



Australian Government
Australian Public Service
Commission

Australian Public Service
Commission

Annual Report

2020–21

Incorporating the report of the
Merit Protection Commissioner



Australian Public Service
Commission

ANNUAL REPORT

2020–21

Incorporating the report of the
Merit Protection Commissioner

© Commonwealth of Australia 2021

ISSN 1032 0350

ISBN 978-0-6489351-9-3

With the exception of the Commonwealth Coat of Arms and where otherwise noted, all material presented in this document is provided under a Creative Commons Attribution 3.0 Australia licence (<http://creativecommons.org/licenses/by/3.0/au>).

The details of the relevant licence conditions are available on the Creative Commons website (accessible using the links provided) as is the full legal code for the CC BY 3.0 AU licence).

The document must be attributed as *Australian Public Service Commission Annual report 2020–21*.

Enquiries

For enquiries concerning reproduction and rights in Commission products and services, please contact media@apsc.gov.au.

CONTENTS

Part 1: Introduction	2
Part 2: Overview	6
Part 3: Management and accountability	18
Part 4: Annual performance statements	32
Part 5: Financial statements	63
Part 6: Appendices	101
Part 7: Reference material	119
Part 8: Annual Report of the Merit Protection Commissioner	131
Index	205



Australian Government

Australian Public Service Commission

AUSTRALIAN PUBLIC SERVICE COMMISSIONER

The Hon Ben Morton MP
Minister Assisting the Prime Minister and Cabinet
Minister for the Public Service
Special Minister of State
Parliament House
CANBERRA ACT 2600

PART ONE

INTRODUCTION

‘ This is the Annual Report from the Commissioner of the Australian Public Service incorporating the Annual Report of the Merit Protection Commissioner. The report reviews the purposes and outcomes of both Commissions. ’

Dear Minister

I am pleased to present the Australian Public Service Commission Annual Report 2020-21 for the reporting period ending 30 June 2021, as is required by subsection 46(1) of the *Public Governance, Performance and Accountability Act 2013*. I have been the accountable authority for the full 12 months of the reporting period.

The report has been prepared pursuant to the requirements for annual reports approved by the Joint Committee of Public Accounts and Audit and as prescribed in the *Public Governance, Performance and Accountability Rule 2014* (the Rule).

As the accountable authority, I certify that the Commission has prepared fraud and corruption risk assessments and a fraud and corruption control plan that comply with the requirements of section 10 of the Rule. The Commission has fraud prevention, detection, investigation, reporting and data collection procedures and processes in place that align with the requirements of the Commonwealth Fraud Control Framework 2017.

The Commission has taken all reasonable measures to minimise the incidence of fraud, and to investigate and recover the proceeds of fraud against the Commission.

Yours faithfully

Peter Woolcott AO
15 October 2021

ABOUT THIS REPORT

This is the Annual Report from the Australian Public Service Commission incorporating the Annual Report of the Merit Protection Commissioner for the financial year ending 30 June 2021. The report reviews the purposes and outcomes of both Commissions.

READERS GUIDE

This report has been prepared in accordance with a range of publications including:

- Commonwealth Grants Rules and Guidelines
- Commonwealth Procurement Rules
- *Public Governance, Performance and Accountability Act 2013*
- Public Governance, Performance and Accountability Rule 2014
- Public Governance, Performance and Accountability (Financial Reporting) Rule 2015
- RMG-125 Commonwealth Entities Financial Statements
- RMG-131 Developing Good Performance Information
- RMG-135 Annual Report for Non-corporate Commonwealth Entities
- RMG-138 Commonwealth Entities Executive Remuneration Reporting Guide for Annual Reports
- RMG-202 Audit Committees
- RMG-214 Notification of Significant Non-compliance with the Finance Law
- RMG-423 Procurement Publishing and Reporting Obligations
- Tabling Guidelines.

PART 2: OVERVIEW

This part contains a review of the year by the Australian Public Service Commissioner, including significant achievements, developments, performance and financial performance.

This part also provides an overview of the role, functions, organisational structure, and outcome and program structure of the Australian Public Service Commission (the Commission).

PART 3: MANAGEMENT AND ACCOUNTABILITY

This part provides information about the Commission's governance framework, fraud and risk management arrangements, external scrutiny, workforce planning, human resources and purchasing. It also includes information about workplace health and safety, small business, procurement initiatives, client services, advertising and market research, ecologically sustainable development and environmental performance and grants programs.

PART 4: ANNUAL PERFORMANCE STATEMENTS

This part reports on the Commission's results against performance criteria as outlined in the Corporate Plan 2020–21, Portfolio Budget Statements 2020–21 and Portfolio Additional Estimate Statements 2020–21, and provides an analysis of the factors that contributed to the Commission's performance.

PART 5: FINANCIAL STATEMENTS

This part contains discussion and analysis of the Commission's financial performance, audited financial statements and a report by the Auditor-General.

PART 6: APPENDICES

This part provides supplementary information such as resource statements and a range of statistics on the Commission's employment arrangements and employees.

PART 7: REFERENCE MATERIAL

This part provides a list of abbreviations and acronyms, a glossary and the list of requirements under the Public Governance, Performance and Accountability Rule 2014.

PART 8: ANNUAL REPORT OF THE MERIT PROTECTION COMMISSIONER

This part comprises the Merit Protection Commissioner's Annual Report for the financial year ending 30 June 2021.

TRANSLATION

The Translating and Interpreting Service (TIS National) is an interpreting service provided by the Department of Home Affairs for people who do not speak English and for agencies and businesses that need to communicate with their non-English speaking clients. Please phone 131 450 or visit www.tisnational.gov.au for more information.

ACCESSING THE REPORT ONLINE

Further information about the Commission and an online version of this report are available on the Commission's website at www.apsc.gov.au. The Annual Report can also be found at www.transparency.gov.au.

FEEDBACK, ENQUIRIES AND OTHER USES

The Commission welcomes comments on this report. If you have feedback and enquiries about any aspect of the report or any questions about the licence or any other use of this document, please contact media enquiries, on (02) 6202 3500 or media@apsc.gov.au.

PART TWO

OVERVIEW

‘ Throughout 2020–21 we built on these lessons to accelerate the APS reform agenda. Reform initiatives outlined in the Australian Government’s *Delivering for Australians* agenda are well progressed. ’

COMMISSIONER’S REVIEW

This time last year, our Annual Report told a story of great challenges for Australia and the Australian Public Service (APS). As I now review 2020–21, it is clear how the APS has worked as one enterprise throughout this time to support the Australian community. We are at our best when we bring together our diverse skills and experiences, and are galvanised by clarity of purpose.

In December 2020 the Auditor-General highlighted the effectiveness and appropriateness of the one-APS approach to workforce management during the response to COVID-19, presenting Auditor-General Report No. 20 2020–21: Management of the Australian Public Service’s Workforce Response to COVID-19 to the Australian Parliament. The report noted valuable lessons learned for the future, and I am pleased that we have had an opportunity to share these lessons with public sector institutions both in Australia and abroad.

Throughout 2020–21 we built on these lessons to accelerate the APS reform agenda. Reform initiatives outlined in *Delivering for Australians* are well progressed. We are investing in APS capability and reorienting our learning model, embedding mobility through a permanent Surge Reserve, and strengthening our digital and data capability. In the coming year, we will embed and scale these reforms.

A significant milestone on our reform journey was the release of the *APS Workforce Strategy 2025*. The Workforce Strategy represents an

enterprise-wide view on how to equip the APS workforce to tackle immediate and emerging challenges. It will support APS agencies to identify and build the workforce needed for the future.

The APS Mobility Framework, which supports the Workforce Strategy, was released in April 2021. The Mobility Framework, along with the new Surge Reserve, will enable the APS to respond to fluctuations in demand for services. This work enabled deployment of 2,500 APS people throughout 2020–21 to help address critical needs, often with very short notice. I thank those who participated in these activities and those who remain ready for future deployment.

The APS Professions are another key initiative that will help to grow APS capability. In my role as Head of Professions, I launched the new Data Professional Stream in September 2020, which joins the existing Human Resources Professional Stream and Digital Professional Stream. The Data Professional Stream seeks to source, grow and mobilise data expertise across the APS. By joining this network, APS people collaborate, share resources and knowledge, and engage in opportunities to grow their data career.

Throughout 2020–21 we have continued to improve our approach to attracting graduates to the APS. Our graduate portal now offers a single entry point for all graduate streams, and the Generalist Stream was recognised in the 2021 Australian Financial Review GradConnection Top 100 Most Popular Graduate Employers. For those in the APS with more experience, we have

adapted our suite of leadership development programs to virtual platforms, enabling greater participation for our leaders across Australia and internationally.

Across all of our efforts, we want to make sure that the APS workforce reflects and understands the community it serves. In 2020–21 we continued to drive the implementation of the APS Disability Employment Strategy and the Commonwealth Aboriginal and Torres Strait Islander Workforce Strategy. We also developed a refreshed APS Gender Equality Strategy which aims to shift gender norms and further embed gender equality and inclusion across the APS.

The Commission continues to play a critical role in fostering a strong culture of integrity across the APS. In December 2020 we welcomed the recommendations of former Australian Public Service Commissioner Mr Stephen Sedgwick AO regarding institutional integrity. Mr Sedgwick consulted widely across the service to identify ways to reinforce institutional integrity, which is essential for trust in the APS. Work is underway to address Mr Sedgwick's recommendations.

Throughout 2020–21 we also continued to provide the best possible advice to APS agencies and people, including in relation to the Government's new bargaining policy, the Public Sector Workplace Relations Policy 2020. This policy ensures that APS wages are aligned to,

but not ahead of, private sector wage increases, consistent with community expectations.

As always, our support to agencies included the provision of data to support workforce decision-making. We shared this data through the biannual employment data release, and annual reports such as the State of the Service Report, the Remuneration Report, and APS Employee Census reports. I am pleased that 74% of agencies elected to publicly release their 2020 APS Employee Census results. This is a significant advancement towards enhanced APS transparency.

I am proud of the role of the APS in shaping our nation. May 2021 saw the launch of the permanent exhibition Australia's Public Service: For the Government of the Day. The exhibition, on display at the Museum of Australian Democracy, highlights pivotal moments in our history. The second phase of the exhibition will open in 2022, further showcasing the work of the APS in service of the community. I thank the Museum of Australian Democracy for partnering with us and look forward to phase 2 of the exhibition.

Looking ahead, we know we must prepare for the unexpected. The Commission's 2021–22 Corporate Plan reflects that we must work through uncertainty to position the APS workforce for the future. In this respect, the new APS Academy and the continued


implementation of the APS Workforce Strategy will ensure that we have a workforce that is diverse, inclusive, flexible, responsive and, above all, high performing. We will continue to support the independent Hierarchy and Classification Review panel to finalise its recommendations, which explore opportunities to ensure that APS people are supported by efficient decision-making structures and clear workforce management guidelines.

To support the continued delivery of APS reform initiatives to prepare the APS for the future, the Commission received additional funding and an increase in average staffing level in the 2021–22 Budget. With this additional funding, we will prioritise:

- building the APS leadership pipeline
- strengthening APS integrity culture and public sector reporting to the Workplace Gender Equality Agency
- enhancing APS employment data infrastructure
- establishing economic analysis capability within the Commission
- progressing phase 2 of the Australia's Public Service exhibition at the Museum of Australian Democracy.

There is no doubt that the past year was a challenging one. I am proud of the committed

and service-oriented people of the Commission and the APS who persevered to deliver essential support to the community. My vision remains to build a future-ready public service for the Australian Government and the people of Australia.



Peter Woolcott AO

Australian Public Service Commissioner

15 October 2021

ABOUT THE COMMISSION

The Australian Public Service Commission (the Commission) is a non-corporate Commonwealth agency within the Prime Minister and Cabinet portfolio. The Commission's statutory responsibilities, which are detailed in the *Public Service Act 1999*, include:

- strengthening the professionalism of the APS, and driving continuous improvement in workforce management so the APS is ready for future demands
- promoting high standards of accountability, effectiveness, performance, integrity and conduct in the APS
- fostering and contributing to leadership, high-quality learning and development and career management in the APS
- fostering an APS workforce that reflects the diversity of the Australian population
- providing advice and assistance to agencies on public service matters, and partnering with Secretaries in stewardship of the APS.

The Commission supports 2 statutory office holders—the Australian Public Service Commissioner (the Commissioner) who is the agency head, and the Merit Protection Commissioner. Their functions are set out in sections 41 and 50 of the *Public Service Act 1999*.

The Commissioner makes employees available to assist the Merit Protection Commissioner in performing their prescribed functions. The Merit Protection Commissioner's Annual Report is contained within this report.

The Commission also provides secretariat support to the Remuneration Tribunal and the Defence Force Remuneration Tribunal.

This report's financial statements incorporate the activities of the Commissioner, the Merit Protection Commissioner and the 2 Tribunals.

MINISTER

The Minister is the Hon Ben Morton MP, Minister Assisting the Prime Minister and Cabinet, Minister for the Public Service and Special Minister of State.

STAFF

At 30 June 2021, the Commission had an average staffing level of 212 people.

KEY MANAGEMENT PERSONNEL

AUSTRALIAN PUBLIC SERVICE COMMISSIONER

Mr Peter Woolcott AO commenced as the Australian Public Service Commissioner on 9 August 2018.

Mr Woolcott has had a distinguished career in the Australian Public Service, serving in senior diplomatic positions around the world.

He has served as Australia's High Commissioner to New Zealand (2016-2017) and as Ambassador for the Environment (2014-16), and led the negotiations to the Paris Agreement on climate change (2016). He has been Permanent Representative to the United Nations in Geneva and Ambassador for Disarmament (2010-2014), Ambassador for People Smuggling Issues (2009), Ambassador to Italy (2004-2007), Australian

Consul-General, Honolulu, and Representative to the US Commander-in-Chief Pacific (1998-2001).

More recently he served as former Prime Minister Malcolm Turnbull's Chief of Staff.

Mr Woolcott was appointed an Officer of the Order of Australia in 2017 for his distinguished service to public administration in the field of international relations, and as a lead negotiator in the non-proliferation and arms control fields.

Mr Woolcott was Chair of the Final United Nations Conference on the Army Trade Treaty in 2013.



DEPUTY AUSTRALIAN PUBLIC SERVICE COMMISSIONER

Mr Patrick Hetherington

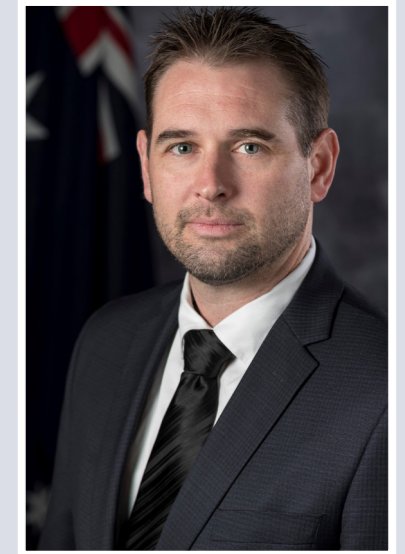
Mr Patrick Hetherington commenced in the role of First Assistant Commissioner on 24 August 2020 and has been acting as the Deputy Australian Public Service Commissioner since 1 May 2021. Prior to joining the Commission he spent almost 20 years in the Department of Defence where his last role was as First Assistant Secretary People Policy and Culture.

His responsibilities included enterprise cultural reform, Indigenous affairs, graduate programs, learning and development, workplace relations, and APS and Australian Defence Force employment policy and conditions of service.

A Certified Practising Accountant by background, Pat has held roles ranging from the management of Defence's

Integrated Investment Program of over \$200 billion to management of the Defence budget. He played a key role in the implementation of Defence's capability lifecycle, stemming from the First Principles Review of Defence.

Pat's move to the Commission follows a secondment to Services Australia where he was involved in mobilising the APS in response to COVID-19.



FIRST ASSISTANT COMMISSIONER

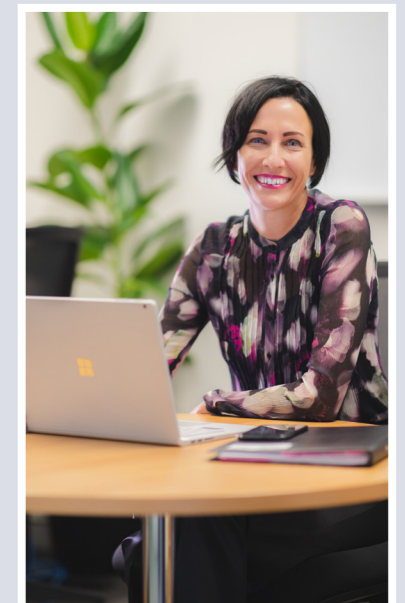
Ms Rina Bruinsma

Ms Rina Bruinsma commenced her role as the First Assistant Commissioner on 16 May 2021. Rina joined the Commission from the Department of Finance, where she was responsible for public sector transformation including whole-of-government grants policy and administration, shared services, ICT investment approval, government business analytics and APS reform.

Rina's time with Finance included a 14-month secondment to the Department of the Prime Minister and Cabinet as Deputy Coordinator to establish the interim National Bushfire Recovery Agency and to support its transition to a permanent National Recovery and Resilience Agency. Rina has a strong policy background and extensive experience in leading reform and transformation across the public sector.

Rina has worked in various roles in policy development and implementation since 2006, including labour market policy and the delivery of programs that support people with disability and mental health issues, mature-age job seekers, people from culturally and linguistically diverse backgrounds and ex-offenders.

Rina has a Bachelor of Arts and a Masters of Public Relations, and is currently undertaking a PhD in Communication and Creative Arts.



FIRST ASSISTANT COMMISSIONER, HEAD OF APS ACADEMY

Mr Grant Lovelock

Mr Grant Lovelock commenced as Head of APS Academy on 6 May 2021, having joined the Commission on secondment in November 2020 from the Department of Education, Skills and Employment.

As Head of the APS Academy Grant has oversight of the APS Academy and APS capability strategy, including support to the new APS Learning Board and implementation of the first APS Workforce Strategy.

Grant has worked across senior leadership roles driving policy development and reform, implementation, regulation and program delivery across a range of public policy issues including skills and workforce development, employment,

industrial relations and workplace safety, the arts and youth affairs. Immediately prior to joining the Commission, Grant led the establishment of the National Careers Institute, a new national body charged with improving the delivery of careers information and support to all Australians, a response to the 2019 Strengthening Skills Review. Prior to that, Grant was the Federal Safety Commissioner, a statutory role with responsibility for

improving work health and safety practices in the building and construction sector. Grant is currently completing an Executive Masters in Public Administration.



HEAD OF TASKFORCE—HIERARCHY AND CLASSIFICATION REVIEW

Ms Ali Jenkins

Ms Ali Jenkins joined the Commission on 19 February 2021, on secondment from the Department of the Prime Minister and Cabinet (PM&C). Ms Jenkins leads the secretariat supporting the Hierarchy and Classification Review panel.

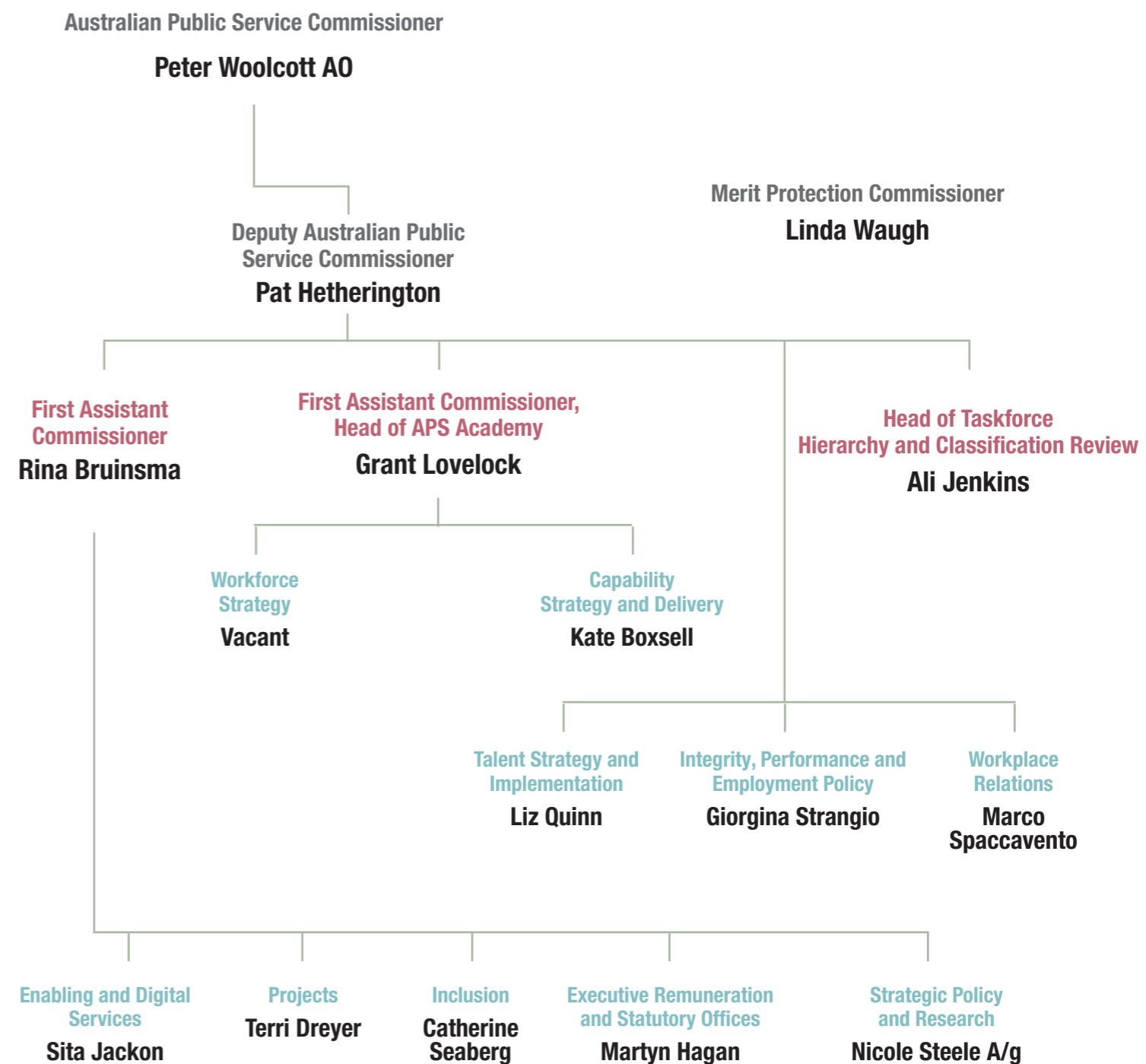
Before joining the Commission, Ms Jenkins was Assistant Secretary of the APS Reform Office, which followed a secondment to the Australian Antarctic Division. Ms Jenkins was Executive Officer to 2 PM&C Secretaries, Michael

Thawley AO and Martin Parkinson AC, and headed the PM&C Project Office from 2017 to 2018. Ms Jenkins joined PM&C in 2008, having previously worked in the Treasury and Communications portfolios and at the University of Oxford.



ORGANISATIONAL STRUCTURE

Figure 1: Organisational structure as at 30 June 2021



PURPOSE, OUTCOME AND PROGRAM STRUCTURE

The purpose, planned outcome and corporate goals of the Commission are set out in the Commission's 2020–21 Portfolio Budget Statements (available at www.pmc.gov.au) and the Commission's Corporate Plan 2020–21 (available at www.apsc.gov.au).

The purpose of the Commission is to position the APS workforce for the future to ensure it meets the demands and expectations of the Australian Government and people.

The Commission's planned outcome is to increase awareness and adoption of best practice public administration by the APS through leadership, promotion, advice and professional development, drawing on research and evaluation (Outcome 1, 2020–21 Portfolio Budget Statements). The Commission works to achieve this through 2 programs:

Program 1.1—Australian Public Service Commission

Program 1.2 —Judicial Office Holders' Remuneration and Entitlements.

