitment

How will the election commitment be administered?

It will be the responsibility of Treasury Directorate to oversee the administration of this election commitment across the Directorates.

Who will administer the election commitment?

As above.

Has an allowance been made for expenses necessary to support the implementation of this election commitment?

- If no, will the government agency be expected to absorb expenses associated with this election commitment?
- If yes, please specify the key assumptions.

Yes, all ACT Government Directorates currently have Audit Committee's and Internal Audit Staff. Internal Audit activity within Directorates is either undertaken by in-house staff or externally appointed internal audit consultants through the whole of ACT Government Internal Audit Panel. As part of its core activity, Internal Audit staff and Internal Audit Committee's will be responsible for managing this commitment, which can be achieved as part of existing resources within Directorates.

What is the intended implementation date of the election commitment?

From the commencement of the 2013-14 financial year.

Are there transitional arrangements associated with election commitment implementation?

No

Are there any other assumptions that need to be considered?

No

When is the election commitment expected to be fully operational?

Please provide further details i.e. start and end dates, the level of commitment during each period etc?

From the 2013-14 financial year.

Will the election commitment cease and if so when?

N/A