Amendments to the WA National Health Funding Pool Bill 2012

I understand from Ms Lisa Briggs of your Department that the Report of the Uniform Legislation and Statutes Review Committee into the WA National Health Funding Pool Bill 2012 recommends inter alia that a new section 17A be added to the Bill.

The proposed section reads as follows:

17A. (1) The Administrator must give a copy of any policies or procedures developed pursuant to section 17(a) to the responsible Minister for the State.

(2) The responsible Minister must, as soon as practicable after receiving the copy, cause it to be tabled in each House of Parliament.

Section 17(a) referred to in the proposed new section 17A requires the Administrator to:

- develop and apply appropriate financial management policies and procedures with respect to the State Pool Accounts (including policies and procedures to ensure payments from those Accounts are made in accordance with the directions of the responsible Ministers).

I am concerned that release of these policies and procedures would disclose detailed information about the internal controls, risk management procedures and security arrangements applying to the processing and authorising of payments out of State/Territory Pool Accounts with the Reserve Bank and into State Managed Fund Accounts and Local Hospital Network Accounts.

While I believe that our existing policies and procedures more than adequately address the risks associated with such large fund transfers (some $6.5 billion in the first 15 weeks of pool operations), the public release of the detail of how those policies and procedures are applied clearly increases those risks and, in my view, is not in the public interest. As those policies and procedures apply equally to the transactions of all States and Territories, you would appreciate that other jurisdictions may also have concerns with the public release now being proposed.
Naturally, all State and Territory Auditors-General will have full access to all policies and procedures adopted by the Administrator for the purpose of their audits of the annual financial statements, and will be able to report to their parliaments any concerns they have with our control frameworks.

At this stage I have not had the opportunity of considering the implications of the other recommendations of the Committee, but I will write to you again if I have any issues.

Yours sincerely,

Bob Sendt
RJ Sendt
Acting Administrator