The Corporate Plan 2020–21 builds on and complements the 2020–21 Portfolio Budget Statements and identifies 6 corporate goals that reflect the priorities of Program 1.1:

- Ensuring good governance
- Lifting the capability of the APS
- Building leadership for the future
- Preserving and enhancing the reputation of the APS
- Upholding the integrity of the APS
- Providing the right tools and workplace for our staff.

FINANCIAL PERFORMANCE

This section summarises the Commission's financial performance during 2020–21. More detail is available in Part 5: Financial statements. The Auditor-General issued an unmodified audit opinion on these statements.

Departmental activities

The Commission reported an operating deficit of \$1.3 million in 2020–21. After adjusting for unfunded depreciation, amortisation and changes in asset revaluation reserves, the Commission recorded a small operating surplus.

The Commission's departmental activities are funded through a combination of appropriation and fee-for-service revenue.

Appropriation funding increased and fee-for-service revenue decreased in 2020–21. This change is primarily due to additional ongoing appropriation funding of \$11.8 million transferred from other agencies for activities that were previously funded via memoranda of understanding. The Commission also received \$1.3 million as part of the cross-portfolio JobMaker Plan—Deregulation Package in the 2020–21 Budget.

The following tables provide types and proportions of appropriation for this financial year and the past 2 years.

Table 1: Total income by source, 2018–19 to 2020–21

Source	2018–19 (\$ million)	2019–20 (\$ million)	2020–21 (\$ million)
Appropriation	21.3	23.1	35.5
Non-appropriation	22.5	23.9	12.9
Total	43.8	47.0	48.4

Table 2: Proportion of total income by source, 2018–19 to 2020–21

Source	2018–19 (%)	2019–20 (%)	2020–21 (%)
Appropriation	48.6	49.1	73.3
Non-appropriation	51.4	50.9	26.7

Departmental expenses increased to \$49.7 million in 2020–21, primarily due to costs associated with the delivery of APS reform activities.

As at 30 June 2021 the Commission had a positive net asset position of \$8.7 million.

Activities administered on behalf of the Australian Government

The Commission's administered program facilitates the payment of judicial office holders' remuneration, allowances and entitlements. The Commission receives special appropriations for the program, from which the Attorney-General's Department makes payments.

Administered expenses amounted to \$4.2 million in 2020–21, in line with expenses in 2019–20.

Additional details of the Commission's resources and payments are available at Appendix A.

BUDGET OUTLOOK FOR 2021–22

Departmental appropriation revenue will increase from \$35.5 million in 2020–21 to \$43.3 million in 2021–22. This appropriation increase is primarily the result of 2021–22 Budget measures including Office of Supply Chain Resilience and Public Sector Capability, and National Collecting Institutions – enhancements.

Additional departmental funding will also be transferred from the Digital Transformation Agency as part of the movement of the Digital Professions function to the Commission announced on 12 July 2021.

Administered payments for the Judicial Office Holders' Remuneration and Entitlements Program are budgeted to increase slightly to \$4.4 million in 2021–22.

PART THREE

MANAGEMENT AND ACCOUNTABILITY

‘ The Commission’s Corporate Governance Framework sets out the standard for accountability and outlines the principles, elements and mechanisms the Commission uses for effective governance. ’

CORPORATE GOVERNANCE

The Australian Public Service Commission is bound by the requirements of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). The Commission’s Corporate Governance Framework sets out the standard for accountability and outlines the principles, elements and mechanisms the Commission uses for effective governance. A strong governance system supports the Commission to achieve its overall organisational objectives. The Commission’s governance framework is based on principles of public sector governance including:

- accountability—being answerable for decisions and having meaningful mechanisms in place to ensure the agency adheres to all applicable standards
- transparency/openness—having clear roles and responsibilities and clear procedures for making decisions and exercising power
- integrity—acting impartially, ethically and in the interests of the agency, and not misusing information acquired through a position of trust
- stewardship—using every opportunity to enhance the value of the public assets and institutions that have been entrusted to the agency’s care
- efficiency —ensuring the best use of resources to further the aims of the organisation, with a commitment to evidence-based strategies for improvement
- leadership—achieving an agency-wide commitment to good governance through leadership from the top.

COMPLIANCE AND ACCOUNTABILITY

An annual review of the Commission’s compliance with the financial management and accountability framework was conducted. The results of the review confirmed that the Commission’s internal control environment is operating effectively. No significant non-compliance was detected.

CONTROL ENVIRONMENT

The Commission has a robust control environment in place. The control framework includes the Accountable Authority Instructions, finance procedures, and delegations and authorisations.

The framework includes regular review of the controls.

The Commission maintains a fraud control framework comprising the Fraud Control Plan 2019–21 supported by the Fraud Risk Assessment and Analysis Report 2019–21.

Consistent with previous years, the Commission maintains appropriate fraud prevention, detection, investigation, reporting and data collection procedures. The Commission also enhances fraud awareness in the staff induction process and through fraud e-learning.

There were no instances of fraud in 2020–21. All fraud risks were assessed and appropriate controls were in place.

INTERNAL AUDIT

Axiom Associates was contracted to provide internal auditing services for the Commission in 2020–21. During the year, 3 internal audits were conducted and completed on the Annual Statement of Performance, the Management of Cyber Security Risks, and the Management of Data and Privacy. A fourth audit on Employee Expenses and Provisions was commenced and was still in progress at the end of the reporting period.

COMMITTEES AND NETWORKS

The Commission's strategic direction, priorities and accountabilities are established through a committee structure. The Commission's key committees and networks are described below.

Executive Board

The Executive Board's purpose is to support the Commissioner in their role as the Accountable Authority under the PGPA Act. The Executive Board is the Commission's primary decision-making forum and provides strategic leadership, direction and advice on the management of the Commission. It considers matters such as the Commission's strategic priorities, financial management, planning, governance and resource management.

Membership comprises the Commissioner, the Deputy Commissioner, the First Assistant Commissioner, and the Head of the APS Academy.

Executive Committee

The Executive Committee's purpose is to support effective flow of information within the Commission's senior leadership.

Membership comprises the Commission's senior leadership team: the Commissioner, the Deputy Commissioner, the First Assistant Commissioner, the Head of the APS Academy, the Head of the Hierarchy and Classification Review Taskforce, and the Assistant Commissioners.

Workplace Relations and Work Health and Safety Committee

The Workplace Relations and Work Health and Safety Committee is the Commission's primary mechanism for consultation and communication on workplace relations, health and safety matters. It was established in accordance with sections 75–77 of the *Work Health and Safety Act 2011* and the Australian Public Service Commission's Enterprise Agreement 2018–21.

People and Change Committee

The People and Change Committee provides strategic advice and guidance to the Executive Board on matters relating to the Commission's people, culture and capability.

Audit and Risk Management Committee

The Audit and Risk Management Committee provides independent assurance and advice to the Commissioner consistent with the mandatory requirements in the PGPA framework. This includes reviewing the appropriateness of the Commission's:

- financial reporting
- performance reporting
- systems of risk oversight and management
- systems of internal control.

The Audit and Risk Management Committee meets on a quarterly basis. Its activities and membership are detailed later in this chapter.

Networks and groups

In addition to formal governance forums and committees, the Commission has a range of operational, consultative and collaborative networks and groups. These forums promote inclusion, consultation and collaboration across the Commission. They consist of:

- Assistant Commissioner's Forum
- Executive Level 2 Forum
- Social Club
- inclusion networks
- Reconciliation Action Plan Working Group
- Disability and Carers Network
- Gender Equity Network
- LGBTIQ+ Network.

AUDIT AND RISK MANAGEMENT COMMITTEE

OVERVIEW

The Commission's Audit and Risk Management Committee (ARMC) has been established in compliance with section 45 of the PGPA Act and section 17 of the *Public Governance, Performance and Accountability Rule 2014*. The full charter for the ARMC is available from the Australian Public Service Commission website: www.apsc.gov.au/about-us/who-we-are/overview/audit-and-risk-management-committee-charter

The ARMC's role is to provide independent advice to the Commissioner, consistent with the mandatory requirements outlined in the legislation. It is not responsible for the executive management of these functions.

The ARMC oversees the Commission's internal audit function. This function is responsible for delivering an internal audit program in line with the ARMC's guidance and subject to approval by the Commissioner.

Consistent with the requirements of the PGPA Act, membership consists of 3 external members and one internal member.¹ Members of the ARMC bring their own knowledge, experience and skills and do not represent any particular interest or part of the Commission.

¹ With effect from 1 July 2021, in line with PGPA Act changes, membership is now 3 external members only.

EXTERNAL MEMBERSHIP

Ms Carol Lilley (Chair)

Ms Lilley is an independent board director and chair or member of a number of Commonwealth Government audit committees. She was a partner at PricewaterhouseCoopers and has over 20 years' experience in financial statement audit, internal audit, and project and risk management, with a particular focus on government.

Ms Lilley holds a Bachelor of Commerce from the University of Western Australia. She is a graduate of the Australian Institute of Company Directors, a Fellow of Chartered Accountants Australia and New Zealand and a certified internal auditor, and was a registered company auditor.

Ms Lilley attended all of the 5 meetings held during 2020–21 and was remunerated a total of \$18,700 (including GST) for the 2020–21 year.

Ms Maria Storti

Ms Storti serves as an independent member of a number of Commonwealth Government entities' audit committees and is a non-executive director. She was a partner at Ernst & Young and has worked with PricewaterhouseCoopers in the areas of internal and external audit, performance improvement and risk. She has over 30 years of experience in financial management and corporate services and has also held senior executive roles in various sectors, including government.

Ms Storti is a Fellow of Chartered Accountants Australia and New Zealand, a Fellow of the Australian Institute of Company Directors and a member of the Australian Institute of Internal Auditors, and holds a Masters in Business Administration and a degree in economics.

Ms Storti attended all of the 5 meetings held during 2020–21 and was remunerated a total of \$12,500 (including GST) for the 2020–21 year.

Mr Paul Smith

Mr Smith is an independent management consultant and an independent member of a number of Commonwealth Government entities' audit committees, including that of the Department of the Prime Minister and Cabinet. He has experience in executive committee roles across all facets of consulting organisations, including strategy, operations and compliance. He also has over 35 years' experience in financial management and information and communications technology consulting to public sector, commercial, and not-for-profit organisations. Mr Smith has been a partner in professional consulting firms for over 21 years and is currently Managing Director of Narrung Consulting Pty Ltd, a social enterprise management consulting firm.

Mr Smith's qualifications include Bachelor of Commerce (ANU); Fellow, CPA Australia; Senior Certified Professional, Australian Computer Society; and Graduate Member, Australian Institute of Company Directors.

Mr Smith attended all of the 5 meetings held during 2020–21 and was remunerated a total of \$12,500 (including GST) for the 2020–21 year.

INTERNAL MEMBERSHIP**Mr Marco Spaccavento**

Mr Spaccavento is the Assistant Commissioner, Workplace Relations Group. He has held this role since 2016 and has been an employee of the Commission since 2010. Mr Spaccavento is experienced in the development and application of government policy, public sector management, and internal agency administration matters. He holds a Bachelor of Commerce from the University of Sydney.

Mr Spaccavento attended 4 meetings of the 5 held during 2020–21. As he is an internal member, he is not provided additional remuneration for his role with the ARMC.

EXTERNAL SCRUTINY

On 1 December 2020 the Auditor-General published the report *Management of the Australian Public Service's Workforce Response to COVID-19*. The report provided the following conclusions:

- Management of the APS workforce in implementing the Australian Government's COVID-19 priorities was effective.
- Arrangements established to oversee and monitor the APS's workforce response to COVID-19 were appropriate. As a whole-of-government framework for managing the APS workforce in a crisis was not in place prior to COVID-19, planning was conducted in flight and risks were managed reactively. The Commission established largely appropriate arrangements to oversee, monitor and report on the work of its cross-agency taskforces. Further, the Chief Operation Officers Committee provided appropriate oversight for the response, including appropriate monitoring of actions it initiated.
- Management of efforts to position the APS workforce to respond to COVID-19 was effective. The Commission's Workforce Management Taskforce deployed 2,240 staff to other agencies, mostly to Services Australia, to meet critical needs. Guidance on COVID-19 workforce measures was largely effective, and various initiatives are underway to capture lessons learned from the response to inform planning for future operations.

No reports relating to the Commission were produced by parliamentary committees, the Commonwealth Ombudsman or the Australian Information Commissioner. Similarly, no judicial decisions or decisions of administrative tribunals in 2020–21 had a significant impact on operations.

The Commission appeared before Budget Estimates on 19 October 2020 and 24 May 2021. The Commission also appeared at a Senate inquiry into the current capability of the APS on 5 March 2021, which is due to report to the Finance and Public Administration References Committee by 31 October 2021.

HUMAN RESOURCES MANAGEMENT

At 30 June 2021 the Commission had an average staffing level of 212 people and maintained a diverse workforce with:

- 71% identifying as female
- 4% identifying as Aboriginal and Torres Strait Islander
- 7% identifying as a person with disability
- 12% identifying as being from a non-English speaking background.

The majority (76%) of the workforce is based in Canberra, with 19% based in Sydney and 10 employees working remotely from other states across Australia.

In 2020–21 the Commission increased its annual intake of entry-level program participants. Eight graduates were engaged through whole-of-government recruitment streams for human resources professionals, Indigenous Australians and generalists.

Further information on the Commission's staff profile as at 30 June 2021 is provided in the tables below.

Table 3: Ongoing and non-ongoing employees by location as at 30 June 2021

	Ongoing	Non-ongoing	Total
NSW	40	6	46
Qld	4	2	6
SA	1	0	1
Tas	0	0	0
Vic	3	0	3
WA	0	0	0
ACT	174	9	183
NT	0	0	0
External territories	0	0	0
Overseas	0	0	0
Total	222	17	239

Table 4: Ongoing employees by gender, employment type and classification as at 30 June 2021

	Male			Female			Indeterminate			Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	
SES 3	0	0	0	0	0	0	0	0	0	0
SES 2	2	0	2	1	0	1	0	0	0	3
SES 1	2	0	2	5	3	8	0	0	0	10
EL 2	10	1	11	21	5	26	0	0	0	37
EL 1	19	2	21	36	16	52	0	0	0	73
APS 6	10	3	13	27	9	36	0	0	0	49
APS 5	3	0	3	11	2	13	0	0	0	16
APS 4	6	0	6	10	2	12	0	0	0	18
APS 3	2	0	2	9	0	9	0	0	0	11
APS 2	2	0	2	1	0	1	0	0	0	3
APS 1	0	1	1	0	0	0	0	0	0	1
Other	0	0	0	0	0	0	0	0	0	0
Total*	56	7	63	121	37	158	0	0	0	222

*Totals are based on APS employee headcount and do not include casuals. One employee identifies as indeterminate gender, and to protect identification has been added to the total figure only.

Table 5: Non-ongoing employees by gender, employment type and classification as at 30 June 2021

	Male			Female			Indeterminate			Total
	Full-time	Part-time	Total male	Full-time	Part-time	Total female	Full-time	Part-time	Total	
SES 3	0	0	0	0	0	0	0	0	0	0
SES 2	0	0	0	0	0	0	0	0	0	0
SES 1	0	0	0	0	0	0	0	0	0	0
EL 2	0	1	1	1	0	1	0	0	0	2
EL 1	2	0	2	3	1	4	0	0	0	6
APS 6	2	0	2	1	0	1	0	0	0	3
APS 5	0	0	0	3	0	3	0	0	0	3
APS 4	1	0	1	1	0	1	0	0	0	2
APS 3	0	0	0	0	0	0	0	0	0	0
APS 2	0	0	0	0	0	0	0	0	0	0
APS 1	0	0	0	0	1	1	0	0	0	1
Other	0	0	0	0	0	0	0	0	0	0
Total	5	1	6	9	2	11	0	0	0	17

REMUNERATION

Remuneration for the Australian Public Service Commissioner and the Merit Protection Commissioner is set by the Remuneration Tribunal under section 7 of the *Remuneration Tribunal Act 1973*. The Commission's Remuneration Management Policy specifies that remuneration for the Commission's Senior Executive Service (SES) employees is determined by the Australian Public Service Commissioner.

The Commission's remuneration framework and terms and conditions of employment consist of an enterprise agreement for non-SES officers and section 24(1) determinations under the *Public Service Act 1999* for SES officers.

The Commission's Enterprise Agreement 2018–21 remained in effect throughout the reporting period. In accordance with the determination announced on 9 April 2020, the Commission deferred a scheduled wage increase for non-SES officers by 6 months. The wage increase for non-SES officers took effect on 7 May 2021.

The Commission did not offer performance pay provisions to employees in 2020–21. A range of non-salary benefits were available to employees, including:

- annual influenza immunisation
- mentoring and coaching programs
- in-house capability development programs
- a confidential employee assistance program for employees and their immediate families
- access to a serious illness register
- study assistance to eligible employees
- access to flexible working arrangements
- contributions to relevant professional memberships
- salary packaging arrangements.

Further information on remuneration arrangements for Commission employees, including key management personnel, is available at Appendix C.

APSC WORKFORCE STRATEGY

In August 2020 the Commission launched the APSC Workforce Strategy 2020-21 to drive practical changes that will position the Commission's workforce for the future. The strategy focuses on 3 priority areas:

- Building the foundations of workforce management practices
- Embedding a strengths-based performance framework
- Re-engineering recruitment processes.

The APSC Workforce Strategy is linked to the 2020–21 Corporate Plan, as part of Strategic Priority 6: Providing the right tools and workplace for our staff. The strategy defines the Commission's aspiration to transform, connect and grow both its capabilities and its workforce. It places a practical focus on the Commission's people, systems, and use of data to achieve better business outcomes.

Throughout the year the Commission has focused on implementing the core capabilities outlined in the strategy and its implementation plan.

PERFORMANCE

Complementary to the APSC Workforce Strategy, the Commission strengthened its approach to performance management with enhancements to the 'Taking Time to Talk' performance management framework. This included the introduction of an online system to record performance agreements and to better support employee–manager conversations to focus on performance and career planning.

WORK HEALTH AND SAFETY

Employee health and wellbeing remained the Commission's primary focus during 2020–21. The Commission refreshed its COVID Workplace Action Plan and associated guides to support its people in adjusting to changes.

A key focus was building positive mental health and resilience capabilities. This was essential to support the Commission's people to cope with the uncertainty associated with the pandemic.

Throughout 2020–21 the Commission continued to support its people to utilise flexible working arrangements under the Flexible Working Arrangements Policy. APS employees have become accustomed to working in different ways, and access to flexible working arrangements has ensured the Commission continues to meet the needs and expectations of the Australian public and Government.

The Commission provided a range of support mechanisms to assist its people throughout the year, including:

- a central portal for all wellbeing information for all employees
- a confidential employee assistance program for employees and their immediate family members
- resources, guides and training to support mental health and wellbeing
- access to employee diversity networks, SES diversity champions, first aid officers and mental health first aid officers
- access to mentoring, coaching, professional memberships and study assistance (for eligible employees).

During 2020–21 the Commission participated in a Comcare audit to assess compliance with key work health and safety legislation throughout the pandemic. The Commission was compliant with both the *Work Health and Safety*

Act 2011 (WHS Act) and the *Work Health and Safety Regulations 2011*, demonstrating its ability to manage COVID-19 risks in the workplace.

On 27 May 2021 the Commission had one notifiable incident under section 38 of the WHS Act.

AUSTRALIA DAY AWARDS

In 2020–21 the Commission recognised people who made significant contributions to the achievement of its strategic priorities or demonstrated personal behaviours and leadership that uphold its values and culture. This year 4 individuals and 3 teams received awards. A table of award recipients is provided at Appendix E.

RECONCILIATION

This year was the final year of the Commission's fourth Reconciliation Action Plan (RAP), under which the Commission conducted a range of activities to support its commitment to reconciliation.

The RAP Working Group, comprising committed people from across the Commission, supported the implementation of the RAP. This included activities and events such as leading the renaming of Commission meeting rooms using Indigenous names of country; promoting improved cultural capability through the Cultural Awareness e-learning and Core Cultural Learning courses; and advocating for the development and use of an Acknowledgement of and Welcome to Country Guide for the Commission.

The RAP Working Group strengthened its relationships across government agencies and organised events, including during National Reconciliation Week and NAIDOC Week, to acknowledge and celebrate the history, culture and achievements of Aboriginal and Torres Strait Islander peoples.

With the launch of the Commonwealth Aboriginal and Torres Strait Islander Workforce Strategy 2020–2024, the RAP Working Group is considering how it can best support the Commission to align this strategy with its broader efforts to continue towards reconciliation.

The Commission proudly displays the Aboriginal and Torres Strait Islander flags and has incorporated bespoke contemporary Indigenous Australian artwork into the office. This artwork also features on the RAP.



'Australian Public Service Commission'
Chern'ee Sutton

ASSETS MANAGEMENT

In 2020–21 the Commission managed non-financial assets (excluding prepayments) with a gross value of \$20.5 million. This includes long-term office leases recognised as right-of-use assets with gross value of \$10.6 million. All assets, including IT assets, are subject to a stocktake to verify the accuracy of records. Assets are depreciated at rates applicable to the asset class.

PURCHASING

Purchasing is handled in accordance with the Commonwealth Procurement Rules. The Commission provides guidance to its people through the purchasing guide and the Accountable Authority Instructions. The Commission has a framework for managing the risks inherent in procurement activity, as well as operational guidelines to support staff in assessing the risks associated with their projects. The Commission published its procurement plan for 2020–21 on the AusTender website at www.tenders.gov.au.

No contracts of \$100,000 or more (inclusive of GST) were entered into during 2020–21 that did not provide for the Auditor-General to have access to the contractor's premises.

REPORTABLE CONTRACTS

Consultancy contracts

A reportable consultancy contract is an arrangement that is published on AusTender as a consultancy. Annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable consultancy contracts is available on the AusTender website.

The Commission engaged consultants when the expertise sought was not available internally or when independent advice was required. Decisions to engage consultants are made in accordance with the *Public Governance, Performance and Accountability Act 2013* and related requirements, including the Commonwealth Procurement Rules, and other internal policies.

During 2020–21, 26 new reportable consultancy contracts were entered into involving total actual expenditure of \$1.7 million (GST inclusive). In addition, 6 ongoing reportable consultancy contracts were active during the period, involving total actual expenditure of \$0.5 million (GST inclusive). Consultants mainly provided management advisory services.

Table 6: Expenditure on reportable consultancy contracts 2020–21

Reportable consultancy contracts	Number of reportable consultancy contracts	Total actual expenditure on reportable consultancy contracts (\$'000 GST inclusive)
New contracts entered into during the reporting period	26	1,748
Ongoing contracts entered into during a previous reporting period	6	450
Total	32	2,198

Note: The total actual expenditure reported for consultancy contracts will differ from the 2020–21 financial statements due to the treatment of GST and accruals.

Table 7: Organisations receiving the largest share of reportable consultancy contract expenditure 2020–21

Name of organisation	Total actual expenditure on reportable consultancy contracts (\$'000 GST inclusive)
The Nous Group Pty Ltd	399
Synergy Group Australia Pty Ltd	264
Meld Studios Pty Ltd	209
PricewaterhouseCoopers	165
KPMG	154
Bull and Bear Pty Ltd	135
Evolve FM Pty Ltd	124
Andragogy Pty Limited	113

Table 8: Expenditure on reportable non-consultancy contracts 2020–21

Reportable non-consultancy contracts	Number of reportable non-consultancy contracts	Total actual expenditure on reportable non-consultancy contracts (\$'000 GST inclusive)
New contracts entered into during the reporting period	90	4,182
Ongoing contracts entered into during a previous reporting period	68	5,619
Total	158	9,801

Note: The total actual expenditure reported for reportable non-consultancy contracts will differ from the 2020–21 financial statements due to the treatment of GST and accruals.

Table 9: Organisations receiving the largest share of reportable non-consultancy contract expenditure 2020–21

Name of organisation	Total actual expenditure on reportable non-consultancy contracts (\$'000 GST inclusive)
Egon Zehnder International Pty Ltd	1,313
People Measures Pty Ltd	1,102
Old Parliament House	551
Engine Asia Pacific Pty Ltd	547
Accenture Australia Pty Ltd	512

Non-consultancy contracts

A reportable non-consultancy contract is an arrangement that is published on AusTender and is not a reportable consultancy contract. Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of reportable non-consultancy contracts is available on the AusTender website.

