



AIATSIS

AUSTRALIAN INSTITUTE OF ABORIGINAL
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Ms Elizabeth Alexander AM, Mr David Thodey AO
Independent Reviewers
Department of Finance
One Canberra Avenue
FORREST ACT 2601

Dear Ms Alexander and Mr Thodey

PGPA Act Review

Thank you for your invitation to the Australian Institute of Aboriginal and Torres Strait Islander Studies (AIATSIS) to provide a submission to the Independent Review of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). AIATSIS makes the following observations on the implementation of the PGPA Act.

Annual Report

The new requirement under the PGPA Act to better test and measure, and provide specific assurances against the Performance Statements in our Annual Report imposed an additional reporting requirement. This new reporting requirement has resulted in an increased workload for AIATSIS, to review our Performance Statements in the context of performance measurement data, provide specific assurances against the Performance Statements, and verify that our claims are substantiated, to deliver a full suite of AIATSIS Financial Statements. The AIATSIS Audit and Assurance Committee (AAC) provided support in interpreting and applying the Assessment Criteria to assist with this reporting requirement.

AIATSIS views the implementation of the PGPA Act reporting requirement as a positive change, which will also shape future work in AIATSIS governance, e.g. Portfolio Budget Statement Outcomes, Corporate Plan, Strategic Business Planning, and Annual Reporting.

Finance

With the introduction of the PGPA Act, there was minimal impact on AIATSIS finance operations. The only change required of AIATSIS was to change the Chief Executive Instructions to align with the Accountability Authority Instructions for Corporate Commonwealth entities model, as per the Department of Finance.

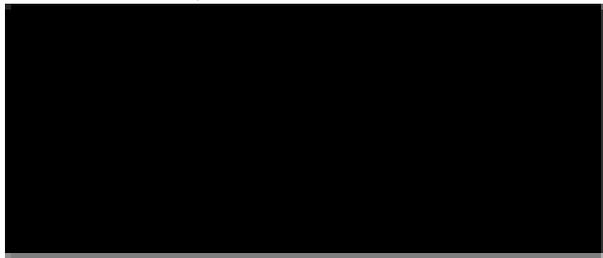
Impact on small entities

The rules under the PGPA Act are very specific and there is lot more emphasis on the general duties of the accountable authorities and its officials.

The approach taken for the PGPA Act and Rules applies to agencies regardless of size and therefore impacts small agencies, like AIATSIS, differently. For example, a larger agency will ensure the separation of duties with a greater number of officers assigned discrete functions. By necessity of the fewer number of officers, a small agency is unable to separate duties to the same extent. Implementation is challenging in small agencies, however AIATSIS with a greater focus on internal checks and vigilance has achieved the required compliance with the PGPA Act.

It is the view of AIATSIS the PGPA Act has provided a better framework for AIATSIS and Commonwealth Entities in which to operate, as the rules are very specific. While I note feedback from the AAC that the changes generated uncertainty for entities around how best to implement the new requirements of the PGPA Act (including AIATSIS), overall the changes are a positive outcome.

Yours sincerely



Letitia Hope

Chief Executive Officer (A/g)

on behalf of the AIATSIS Chairperson, Professor Michael McDaniel

10 November 2017

