

Accountable Authorities

AT A GLANCE:

- The *Financial Management Act 2016* introduces the role of an “Accountable Authority”.
- From 1 July 2019, each Tasmanian General Government Sector Agency will have an Accountable Authority.
- An Accountable Authority is responsible to the appropriate Minister for the efficient, effective and economical financial management of the Agency.

This Fact Sheet should be read in conjunction with the [legislation](#).

What is an Accountable Authority?

An Accountable Authority is the person responsible for the financial management of an Agency.

Schedule 1 of the FMA details the Accountable Authority for each government and legislative agency. This list includes Department Secretaries, Directors and Chief Executive Officers of State authorities, and the Clerks of the House of Assembly and the Legislative Council.

The term “Accountable Authority” is consistent with the *Audit Act 2008* but is applied more broadly than the term “Head of Agency” under the *Financial Management and Audit Act 1990* (the Act that the FMA replaces) because it encompasses all General Government Sector agencies.

Responsibilities of an Accountable Authority

Under section 34 of the FMA, an Accountable Authority is responsible for the financial management of the Agency in an efficient, effective and economical manner, including:

- ensuring that expenditure by the Agency is in accordance with the law;
- ensuring the effective and efficient use of resources in achieving the Government's objectives;
- ensuring that appropriate stewardship is maintained over the assets of the Agency and the incurring of liabilities of the Agency;
- ensuring that the Agency's financial management processes, records, procedures, controls and internal management structures are appropriate;
- ensuring the custody, control and management of, and accounting for, all public property, public money, other property and other money in the possession of, or under the control of, the Agency;

- ensuring the proper collection of all money payable to, or collectable under, any law administered by the Agency;
- conducting reviews, at the times determined by the Treasurer, of fees and charges collected by or payable to the Agency; and
- ensuring compliance by the Agency with the FMA or any other written law.

The responsibilities of an Accountable Authority of a State Authority may vary from those of an Accountable Authority of a Government department or a statutory office. Under section 6 of the FMA, the Treasurer has determined that the financial management provisions in the enabling legislation of some State authorities scheduled in the FMA will be preserved and that specific provisions of the FMA do not apply to these State authorities.

Delegations

Under section 33 of the FMA, an Accountable Authority may delegate any of their functions or powers under the Act, other than the power of delegation.

Treasurer's Instructions

Accountable Authorities, with the exception of the Accountable Authorities of legislative agencies, are required to comply with all requirements of Treasurer's Instructions issued under the FMA, unless otherwise exempted.

Budget Management

Section 5 of the FMA requires an Accountable Authority to undertake the financial management of an Agency in a manner consistent with the principles of sound fiscal management set out in the *Charter of Budget Responsibility Act 2007*.

It is expected that Accountable Authorities will manage Budget pressures within existing Budget allocations. An Accountable Authority must advise the Secretary of the Department of Treasury and Finance if their Agency has exceeded, or is at risk of exceeding, its Budget allocation.

Spending money from the Public Account

Under section 25 of the FMA, an Accountable Authority can only draw money from the Public Account in accordance with a Treasurer's Expenditure Control Authority, the estimated expenditure approved by the Treasurer from Specific Purpose Accounts or any other written law.

A quarterly Public Account Expenditure Summary will be issued by the Secretary of the Department of Treasury and Finance to communicate any adjustments to expenditure from the Public Account approved during the financial year.

Accountable Authorities must ensure that any expenditure from the Public Account does not exceed approved amounts.

Other relevant information

Please also refer to:

- Accountable Authorities Responsibilities List (attached);
- Treasurer's Instructions;
- *Financial Management Better Practice Guidelines*;
- *Overview - Tasmania's Financial Management Framework*; and
- Other FMA Fact Sheets.

Accountable Authorities Responsibilities List

Accountable Authorities must:	
<input type="checkbox"/>	Meet their responsibilities under section 34 of the FMA.
<input type="checkbox"/>	Have an appropriate delegations framework in place.
<input type="checkbox"/>	Comply with other responsibilities listed in the FMA: <ul style="list-style-type: none"><input type="checkbox"/> Principles of sound financial management (s. 5);<input type="checkbox"/> Authorised deposit-taking institution accounts (s. 13);<input type="checkbox"/> All money to be paid to authorised deposit-taking institution account (s. 15);<input type="checkbox"/> Agency accounts (s. 16);<input type="checkbox"/> Establishment of Specific Purpose Accounts (s. 17);<input type="checkbox"/> Agency Trust Accounts (s. 18);<input type="checkbox"/> Authority for expenditure (s. 25);<input type="checkbox"/> Accountable authority responsible to Minister (s. 32);<input type="checkbox"/> Delegation by accountable authority (s. 33);<input type="checkbox"/> Reports by Agencies (s. 42);<input type="checkbox"/> Treasurer's Instructions (s. 51);<input type="checkbox"/> Indemnities and guarantees (s. 54); and<input type="checkbox"/> Write-off of debts, &c. (s. 56(4)).
<input type="checkbox"/>	Implement processes to meet the requirements of the Financial Control, Financial Reporting, Budget and Procurement Treasurer's Instructions.
<input type="checkbox"/>	Develop and maintain appropriate financial and budget management processes to manage their responsibilities under the FMA.