During 2020–21, 90 new reportable non-consultancy contracts were entered into involving total expenditure of \$4.2 million (GST inclusive). In addition, 68 ongoing non-consultancy contracts were active during the period, involving total actual expenditure of \$5.6 million (GST inclusive).

EXEMPT CONTRACTS

The Commissioner may direct that contracts not be reported on the AusTender website if they are subject to an exemption under the *Freedom of Information Act 1982*. No exemptions were issued during 2020–21.

SMALL BUSINESS

The Commission supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises and Small Enterprise participation statistics are available on the Department of Finance's website.

The Commission has adopted 2 specific practices to support procurement from small and medium enterprises:

- use of the Commonwealth Contracting Suite for low-risk procurements valued under \$200,000
- use of payment cards for purchases up to \$10,000 to facilitate on-time payment.

DISABILITY REPORTING MECHANISMS

Disability reporting is included in the annual State of the Service Report and the APS Data Release. These reports are available on the Commission's website at www.apsc.gov.au.

The National Disability Strategy 2010–2020 sets out a national policy framework for improving the lives of people with disability, promoting participation and creating a more inclusive society. A high-level 2-yearly report tracks progress against each of the 6 outcome areas of the strategy and presents a picture of how people with disability are faring. Copies of these reports are available on the Department of Social Services website at www.dss.gov.au.

INFORMATION PUBLICATION SCHEME

The Commission's Information Publication Scheme statement pursuant to Part II of the *Freedom of Information Act 1982* is available at www.apsc.gov.au/information-publication-scheme-ips.

ECOLOGICALLY SUSTAINABLE DEVELOPMENT AND ENVIRONMENTAL PERFORMANCE

The Commission aims to minimise the use of non-renewable resources, and its environmental activities are directed towards improving energy management and environmental practices. This includes maximising the benefits of energy-saving devices and making purchases with energy efficiency in mind.

The Commission has seen a significant decrease in the use of electricity during the third quarter of 2020–21, reducing by 53%.

The National Australian Built Environment Rating System rating for the Commission was 5.5 stars; however, the Commission is performing at a level consistent with 6.0 star rating.

ADVERTISING

The Commission did not engage in advertising campaigns in 2020–21.

PART FOUR

ANNUAL PERFORMANCE STATEMENTS

“ We are at our best when we bring together our diverse skills and experiences, and are galvanised by clarity of purpose. ”

STATEMENT OF PREPARATION

I, Peter Woolcott, as the accountable authority of the Australian Public Service Commission, present the annual performance statements of the Australian Public Service Commission for the period of 1 July 2020 to 30 June 2021, as required under paragraph 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

In my opinion, these annual performance statements accurately reflect the performance of the Australian Public Service Commission during the reporting period and comply with subsection 39(2) of the PGPA Act.



Peter Woolcott AO
Australian Public Service Commissioner
21 September 2021

SUMMARY OF RESULTS

The past year has been one of significant effort for the Australian Public Service Commission, with a focus on embedding and scaling reforms that continue to build the capability of the Australian Public Service (APS).

The COVID-19 pandemic necessitated swift action to ensure that the APS, acting as one enterprise, was able to meet the needs and expectations of the Australian Government and people. The Commission has played a key role in ensuring that public servants have the knowledge, skills and resources needed to continue to deliver essential services and support.

In 2020–21 the Commission achieved, substantially achieved or partially achieved all of its performance measures. Comprehensive analysis of its performance is presented in the detailed results.¹

¹ Measures are considered achieved when all criteria in the measure are met.
Measures are considered substantially achieved when the criteria are predominantly met.
Measures are considered partially achieved when some criteria in the measure are met.
Measures are considered not achieved when no criteria in the measure are met.
When there are multiple parts to a measure, the average (that is, the sum of all the data values divided by the count of values in the dataset), rounded to the nearest whole value, is applied to determine overall achievement. The data values for each achievement status are: achieved (3); substantially achieved (2); partially achieved (1); not achieved (0).

Performance measure	Result
Strategic priority: Ensuring good governance	
Assess the compliance of new Commonwealth workplace arrangements	Achieved
Increase capability of HR practitioners to apply an innovative employment framework in the APS	Achieved
Support the development of a more diverse and inclusive public service through the co-design and implementation of diversity strategies	Achieved
Strategic priority: Lifting the capability of the APS	
Develop an APS-wide Learning and Development (L&D) Strategy by the end of 2020	Achieved
Embed the professions model, and implement against high level roadmap	Achieved
Strengthen the overall APS graduate recruitment process and One-APS presence in the graduate market to increase the capability and diversity of the APS over time	Achieved
Improve the policy framework for temporary mobility to increase the responsiveness and performance of the APS	Achieved
Connect practitioners and build workplace relations capability	Achieved
Provide the APS with data to inform and evaluate APS workforce policies and strategies	Achieved
Deliver learning and development programs through traditional and contemporary digital methods	Achieved
Strategic priority: Building leadership for the future	
Provide contemporary leadership development opportunities	Achieved
Effective guidance and support delivered to Talent Councils	Substantially achieved

Strategic priority: Preserving and enhancing the reputation of the APS	
Facilitate engagement and collaboration between APS agencies through APS-wide and professional stream events	Achieved
Provide high-quality and timely support to the Minister's Office, clearly communicating the issues and achievement of the APS	Substantially achieved
Influence the public commentary and the level of reach and engagement with the State of the Service Report and its data analysis and insights	Achieved
Deliver quality international program outcomes and respond to requests to share information with international partners	Achieved
Deliver knowledge sharing activities to our international partners	Achieved
Create an APS graduate employee value proposition, as a first stage towards a whole-of-APS employee value proposition	Achieved
Strategic priority: Upholding the integrity of the APS	
Develop and effectively implement pro-integrity initiatives	Substantially achieved
Strategic priority: Providing the right tools and workplace for our staff	
Execution of the APSC Workforce Strategy, including development of an implementation and evaluation plan	Partially achieved
Execution of the Strategic Resource Framework	Partially achieved
Execution of the Digital, Technology and Data Investment and Prioritisation Framework	Partially achieved
Continue to focus on enhancing cyber security within the APSC	Achieved
Continue to deliver the Governance Improvement Plan	Substantially achieved

DETAILED RESULTS

ENSURING GOOD GOVERNANCE

WORKPLACE RELATIONS

The Commission provides advice and support to Commonwealth agencies on workplace relations matters, aiming to support Commonwealth employers to ensure that their workplace relations arrangements are effective and are consistent with Government policy and legal obligations.

Workplace arrangements

In November 2020 the Government's new bargaining policy was released – the Public Sector Workplace Relations Policy 2020. This policy supports Australian Government public sector entities to create workplace arrangements that enable sustainable, high-performing public sector workplaces.

PERFORMANCE MEASURE:

Assess the compliance of new Commonwealth workplace arrangements

Measure of success

100% of new Commonwealth workplace arrangements made are compliant with the Government's prevailing bargaining policy

Result: Achieved

Analysis

100% of new Commonwealth workplace arrangements made in 2020–21 were compliant with the Government's prevailing bargaining policy.

These arrangements included enterprise agreements, determinations providing wage increases in lieu of bargaining, and determinations providing terms and conditions of employment.

During 2020–21 the Commission released the Public Sector Workplace Relations Policy 2020, which replaces the previous Workplace Bargaining Policy 2018. The new policy links public service wage increases to the annual percentage change in the Wage Price Index for the private sector. The policy also implements the Government's decision to require agencies to apply a 6-month pause to wage adjustments.

The Commission continues to monitor the implementation of the policy.

Source: Australian Public Service Commission (APSC) 2020–21 Corporate Plan p. 9; Department of the Prime Minister and Cabinet (PM&C) 2020–21 PBS p. 120

EMPLOYMENT PRACTICES

The Commission supports high-quality employment practices in the APS by developing and sharing guidance materials. Through various forums and means, the Commission engages with human resources (HR) practitioners as they implement better practice employment guidelines on matters such as recruitment.

PERFORMANCE MEASURE:

Increase capability of HR practitioners to apply an innovative employment framework in the APS

Measure of success :

Enable continued capability development of HR practitioners by establishing an outreach program by the start of 2021 that engages directly on the APS employment practices and guidance

Deliver workshops to HR practitioners to support implementation of best practice recruitment guidelines and other employment practices and guidance

Result: Achieved

Analysis:

The outreach program was successfully launched in December 2020 as a pilot workshop, followed by delivery of the first workshop in February 2021.

The workshops were delivered virtually to practitioners across the Commonwealth and centred on the topic of affirmative measures. Participants provided positive feedback on the workshops and indicated that they had a clearer understanding of affirmative measures provisions after the workshops.

Throughout 2020–21 the Commission supported capability development of HR practitioners more generally by participating in and providing secretariat support to the HR Working Group, releasing guidance materials and providing tailored support and advice directly to practitioners.

The HR Working Group is a collaborative and strategic forum for senior APS HR practitioners to champion contemporary employment practices by sharing their experiences, discussing challenges and developing solutions. The HR Working Group is guided by the priorities of the Chief Operating Officers Committee, the Head of the HR Profession and emerging HR issues identified in the APS.

The Commission continues to work with APS agencies to develop and share guidance on contemporary employment practices, providing tailored support to agencies via a dedicated employment policy inbox and advice line.

Source: APSC 2020–21 Corporate Plan p. 9.

DIVERSITY AND INCLUSION

The APS requires a diverse workforce that reflects and understands the people it serves. By ensuring that the APS remains an attractive employer for all groups, we are better able to access the broad range of skills and capabilities available in the community. The Commission assists the APS to build and maintain a diverse workforce by co-designing and supporting agencies to implement diversity strategies.

PERFORMANCE MEASURE:

Support the development of a more diverse and inclusive public service through the co-design and implementation of diversity strategies

Measure of success :

Successful development, through cross agency collaboration, of the APS Disability Employment Strategy, the Commonwealth Aboriginal and Torres Strait Islander Workforce Strategy, and APS Gender Equality Strategy

Result: Achieved

Analysis:

The Commission developed the APS Disability Employment Strategy and APS Gender Equality Strategy and launched the Commonwealth Aboriginal and Torres Strait Islander Workforce Strategy during 2020–21.

The APS Disability Employment Strategy provides a foundation for attracting, recruiting and retaining people with disability to the APS.

The APS Gender Equality Strategy provides a shared vision for gender equality in the APS. It aims to shift the culture of gendered violence, address the gender pay gap, support women in leadership and strengthen workplace flexibility.

The Commonwealth Aboriginal and Torres Strait Islander Workforce Strategy focuses on increasing Aboriginal and Torres Strait Islander employment opportunities and experiences in the public sector, and sets the direction for agencies as employers investing for the future.

These strategies were developed in partnership with a range of Commonwealth agencies and in consultation with the groups represented.

Source: APSC 2020–21 Corporate Plan p. 9.

LIFTING THE CAPABILITY OF THE APS

WORKFORCE STRATEGY

The Commission released *Delivering for Tomorrow: APS Workforce Strategy 2025* in March 2021. The whole-of-enterprise strategy forms part of the Government's APS reform agenda, *Delivering for Australians*. The strategy aims to create an integrated and strategic approach to workforce management, to better plan for and develop the capabilities the APS needs for the future.

Learning and Development Strategy and Action Plan

The Learning and Development (L&D) Strategy and Action Plan sets the vision for a highly capable and future-ready APS across 4 pillars of action: capability, technology, governance and culture. The action plan details the practical steps needed to deliver against these pillars.

PERFORMANCE MEASURE:

Develop an APS-wide Learning and Development (L&D) Strategy by the end of 2020

Measure of success :

The APS-wide L&D Strategy is endorsed

Result: Achieved

Milestones for the first six months of the strategy implementation are completed by the end of June 2021

Result: Substantially achieved

Analysis:

The Chief Operating Officers (COO) Committee endorsed the APS-wide L&D Strategy and Action Plan and the Commission established the APS Learning Board and the APS Academy.

In June 2021 the COO Committee provided in-principle agreement to the L&D Strategy and Action Plan, subject to final comments.

Key milestones under the L&D Strategy and Action Plan are the newly established APS Learning Board and the APS Academy. These initiatives will catalyse implementation of the strategy and facilitate the transformation of L&D practice across the APS.

The APS Academy and APS-wide L&D Strategy and Action Plan were launched in July 2021, to align with completion and public release of the APS Workforce Strategy and other critical APS reform projects.

Source: APSC 2020–21 Corporate Plan p. 11

APS professions

The APS professional stream strategies ('professions') are workforce initiatives established to increase the capability of APS people working in critical disciplines or functional areas. The professions were established to address identified critical workforce capability gaps in the APS and build a high-performing workforce with specialist skills and deep expertise.

PERFORMANCE MEASURE:

Embed the professions model, and implement against high level roadmap

Measure of success :

Professions model introduced and agreed professional streams, including the Data Professional Stream, commenced

Result: Achieved

Continue to embed the professional streams already well underway, including the HR and Digital Professional streams

Result: Achieved**Analysis:**

The Commission introduced the APS professions model, including commencement of the Data Professional Stream during 2020–21. Work was undertaken to embed all streams within the APS.

The APS professions model, Professionalising APS Capabilities, targets priority capabilities and adopts an integrated approach to developing specialist skills and expertise, including by embedding the professional streams. The model recognises professional skills and aims to address gaps in technical expertise through:

- the use of professional streams for targeted capability development
- centres of excellence that support capability development and provide a channel to share information about specialist capabilities
- development of APS craft capabilities through the APS Academy
- partnerships with professional associations.

In September 2020 the APS Data Professional Stream was formally launched. The Head of Profession for this stream is the Australian Statistician, Dr David Gruen. It aims to strengthen data capability across the APS to generate deeper insights, inform evidence-based decisions and enable more effective service delivery.

Throughout the year, work continued to embed and promote the existing HR and digital professional streams.

Source: APSC 2020–21 Corporate Plan p. 11; PM&C 2020–21 PBS p. 120.

Graduate recruitment

Graduates are a key group that organisations recruit in order to gain the required capabilities to deliver their business as well as bringing in fresh insight, innovation and critical thinking. Graduate recruitment in the APS will help to lift public service capability and position the APS workforce for the future.

PERFORMANCE MEASURE:

Strengthen the overall APS graduate recruitment process and One-APS presence in the graduate market to increase the capability and diversity of the APS over time

Measure of success :

APS graduate recruitment is more coordinated across the service, with increased cross-agency collaboration

Result: Achieved

Updates to the APSJobs graduate portal and a more coordinated One-APS graduate marketing effort are helping to strengthen the APS's position in the graduate market and as a desired employer for graduates

Result: Achieved**Analysis:**

The Commission facilitated a more coordinated approach to APS graduate recruitment including significant updates to the APSJobs graduate portal, improved graduate recruitment processes and a coordinated One-APS marketing approach.

Increasing coordination across the APS has made Australian Government graduate programs more coherent, consistent and clear for applicants.

Evidence of a more coordinated process in 2020–21 is demonstrated by:

- bringing together individual graduate streams and agency programs, along with specific information for Aboriginal and Torres Strait Islander applicants and applicants with disability, on the updated APSJobs graduate portal
- 43 APS agencies participating in the cross-agency collaboration, compared to 35 agencies in the previous year
- implementation of a streamlined application process whereby graduates no longer have to identify and navigate programs on an agency-by-agency basis
- the first virtual APS Graduate Program Careers Fair, in which over 900 graduates participated
- 15 graduate streams being launched together and opening on the same date.

There were 8,187 applications across all streams in 2021 – a 33% increase on the previous year, demonstrating that the APS's position as a desired employer for graduates has strengthened.

A Graduate Community of Practice, with members from over 40 agencies, allows shared learnings about the attraction, recruitment and development of graduates.

Source: APSC 2020–21 Corporate Plan p. 11.

Mobility

Mobility in the APS is critical to ensure that we can move the right people into the right places at the right time. It is an effective tool to help solve complex problems, deal with peaks in demand or crises, and build the capability of APS people.

PERFORMANCE MEASURE:

Improve the policy framework for temporary mobility to increase the responsiveness and performance of the APS

Measure of success :

Mobility Framework is in place and implementation is on track

Result: Achieved

Employees can move more readily between agencies, and between the APS and other sectors in response to strategic needs of the APS

Result: Achieved

Analysis:

In April 2021 the Commission launched the APS Mobility Framework, and implementation of the framework is on track.

The APS Mobility Framework is a deliverable of the APS Workforce Strategy. It is intended to help APS people, managers, executives and HR practitioners use mobility as a strategic workforce tool.

Since April 2020 the Commission has facilitated the deployment of over 2,500 APS people to assist in more than 60 separate requests for workforce assistance across the public service, mostly to support COVID-19 related programs.

In September 2020 approximately 2,000 people from agencies across the APS nominated to be part of an ongoing APS Surge Reserve.

The APS Surge Reserve provides capacity to rapidly mobilise large numbers of people to respond to strategic needs.

The 2020 APS Employee Census established a new baseline for mobility which will be used to understand the impact of the framework. Census results show that respondents feel increasingly supported by their immediate supervisors to pursue mobility opportunities. In June 2019, 47% of respondents agreed that their immediate supervisor actively supports opportunities for mobility. By June 2021 this had risen to 52%.

Source: APSC 2020–21 Corporate Plan p. 11.

WORKPLACE RELATIONS

The Commission provides advice to Commonwealth agencies on workplace relations matters, supporting Commonwealth employers to ensure that their workplace relations arrangements are effective and consistent with Government policy and legal obligations.

Workshops

One way in which the Commission provides support to Commonwealth agencies on workplace relations matters is by facilitating workshops to connect APS workplace relations practitioners and build capability.

PERFORMANCE MEASURE:

Connect practitioners and build workplace relations capability

Measure of success :

Delivery of tailored workplace relations workshops, connecting workplace practitioners

Result: Achieved

Analysis:

The Commission delivered tailored workplace relations workshops, connecting workplace practitioners.

In November 2020 the Commission commenced virtual delivery of workplace relations workshops, to reach and connect APS workplace practitioners across Australia.

In 2020–21, 7 workshops were delivered to more than 229 participants, compared to 6 workshops delivered to approximately 90 participants in 2019–20.

To ensure that the workshops were tailored to the needs of APS workplace relations practitioners, the Commission sought feedback from previous and prospective participants. The workshop topics included:

- COVID-19 – working flexibly (a year in review)
- Enterprise agreements and how underpinning policy interacts
- How to complete a remuneration and funding declaration
- Agency experiences – to bargain for an enterprise agreement or put in place a determination.

Source: APSC 2020–21 Corporate Plan p. 11.

DATA AND RESEARCH

The Commission maintains comprehensive datasets that are representative of the APS workforce and include personal, employment, remuneration, diversity and education information for all current and former APS people. This data is provided to APS agencies to support good decision-making regarding the APS workforce. One of the Commission's data collection methods is through surveys of APS people and agencies, including the annual APS Employee Census. The census is administered to all APS people and used to collect confidential attitude and opinion information on APS workplaces.

PERFORMANCE MEASURE:

Provide the APS with data to inform and evaluate APS workforce policies and strategies

Measure of success :

Data is used to inform and evaluate APS workforce policies and strategies

Result: Achieved

Respond to >90% of data requests by the agreed due date

Result: Achieved

APS Employee Census response rates remain >70%

Result: Achieved

>75% of APS agencies publicly release APS Employee Census results

Result: Substantially achieved

Analysis:

The Commission provided data that was used by the majority of agencies to inform and evaluate workforce policies and strategies. Over 95% of agencies that responded to the 2021 APS Agency Survey indicated that they had used one or more of the Commission's workforce data or products in this way.

The Commission responded to 93% of data requests by the agreed due date, demonstrating timeliness in responding to data requests.

The 2021 APS Employee Census response rate was 77% (compared to 78% in 2020), and 74% of agencies publicly released their 2020 APS Employee Census results.

Collecting, analysing and sharing data to build an understanding of the composition of the APS, the context in which it operates and the initiatives achieved will improve workforce management and the contribution of the APS in delivering the Government's objectives and priorities.

The collection, analysis and reporting of APS workforce data supports decision-makers by making sure they have the information and analysis needed to support good governance of the public service workforce. By being transparent about the composition, context and achievements of the APS, the Commission is also fostering trust in the integrity of the APS.

Source: APSC 2020–21 Corporate Plan p. 11.

LEARNING AND DEVELOPMENT

The Commission is committed to ensuring that the APS has a contemporary, systematic approach to learning and development, tailored to the specific needs of the APS. Through 2020–21 the Commission continued to offer a range of virtual learning and development programs to APS people and agencies across Australia through the Centre for Leadership and Learning. Offerings focused on developing core skills for APS people.

PERFORMANCE MEASURE:

Deliver learning and development programs through traditional and contemporary digital methods

Measure of success :

Learning and development programs reach an increased number of participants outside of Canberra compared to 2019–20

Result: Achieved

Evaluation indicates participant satisfaction equivalent to previous years

Result: Substantially achieved

Learning and Capability Review will be complete

Result: Achieved

Analysis:

The Commission's learning and development (delivered through the Centre for Leadership and Learning) reached an increased number of participants outside Canberra. Of the participants in 2020–21 who elected to disclose their location, 19% were located outside Canberra. This is compared to 14% of 2019–20 participants. The increase in geographical reach outside Canberra can mostly be attributed to the transition to virtual program delivery.

While virtual delivery has increased the accessibility of the Commission's learning and development programs compared to 2019–20, survey data indicates there has been a slight decline (2.5%) in participant satisfaction across 5 key areas:

- self-assessed capability shift
- how relevant they found the program to their work
- if they intended to implement their learnings
- if they would recommend the program to others
- if they found the program valuable.

The overall evaluation data is still strong and the Commission expects to maintain positive evaluation data as learners and facilitators adjust and become more practised in virtual delivery methods.

In December 2020 the Commission completed the Review of the APSC Centre for Leadership and Learning. Led by Dr Subho Banerjee, the review considered the future role of the Centre for Leadership and Learning in supporting learning and development initiatives in the APS. It recommended that the Commission introduce a new operating model to support APS capability development, through the establishment of an APS Academy to lead the transformation of APS learning and development practice.

Source: APSC 2020–21 Corporate Plan p. 11.

BUILDING LEADERSHIP FOR THE FUTURE

LEADERSHIP DEVELOPMENT

The Commission plays an important role in building the leadership capability of the APS. APS leaders require a broad range of leadership and management capabilities in order to lead through global complexity, challenges and crises. The Commission focuses on creating future-ready APS leaders who are visionary, influential, and deliver results through collaborating and inspiring others towards common goals.

In 2020–21 the Commission adapted the suite of leadership programs to ensure that APS leaders were given the development they needed, when they needed it, in key areas including adaptation, strategy, innovation and personal and organisational resilience. Virtual learning enabled greater participation for APS leaders across Australia and internationally. The transition to virtual learning has set the Commission up to build capability with greater scalability and accessibility, while also ensuring ongoing quality of learning experiences.

PERFORMANCE MEASURE:

Provide contemporary leadership development opportunities

Measure of success :

Evaluation data from leadership development initiatives indicate an increase in participants' self-assessment of leadership capability

Result: Achieved

Analysis:

Evaluation data continues to show that leadership development initiatives are increasing self-assessed leadership capability.

Across the leadership development programs run in 2020–21, participants self-reported an average capability increase of 25%, compared to 28% in 2019–20. In addition, 90% of participants indicated the program was valuable, 95% agreed that the program learnings were relevant to their work, and 80% agreed they would recommend the training to others.

The Commission refreshed and began delivering virtual leadership development programs in May 2020. Participants responded well to the refreshed programs and new delivery methods, and the programs continue to deliver strong results.

Source: APSC 2020–21 Corporate Plan p. 13; PM&C 2020–21 PBS p. 120.

TALENT MANAGEMENT

The Commission is committed to supporting the identification and development of leaders who have the potential for more senior or critical roles. The Commission supports the Secretaries Talent Council and Deputy Secretaries Talent Council to undertake talent identification, development, engagement and deployment. In late 2020 the Secretaries Talent Council worked with APS Secretaries to undertake succession planning for 20 of the most senior APS roles, enabling evidence-based strategic workforce management. This reflects a commitment to developing strong and diverse leadership pipelines at the most senior levels of the APS.

