

**TREASURER'S INSTRUCTION**  
**FINANCIAL MANAGEMENT ACT 2016**  
**BUDGET MANAGEMENT**

**EFFECTIVE DATE**

31 July 2022

**SCOPE**

This Treasurer's Instruction applies to all agencies listed in Column I of Schedule I, Part I in the *Financial Management Act 2016* unless otherwise exempted or provided for under the provisions of the Act.

**APPLICATION**

At all times.

**OBJECTIVE**

To provide direction in relation to budget management and budget processes.

**INSTRUCTION**

**Management of Appropriations**

- I.1 The Accountable Authority must implement appropriate agency processes to meet their responsibilities under section 34 of the Act.
- I.2 The Accountable Authority must ensure the Budget Management Principles defined in the Better Practice Guidelines are followed.
- I.3 The Accountable Authority must manage their agency budget on the basis that supplementary funding will not be provided within the budget year, including in the following circumstances:
  - I.3.1 Variations in costs;
  - I.3.2 Outcomes of wage negotiations;
  - I.3.3 Deficiencies in Australian Government funding;
  - I.3.4 Deficiencies in own source revenue; and
  - I.3.5 New expenditure initiatives (unless previously approved by Budget Committee and endorsed by Cabinet).

- I.4 The Accountable Authority must not commit to new Australian Government funding agreements that have matching funding obligations (unless a Budget allocation already exists), without the prior approval of Budget Committee and endorsement by Cabinet.
- I.5 The Accountable Authority must advise the Secretary of the Department of Treasury and Finance, as soon as practicable, if it becomes apparent that material above Budget expenditure has occurred, or is at risk of occurring, within the agency that cannot be managed within existing appropriations.

### **Agency Budget Data Requirements**

- I.6 The Accountable Authority will provide to the Secretary of the Department of Treasury and Finance, budgetary information in respect of the Public Account and Agency accounts to facilitate the development of the Budget Papers, the provision of information to Budget Committee, and the monitoring of the Budget throughout the year.
- I.7 This information is to be provided at such times and in such form and manner as required by the Secretary of the Department of Treasury and Finance, or the Treasurer.

### **Asset Management**

- I.8 The Accountable Authority must develop a Strategic Asset Management Plan which must not be implemented without first being endorsed by the Treasurer.
- I.9 Where an Agency has an approved Strategic Asset Management Plan, the Accountable Authority may seek to access up to 100 per cent of sale proceeds through approval by the Treasurer.

### **ADDITIONAL GUIDANCE**

Further information in support of this Treasurer's Instruction can be found in the *Financial Management - Better Practice Guidelines*.