



## PARLIAMENTARY BUDGET OFFICE

NSW Parliament • Parliament House, Macquarie Street Sydney NSW 2000

### MEMORANDUM

**TO:** The Secretary  
**FROM:** Parliamentary Budget Officer  
**SUBJECT:** Obligations under PBO Act during Caretaker Period  
**DATE:** 26 February 2019

This memorandum is to notify you of the revised statutory time limit under the *Parliamentary Budget Officer Act 2010* (the Act) which applies during the caretaker period.

#### Changes in the legislative timeframe to respond

Under section 16 of the Act, the Parliamentary Budget Officer (PBO) can request information from the heads of government agencies to assist in preparation of a costing of an election policy.

The Act specifies that the head of a government agency must respond within 6 business days following the commencement of the caretaker period from 1 March 2019. The time limit is no longer 10 days, which applied prior to the caretaker period.

Please note this provision is not a deadline, it is a statutory limit. In reality, during an election campaign the expectation of parliamentary leaders who want policies costed is that information is provided as soon as possible.

I would request you adjust your processes for responding to information requests accordingly. I would also appreciate your advising agencies within your cluster of the new time limit.

#### Guidance on information requests

In the interests of achieving a timely turnaround I suggest agencies apply a materiality test to information. If information can be provided quickly but with a risk of error, it is far preferable to deliver timely information – documenting the potential error margin – than delaying the return of information while waiting for more precise numbers.

As a rough rule of thumb I suggest a materiality threshold of either \$10 million or 10 per cent of the policy cost in any one year (note the costings cover the budget and forward estimates years). There may be some costings where accuracy may be more important than timeliness. In these cases PBO analysts will advise of this requirement.

I also recommend that best practice is for agencies to:

- respond to the PBO within 24 hours if the agency has no relevant data or needs to refer the PBO to a different agency. There have been instances where agencies have taken a week or more to inform the PBO that the information required is either unavailable or held elsewhere, which has extended the time taken to complete a costing and caused frustration for the office of the parliamentary leader seeking to have a policy costed.
- engage with Treasury within the same time frame, to ensure a consistent and collaborative approach to costings and related assumptions.

Finally, can I reinforce the importance of confidentiality in relation to requests for information – not only keeping the information tightly held within your agency but also ensuring your staff do not discuss the information request with Ministers or their staff.



**Stephen Bartos**  
**Parliamentary Budget Officer**