PERFORMANCE MEASURE:

Effective guidance and support delivered to Talent Councils

Measure of success :

Talent Councils and Secretaries Board understand the strengths and diversity of the leadership pipeline, informed by objective data

Result: Achieved

Feedback from Talent Councils shows that advice and guidance from the Commission helps them to build a stronger and more diverse leadership pipeline

Result: Achieved

Assessments of SES Band 1 have commenced

Result: Not achieved

90% of participants in talent programs have agreed learning and development plans in place

Result: Achieved

Analysis:

In 2020–21 the chairs of both Talent Councils reported that the Commission successfully supported the Talent Councils to understand and build the strength and diversity of the leadership pipeline, meeting Secretaries Board expectations.

This understanding was informed and supported by objective data provided by qualified third-party providers. Assessment is informed by career profiles, personality and work style assessments, 360-degree feedback assessments, behavioural validation interviews and the third-party providers' professional judgement.

Feedback from the Talent Councils has demonstrated that the Commission's advice and guidance helped them to understand and build a stronger and more diverse leadership pipeline. Feedback was not sought separately from the Secretaries Board as the Secretaries Talent Council is a subcommittee of the Secretaries Board.

The Chair of the Deputy Secretaries Talent Council noted that a key factor that has positively influenced performance this year is an increased focus on continuous improvement and thoughtfulness as to how the Talent Council's key activities and deliverables can be more impactful for individual participants and the APS.

The Chair of the Secretaries Talent Council provided feedback showing that advice and guidance from the Commission helped them to build a stronger and more diverse leadership pipeline. They also observed the growth and sophistication of the work and acknowledged the ongoing alignment with the work of the Deputy Secretaries Talent Council. The Commission supported the Secretaries Talent Council to develop the first enterprise-wide succession compendium, a significant step towards a more systematic approach to succession management for senior APS roles.

Capability assessments of Senior Executive Service (SES) Band 1 staff did not commence in 2020–21. In May 2021 the Commissioner agreed to adjust the timing for the design and piloting of these assessments to allow the incorporation of critical insights from the Capability Framework Scoping Project and the Hierarchy and Classification Review.

In 2020–21 the Commission supported 100% of talent assessment participants to complete a development plan.

Source: APSC 2020–21 Corporate Plan p. 13.

PRESERVING AND ENHANCING THE REPUTATION OF THE APS

COMMUNICATION

The Commission manages its own social media accounts and others on behalf of the APS with the objective of sharing stories of success, innovation and change, and to promote the diverse work and achievements of both the Commission and the APS. The Commission highlights APS successes and profiles APS people demonstrating commitment to service, both domestically and internationally, to provide visibility of the service.

PERFORMANCE MEASURE:

Facilitate engagement and collaboration between APS agencies through APS-wide and professional stream events

Measure of success :

Curate and/or share regular social media posts every week across the Commission and the APS social media platforms (LinkedIn, Facebook and Twitter)

Result: Achieved

Achieve an audience growth rate of 25% in the 2020–21 financial year

Result: Achieved

Deliver a range of virtual or face-to-face events in the 2020–21 financial year, attracting participants from across APS agencies

Result: Achieved

Analysis:

In 2020–21 the Commission curated and shared an average of 6 posts per week on its social media accounts and 26 posts per week on the APS social media accounts, promoting the diverse work and achievements of both the Commission and the APS.

The Commission achieved an audience growth rate of 112% on the APS social media platforms and 50% on its own social media platforms.

The Commission delivered a range of virtual events in 2020–21. The switch to virtual delivery of events meant that a greater number of APS people, from more than 50 APS agencies, were able to participate. For example, 420 people registered to attend the 2021 State of the Service Roadshow virtual event in Queensland, compared to 185 registrations for the 2020 in-person events in Brisbane and Townsville combined.

Source: APSC 2020–21 Corporate Plan p. 15; PM&C 2020–21 PBS p. 120.

PERFORMANCE MEASURE:

Provide high-quality and timely support to the Minister's Office, clearly communicating the issues and achievement of the APS**Measure of success :**

Action all ministerial correspondence, briefs and submissions within specified timeframes

Result: Substantially achieved**Analysis:**

Across 2020–21, 96% of ministerial correspondence, briefs and submissions were actioned within agreed timeframes.

In 2020–21 the Commission provided high-quality support to the Minister's office, clearly communicating the issues and achievements of the APS. The vast majority of correspondence, briefs and submissions were delivered by the due date agreed with the Minister's office. The parliamentary team ensured the Minister's office was always aware of any expected deviation from such timeframes.

Source: APSC 2020–21 Corporate Plan p. 15; PM&C 2020–21 PBS p. 120.

STATE OF THE SERVICE REPORT

Section 44 of the *Public Service Act 1999* stipulates that the Australian Public Service Commissioner issue an annual report on the state of the APS to the agency's Minister for presentation to the Australian Parliament. The State of the Service Report identifies the year-to-year trends in workforce participation and capability across the APS, and highlights the work of the APS, its challenges and how the APS has responded.

PERFORMANCE MEASURE:

Influence the public commentary and the level of reach and engagement with the report and its data analysis and insights**Measure of success :**

The State of the Service Report has a strong user-centred design, and is published within legislated timeframes, contributing to growing awareness and use within the APS

Result: Achieved

Stakeholders, including ministers and contributing agencies, are satisfied with the engagement process in developing the State of the Service Report

Result: Achieved**Analysis:**

The 2019–20 State of the Service Report was tabled before the Parliament on 30 November 2020, within its legislated timeframe. Feedback on the report was largely positive.

The Commission undertook extensive consultation across the APS, including holding interviews with Chief Operating Officers, to ensure the State of the Service Report had a strong user-centred design.

To grow awareness and use of the State of the Service Report, as in previous years, a State of the Service Roadshow was undertaken. The launch event, held in Canberra, was a hybrid-style event with both in-person and virtual participants. Following this were an additional 7 events – all virtual and live-streamed, each targeted at a different jurisdiction. This event series attracted over 1,300 attendees, and more than 50 APS agencies were represented across the series.

Feedback from event participants and stakeholders was largely positive, with no dissatisfaction expressed in relation to the engagement process.

Source: APSC 2020–21 Corporate Plan p. 15.

INTERNATIONAL

The Commission works with its international partners to marshal best practice in public service administration to strengthen public sector institutions, policies and practices, both within Australia and internationally. When restrictions on international travel disrupted the Commission's face-to-face approach, the Commission embraced online platforms to enable continuity of engagement with international partners. Content was refocused on responding to the workforce management challenges posed by COVID-19. The common challenge had a unifying effect and highlighted the value of international relationships. In the future, online delivery will be an important addition to traditional methods of international engagement.

PERFORMANCE MEASURE:

Deliver quality program outcomes and respond to requests to share information with international partners

Measure of success :

Requests from international partners to share information on policies and practices increases

Result: Achieved

Analysis:

Requests from international partners to share information on policies and practices increased considerably this year.

In 2020–21 the Commission received 47 requests, compared to 25 in 2019–20. This increase is due to the transformation of activities to online platforms, which allowed for a greater number of smaller and/or shorter engagements.

One notable information-sharing request related to the APS Employee Census and APS Employment Database (APSED). The World Bank approached the Commission to better understand our workforce data collection and analytics, as part of a project to compile a Handbook for Measurement of Public Administration, aimed at promoting the use of world's best evidence and data to reform and improve civil services around the globe. The Commission is working with the World Bank to feature APSED as an exemplar of effective public sector human resource data measurement, and the APS Employee Census for its high survey response rate and applied use of census results.

Source: APSC 2020–21 Corporate Plan p. 15.

PERFORMANCE MEASURE:

Deliver knowledge sharing activities to our international partners

Measure of success :

The activities we deliver in 2020–21 demonstrate we are meeting our partners' needs

Result: Achieved

Analysis:

The sustained positive and productive relationships with key partners and their positive feedback on knowledge-sharing activities give confidence that the Commission continues to meet partners' needs.

For example, to inform a review and update of its manual for handling code of conduct breaches, the Samoa Public Service Commission sought information from the Commission about the current system in the APS. The Commission provided an initial overview of the APS system and then partnered with Services Australia and the Office of the Merit Protection Commissioner to provide the full operational perspective on the practical process for investigating breaches and reviewing decisions made by agencies. Feedback from Samoa – one example among many – showed that the Commission is meeting the needs of its partners.

Source: APSC 2020–21 Corporate Plan p. 15.

EMPLOYEE VALUE PROPOSITION

An employee value proposition (EVP) is a common tool used across private and public enterprise. It is a statement of the benefit or value that an individual can expect as an employee of an organisation. It may describe what sets that organisation apart from others, and why an individual may want to work there. A well-articulated EVP will assist the APS to recruit and retain the talent needed to prepare the APS for the future. The APS graduate EVP was developed as a first stage towards a whole-of-APS EVP, and is intended to support the APS to attract high-quality graduate candidates in various specialist and generalist streams.

PERFORMANCE MEASURE:

Create an APS graduate employee value proposition, as a first stage towards a whole-of-APS employee value proposition

Measure of success :

Development and release of an APS graduate employee value proposition

Result: Achieved

Analysis:

In 2020–21 the Commission developed and released an APS graduate employee value proposition that describes why a graduate should consider a job with the APS.

The graduate EVP was informed by significant collaboration with graduates and executives from a number of agencies.

Since the EVP was released, 86% of partner agencies (Australian Government agencies with graduate programs) have published it on their websites.

Developing an EVP for a smaller cohort – graduates – will enable the Commission to identify strengths and weaknesses in the process on a smaller scale and make relevant adjustments before expanding it into a whole-of-APS EVP.

Source: APSC 2020–21 Corporate Plan p. 15.

UPHOLDING THE INTEGRITY OF THE APS

INTEGRITY CULTURE

The Commission collaborates with its stakeholders to foster a strong culture of integrity across the APS through a range of initiatives and guidance materials, and provide the best possible advice to APS agencies and people on applying the APS Values, Employment Principles, and Code of Conduct.

PERFORMANCE MEASURE:

Develop and effectively implement pro-integrity initiatives

Measure of success :

Development and implementation of renewed integrity training

Result: Achieved

Guidance materials are up-to-date and fit for purpose

Result: Partially achieved

APS integrity culture is clearly understood and a forward plan established for reinforcing pro-integrity culture

Result: Substantially achieved

Analysis:

In 2020–21 the Commission developed and implemented renewed APS integrity training materials, launched in March 2021.

The materials were informed by consultation with a broad range of stakeholders, including APS agency heads, senior officials and APS people, to discuss their approach to, and understanding of, integrity in the APS. The revised materials are designed to strengthen understanding of the importance of acting with integrity, and provide a foundation for navigating integrity issues for new APS people.

In 2020–21 the Commission commenced a review and refresh of available materials to ensure they are up to date and fit for purpose. This included renewing the *Social Media: Guidance for Australian Public Service Employees* to provide a practical framework to help APS people and agencies.

The December 2020 *Report into consultations regarding APS approaches to institutional integrity* found that APS integrity culture is clearly understood. This report sets out the findings of extensive consultations by Mr Stephen Sedgwick AO and makes recommendations to assist in reinforcing APS institutional integrity and sustaining the highest standards of ethics. The report made 10 recommendations for steps to further support strong integrity culture in the APS.

Informed by the report, the Commission has established a forward plan to reinforce pro-integrity culture.

Source: APSC 2020–21 Corporate Plan p. 17; PM&C 2020–21 PBS p. 120.

PROVIDING THE RIGHT TOOLS AND WORKPLACE FOR OUR STAFF

CORPORATE STRATEGIES

The Commission is a professional organisation of people with strong technical and specialist skills. To continue to attract and retain high-quality, high-performing people who enable the Commission to achieve its purpose, it invests in providing the right tools and workplace culture for its people to excel.

PERFORMANCE MEASURE:

Execution of the APSC Workforce Strategy, including development of an implementation and evaluation plan

Measure of success :

Workforce Strategy endorsed and implementation milestones are completed in line with Implementation Plan

Result: Partially achieved

Analysis:

The APSC Workforce Strategy was endorsed in August 2020 and implementation is progressing in 3 priority areas:

- building the foundations of workforce management practices
- embedding a strengths-based performance framework
- re-engineering recruitment processes.

Core capabilities outlined in the strategy were delivered in line with the implementation plan. Reprioritisation of resources to respond to COVID-19 delayed the full implementation of the strategy, which is now progressing.

Source: APSC 2020–21 Corporate Plan p. 17; PM&C 2020–21 PBS p. 120.

PERFORMANCE MEASURE:

Execution of the Strategic Resource Framework

Measure of success :

Endorse and implement the Strategic Resource Framework as a fit for purpose resource allocation and reporting framework that supports strategic resource decisions and accountabilities

Result: Partially achieved

Analysis:

In June 2021 a draft Strategic Resource Framework was finalised. A Capital Management Strategy has been progressed to support capability improvement priorities as part of the framework.

The framework is expected to be implemented in late 2021.

The purpose of the framework is to provide an overarching system and single channel for proposals to support the Commission to effectively plan, prioritise, measure and report on Commission resources.

Source: APSC 2020–21 Corporate Plan p. 19.

PERFORMANCE MEASURE:

Execution of the Digital, Technology and Data Investment and Prioritisation Framework

Measure of success :

Implement the Digital, Technology and Data Investment and Prioritisation Framework to support the broader strategic budget and priority setting

Result: Partially achieved

Analysis:

Implementation of the Digital, Technology and Data Investment and Prioritisation Framework commenced in early 2020–21.

As implementation progressed, some improvements were observed regarding the effective capture of information and consultation between business areas and the digital services function.

However, implementation of the framework did not result in the full suite of anticipated improvements to strategic budget and priority setting. The Capital Management Strategy developed as part of the Strategic Resource Framework will more closely align budget decisions with digital, technology and data investment priorities.

Source: APSC 2020–21 Corporate Plan p. 19.

PERFORMANCE MEASURE:

Continue to focus on enhancing cyber security within the APSC**Measure of success :**

Working with our partners, we will provide relevant training for our staff

Result: Achieved**Analysis:**

In 2020–21 the Commission delivered a variety of learning opportunities for its people to develop cyber security capability.

In August 2020 over 70 of the Commission's people participated in training facilitated by PM&C. The training covered cyber security topics such as using strong passwords, email security and the safe use of social media.

In April 2021 PM&C delivered a number of security awareness training sessions for all Commission people. New content integrated into this training was driven by changes to working patterns and working arrangements during COVID-19. This ensured that content was aligned with the changing threat environment. Four face-to-face sessions, 3 virtual sessions and one specialised SES training session were delivered to a total of 83 participants.

In addition to the facilitated training sessions, Commission people continued to engage with online security awareness e-learning, with 47 completing the module.

Source: APSC 2020–21 Corporate Plan p. 19.

PERFORMANCE MEASURE:

Continue to deliver the Governance Improvement Plan**Measure of success :**

Finalise actions in the Governance Improvement Plan to create a strong governance system which will support the Commission to achieve its overall organisational objectives

Result: Substantially achieved**Analysis:**

As at 30 June 2021, 47 of 48 recommendations in the Governance Improvement Plan have been finalised.

The single recommendation that remains in progress is for the Commission to finalise its performance management policy. The Commission has released new guidance for its people on how to have productive performance conversations and has implemented a central system to enable digital capture and monitoring of performance agreements. Consultation on the draft performance management policy is underway to ensure that the final policy achieves the intended outcomes.

Source: APSC 2020–21 Corporate Plan p. 19.

PART FIVE

FINANCIAL STATEMENTS

“ There is no doubt that the past year was a challenging one. I am proud of the committed and service-oriented people of the Commission and the APS who persevered to deliver essential support to the community. ”



**Australian Public Service Commission
2020-21 Financial Statements
Contents**

Certification

Independent Auditor's report
Statement by the Australian Public Service Commissioner and Chief Financial Officer

Primary financial statement

Statement of comprehensive income
Statement of financial position
Statement of changes in equity
Cash flow statement
Departmental budget variance commentary
Administered schedule of comprehensive income
Administered reconciliation schedule
Administered cash flow statement
Administered budget variance commentary

Overview

Notes to the financial statements

1. Departmental Financial Performance

1.1 Expenses
1.2 Own-source revenue

2. Expenses Administered on Behalf of Government

2.1 Administered - expenses

3. Departmental Financial Position

3.1 Financial assets
3.2 Non-financial assets
3.3 Payables
3.4 Interest bearing liabilities
3.5 Other provisions

4. Funding

4.1 Appropriations
4.2 Net cash appropriation arrangements

5. People and relationships

5.1 Employee provisions
5.2 Key Management Personnel remuneration
5.3 Related party disclosures

6. Managing uncertainties

6.1 Contingent assets and liabilities
6.2 Financial instruments
6.3 Fair value measurement
6.4 Current/non-current distinction for assets and liabilities

INDEPENDENT AUDITOR'S REPORT

To the Assistant Minister to the Minister for the Public Service

Opinion

In my opinion, the financial statements of the Australian Public Service Commission (the Entity) for the year ended 30 June 2021:

- (a) comply with Australian Accounting Standards – Reduced Disclosure Requirements and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Entity as at 30 June 2021 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2021 and for the year then ended:

- Statement by the Australian Public Service Commissioner and Chief Financial Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement;
- Administered Schedule of Comprehensive Income;
- Administered Reconciliation Schedule;
- Administered Cash Flow Statement; and
- Notes to the financial statements, comprising a summary of significant accounting policies and other explanatory information.

Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Australian Public Service Commissioner (the Commissioner) is responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Reduced Disclosure Requirements and the rules made under the Act. The Commissioner is also responsible for such internal control as the Commissioner determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Commissioner is responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result of an administrative restructure or for any other reason. The Commissioner is also responsible for disclosing, as

applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

Auditor's responsibilities for the audit of the financial statements

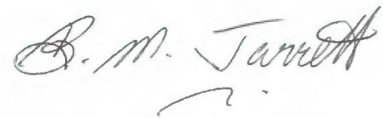
My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Brandon Jarrett
Senior Executive Director

Delegate of the Auditor-General
Canberra

23 September 2021

Australian Public Service Commission Statement by the Australian Public Service Commissioner and Chief Financial Officer

In our opinion, the attached financial statements for the year ended 30 June 2021 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Australian Public Service Commission will be able to pay its debts as and when they fall due.



Peter Woolcott AO
Australian Public Service Commissioner

22 September 2021



Gareth Appleton
Chief Financial Officer

22 September 2021

Australian Public Service Commission
Statement of Comprehensive Income
for the period ended 30 June 2021

		2021	2020	2021
	Notes	\$'000	\$'000	Budget \$'000
NET COST OF SERVICES				
Expenses				
Employee benefits	1.1a	31,495	29,418	28,062
Suppliers	1.1b	14,763	13,513	16,288
Depreciation and amortisation	3.2a	3,349	3,154	3,408
Finance costs	1.1c	84	103	158
Impairment loss on financial instruments	1.1d	11	2	-
Losses from asset sales		9	55	-
Total expenses		49,711	46,245	47,916
Own-source Income				
Own-source revenue				
Revenue from contracts with customers	1.2a	12,304	23,571	10,596
Resources received free of charge	1.2b	603	43	41
Total own-source revenue		12,907	23,614	10,637
Gains				
Reversal of write-downs and impairment	1.2c, 3.2a	-	253	-
Total gains		-	253	-
Total own-source income		12,907	23,867	10,637
Net cost of services		(36,804)	(22,378)	(37,279)
Revenue from Government	1.2d	35,470	23,070	35,470
Surplus/(Deficit) on continuing operations		(1,334)	692	(1,809)
OTHER COMPREHENSIVE INCOME				
Items not subject to subsequent reclassification to net cost of services				
Changes in asset revaluation surplus	3.2a, 3.5a	-	107	-
Total other comprehensive income		-	107	-
Total comprehensive income/(loss)		(1,334)	799	(1,809)

The above statement should be read in conjunction with the accompanying notes.

Australian Public Service Commission
Statement of Financial Position
as at 30 June 2021

		2021	2020	2021
	Notes	\$'000	\$'000	Budget \$'000
ASSETS				
Financial assets				
Cash and cash equivalents	3.1a	1,424	1,097	933
Trade and other receivables	3.1b	20,170	17,890	16,185
Total financial assets		21,594	18,987	17,118
Non-financial assets				
Buildings ¹	3.2a	12,464	13,663	11,082
Plant and equipment ¹	3.2a	1,413	1,760	1,759
Intangibles	3.2a	456	518	579
Prepayments	3.2b	509	362	477
Total non-financial assets		14,842	16,303	13,897
Total assets		36,436	35,290	31,015
LIABILITIES				
Payables				
Suppliers	3.3a	3,463	3,295	4,132
Unearned income	3.3b	6,159	4,051	5,899
Other payables	3.3c	815	857	-
Total payables		10,437	8,203	10,031
Interest bearing liabilities				
Leases ¹	3.4a	8,047	8,599	7,682
Total interest bearing liabilities		8,047	8,599	7,682
Provisions				
Employee provisions	5.1a	9,148	8,607	7,622
Provision for restoration	3.5a	93	244	104
Total provisions		9,241	8,851	7,726
Total liabilities		27,725	25,653	25,439
Net assets		8,711	9,637	5,576
EQUITY				
Contributed equity		3,381	2,973	3,381
Asset revaluation reserve		667	667	560
Retained surplus		4,663	5,997	1,635
Total equity		8,711	9,637	5,576

The above statement should be read in conjunction with the accompanying notes.

1. Right-of-use assets are included in both Buildings and Plant and equipment.

Australian Public Service Commission
Statement of Changes in Equity
for the period ended 30 June 2021

	2021 \$'000	2020 \$'000	2021 Budget \$'000
CONTRIBUTED EQUITY			
Opening balance	2,973	2,562	2,973
Transactions with owners			
Contributions by owners			
Departmental capital budget	408	411	408
Closing balance as at 30 June	3,381	2,973	3,381
RETAINED EARNINGS			
Opening balance	5,997	4,934	3,444
Adjustment on initial application of AASB 16	-	371	-
Adjusted opening balance	5,997	5,305	3,444
Comprehensive income			
Surplus/(deficit) for the period	(1,334)	692	(1,809)
Closing balance as at 30 June	4,663	5,997	1,635
ASSET REVALUATION RESERVE			
Opening balance	667	560	560
Comprehensive income			
Other comprehensive income ¹	-	107	-
Closing balance as at 30 June	667	667	560
TOTAL EQUITY			
Opening balance	9,637	8,056	6,977
Adjustment on initial application of AASB 16	-	371	-
Adjusted opening balance	9,637	8,427	6,977
Comprehensive income			
Surplus/(deficit) for the period	(1,334)	692	(1,809)
Other comprehensive income	-	107	-
Total comprehensive income	(1,334)	799	(1,809)
Transactions with owners			
Contributions by owners			
Departmental capital budget	408	411	408
Total transactions with owners	408	411	408
Closing balance as at 30 June	8,711	9,637	5,576

The above statement should be read in conjunction with the accompanying notes.

1. The asset revaluation reserve increment of \$107,000 in 2020 comprises of a net asset revaluation increment of \$97,000 and a decrease to the provision for restoration of \$10,000.

Australian Public Service Commission
Statement of Changes in Equity
for the period ended 30 June 2021

Accounting policy

Equity injections

Amounts appropriated which are designated as Departmental Capital Budgets (DCBs) are recognised directly in contributed equity in that year.

