

## EXPLANATORY STATEMENT

### **PUBLIC SECTOR MANAGEMENT AMENDMENT STANDARD 2004 (No 3) DISALLOWABLE INSTRUMENT No DI 2004-40**

*Public Sector Management Act 1994*

#### Legislative Context

The *Public Sector Management Act 1994* (the Act) regulates the management of the public sector and, in particular, section 251 of the Act empowers the Commissioner, with the approval in advance of the Chief Minister, to make Public Sector Management Standards (the Standards) for the purposes of the Act.

Sections 251(6) and (7) of the Act also provides that the Chief Minister can give a general approval for the making of Standards by the Commissioner for specified purposes. The purposes currently specified include amendments that are consistent with a policy direction previously endorsed by Government and changes of a technical nature, which do not include any significant policy changes, such as changes to clarify existing Standards, updating allowances and correcting typographical errors.

#### Outline

The Commissioner makes these amendments to the Standards in accordance with parameters agreed to by the Chief Minister under sections 251(6) and (7) of the Act.

In December 2003, the ACT Government approved the ACT Integrity Policy. The amendments are consistent with the agreed policy and replace the now outdated references to the former policy in the Standard.

The amendments:

- confirm Chief Executives' responsibility for integrity, in particular the prevention of fraud and corruption through risk management;
- require Chief Executives to certify that the requirements of the policy have been implemented and this replaces the requirement in the existing Standard that plans are to be submitted to the Commissioner;
- involve Audit Committees in the monitoring of agency integrity arrangements;
- require agencies to establish and maintain information management systems that tracks the handling of cases of fraud and corruption; and
- set down detailed procedures for the handling of fraud and corruption cases. These include the use of private sector investigation providers drawn from a service-wide panel.

Financial Impact

Nil.

The amendments will come into effect on 2 April 2004