Australian Public Service Commission
Cash Flow Statement
for the period ended 30 June 2021

	Notes	2021 \$'000	2020 \$'000	2021 Budget \$'000
OPERATING ACTIVITIES				
Cash received				
Appropriations		33,292	27,089	35,955
Sale of goods and rendering of services		15,224	22,709	10,596
GST received		970	1,445	1,578
Other cash received		2,008	1,111	-
Total cash received		51,494	52,354	48,129
Cash used				
Employees		31,977	29,245	28,062
Suppliers		16,259	14,123	17,819
Interest payments on lease liabilities		83	99	154
Section 74 receipts transferred to OPA		-	5,000	-
Other cash used		864	817	-
Total cash used		49,183	49,284	46,035
Net cash from operating activities		2,311	3,070	2,094
INVESTING ACTIVITIES				
Cash used				
Purchase of property, plant and equipment		658	1,700	341
Purchase of intangibles		218	153	700
Total cash used		876	1,853	1,041
Net cash used by investing activities		(876)	(1,853)	(1,041)
FINANCING ACTIVITIES				
Cash received				
Contributed equity		408	411	408
Total cash received		408	411	408
Cash used				
Principal payments of lease liabilities		1,516	1,464	1,461
Total cash used		1,516	1,464	1,461
Net cash used by financing activities		(1,108)	(1,053)	(1,053)
Net increase/(decrease) in cash held		327	164	-
Cash and cash equivalents at the beginning of the reporting period		1,097	933	933
Cash and cash equivalents at the end of the reporting period	3.1a	1,424	1,097	933

The above statement should be read in conjunction with the accompanying notes.

Australian Public Service Commission
Departmental budget variance commentary
for the period ended 30 June 2021

Departmental budget variance commentary

The below commentary provides explanations for significant variances between the APSC's original budget estimates, as published in the 2020-21 Prime Minister and Cabinet Portfolio Budget Statements and the actual financial performance and position for the year.

Significant variances

The initial establishment of the **Australian Public Service Academy**, higher than forecast demand for **learning and development activities** following the impact of COVID-19, as well as other Australian Government agency contributions have supported own source revenue. The following statements and line items have variances to the original budget as a result:

- Statement of Comprehensive Income - Revenue from contracts with customers (\$1,708,000);
- Statement of Financial Position - Trade and other receivables (\$3,985,000);
- Statement of Changes in Equity – Opening balance of Retained Earnings (\$2,553,000) and Changes in equity (\$2,660,000); and
- Cash Flow Statement - Sale of goods and rendering of services (\$4,628,000).

Australian Public Service Reform activities have been delivered with higher employee levels and less use of suppliers than the original budget. Employee benefits also include the **fair value of free secondments** and the impact of a lower bond rate on provisions. The following statements and line items have variances to the original budget as a result:

- Statement of Comprehensive Income - Expenses (\$1,795,000);
- Statement of Financial Position – Employee provisions (\$1,562,000); and
- Cash Flow Statement - Net cash used for operating activities (\$3,148,000).

Australian Public Service Commission
Administered Schedule of Comprehensive Income
for the period ended 30 June 2021

	Notes	2021 \$'000	2020 \$'000	2021 Budget \$'000
NET COST OF SERVICES				
Expenses				
Employee benefits	2.1a	4,189	4,203	4,302
Total expenses		4,189	4,203	4,302
Net cost of services		(4,189)	(4,203)	(4,302)
Total comprehensive loss		(4,189)	(4,203)	(4,302)

The above schedule should be read in conjunction with the accompanying notes.

Australian Public Service Commission
Administered Reconciliation Schedule
for the period ended 30 June 2021

	Notes	2021 \$'000	2020 \$'000
Opening assets less liabilities as at 1 July¹		-	-
Net cost of services			
Expenses			
Payments to entities other than corporate Commonwealth entities		(4,189)	(4,203)
Transfers from the Australian Government			
Appropriation transfers from Official Public Account			
Special appropriations (unlimited)			
Payments to entities other than corporate Commonwealth entities	4.1c	4,189	4,203
Closing assets less liabilities as at 30 June		-	-

The above schedule should be read in conjunction with the accompanying notes.

- There are no administered assets or liabilities as at 30 June 2021 (2020: nil).

Accounting policy

Administered cash transfers to and from the Official Public Account

Revenue collected by the APSC for use by the Government rather than the APSC is administered revenue. Collections are transferred to the Official Public Account (OPA) maintained by the Department of Finance. Conversely, cash is drawn from the OPA to make payments under Parliamentary appropriation on behalf of Government. These transfers to and from the OPA are adjustments to the administered cash held by the APSC on behalf of the Government and reported as such in the schedule of administered cash flows and in the administered reconciliation schedule.

Australian Public Service Commission
Administered Cash Flow Statement
for the period ended 30 June 2021

	2021	2020	2021
	\$'000	\$'000	Budget \$'000
OPERATING ACTIVITIES			
Cash used			
Employees	4,189	4,203	4,302
Total cash used	<u>4,189</u>	<u>4,203</u>	<u>4,302</u>
Net cash used by operating activities	<u>(4,189)</u>	<u>(4,203)</u>	<u>(4,302)</u>
Cash from Official Public Account			
Appropriations	4,189	4,203	4,302
Total cash from Official Public Account	<u>4,189</u>	<u>4,203</u>	<u>4,302</u>
Cash and cash equivalents at the end of the reporting period			
	<u>-</u>	<u>-</u>	<u>-</u>

The above statement should be read in conjunction with the accompanying notes.

Australian Public Service Commission
Administered budget variance commentary

Administered budget variance commentary

The below commentary provides explanations for significant variances between the APSC's original budget estimates for administered items, as published in the 2020-21 Portfolio Budget Statements and the actual financial performance and position for the year.

There are no significant budget variances.

Australian Public Service Commission Notes to the financial statements

Overview

Objective of the APSC

The APSC is an Australian Government controlled entity and is a not-for-profit entity. The objective of the APSC is to position the APS workforce for the future.

The basis of preparation

The financial statements are general purpose financial statements and are required by section 42 of the *Public Governance, Performance and Accountability Act 2013*.

The Financial Statements have been prepared in accordance with:

- *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR); and
- Australian Accounting Standards and Interpretations – Reduced Disclosure Requirements issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the operating result or the financial position.

The financial statements are presented in Australian dollars and values are rounded to the nearest thousand dollars unless otherwise specified.

COVID-19 impact

The Departmental budget variance commentary details the impact of the COVID-19 pandemic on the APSC's activities. No major outlays were required to deal with the impact. Management has assessed that there was no impact on the fair value of non-financial assets or recoverability of receivables.

New accounting standards

The APSC has adopted all of the new and revised standards, interpretations and amending standards that were issued prior to the sign-off date and are applicable to the current reporting period. These standards did not have an effect on the APSC's 2020-21 financial statements.

Accounting Judgements and Estimates

Judgement and estimates are detailed in accompanying note 5.1a: Employee provisions and accompanying note 6.3a Fair value measurement.

No other accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next reporting period.

Taxation

The APSC is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses, assets and liabilities are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

Reporting of administered activities

Administered revenues, expenses, assets, liabilities and cash flows are disclosed in the administered schedules and related notes.

Except where otherwise stated, administered items are accounted for on the same basis and using the same policies as for departmental items, including the application of Australian Accounting Standards.

Australian Public Service Commission Notes to the financial statements

Events after the reporting period

On 12 July 2021, the APSC announced that the Prime Minister had approved the transfer of the Australian Public Service Digital Profession function from the Digital Transformation Agency to the APSC. Arrangements for the transfer are being finalised in-line with Machinery of Government guidelines.

On 22 July 2021, the Assistant Minister to the Minister for the Public Service, the Hon Ben Morton MP, officially opened the Australian Public Service Academy. The Assistant Minister initially announced plans to establish the Academy in February 2021. The Academy is a division of the APSC.

Australian Public Service Commission
Notes to the financial statements

NOTE 1: DEPARTMENTAL FINANCIAL PERFORMANCE

This section analyses the financial performance of the APSC for the year ended 30 June 2021.

Note 1.1: Expenses

	2021	2020
	\$'000	\$'000
Note 1.1a: Employee benefits		
Wages and salaries	24,109	22,186
Superannuation		
Defined contribution plans	2,222	2,116
Defined benefit plans	1,837	1,976
Leave and other entitlements	2,594	2,978
Separation and redundancies	733	162
Total employee benefits	31,495	29,418

Accounting policy

The accounting policy for employee related expenses is contained in note 5.1 Employee provisions.

Note 1.1b: Suppliers

Goods and services supplied or rendered

Consultants	2,381	512
Contractors	7,139	6,508
Travel	137	577
Venue hire and catering	32	991
Training	240	286
Information and communications technology	3,965	3,765
Facilities expense	133	135
Other goods and services	551	579
Total goods and services supplied or rendered	14,578	13,353

Other suppliers

Short-term leases	8	12
Workers compensation expenses	177	148
Total other suppliers	185	160

Total suppliers

14,763	13,513
---------------	---------------

The APSC has no short-term lease commitments as at 30 June 2021 (2020: one).

The above lease disclosures should be read in conjunction with the accompanying notes 1.1c, 3.2a and 3.4a.

Accounting Policy

Short-term leases and leases of low-value assets

The APSC has elected not to recognise right-of-use assets and lease liabilities for short-term leases of assets that have a lease term of 12 months or less and leases of low-value assets (less than \$10,000). The APSC recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Australian Public Service Commission
Notes to the financial statements

	2021	2020
	\$'000	\$'000
Note 1.1c: Finance costs		
Interest on lease liabilities	83	99
Unwinding of discount on provision for restoration	1	4
Total finance costs	84	103

The above lease disclosures should be read in conjunction with the accompanying notes 1.1b, 3.2a and 3.4a.

Note 1.1d: Impairment loss on financial instruments

Impairment loss on trade and other receivables	11	2
Total impairment loss on financial instruments	11	2

Australian Public Service Commission
Notes to the financial statements

Note 1.2: Own-source revenue

	2021	2020
	\$'000	\$'000

Own-source revenue

Note 1.2a: Revenue from contracts with customers

Rendering of services	12,304	23,571
Total revenue from contracts with customers	12,304	23,571

Disaggregation of revenue from contracts with customers

Type of customer:

Australian Government entities (related parties)	12,089	23,265
State and Territory Governments	213	293
Non-government entities	2	13
Total	12,304	23,571

Accounting policy

Revenue from the sale of goods is recognised when control has been transferred to the buyer and the APSC retains no managerial involvement nor effective control over the goods.

The principal activities from which the APSC generates its rendering of services revenue are:

- providing learning and development and other services to customers and
- conducting activities on behalf of customers.

The APSC's customers are principally other Australian Government entities.

Revenue is recognised as services are provided to the customer or activities are performed on behalf of the customer. Revenue is recognised progressively as the service is provided or the activity is conducted.

The stage of completion of contracts at the reporting date is determined by reference to services performed to date as a percentage of total services to be performed. Services and activities unperformed as at the reporting date are disclosed as a Payable under note 3.3b unearned income.

The transaction price is the total amount of consideration to which the APSC expects to be entitled in exchange for transferring promised goods or services to a customer. The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both.

The practical expedient in AASB 15.121 is applied in the APSC's financial statements as services and activities are primarily provided within 12 months of the service being invoiced. All consideration from contracts with customers is included in the transaction price.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at the end of the reporting period.

Allowances are made when the collectability of the debt is no longer probable.

Australian Public Service Commission
Notes to the financial statements

	2021	2020
	\$'000	\$'000

Note 1.2b: Resources received free of charge

Audit services	47	43
Secondments	556	-
Total resources received free of charge	603	43

Accounting policy

Resources received free of charge are recognised as revenue when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense. Resources received free of charge are recorded as either revenue or gains depending on their nature.

Gains

Note 1.2c: Reversal of write-downs and impairment

Revaluation increments	-	253
Total reversals of previous asset write-downs and impairment	-	253

Revenue from Government

Note 1.2d: Revenue from Government

Appropriations

Departmental appropriations	35,470	23,070
Total revenue from Government	35,470	23,070

Accounting policy

Amounts appropriated for departmental appropriations for the year (adjusted for any formal additions and reductions) are recognised as Revenue from Government when the APSC gains control of the appropriation, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned. Appropriations receivable are recognised at their nominal amounts.

NOTE 2: EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT

This section analyses the activities that the APSC does not control but administers on behalf of the Government. Unless otherwise noted, the accounting policies adopted are consistent with those applied for departmental reporting.

Note 2.1: Administered - expenses

Note 2.1a: Employee Benefits

	2021	2020
	\$'000	\$'000
Employee benefits		
Wages and salaries	4,189	4,203
Total employee benefits	4,189	4,203

Australian Public Service Commission
Notes to the financial statements

NOTE 3: DEPARTMENTAL FINANCIAL POSITION

This section analyses the APSC's assets used to conduct its operations and the operating liabilities incurred as a result. Employee related information is disclosed in the People and Relationships section, Note 5.

Note 3.1: Financial assets

Note 3.1a: Cash and cash equivalents

	2021	2020
	\$'000	\$'000
Cash on hand or on deposit	1,424	1,097
Total cash and cash equivalents	1,424	1,097

Accounting policy

Cash is recognised at its nominal amount. Cash and cash equivalents includes:

- cash on hand; and
- demand deposits in bank accounts with an original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

Note 3.1b: Trade and other receivables

Trade and other receivables

Goods and services	1,935	2,207
Appropriation receivable	17,617	15,439
GST receivable from the Australian Taxation Office	630	250
Total trade and other receivables (gross)	20,182	17,896
Less impairment loss allowance - Goods and services	(12)	(6)
Total trade and other receivables (net)	20,170	17,890

Credit terms for goods and services are within 30 days (2020: 30 days).

Accounting policy

Trade receivables that are held for the purpose of collecting the contractual cash flows, where the cash flows are solely payments of principal and interest that are not provided at below-market interest rates, are subsequently measured at amortised cost using the effective interest method adjusted for any loss allowance.

Australian Public Service Commission
Notes to the financial statements

Note 3.2: Non-financial assets

Note 3.2a: Reconciliation of the opening and closing balances of property, plant and equipment and intangibles

2021	Buildings \$'000	Plant and equipment \$'000	Computer software \$'000	Other intangibles - Intellectual property \$'000	Total \$'000
As at 1 July 2020					
Gross book value	15,288	2,177	1,911	64	19,440
Accumulated depreciation, amortisation and impairment	(1,625)	(417)	(1,393)	(64)	(3,499)
Total as at 1 July 2020	13,663	1,760	518	-	15,941
Additions – by purchase	425	120	241	-	786
Additions – right-of-use assets	923	41	-	-	964
Depreciation and amortisation	(933)	(486)	(302)	-	(1,721)
Depreciation on right-of-use assets	(1,614)	(14)	-	-	(1,628)
Disposals	-	(8)	(1)	-	(9)
Total as at 30 June 2021	12,464	1,413	456	-	14,333
Total as at 30 June 2021 represented by					
Gross book value	16,189	2,308	1,889	64	20,450
Accumulated depreciation, amortisation and impairment	(3,725)	(895)	(1,433)	(64)	(6,117)
Total as at 30 June 2021	12,464	1,413	456	-	14,333
Carrying amount of right-of-use assets	7,730	29	-	-	7,759

Australian Public Service Commission
Notes to the financial statements

Note 3.2a continued

Property, plant and equipment and intangibles were assessed for impairment as at 30 June 2021. No property, plant and equipment and intangibles were assessed as impaired (2020: Nil). No property, plant and equipment and intangibles are expected to be disposed of within the next 12 months (2020: Nil).

Revaluation of non-financial assets

Revaluations are conducted every three years in accordance with the revaluation policy contained in this note. No revaluations were carried out in 2021. All increments and decrements, to the extent that they reverse a previous increment, are transferred to the asset revaluation reserve by asset class and are included in the equity section of the statement of financial position.

In 2020, buildings - leasehold improvements were revalued by an independent valuer, JLL Public Sector Valuations Pty Ltd. The right-of-use component of building assets were not revalued and were carried at cost. There was a revaluation increment of \$350,000. A previous decrement due to revaluation in 2017 of \$253,000 was reversed due to the revaluation increment in 2020. The remaining \$97,000 of the revaluation increment was transferred to the asset revaluation reserve. A revaluation of the provision for restoration was also transferred to the asset revaluation reserve.

Contractual commitments for the acquisition of property, plant, equipment and intangible assets

There were contractual commitments of \$1,011,000 for the acquisition of property, plant and equipment and intangible assets as at 30 June 2021 (2020: nil). These commitments relate to an office refit scheduled to occur in the 2022 financial year.

Accounting policy

Acquisition of assets

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor's accounts immediately prior to the restructuring.

Asset recognition threshold

Purchases of property, plant and equipment are recognised initially at cost in the statement of financial position, except for purchases of property, plant and equipment costing less than \$2,000, or leasehold improvements costing less than \$60,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to the provision for restoration in property leases taken up by the APSC where there exists an obligation to restore the property to its original condition. These costs are included in the value of the APSC's leasehold improvements with a corresponding provision for restoration recognised.

Leased Right-of-Use (ROU) Assets

Leased ROU assets are capitalised at the commencement date of the lease and comprise of the initial lease liability amount, initial direct costs incurred when entering into the lease less any lease incentives received. These assets are accounted for as separate asset classes to corresponding assets owned outright, but included in the same column as where the corresponding underlying assets would be presented if they were owned.

Australian Public Service Commission
Notes to the financial statements

Following initial application of AASB 16, an impairment review is undertaken for any ROU lease asset that shows indicators of impairment and an impairment loss is recognised against any ROU lease asset that is impaired. Leased ROU assets continue to be measured at cost after initial recognition.

Revaluations

Following initial recognition at cost, property, plant and equipment (excluding ROU assets) are carried at fair value (or an amount not materially different from fair value) less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets do not materially differ from the assets' fair values as at the reporting date. The regularity of independent valuations depends upon the volatility of movements in market values for the relevant assets.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reverses a previous revaluation decrement of the same asset class that was previously recognised in the surplus or deficit. Revaluation decrements for a class of assets are recognised directly in the surplus or deficit except to the extent that they reverse a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset restated to the revalued amount.

Depreciation

Depreciable property, plant and equipment assets are written off to their estimated residual values over their estimated useful lives to the APSC using, in all cases, the straight-line method of depreciation.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

<u>Asset class</u>	<u>2021</u>	<u>2020</u>
Leasehold improvements	Expected lease term	Expected lease term
Property, plant and equipment	1 to 13 years	1 to 13 years

The depreciation rates for ROU assets are based on the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term.

Impairment

All assets were assessed for impairment at 30 June 2021. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the entity were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Australian Public Service Commission
Notes to the financial statements

Intangibles

The APSC's intangibles comprise intellectual property, purchased software and internally developed software for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment losses where the value of the asset exceeds \$2,000 for purchased software and \$60,000 for internally developed software and intellectual property.

Intangibles are amortised on a straight-line basis over their anticipated useful life. The useful lives of the APSC's intangibles are between 2 to 10 years (2020: 2 to 10 years).

All intangible assets were assessed for impairment as at 30 June 2021.

Note 3.2b: Prepayments

	2021	2020
	\$'000	\$'000
Prepayments		
Suppliers	509	362
Total prepayments	<u>509</u>	<u>362</u>

No indicators of impairment were found for prepayments.

Australian Public Service Commission
Notes to the financial statements

Note 3.3: Payables

	2021	2020
	\$'000	\$'000
Note 3.3a: Suppliers		
Trade creditors and accruals	3,463	3,295
Total suppliers	<u>3,463</u>	<u>3,295</u>
Note 3.3b: Unearned income		
Rendering of services	6,159	4,051
Total unearned income	<u>6,159</u>	<u>4,051</u>
Note 3.3c: Other payables		
Wages and salaries	487	356
Superannuation	80	68
Separations and redundancies	125	-
Other	123	433
Total other payables	<u>815</u>	<u>857</u>

Accounting policy

Suppliers and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced). Supplier and other payables are recognised and derecognised upon trade date.

Unearned income is recognised for payments received for services that are not yet fully performed. This is measured in accordance with the accounting policy in note 1.2a for own-source revenue.

The wages and salaries payable and superannuation payable represent outstanding contributions for a portion of the final fortnight of the financial year.

The APSC recognises a payable for separation and redundancy benefit payments when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations.

Australian Public Service Commission
Notes to the financial statements

Note 3.4: Interest bearing liabilities

Note 3.4a: Leases

	2021 \$'000	2020 \$'000
Lease liabilities	8,047	8,599
Total leases	8,047	8,599
Maturity analysis - contractual undiscounted cash flows		
Within 1 year	1,607	1,541
Between 1 to 5 years	5,869	5,256
More than 5 years	784	2,092
Total leases - undiscounted cash flow	8,260	8,889
Less future interest on lease liabilities	(213)	(290)
Total leases - discounted cash flow	8,047	8,599

Total cash outflow for leases (short-term, principal and interest payments) for the year ended 30 June 2021 was \$1,607,000 excluding GST (2020: \$1,575,000).

The APSC in its capacity as lessee has three leases for office accommodation and one vehicle lease. Each office accommodation lease has annual fixed percentage increases in the lease payments. For all three accommodation leases, the initial period of office accommodation is still current and these leases do not have purchase options. The lease for the head office has the option to renew for two five year periods. One other accommodation lease has two options to extend for three years each, whilst the other accommodation lease does not have a renewal option.

The lease for the head office commenced in July 2017 and the commitment is approximately \$11.3 million (excluding GST) over a lease term of 9 years and 8 months. Renewal options have not been taken into account in calculating the lease liability as at 30 June as the APSC is not reasonably certain of exercising the options.

The above lease disclosures should be read in conjunction with the accompanying notes 1.1b, 1.1c and 3.2a.

Accounting policy

For all new contracts entered into, the APSC considers whether the contract is, or contains a lease. Under *AASB 16 Leases*, a lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

Once it has been determined that a contract is, or contains a lease, the lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease, if that rate is readily determinable, or the APSC's incremental borrowing rate.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification to the lease. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or profit and loss depending on the nature of the reassessment or modification.

Australian Public Service Commission
Notes to the financial statements

Note 3.5: Other provisions

Note 3.5a: Provision for restoration

	2021 \$'000	2020 \$'000
As at 1 July	244	250
Amounts used	(152)	-
Amounts reversed	-	(10)
Unwinding of discount or change in discount rate	1	4
Total as at 30 June	93	244

The APSC currently has one (2020: two) leasing agreement which contains provisions requiring the APSC to restore the premises to their original condition at the conclusion of the lease. The APSC has made provisions to reflect the present value of these obligations.

In 2020 there was a revaluation of the provision for restoration. Restoration obligations were decreased by \$10,000, which was taken to the asset revaluation reserve.

Contingent restoration obligations are disclosed in accompanying note 6.1.

Australian Public Service Commission
Notes to the financial statements

NOTE 4: FUNDING

This section identifies the APSC's funding structure.

Note 4.1: Appropriations

Note 4.1a: Annual Appropriations ('Recoverable GST exclusive')

	2021	2020
Departmental	\$'000	\$'000
Annual Appropriation		
Ordinary annual services	35,470	23,070
Capital Budget ¹	408	411
Total Annual Appropriation	35,878	23,481
Adjustments to appropriation		
PGPA Act section 74 receipts	17,194	23,785
Total adjustments to appropriation	17,194	23,785
Total Appropriation	53,072	47,266
Appropriation applied (current and prior years)	(50,232)	(46,238)
Variance ²	2,840	1,028

1. Departmental Capital Budgets are appropriated through Appropriation Acts (No. 1, 3, 5) and Supply Act No.1. They form part of ordinary annual services and are not separately identified in the Appropriation Acts.

2. The variance in 2021 (and 2020) occurred due to higher PGPA Act section 74 receipts from customers received during the year.

Note 4.1b: Unspent Departmental Annual Appropriations ('Recoverable GST exclusive')

	2021	2020
Departmental	\$'000	\$'000
<i>Supply Act (No. 1) 2019-20</i>	-	2,146
<i>Appropriation Act (No. 1) 2019-20</i>	-	11,769
<i>Appropriation Act (No. 3) 2019-20</i>	-	2,820
<i>Supply Act (No. 1) 2020-21</i>	-	-
<i>Appropriation Act (No. 1) 2020-21</i>	19,575	-
Total departmental	19,575	16,735

Australian Public Service Commission
Notes to the financial statements

Note 4.1c: Special Appropriations Applied ('Recoverable GST exclusive')

Authority	Appropriation applied	
	2021	2020
	\$'000	\$'000
Administered		
<i>Remuneration Tribunal Act 1973 – section 7(13) ¹</i>	4,189	4,203
<i>Remuneration and Allowances Act 1990 – section 8 ²</i>	-	-
<i>Judicial and Statutory Officers (Remuneration and Allowances) Act 1984 – section 7(2) ³</i>	-	-
Total special appropriations applied	4,189	4,203

1. The Attorney-General's Department drew from the *Remuneration Tribunal Act 1973* - section 7(13) for the purpose of making payments of Judicial Office Holders' remuneration and entitlements.

2. Due to amendments made in 2011 to the *Remuneration Tribunal Act 1973*, from 15 March 2012 payments are no longer made under this special appropriation.

3. No payment has been made under this special appropriation since it was transferred to the APSC in September 2010.

Note 4.2: Net cash appropriation arrangements

	2021	2020
	\$'000	\$'000
Total comprehensive income/(loss) - as per the Statement of Comprehensive Income	(1,334)	799
Plus: depreciation and amortisation expenses funded through appropriations (departmental capital budget funding and/or equity injections)	1,672	1,454
Plus: depreciation on right-of-use assets	1,628	1,640
Less: principal repayments of lease liabilities	(1,516)	(1,464)
Net cash operating surplus / (deficit)	450	2,429

From 2010-11, the Government introduced net cash appropriation arrangements where revenue appropriations for depreciation and amortisation expenses ceased. Entities receive a separate capital budget provided through equity appropriations. Capital budgets are appropriated in the period when cash payment for capital expenditure is required.

The inclusion of depreciation expenses related to right-of-use assets and the exclusion of lease liability principal repayments reflects the cash impact on implementation of *AASB 16 Leases*, it does not directly reflect a change in appropriation arrangements.

The amount of depreciation and amortisation expenses funded by fee for service activities was \$49,000 (2020: \$60,000).

**Australian Public Service Commission
Notes to the financial statements**

NOTE 5: PEOPLE AND RELATIONSHIPS

This section describes a range of employment and post-employment benefits provided to our people and our relationships with other key people.

Note 5.1: Employee provisions

Note 5.1a: Employee provisions

	2021 \$'000	2020 \$'000
Employee provisions		
Leave	9,148	8,607
Total employee provisions	9,148	8,607

Accounting policy

Liabilities for 'short-term employee benefits' (as defined in AASB 119 *Employee Benefits*) and termination benefits expected within twelve months of the end of the reporting period are measured at their nominal amounts.

Leave

The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of the APSC is estimated to be less than the annual entitlement for sick leave.

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time that the leave is taken, including the APSC's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The liability for long service leave has been determined by using the Australian Government shorthand method for all employees as at 30 June 2021. The estimate of the present value of the liability takes into account attrition rates and pay rises through promotion and inflation.

Superannuation

APSC employees are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), the PSS accumulation plan (PSSap) or other superannuation funds held outside the Australian Government.

The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap is a defined contribution scheme.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes.

The APSC makes employer contributions to the employees' defined benefit superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the Government. The APSC accounts for the contributions as if they were contributions to defined contribution plans.

**Australian Public Service Commission
Notes to the financial statements**

Note 5.2: Key Management Personnel remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the APSC, directly or indirectly. The APSC has determined the Key Management Personnel to be the Assistant Minister to the Minister for the Public Service, the Australian Public Service Commissioner, the Merit Protection Commissioner and members of the APSC's Executive Board.

Remuneration of Key Management Personnel within the APSC is reported in the table below:

	2021 \$'000	2020 \$'000
Short-term employee benefits	1,724	1,626
Post-employment benefits	256	212
Other long-term benefits	26	53
Termination benefits	141	-
Total Key Management Personnel remuneration expenses ^{1,2}	2,147	1,891

The total number of Key Management Personnel that are included in the above table are seven (2020: four). The increase in the number of Key Management Personnel and associated expenses in 2021 is primarily due to changes in personnel and acting arrangements during the year.

1. Excludes the remuneration and other benefits of the Assistant Minister to the Minister for the Public Service. The Minister's remuneration and other benefits are set by the Remuneration Tribunal and are not paid by the APSC.

2. Includes resources received free of charge from another entity under a secondment arrangement in 2021.

Note 5.3: Related party disclosures

Related party relationships

The APSC is an Australian Government controlled entity. Related parties to the APSC are Key Management Personnel including the Assistant Minister to the Minister for the Public Service, and other Australian Government entities.

Transactions with related parties

Given the breadth of Government activities, related parties may transact with the government sector in the same capacity as ordinary citizens. Such transactions include the payment or refund of taxes, receipt of a Medicare rebate or higher education loans. These transactions have not been separately disclosed in this note.

Other than the remuneration disclosed in note 5.2, there were no significant transactions with Key Management Personnel (2020: nil).

The APSC undertakes a number of functions on behalf of the Australian Government. In performing these functions, the APSC transacts with other Australian Government controlled entities for normal day-to-day business operations provided either under normal terms and conditions or on a cost recovery basis.

Australian Public Service Commission
Notes to the financial statements

The following significant transactions with related parties occurred during the financial year:

- 98% of the APSC's sale of goods and rendering of services revenue was earned from other Australian Government controlled entities (2020: 99%);
- The APSC leases its head office accommodation from the Department of Finance; and
- Information and communications technology services were provided by the Department of the Prime Minister and Cabinet.

NOTE 6: MANAGING UNCERTAINTIES

This section analyses how the APSC manages financial risks within its operating environment.

Note 6.1: Contingent assets and liabilities

Departmental

	Restoration obligations	
	2021 \$'000	2020 \$'000
Contingent liabilities		
Balance from previous period	819	575
Re-measurement	4	244
Total contingent liabilities	823	819

The above table contains \$823,000 of quantifiable contingent liabilities in respect of obligations to restore office premises to their original condition at the conclusion of the lease (2020: \$819,000). Restoration obligations were revalued in 2020, with the contingent amount increasing by \$244,000. The amount represents an estimate of the APSC's liability based on the estimated per square metre restoration cost for the office. In accordance with the terms of the lease agreement, the restoration obligation only arises if requested by the landlord. Provisions for restoration obligations are disclosed in accompanying note 3.5a. The APSC had no quantifiable or unquantifiable contingent assets as at 30 June 2021 (2020: nil).

The APSC had no unquantifiable contingent liabilities as at 30 June 2021 (2020: nil).

Administered

The APSC had no quantifiable or unquantifiable administered contingent assets or liabilities as at 30 June 2021 (2020: nil).

Accounting Policy

Contingent liabilities and contingent assets are not recognised in the statement of financial position but are reported in the notes. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

Australian Public Service Commission
Notes to the financial statements

Note 6.2: Financial instruments

Note 6.2a: Categories of financial instruments

	Notes	2021 \$'000	2020 \$'000
Financial assets at amortised cost			
Cash and cash equivalents	3.1a	1,424	1,097
Goods and services receivables (net)	3.1b	1,923	2,201
Total financial assets at amortised cost		3,347	3,298
Total financial assets		3,347	3,298
Financial Liabilities			
Financial liabilities measured at amortised cost			
Trade creditors and accruals	3.3a	3,463	3,295
Other payables	3.3c	123	433
Total financial liabilities measured at amortised cost		3,586	3,728
Total financial liabilities		3,586	3,728

Accounting Policy

Financial Assets

In accordance with AASB 9 *Financial Instruments*, the APSC classifies its financial assets as 'financial assets measured at amortised cost'. This classification is based on the APSC's business model for managing the financial assets and contractual cash flows.

Financial assets are recognised when the APSC becomes a party to the contract and, as a consequence, has a legal right to receive or a legal obligation to pay cash and derecognised when the contractual rights to the cash flows from the financial asset expire or are transferred upon trade date.

'Financial Assets at Amortised Cost' need to meet two criteria:

1. the financial asset is held in order to collect the contractual cash flows; and
2. the cash flows are solely payments of principal and interest on the principal outstanding amount.

Amortised cost is determined using the effective interest method. Income is recognised on an effective interest rate basis for financial assets that are recognised at cost.

Impairment of Financial Assets

Financial assets are assessed for impairment at the end of each reporting period based on Expected Credit Losses, using the general approach which measures the loss allowance based on an amount equal to *lifetime expected credit losses* where risk has significantly increased, or an amount equal to *12-month expected credit losses* if risk has not increased.

The simplified approach for trade, contract and lease receivables is used. This approach always measures the loss allowance as the amount equal to the lifetime expected credit losses.

A write-off constitutes a derecognition event where the write-off directly reduces the gross carrying amount of the financial asset.

Australian Public Service Commission
Notes to the financial statements

Financial liabilities

The accounting policy for financial liabilities is contained in note 3.3 Payables.

Note 6.3: Fair value measurement

Note 6.3a: Fair value measurement

	Fair value	
	2021 \$'000	2020 \$'000
Non-financial assets¹		
Buildings - leasehold improvements	4,734	5,242
Plant and equipment	1,384	1,758

1. The right-of-use assets in these classes are measured at cost and are excluded from this note.

Accounting Policy

All property, plant and equipment (excluding right-of-use assets) is measured at fair value, in accordance with the accounting policy.

The APSC's assets are held for operational purposes and not held for the purposes of deriving a profit.

Fair value is estimated using replacement cost, which is depreciated based upon the expended and remaining useful life of each asset.

Australian Public Service Commission
Notes to the financial statements

Note 6.4: Current/non-current distinction for assets and liabilities

Note 6.4a: Current/non-current distinction for assets and liabilities

	2021 \$'000	2020 \$'000
Assets expected to be recovered in:		
<u>No more than 12 months:</u>		
Cash and cash equivalents	1,424	1,097
Trade and other receivables	20,170	17,890
Prepayments	473	331
Total no more than 12 months	22,067	19,318
<u>More than 12 months:</u>		
Buildings	12,464	13,663
Plant and equipment	1,413	1,760
Intangibles	456	518
Prepayments	36	31
Total more than 12 months	14,369	15,972
Total assets	36,436	35,290
Liabilities expected to be settled in:		
<u>No more than 12 months:</u>		
Suppliers	3,463	3,295
Unearned income	6,159	4,051
Other payables	815	857
Leases	1,537	1,459
Employee provisions	3,675	3,420
Provision for restoration	-	151
Total no more than 12 months	15,649	13,233
<u>More than 12 months:</u>		
Leases	6,510	7,140
Employee provisions	5,473	5,187
Provision for restoration	93	93
Total more than 12 months	12,076	12,420
Total liabilities	27,725	25,653

PART SIX

APPENDICES

“ Across all of our efforts, we want to make sure that the APS workforce reflects and understands the community it serves. ”

APPENDIX A: ENTITY RESOURCE AND OUTCOME RESOURCE STATEMENTS

Table 10 summarises the total resources, by funding source, available to the Commission in 2020–21 and the total payments made from these resources. The actual available appropriation includes balances carried forward from the preceding financial year.

Table 11 shows the total expenses for each outcome, classified by appropriation source for each program.

Table 10 is presented on a cash basis. Table 11 and the financial statements in Part 5 are presented on an accrual basis.

Table 10: Entity resource statement, 2020–21

Item	Actual available appropriation for 2020–21 (\$'000)	Payments made 2020–21 (\$'000)	Balance remaining 2020–21 (\$'000)
	(a)	(b)	(c) = (a) – (b)
Departmental			
Annual appropriations – ordinary annual services ^{1,2}	69,807	50,232	19,575
Total departmental annual appropriations	69,807	50,232	19,575
Total departmental resourcing	69,807	50,232	19,575
Administered			
Administered special appropriations			
Remuneration Tribunal Act 1973		4,189	
Total administered special appropriations		4,189	
Total administered resourcing		4,189	
Total resourcing and payments for the Australian Public Service Commission	69,807	54,421	

1 Supply Act (No. 1) 2020–21 and Appropriation Act (No.1) 2020–21. This also includes prior-year departmental appropriation and section 74 external revenue.

2. Includes an amount of \$0.4m in 2020–21 for the Departmental capital budget. Departmental capital budgets are not separately identified in the Supply or Appropriation Acts and form part of ordinary annual services items. For accounting purposes, this amount has been designated as a 'contribution by owner'.

Table 11: Expenses for Outcome 1, 2020–21

Outcome 1: Increased awareness and adoption of best-practice public administration by the Public Service through leadership, promotion, advice and professional development, drawing on research and evaluation	Budget* 2020–21 (\$'000)	Actual expenses 2020–21 (\$'000)	Variation 2020–21 \$'000
	(a)	(b)	(c) = (a) – (b)
Program 1.1: Australian Public Service Commission:			
Departmental expenses			
Departmental appropriation	35,470	35,132	338
s74 External revenue ¹	10,596	12,304	(1,708)
Expenses not requiring appropriation in the Budget year ²	1,850	2,275	(425)
Departmental total	47,916	49,711	(1,795)
Total expenses for Program 1.1	47,916	49,711	(1,795)
Program 1.2: Judicial office holders' remuneration and entitlements:			
Administered expenses			
Special appropriations	4,302	4,189	113
Administered total	4,302	4,189	113
Total expenses for Program 1.2	4,302	4,189	113
Total expenses for Outcome 1	52,218	53,900	(1,682)
Staffing			
Average staffing level (number)		2019–20 209	2020–21 212

* Full-year budget, including any subsequent adjustment made to the 2020–21 budget at Additional Estimates.

¹ Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act 2013.

² Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses and resources received free of charge.

APPENDIX B: WORKPLACE AGREEMENTS

Table 12: Public Service Act 1999 employment arrangements as at 30 June 2021

	SES	Non-SES	Total*
Section 24(1) determination	13	–	13
Enterprise agreement	–	216	216
Individual flexibility agreement	–	10	10
Total	13	226	239

*Statutory office holders have been excluded from this table.

APPENDIX C: EMPLOYMENT ARRANGEMENTS

Table 13: Public Service Act 1999 employment salary ranges by classification level (minimum/maximum) as at 30 June 2021

	Minimum salary (\$)	Maximum salary (\$)
SES 3	350,203	350,203
SES 2	269,869	284,491
SES 1	179,801	262,776
EL 2	132,711	149,195
EL 1	105,839	121,305
APS 6	86,940	94,386
APS 5	76,363	83,510
APS 4	68,056	73,254
APS 3	61,796	63,719
APS 2	53,043	59,167
APS 1	46,428	48,028
Other*	31,106	61,796
Minimum/maximum range	31,106	350,203

*Other includes all training classifications (cadet, trainee, graduate).

Table 14: Information about remuneration for key management personnel

Name	Position title	Base salary	Short-term benefits (\$)		Post-employment benefits (\$)	Other long-term benefits (\$)		Termination benefits (\$)	Total remuneration (\$)
			Bonuses	Other benefits and allowances		Long service leave	Other long-term benefits		
Peter Woolcott	Australian Public Service Commissioner	661,796	0	22,305	92,297	17,572	0	0	793,970
Mary Wiley-Smith	Deputy Australian Public Service Commissioner	273,710	0	25,533	52,572	7,939	0	0	359,754
Richard Bartlett	First Assistant Commissioner	50,933	0	18,786	31,442	-13,729	0	140,599	228,031
Patrick Hetherington	First Assistant Commissioner	238,520	0	22,477	36,395	5,531	0	0	302,923
Grant Lovelock	Head of Academy	111,628	0	0	15,420	2,321	0	0	129,369
Rina Bruinsma	First Assistant Commissioner	38,175	0	0	6,829	636	0	0	45,640
Linda Waugh	Merit Protection Commissioner	258,176	0	2,040	21,083	5,799	0	0	287,098

Note: Remuneration is calculated using accrual accounting. Base salary will vary based on number of week days in the reporting year and the amount of leave taken. The amounts disclosed include resources received free of charge from other entities under a secondment arrangement. Some of the remuneration reported is impacted by the duration of service of key management personnel. Acting arrangements of less than 3 months are excluded. Long service leave expense can be negative where the amount of leave paid is less than the leave provision.

Table 15: Information about remuneration for senior executives

Total remuneration bands	Short-term benefits (\$)				Post-employment benefits (\$)	Other long-term benefits (\$)		Termination benefits (\$)	Total remuneration (\$)
	Number of senior executives	Average base salary	Average bonuses	Average other benefits and allowances		Average long service leave	Average other long-term benefits		
\$0-\$220,000	13	85,407	0	5,473	14,918	1,412	0	0	107,210
\$245,001-\$270,000	4	188,287	0	27,441	35,102	5,286	0	0	256,116
\$270,001-\$295,000	1	215,720	0	25,917	37,073	5,738	0	0	284,448

Note: Refer to note at table 14.

Table 16: Information about remuneration for other highly paid staff

Total remuneration bands	Short-term benefits (\$)				Post-employment benefits (\$)	Other long-term benefits (\$)	Termination benefits (\$)	Total remuneration (\$)
	Number of other highly paid staff	Average base salary	Average bonuses	Average other benefits and allowances				
\$270,001-\$295,000	1	131,230	0	0	23,920	-3,071	120,595	272,674

Note: Refer to note at table 14.

APPENDIX D: EMPLOYEE STATISTICS

Table 17: All ongoing employees as at 30 June 2021

	Male			Female			Indeterminate			Total*
	Full-time	Part-time	Total male	Full-time	Part-time	Total female	Full-time	Part-time	Total indeterminate	
NSW	11	0	11	19	10	29	0	0	0	40
Qld	0	1	1	3	0	3	0	0	0	4
SA	1	0	1	0	0	0	0	0	0	1
Tas	0	0	0	0	0	0	0	0	0	0
Vic	1	0	1	2	0	2	0	0	0	3
WA	0	0	0	0	0	0	0	0	0	0
ACT	43	6	49	97	27	124	0	0	0	173
NT	0	0	0	0	0	0	0	0	0	0
External territories	0	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0	0	0
Total*	56	7	63	121	37	158	0	0	0	222

*Totals are based on APS employee headcount and do not include casuals. One employee identifies as indeterminate gender, and to protect identification has been added to the total figure only.

Table 18: All ongoing employees as at 30 June 2020

	Male			Female			Indeterminate			Total
	Full-time	Part-time	Total male	Full-time	Part-time	Total female	Full-time	Part-time	Total indeterminate	
NSW	2	0	2	5	2	7	0	0	0	9
Qld	2	0	2	1	0	1	0	0	0	3
SA	1	0	1	0	0	0	0	0	0	1
Tas	0	0	0	0	0	0	0	0	0	0
Vic	0	0	0	1	0	1	0	0	0	1
WA	0	0	0	0	0	0	0	0	0	0
ACT	52	6	58	105	31	136	0	0	0	194
NT	0	0	0	0	0	0	0	0	0	0
External territories	0	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0	0	0
Total	57	6	63	112	33	145	0	0	0	208

Table 19: All non-ongoing employees as at 30 June 2021

	Male			Female			Indeterminate			Total
	Full-time	Part-time	Total male	Full-time	Part-time	Total female	Full-time	Part-time	Total indeterminate	
NSW	1	1	2	4	0	4	0	0	0	6
Qld	1	0	1	0	1	1	0	0	0	2
SA	0	0	0	0	0	0	0	0	0	0
Tas	0	0	0	0	0	0	0	0	0	0
Vic	0	0	0	0	0	0	0	0	0	0
WA	0	0	0	0	0	0	0	0	0	0
ACT	3	0	3	5	1	6	0	0	0	9
NT	0	0	0	0	0	0	0	0	0	0
External territories	0	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0	0	0
Total	5	1	6	9	2	11	0	0	0	17

Table 20: All non-ongoing employees as at 30 June 2020

	Male			Female			Indeterminate			Total
	Full-time	Part-time	Total male	Full-time	Part-time	Total female	Full-time	Part-time	Total indeterminate	
NSW	0	0	0	3	0	3	0	0	0	3
Qld	1	0	1	0	0	0	0	0	0	1
SA	0	0	0	0	0	0	0	0	0	0
Tas	0	0	0	0	0	0	0	0	0	0
Vic	0	0	0	0	0	0	0	0	0	0
WA	0	0	0	0	0	0	0	0	0	0
ACT	4	0	4	7	1	8	0	0	0	12
NT	0	0	0	0	0	0	0	0	0	0
External territories	0	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0	0	0
Total	5	0	5	10	1	11	0	0	0	16

Table 21: Public Service Act 1999 ongoing employees as at 30 June 2021: classification and gender

	Male			Female			Indeterminate			Total
	Full-time	Part-time	Total male	Full-time	Part-time	Total female	Full-time	Part-time	Total indeterminate	
SES 3	0	0	0	0	0	0	0	0	0	0
SES 2	2	0	2	1	0	1	0	0	0	3
SES 1	2	0	2	5	3	8	0	0	0	10
EL 2	10	1	11	21	5	26	0	0	0	37
EL 1	19	2	21	36	16	52	0	0	0	73
APS 6	10	3	13	27	9	36	0	0	0	49
APS 5	3	0	3	11	2	13	0	0	0	16
APS 4	6	0	6	10	2	12	0	0	0	18
APS 3	2	0	2	9	0	9	0	0	0	11
APS 2	2	0	2	1	0	1	0	0	0	3
APS 1	0	1	1	0	0	0	0	0	0	1
Other	0	0	0	0	0	0	0	0	0	0
Total*	56	7	63	121	37	158	0	0	0	222

*Totals are based on APS employee headcount and do not include casuals. One employee identifies as indeterminate gender, and to protect identification has been added to the total figure only.

Table 22: Public Service Act 1999 ongoing employees as at 30 June 2020: classification and gender

	Male			Female			Indeterminate			Total
	Full-time	Part-time	Total male	Full-time	Part-time	Total female	Full-time	Part-time	Total indeterminate	
SES 3	0	0	0	1	0	1	0	0	0	1
SES 2	1	0	1	1	0	1	0	0	0	2
SES 1	2	0	2	5	3	8	0	0	0	10
EL 2	10	0	10	19	4	23	0	0	0	33
EL 1	20	2	22	36	9	45	0	0	0	67
APS 6	11	2	13	22	7	29	0	0	0	42
APS 5	2	1	3	12	2	14	0	0	0	17
APS 4	5	0	5	10	4	14	0	0	0	19
APS 3	3	0	3	6	3	9	0	0	0	12
APS 2	3	0	3	0	1	1	0	0	0	4
APS 1	0	1	1	0	0	0	0	0	0	1
Other	0	0	0	0	0	0	0	0	0	0
Total	57	6	63	112	33	145	0	0	0	208

Table 23: Public Service Act 1999 non-ongoing employees as at 30 June 2021: classification and gender

	Male			Female			Indeterminate			Total
	Full-time	Part-time	Total male	Full-time	Part-time	Total female	Full-time	Part-time	Total indeterminate	
SES 3	0	0	0	0	0	0	0	0	0	0
SES 2	0	0	0	0	0	0	0	0	0	0
SES 1	0	0	0	0	0	0	0	0	0	0
EL 2	2	1	3	1	0	1	0	0	0	4
EL 1	1	0	1	3	1	4	0	0	0	5
APS 6	1	0	1	1	0	1	0	0	0	2
APS 5	1	0	1	3	0	3	0	0	0	4
APS 4	0	0	0	1	0	1	0	0	0	1
APS 3	0	0	0	0	0	0	0	0	0	0
APS 2	0	0	0	0	0	0	0	0	0	0
APS 1	0	0	0	0	1	1	0	0	0	1
Other	0	0	0	0	0	0	0	0	0	0
Total	5	1	6	9	2	11	0	0	0	17

Table 24: Public Service Act 1999 non-ongoing employees as at 30 June 2020: classification and gender

	Male			Female			Indeterminate			Total
	Full-time	Part-time	Total male	Full-time	Part-time	Total female	Full-time	Part-time	Total indeterminate	
SES 3	0	0	0	0	0	0	0	0	0	0
SES 2	0	0	0	0	0	0	0	0	0	0
SES 1	0	0	0	0	0	0	0	0	0	0
EL 2	0	0	0	1	0	1	0	0	0	1
EL 1	2	0	2	1	0	1	0	0	0	3
APS 6	2	0	2	1	0	1	0	0	0	3
APS 5	0	0	0	2	0	2	0	0	0	2
APS 4	1	0	1	5	0	5	0	0	0	6
APS 3	0	0	0	0	0	0	0	0	0	0
APS 2	0	0	0	0	0	0	0	0	0	0
APS 1	0	0	0	0	1	1	0	0	0	1
Other	0	0	0	0	0	0	0	0	0	0
Total	5	0	5	10	1	11	0	0	0	16

Table 25: Public Service Act 1999 employees by full-time and part-time status as at 30 June 2021

	Ongoing			Non-ongoing			Total
	Full-time	Part-time	Total ongoing	Full-time	Part-time	Total non-ongoing	
SES 3	0	0	0	0	0	0	0
SES 2	3	0	3	0	0	0	3
SES 1	7	3	10	0	0	0	10
EL 2	31	6	37	3	1	4	41
EL 1	56	18	74	4	1	5	79
APS 6	37	12	49	2	0	2	51
APS 5	14	2	16	4	0	4	21
APS 4	16	2	18	1	0	1	19
APS 3	11	0	11	0	0	0	11
APS 2	3	0	3	0	0	0	3
APS 1	0	1	1	0	1	1	2
Other	0	0	0	0	0	0	0
Total	178	44	222	14	3	17	239

Table 26: Public Service Act 1999 employees by full-time and part-time status as at 30 June 2020

	Ongoing			Non-ongoing			Total
	Full-time	Part-time	Total ongoing	Full-time	Part-time	Total non-ongoing	
SES 3	1	0	1	0	0	0	1
SES 2	2	0	2	0	0	0	2
SES 1	7	3	10	0	0	0	10
EL 2	29	4	33	1	0	1	34
EL 1	56	11	67	3	0	3	70
APS 6	33	9	42	3	0	3	45
APS 5	14	3	17	2	0	2	19
APS 4	15	4	19	6	0	6	25
APS 3	9	3	12	0	0	0	12
APS 2	3	1	4	0	0	0	4
APS 1	0	1	1	0	0	0	1
Other	0	0	0	0	1	1	1
Total	169	39	208	15	1	16	224

Table 27: Public Service Act 1999 employment type by location as at 30 June 2021

	Ongoing	Non-ongoing	Total
NSW	40	6	46
Qld	4	2	6
SA	1	0	1
Tas	0	0	0
Vic	3	0	3
WA	0	0	0
ACT	174	9	183
NT	0	0	0
External territories	0	0	0
Overseas	0	0	0
Total	222	17	239

Table 28: Public Service Act 1999 employment type by location as at 30 June 2020

	Ongoing	Non-ongoing	Total
NSW	9	3	12
Qld	3	1	4
SA	1	0	1
Tas	0	0	0
Vic	1	0	1
WA	0	0	0
ACT	194	12	206
NT	0	0	0
External territories	0	0	0
Overseas	0	0	0
Total	208	16	224

Table 29: Public Service Act 1999 Indigenous employment as at 30 June 2021

	Total
Ongoing	9
Non-ongoing	1
Total	10

Table 30: Public Service Act 1999 Indigenous employment as at 30 June 2020

	Total
Ongoing	10
Non-ongoing	0
Total	10

APPENDIX E: AUSTRALIA DAY AWARDS

The Commission's Australia Day Awards recognise people who have had a significant impact and worked above and beyond expectations in the following categories:

- significant achievement in advancing one or more of the Commission's strategic priorities
- high-quality service to clients
- significant contribution towards shaping a more efficient and productive workplace
- corporate contribution to the life of the Commission, beyond the requirements of their position
- demonstrated leadership behaviour contributing to building an inclusive workplace culture.

Table 31: Australia Day Awards

Award	Group or team	Recipient	Citation
Individual	Enabling and Digital Services	Kellie Szentirmay	In recognition of Kellie's significant contribution to building and supporting staff through effective and innovative communication strategies, in particular the creation of an engagement approach when staff moved to working from home.
Individual	Projects	Jordan Moore	In recognition of Jordan's role in the success and delivery of the Australian Government Graduate Program. Specifically, reframing graduate recruitment as a service and putting value for users and stakeholders at the centre.
Individual	Parliamentary	Liam O'Riordan-Smyth	In recognition of Liam's significant contribution to an efficient productive workplace though demonstrating responsiveness, willingness to go above and beyond, positive attitude, and initiative to support internal and external clients and stakeholders.
Individual	Leadership and Capability	Kirsty Andermahr	In recognition of Kirsty's commitment and subject matter expertise which was pivotal to moving Commission learning programs to online delivery. Her strong collaborative approach, curiosity and resilience and rising to the challenge of delivering in a changed world.

Team	Integrity, Performance and Employment Policy	Kate McMullan Helena Sverdlin	In recognition of Kate and Helena’s role and expertise in updating the APS social media guidance.
Team	Workplace Relations	Emma Enzerink Shawn D’Souza James O’Reilly Marco Spaccavento	In recognition of the leadership and subject matter expertise in the development and implementation of a revised wages policy linking Commonwealth public sector wage increase to wage outcomes in the private sector. This initiative drew closer links between the experiences of public sector workers and those of workers in the wider economy, underlining our relationship with the public we are here to serve.
Team	APSC’s (overall) COVID Response	Kate Bairstow Peta Bowden Leenn Cusack Alicia Gransden Nick Heaney Jordan Jeans Shannen Hayek-Kuchel Sherman Leung Andrew Machin Finn McGrath Lauren Milsom Phoebe Morrison Elena Pecevska Nate Riley Hayley Swaysland Pauline Unterberger Nickey Williams	In recognition of your individual strengths and contributions to the extraordinary role the Commission played in supporting the entire APS, as well as our own Commission staff during the hugely uncertain time. As pivotal team members of the COVID-19 Taskforce, the Workforce Management Taskforce and the Enabling and Digital Services Group, these staff supported agencies, including the Commission, in exceptional times so the Commission could effectively serve the Australian community, whilst making sure employees were safe and supported.

APPENDIX F: CORRECTION TO PREVIOUS ANNUAL REPORT

Appendix A: Entity resource and outcome resource statements

Page 106: Table A1: Entity resource statement 2019–20. Total resourcing and payments for the Australian Public Service Commission for Payments made 2019–20 (\$’000) (b) should read 50,441.

PART SEVEN

REFERENCE MATERIAL

“The Commission continues to play a critical role in fostering a strong culture of integrity across the APS.”

LIST OF REQUIREMENTS

PGPA Rule Reference	Part of report	Description	Requirement
17AD(g)	Letter of transmittal		
17AI	Letter of transmittal	A copy of the letter of transmittal signed and dated by accountable authority on date final text approved, with statement that the report has been prepared in accordance with section 46 of the Act and any enabling legislation that specifies additional requirements in relation to the annual report.	Mandatory
17AD(h)	Aids to access		
17AJ(a)	Contents	Table of contents.	Mandatory
17AJ(b)	Alphabetical index	Alphabetical index.	Mandatory
17AJ(c)	Abbreviations and acronyms	Glossary of abbreviations and acronyms.	Mandatory
17AJ(d)	List of requirements	List of requirements.	Mandatory
17AJ(e)	About the report	Details of contact officer.	Mandatory
17AJ(f)	About the report	Entity's website address.	Mandatory
17AJ(g)	About the report	Electronic address of report.	Mandatory
17AD(a)	Review by accountable authority		
17AD(a)	Commissioner's review	A review by the accountable authority of the entity.	Mandatory
17AD(b)	Overview of the entity		
17AE(1)(a)(i)	About the Commission	A description of the role and functions of the entity.	Mandatory
17AE(1)(a)(ii)	About the Commission	A description of the organisational structure of the entity.	Mandatory
17AE(1)(a)(iii)	Purpose, outcome and program structure	A description of the outcomes and programmes administered by the entity.	Mandatory
17AE(1)(a)(iv)	Purpose, outcome and program structure	A description of the purposes of the entity as included in corporate plan.	Mandatory
17AE(1)(aa)(i)	Key Management Personnel	Name of the accountable authority or each member of the accountable authority.	Mandatory
17AE(1)(aa)(ii)	Key Management Personnel	Position of the accountable authority or each member of the accountable authority.	Mandatory

17AE(1)(aa)(iii)	Key Management Personnel	Period as the accountable authority or member of the accountable authority within the reporting period.	Mandatory
17AE(1)(b)	N/A	An outline of the structure of the portfolio of the entity.	Portfolio departments - mandatory
17AE(2)	Part 4: Annual performance statements	Where the outcomes and programs administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, include details of variation and reasons for change.	If applicable, Mandatory
17AD(c)	Report on the performance of the entity		
	Annual performance statements		
17AD(c)(i); 16F	Part 4: Annual performance statements	Annual performance statement in accordance with paragraph 39(1)(b) of the Act and section 16F of the Rule.	Mandatory
17AD(c)(ii)	Report on financial performance		
17AF(1)(a)	Financial performance	A discussion and analysis of the entity's financial performance.	Mandatory
17AF(1)(b)	Appendix A: Entity resource and outcome resource	A table summarising the total resources and total payments of the entity.	Mandatory
17AF(2)	N/A	If there may be significant changes in the financial results during or after the previous or current reporting period, information on those changes, including: the cause of any operating loss of the entity; how the entity has responded to the loss and the actions that have been taken in relation to the loss; and any matter or circumstances that it can reasonably be anticipated will have a significant impact on the entity's future operation or financial results.	If applicable, Mandatory.
17AD(d)	Management and accountability		
	Corporate governance		
17AG(2)(a)	Corporate governance	Information on compliance with section 10 (fraud systems).	Mandatory
17AG(2)(b)(i)	Transmittal letter	A certification by accountable authority that fraud risk assessments and fraud control plans have been prepared.	Mandatory

17AG(2)(b)(ii)	Transmittal letter	A certification by accountable authority that appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud that meet the specific needs of the entity are in place.	Mandatory
17AG(2)(b)(iii)	Transmittal letter	A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud relating to the entity.	Mandatory
17AG(2)(c)	Corporate governance	An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance.	Mandatory
17AG(2)(d) – (e)	N/A	A statement of significant issues reported to Minister under paragraph 19(1)(e) of the Act that relates to non-compliance with Finance law and action taken to remedy non-compliance.	If applicable, Mandatory
Audit committee			
17AG(2A)(a)	Audit and risk management committee	A direct electronic address of the charter determining the functions of the entity's audit committee.	Mandatory
17AG(2A)(b)	Audit and risk management committee	The name of each member of the entity's audit committee.	Mandatory
17AG(2A)(c)	Audit and risk management committee	The qualifications, knowledge, skills or experience of each member of the entity's audit committee.	Mandatory
17AG(2A)(d)	Audit and risk management committee	Information about the attendance of each member of the entity's audit committee at committee meetings.	Mandatory
17AG(2A)(e)	Audit and risk management committee	The remuneration of each member of the entity's audit committee.	Mandatory
External scrutiny			
17AG(3)	External scrutiny	Information on the most significant developments in external scrutiny and the entity's response to the scrutiny.	Mandatory
17AG(3)(a)	N/A	Information on judicial decisions and decisions of administrative tribunals and by the Australian Information Commissioner that may have a significant effect on the operations of the entity.	If applicable, Mandatory
17AG(3)(b)	N/A	Information on any reports on operations of the entity by the Auditor-General (other than report under section 43 of the Act), a Parliamentary Committee, or the Commonwealth Ombudsman.	If applicable, Mandatory

17AG(3)(c)	N/A	Information on any capability reviews on the entity that were released during the period.	If applicable, Mandatory
Management of human resources			
17AG(4)(a)	Human resources management	An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives.	Mandatory
17AG(4)(aa)	Appendix D: Employee statistics	Statistics on the entity's employees on an ongoing and non-ongoing basis, including the following: (a) statistics on full-time employees; (b) statistics on part-time employees; (c) statistics on gender; (d) statistics on staff location.	Mandatory
17AG(4)(b)	Appendix D: Employee statistics	Statistics on the entity's APS employees on an ongoing and non-ongoing basis; including the following: Statistics on staffing classification level; Statistics on full-time employees; Statistics on part-time employees; Statistics on gender; Statistics on staff location; Statistics on employees who identify as Indigenous.	Mandatory
17AG(4)(c)	Human resources management	Information on any enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the <i>Public Service Act 1999</i> .	Mandatory
17AG(4)(c)(i)	Appendix B: Workplace agreements	Information on the number of SES and non-SES employees covered by agreements etc identified in paragraph 17AG(4)(c).	Mandatory
17AG(4)(c)(ii)	Appendix C: Employment arrangements	The salary ranges available for APS employees by classification level.	Mandatory
17AG(4)(c)(iii)	Human resources management	A description of non-salary benefits provided to employees.	Mandatory
17AG(4)(d)(i)	N/A	Information on the number of employees at each classification level who received performance pay.	If applicable, Mandatory

17AG(4)(d)(ii)	N/A	Information on aggregate amounts of performance pay at each classification level.	If applicable, Mandatory
17AG(4)(d)(iii)	N/A	Information on the average amount of performance payment, and range of such payments, at each classification level.	If applicable, Mandatory
17AG(4)(d)(iv)	N/A	Information on aggregate amount of performance payments.	If applicable, Mandatory
Assets management			
17AG(5)	Assets Management	An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities.	If applicable, Mandatory
Purchasing			
17AG(6)	Purchasing	An assessment of entity performance against the Commonwealth Procurement Rules	Mandatory
Reportable consultancy contracts			
17AG(7)(a)	Purchasing	A summary statement detailing the number of new contracts engaging consultants entered into during the period; the total actual expenditure on all new consultancy contracts entered into during the period (inclusive of GST); the number of ongoing consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting year on the ongoing consultancy contracts (inclusive of GST).	Mandatory
17AG(7)(b)	Purchasing	A statement that "During [reporting period], [specified number] new reportable consultancy contracts were entered into involving total actual expenditure of \$[specified million]. In addition, [specified number] ongoing reportable consultancy contracts were active during the period, involving total actual expenditure of \$[specified million]".	Mandatory
17AG(7)(c)	Purchasing	A summary of the policies and procedures for selecting and engaging consultants and the main categories of purposes for which consultants were selected and engaged.	Mandatory

17AG(7)(d)	Purchasing	A statement that "Annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable consultancy contracts is available on the AusTender website."	Mandatory
Reportable non-consultancy contracts			
17AG(7A)(a)	Purchasing	A summary statement detailing the number of new reportable non-consultancy contracts entered into during the period; the total actual expenditure on such contracts (inclusive of GST); the number of ongoing reportable non-consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST).	Mandatory
17AG(7A)(b)	Purchasing	A statement that "Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of reportable non-consultancy contracts is available on the AusTender website."	Mandatory
17AD(daa) Additional information about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts			
17AGA	Purchasing	Additional information, in accordance with section 17AGA, about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts.	Mandatory
Australian National Audit Office Access clauses			
17AG(8)	N/A	If an entity entered into a contract with a value of more than \$100 000 (inclusive of GST) and the contract did not provide the Auditor-General with access to the contractor's premises, the report must include the name of the contractor, purpose and value of the contract, and the reason why a clause allowing access was not included in the contract.	If applicable, Mandatory
Exempt contracts			

17AG(9)	N/A	If an entity entered into a contract or there is a standing offer with a value greater than \$10 000 (inclusive of GST) which has been exempted from being published in AusTender because it would disclose exempt matters under the FOI Act, the annual report must include a statement that the contract or standing offer has been exempted, and the value of the contract or standing offer, to the extent that doing so does not disclose the exempt matters.	If applicable, Mandatory
Small business			
17AG(10)(a)	Purchasing	A statement that “[Name of entity] supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance’s website.”	Mandatory
17AG(10)(b)	Purchasing	An outline of the ways in which the procurement practices of the entity support small and medium enterprises.	Mandatory
17AG(10)(c)	N/A	If the entity is considered by the Department administered by the Finance Minister as material in nature—a statement that “[Name of entity] recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury’s website.”	If applicable, Mandatory
Financial statements			
17AD(e)	Part 5: Financial statements	Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act.	Mandatory
Executive remuneration			
17AD(da)	Appendix C: Employment arrangements	Information about executive remuneration in accordance with Subdivision C of Division 3A of Part 2-3 of the Rule.	Mandatory
17AD(f)	Other mandatory information		

17AH(1)(a)(i)	N/A	If the entity conducted advertising campaigns, a statement that “During [reporting period], the [name of entity] conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available at [address of entity’s website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance’s website.”	If applicable, Mandatory
17AH(1)(a)(ii)	Advertising	If the entity did not conduct advertising campaigns, a statement to that effect.	If applicable, Mandatory
17AH(1)(b)	N/A	A statement that “Information on grants awarded by [name of entity] during [reporting period] is available at [address of entity’s website].”	If applicable, Mandatory
17AH(1)(c)	Disability reporting mechanisms	Outline of mechanisms of disability reporting, including reference to website for further information.	Mandatory
17AH(1)(d)	Information Publication Scheme	Website reference to where the entity’s Information Publication Scheme statement pursuant to Part II of FOI Act can be found.	Mandatory
17AH(1)(e)	Appendix F: Correction to previous annual report	Correction of material errors in previous annual report.	If applicable, mandatory
17AH(2)	Ecologically sustainable development and environmental performance	Information required by other legislation.	Mandatory

ABBREVIATIONS AND ACRONYMS

AO	Officer of the Order of Australia
APS	Australian Public Service
APSC	Australian Public Service Commission
ARMC	Audit and Risk Management Committee
COO	Chief Operating Officer
Commission	Australian Public Service Commission
Commissioner	Australian Public Service Commissioner
EL	Executive Level
EVP	employee value proposition
GST	goods and services tax
HR	human resources
ICT	information and communications technology
IT	information technology
L&D	learning and development
LGBTIQ+	lesbian, gay, bisexual, transgender, intersex, queer (plus peers)
NAIDOC	National Aborigines and Islanders Day Observance Committee
PBS	Portfolio Budget Statements
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i>
PM&C	<i>Department of the Prime Minister and Cabinet</i>
RAP	<i>Reconciliation Action Plan</i>
SES	<i>Senior Executive Service</i>

LIST OF TABLES

Table 1: Total income by source, 2018–19 to 2020–21	17
Table 2: Proportion of total income by source, 2018–19 to 2020–21	17
Table 3: Ongoing and non-ongoing employees by location as at 30 June 2021	23
Table 4: Ongoing employees by gender, employment type and classification as at 30 June 2021	24
Table 5: Non-ongoing employees by gender, employment type and classification as at 30 June 2021	24
Table 6: Expenditure on reportable consultancy contracts 2020–21	28
Table 7: Organisations receiving the largest share of reportable consultancy contract expenditure 2020–21	28
Table 8: Expenditure on reportable non-consultancy contracts 2020–21	29
Table 9: Organisations receiving the largest share of reportable non-consultancy contract expenditure 2020–21	29
Table 10: Entity resource statement, 2020–21	102
Table 11: Expenses for Outcome 1, 2020–21	103
Table 12: Public Service Act 1999 employment arrangements as at 30 June 2021	104
Table 13: Public Service Act 1999 employment salary ranges by classification level (minimum/ maximum) as at 30 June 2021	105
Table 14: Information about remuneration for key management personnel	106
Table 15: Information about remuneration for senior executives	106
Table 16: Information about remuneration for other highly paid staff	106
Table 17: All ongoing employees as at 30 June 2021	108
Table 18: All ongoing employees as at 30 June 2020	108
Table 19: All non-ongoing employees as at 30 June 2021	109
Table 20: All non-ongoing employees as at 30 June 2020	109
Table 21: <i>Public Service Act 1999</i> ongoing employees as at 30 June 2021: classification and gender	110
Table 22: <i>Public Service Act 1999</i> ongoing employees as at 30 June 2020: classification and gender	110
Table 23: <i>Public Service Act 1999</i> non-ongoing employees as at 30 June 2021: classification and gender	111
Table 24: <i>Public Service Act 1999</i> non-ongoing employees as at 30 June 2020: classification and gender	111
Table 25: <i>Public Service Act 1999</i> employees by full-time and part-time status as at 30 June 2021	112
Table 26: <i>Public Service Act 1999</i> employees by full-time and part-time status as at 30 June 2020	112
Table 27: <i>Public Service Act 1999</i> employment type by location as at 30 June 2021	113
Table 28: <i>Public Service Act 1999</i> employment type by location as at 30 June 2020	113
Table 29: <i>Public Service Act 1999</i> Indigenous employment as at 30 June 2021	114
Table 30: <i>Public Service Act 1999</i> Indigenous employment as at 30 June 2020	114
Table 31: Australia Day Awards	115



Australian Government
Merit Protection Commissioner



MERIT
PROTECTION
COMMISSIONER

Annual Report 2020–21





The Hon Ben Morton MP
Minister Assisting the Prime Minister and Cabinet
Minister for the Public Service
Special Minister of State
Parliament House
CANBERRA ACT 2600

Dear Minister

I am pleased to present the Merit Protection Commissioner Annual Report for the reporting period ending 30 June 2021. As required by section 51 of the *Public Service Act 1999*, my report deals with the activities of the Merit Protection Commissioner and is included in the Australian Public Service Commissioner's Annual Report.

In preparing this report, I have taken into account those requirements relevant to my role as a statutory office holder contained in *Annual Reports for Non-corporate Commonwealth Entities: Resource Management Guide No. 135*, issued by the Department of Finance in April 2021.

Yours sincerely

Linda Waugh
Merit Protection Commissioner

15 October 2021

Contents

Merit Protection Commissioner’s foreword.....	137
At a glance.....	140
1. Overview.....	141
About us.....	142
Our vision.....	142
Our purpose.....	142
Our staff and structure.....	142
Our Minister.....	144
Our legislation and statutory functions.....	144
Review of Actions.....	144
Review of involuntary retirement decisions for Australian Federal Police employees.....	146
Complaints and inquiries.....	146
Employer services.....	147
2. Performance in reviewing APS actions.....	149
Year-end totals for all reviews of actions.....	150
Trends in application numbers.....	150
Contact with us.....	151
Review of promotion decisions.....	152
About promotion reviews.....	152
Who can apply for a promotion review?.....	152
Steps in reviewing a promotion decision.....	153
Applications received.....	155
Promotion review cases.....	156
Promotion review outcomes.....	157
Timeliness.....	157
Contact with us.....	157

Review of workplace decisions.....	158
About review of workplace decisions.....	158
Who can apply for a review of a workplace decision?.....	158
What workplace decisions can be reviewed?.....	159
MPC direct versus secondary review.....	159
Steps in reviewing a workplace decision.....	160
Applications received.....	160
Applications by agency.....	164
Review outcomes.....	165
Timeliness.....	168
MPC direct review of workplace decisions.....	169
Decisions in Code of Conduct matters.....	169
Decisions that are sensitive, serious or not appropriate for agency review.....	172
MPC secondary review of workplace decisions.....	172
COVID-19 related decisions.....	175
Contact with us.....	175
3. Performance of other statutory functions.....	177
Reviews of involuntary retirement decisions for Australian Federal Police employees.....	178
Complaints and inquiries.....	178
Complaints about final entitlements.....	178
Inquiries.....	179
Employer services.....	179
4. Engagement, projects and accountability.....	181
Engagement.....	182
Stakeholder meetings.....	182
Review of Actions and Code of Conduct Community of Practice.....	184
Surveys and feedback from applicants and agencies.....	184
Website visits.....	185

Projects	185
Reach Out strategy	185
New website	185
Inaugural Promotion Review Committee Convenor Conference	185
Pilot of application process for promotion review	186
Development of our services to employers	186
Accountability	186
Financial arrangements and corporate support	186
Interaction with Australian Public Service Commissioner	187
Business planning and risk management	187
Freedom of information and privacy	188
Judicial review and other court decisions	188
Information Publication Scheme	188
5. The year ahead	189
Our key priorities	190
Engaging with and supporting our stakeholders	190
Delivering new services and resources	190
Improving the way we work	190
APPENDICES	193
Appendix A: The Merit Protection Commissioner's statutory functions	194
Appendix B: Data tables for statutory functions	196
Review of promotion decisions	196
Review of workplace decisions and complaints	198
List of figures	203
List of tables	204

Merit Protection Commissioner's foreword

This year marks the third year of my five-year term. My report presents an opportunity to reflect on what we have achieved in that time, and what has changed in the way we operate and for the employees of the Australian Public Service (APS). It allows me to report to my stakeholders on how my office's statutory functions have been performed and how we have helped ensure the APS continues to be a career-based organisation that makes fair employment decisions and provides flexible, safe and rewarding workplaces where employees are valued.

Our work and the way we do it continues to evolve, and we are frequently presented with new challenges. One constant has been my staff's commitment to our vision and purpose. I want to recognise how they have adapted to change and thrived during a challenging year. In addition to the COVID-19 pandemic, we saw the departure of senior officers with considerable corporate knowledge and expertise, and we undertook a significant program of work. Throughout the year, my staff members have worked positively and tirelessly, and I thank them for their continued professionalism and commitment. I would also like to thank the Australian Public Service Commission (APSC) staff members who provided the corporate support that has been so essential for the effective operation of my office.



A foundation of my office is its independence, which is a strong focus of the work we do every day. It is a critical element in giving confidence to APS employees and agencies that our work and decisions are fair and impartial. In line with this, and with the support of the APS Commissioner, we began a trial of an in-house legal counsel, who advises me and my reviewers on complex cases and general jurisdictional matters. The counsel has been a welcome addition to my office and has contributed to the independent and effective discharge of my statutory functions.

My principal statutory function—and the one to which most of my resources are directed—is the independent and impartial review of APS actions involving APS employees' employment and their day-to-day work. The purpose of the Review of Actions scheme is to create and maintain workplaces that encourage productive and harmonious working environments. The scheme does this by requiring workplace decisions to be based on merit, to be fair, and to be underpinned by our statutory Values and Employment Principles.

This year, we received 746 applications for a review of an APS action, dealt with 599 telephone enquiries, and undertook a full merits review of 152 promotion decisions and 98 workplace decisions. We also attended or facilitated 40 stakeholder meetings, delivered 16 presentations and supported our Review of Actions and Code of Conduct Community of Practice.

This report provides details of many other highlights for the year; however, there are three standouts I want to mention here.

The first standout is our improved timeliness. My staff members and I have listened to feedback and have worked hard over the past three years to continuously improve how we work. When I first commenced in my role, stakeholders told me that while our reviews were thorough and of the highest standard, they sometimes took a long time to complete. We believed we could improve our timeliness, so we introduced short- and long-term initiatives to achieve it. These were about finding efficiencies in our work processes and using our resources better. In 2017–18, we were completing 77% of cases within 14 weeks and taking an average of 11 weeks to complete reviews. In 2020–21, we completed 95% of cases within 14 weeks and took an average of eight weeks to complete reviews. Our timeliness for the review of promotion decisions has been consistently high over the past few years, but this year we met our timeliness targets in 100% of cases.

The second standout relates to the types of review recommendations we were making. In 30.6% of workplace decisions we reviewed, we recommended that the agency decision be set aside or varied—typically due to a significant procedural flaw, or because the decision was not appropriate, based on the merits of the case. While this is an improvement on the previous year, where we set aside or varied recommendations in 38.5% of cases, it indicates that there continues to be room for improvement in decision-making across the APS. Over the coming year, we will continue to work with agencies, deliver practitioner training sessions and develop resources. Our new website, which will be launched early next financial year, will provide targeted resources and information to support good decision-making.

Also significant was the fact that the COVID-19 pandemic was cited as relevant to 22 decisions under review. The number of applications relating to flexible working arrangements increased from 4% last financial year to 18% this year. There is no doubt the impacts of the pandemic will continue to shape how the APS works in the coming year. We will continue to monitor this. Of particular interest will be how APS work practices shift and adapt as the combined effects of the pandemic and technological advancements continue to affect the workplace.

The third and final standout is the completion of important foundational work for delivering a range of initiatives planned for 2021–22, which was additional to the performance of our statutory functions. This behind-the-scenes work focused on providing better information and services to our stakeholders, and included:

- auditing, reviewing and rewriting our entire website content
- developing and piloting information sessions about review entitlements
- developing content for short video explainers, which will provide employees with quick, easy and accessible information on each type of review they are entitled to.

The completion of this foundational work sets up my office for an exciting and productive year ahead. We will deliver on our planned initiatives while continuing to develop resources to assist and support APS agencies in good decision-making, and provide to APS employees with fair and independent reviews of decisions that affect their employment.



Linda Waugh

Merit Protection Commission

At a glance



12 staff and Merit Protection Commissioner

56 stakeholder engagement opportunities

114,208 visitors to website

599 telephone enquiries

746 applications under the Review of Actions scheme

170 applications for review of workplace decisions

Top 4 agencies

- Services Australia **53**
- Department of Defence **23**
- Department of Home Affairs **20**
- Australian Taxation Office **14**

576 applications for review of a promotion

152 promotion decisions subject to review

Top 4 agencies

- Australian Taxation Office **430**
- Department of Home Affairs **65**
- Services Australia **59**
- Australian Bureau of Statistics **10**

Review of workplace decisions

30.6% of decisions varied or set aside



Review of promotion decisions

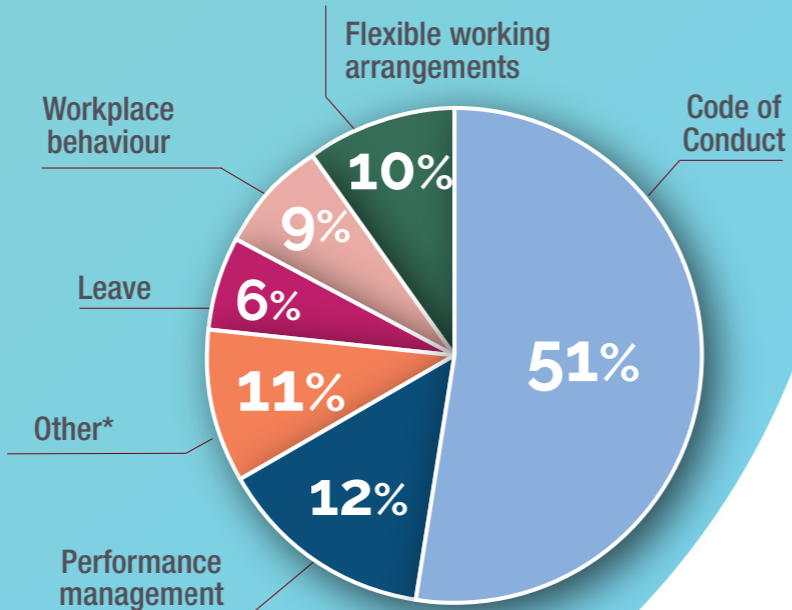
0.66% of decisions set aside



95% of review of workplace decisions completed within 14 weeks
Above the 75% target

100% of promotion reviews completed within 8 weeks (or 12 weeks if more than 10 parties)
Above 75% target

Reviews by subject



* Note: 'Other' category consists of duties 5.1%; application for outside employment 1%; salary allowances 5.1%

Overview

1.

About us

The Merit Protection Commissioner (MPC) is an independent statutory office holder established under Part 6 of the *Public Service Act 1999* to perform a range of functions for the Australian Public Service (APS). Those functions are concerned with the implementation of, and compliance with, the APS employment framework and principles. This is done principally through review of workplace decisions affecting APS employees and through promotion reviews. The MPC also has a range of other complaint and inquiry functions and can provide recruitment and employment-related services to employers.

Ms Linda Waugh is the current MPC and was appointed on 25 June 2018. The staff of the office of the MPC are employees of the Australian Public Service Commission (APSC). Under section 49(2) of the Public Service Act, the staff necessary to assist the MPC must be made available by the Australian Public Service Commissioner and be people engaged under that Act. The APSC provides all corporate support, information systems and services to the MPC. The MPC is co-located with the APSC in its Canberra and Sydney offices.

Ms Waugh is also the Parliamentary Service Merit Protection Commissioner. The duties and functions of this role for Parliamentary Service employees mirror those under the Public Service Act, and are the subject of a separate annual report.

Our vision

To be a centre of expertise providing independent, impartial and professional advice and services in relation to people management and workplace issues, and to contribute to the continual improvement of integrity and performance of the APS.

Our purpose

To provide a fair system of review of APS employment actions that is efficient, timely and informal, and that contributes to productive, safe and harmonious workplaces.

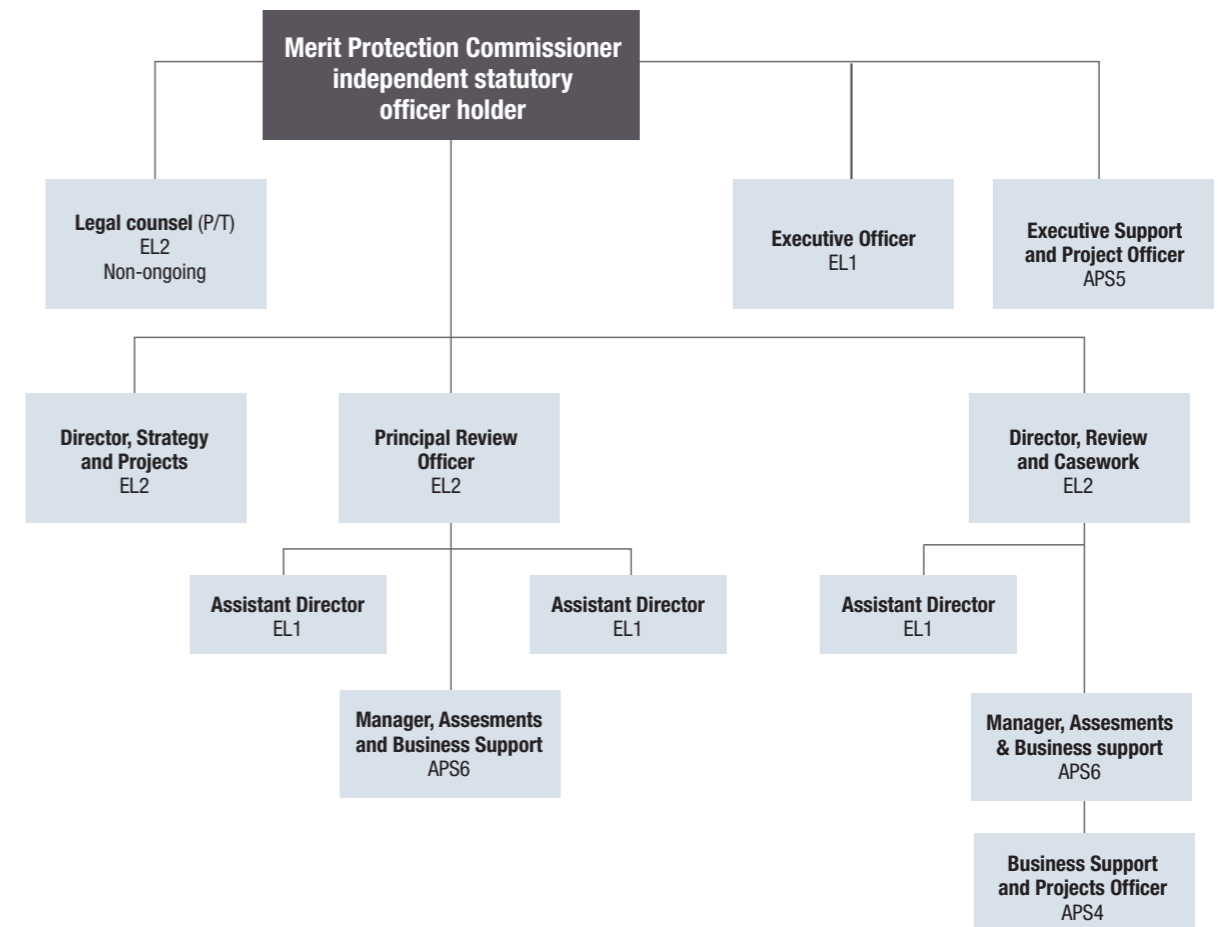
To support effective and fair employment, management and leadership of the APS by upholding and implementing the APS Values, Employment Principles and Code of Conduct.

Our staff and structure

We operate with an average of 12.7 staff positions, using an organisational structure that supports the performance of our statutory functions.

As noted in Figure 1, our organisational structure currently includes a non-ongoing part-time legal counsel, engaged in May 2021 for a 12-month pilot. This role was introduced by agreement with the Australian Public Service Commissioner in recognition that as an office dealing with applications and cases, we have an ongoing need for legal advice, and that potential conflicts may arise for the legal services unit of the APSC when advising the MPC. At the completion

Figure 1: Organisational structure



of the pilot, the role will be evaluated and a decision made as to whether that role becomes an ongoing position in the Office of the MPC.

In May 2021, we also engaged a non-ongoing Executive Level 1 communications specialist to develop our communications strategy and to lead our key communications projects. This role is for a seven-month period, following which communications support and strategy will revert to being provided by the APSC communications team.

We maintain a pool of skilled casual employees, who are engaged on an as-needed basis. The casual pool is utilised when there is a surge in review applications and casework, during periods of staff absence, and to undertake specific activities. These include convening a Promotion Review Committee, sitting on an Independent Selection Advisory Committee or conducting a Code of Conduct investigation. We currently have 15 casual employees.

Our Minister

The Minister is the Hon Ben Morton MP, Minister Assisting the Prime Minister and Cabinet, Minister for the Public Service and Special Minister of State.

Our legislation and statutory functions

The MPC’s statutory functions are set out under Part 6 of the Public Service Act and Parts 4, 5 and 7 of the Public Service Regulations 1999 (the Regulations). Additionally, the MPC has a specialised review function for the Australian Federal Police (AFP), which is set out in the *Australian Federal Police Act 1979* (AFP Act) and the Australian Federal Police Regulations 2018.

The specific statutory authorities for each of the MPC’s functions are set out in a table at Appendix A. The following sections provide a summary of each of our statutory functions.

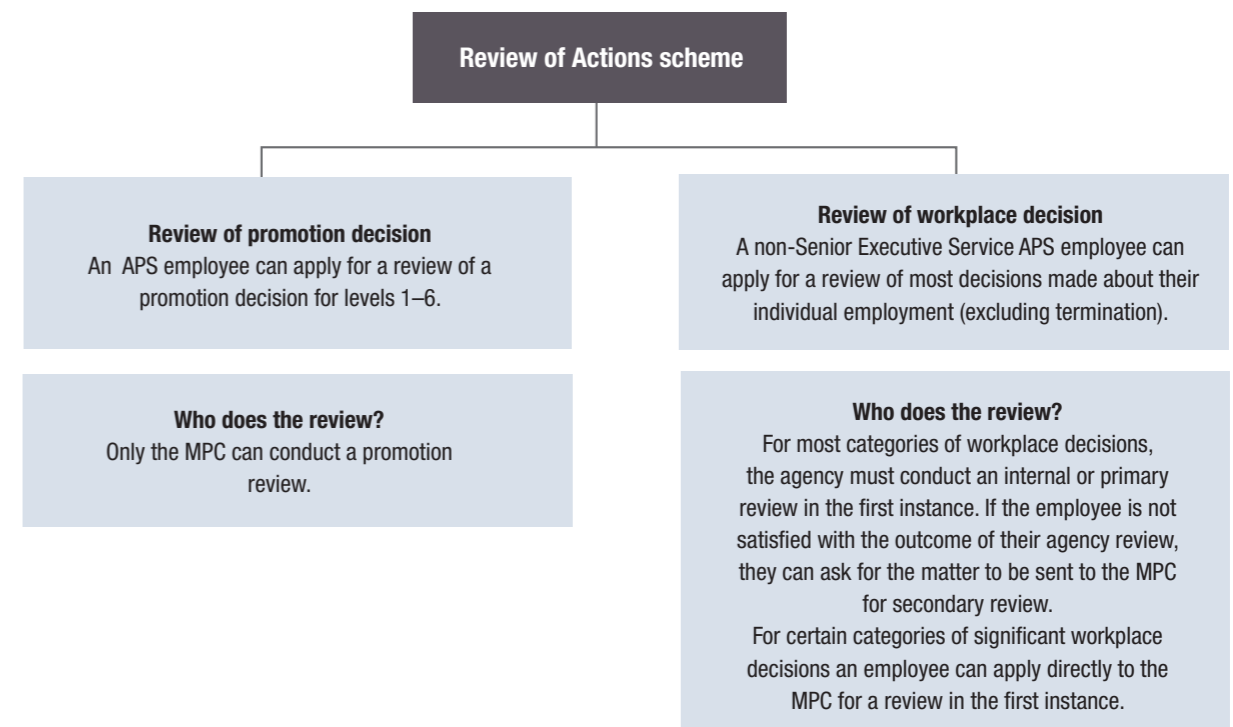
Review of Actions

Section 33 of the Public Service Act gives APS employees an entitlement to seek a review of an action or decision that relates to their employment (excluding decisions to terminate).

Our reviews are independent, fair and merits based and are conducted in accordance with the Regulations, which state that:

- APS agencies should achieve and maintain workplaces that encourage productive and harmonious working environments
- there should be a fair system of review of APS actions
- an APS employee’s concerns should be dealt with quickly, impartially and fairly
- the review process should be consistent with the use of alternative dispute resolution methods to reach satisfactory outcomes where appropriate
- nothing should prevent an application for review from being resolved by conciliation or other means at any time before the review process is completed.

Figure 2: Types of actions under Review of Actions scheme



The Review of Actions scheme is concerned with two types of actions that may be reviewed by either the APS agency or the MPC (as shown in Figure 2).

The outcome of an MPC review of a promotion decision is binding and must be accepted by the agency. Promotion reviews are solely concerned with merit—that is, the purpose is to assess the merits of the applicants and the promotee and determine which employee is most meritorious for the role. The review does not consider the process or whether there were faults in the original recruitment process. Promotion review is only available for promotions up to APS6 level and has strict eligibility criteria, which are discussed in the following chapter.

Unlike a promotion review, a review of a workplace decision has a recommendatory outcome. This type of review examines compliance with law, industrial instruments, policy and procedures, and considers whether the decision is the preferred or correct one. The MPC can recommend that the decision be confirmed, varied or set aside. This part of the scheme is two-tiered in that certain decisions must be first reviewed by the agency (for example, rejection of a flexible work application) before they can come to the MPC, while others—those that are especially significant

for the employee (for example, a finding that an employee has breached the Code of Conduct)—can come directly to the MPC. We review a range of different types of workplace decisions that relate to an APS employee's employment. The timeframes and eligibility criteria to seek a review depend on the seriousness and complexity of the matter and on the individual circumstances of the applicant. More information about review of workplace decisions is set out in the following chapter.

Review of involuntary retirement decisions for Australian Federal Police employees

The MPC can conduct merits reviews of certain decisions taken by the AFP Commissioner to compulsorily retire APS employees on invalidity grounds, because of physical or mental incapacity. This review scheme is set out in sections 32 and 33 of the AFP Act and in the AFP Regulations. It applies to all AFP employees, including sworn officers and civilian staff, where the AFP employee has not consented to the compulsory retirement.

Our role is to make sure the retirement decision is correct and preferable in the circumstances.

Complaints and inquiries

A former employee can make a complaint about the calculation of final entitlements on separation from the APS. These complaints often relate to payments made for leave accrued but not taken, delays in receiving final payments, or whether the

agency has provided adequate information to assist the employee to understand the calculation of their final payment.

The MPC can conduct an inquiry into:

- a public interest disclosure that relates to an alleged breach of the Code of Conduct and meets all the requirements of a disclosure in accordance with the *Public Interest Disclosure Act 2013*
- an alleged breach of the APS Code of Conduct by the Australian Public Service Commissioner
- an APS action, refusal or failure to act by a person in the capacity of an APS employee, Secretary or agency head, but only at the request of the Public Service Minister
- whether an APS employee, or former employee, has engaged in conduct that may have breached the Code of Conduct, but only at the request of an agency, and if the employee agrees.

Employer services

We can assist employers by providing recruitment and employment services. These services can assist an employer to make high-quality and timely recruitment decisions or to effectively manage allegations of misconduct or workplace disputes. These services are provided on a fee-for-service basis. The following are the key services the MPC can provide.

Independent Selection Advisory Committees

The MPC can establish an independent committee of recruitment experts to conduct a selection process on behalf of an APS agency. The establishment of a committee is made under the Public Service Act and is independent, merits based and cost effective. It is a useful option for specialised recruitments, for smaller agencies, or for large or sensitive recruitment processes where confidence in the process, time management or impartiality is a critical factor. Promotions resulting from an Independent Selection Advisory Committee are also not subject to promotion review under the Review of Actions scheme.

Recruitment services

The MPC can provide specialised recruitment services to APS and non-APS Commonwealth entities and to state and territory agencies and departments. Our services include highly skilled and independent convenors who can manage every stage of a merits-based recruitment process.

Workplace investigations and merits review of workplace decisions

A core function of the MPC is to conduct independent merits reviews of workplace decisions or actions for the APS. We can provide these services, as well as workplace investigation services, to non-APS agencies, non-APS Commonwealth entities, and state and territory agencies and departments on request.

Performance in reviewing APS actions

2.

Year-end totals for all reviews of actions

During 2020–21, the Merit Protection Commissioner (MPC) received 746 applications from Australian Public Service (APS) employees seeking a review of a workplace decision that had affected their employment, or a review of a promotion decision.

Of the 746 applicants:

- 576 applied for a review of a promotion decision
- 69 applied for an MPC direct review of a determination that they had breached the APS Code of Conduct and/or the subsequent sanction decision
- 14 applied for an MPC direct review of a workplace decision on the basis that it was not appropriate for the agency to conduct its own internal review

- 87 applied for a secondary review of a workplace decision that had already been subject to their APS agency’s primary review.

Trends in application numbers

Figures 3 and 4 show the trend of applications received for promotion reviews and reviews of workplace decisions over a five-year period.

The number of applications for a promotion review varies from year to year. This pattern can also be seen in Figure 6 later in this chapter, which shows application numbers by year and month. The variability in numbers is a direct result of the volume and scale of recruitment activity undertaken by the larger APS agencies during the year. The number of applications was lower in 2020–21 than in previous years and reflects lower recruitment activity across the larger APS agencies.

Based on previous years, we anticipate an increase in applications for a promotion review in the coming financial year.

Figure 3: Applications for a review of a promotion decision, over a five-year period

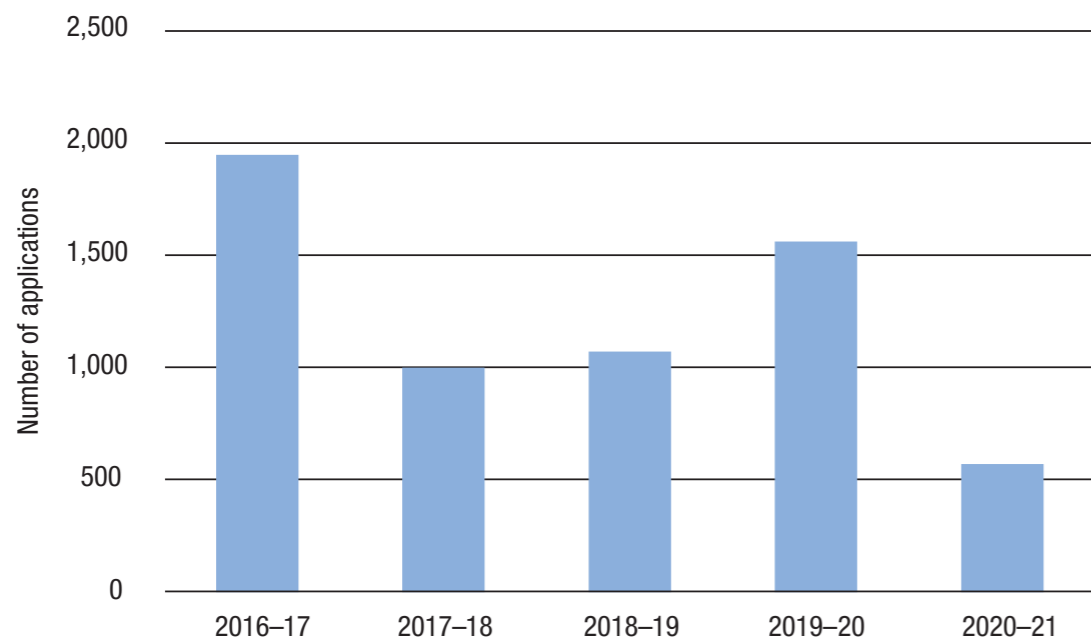
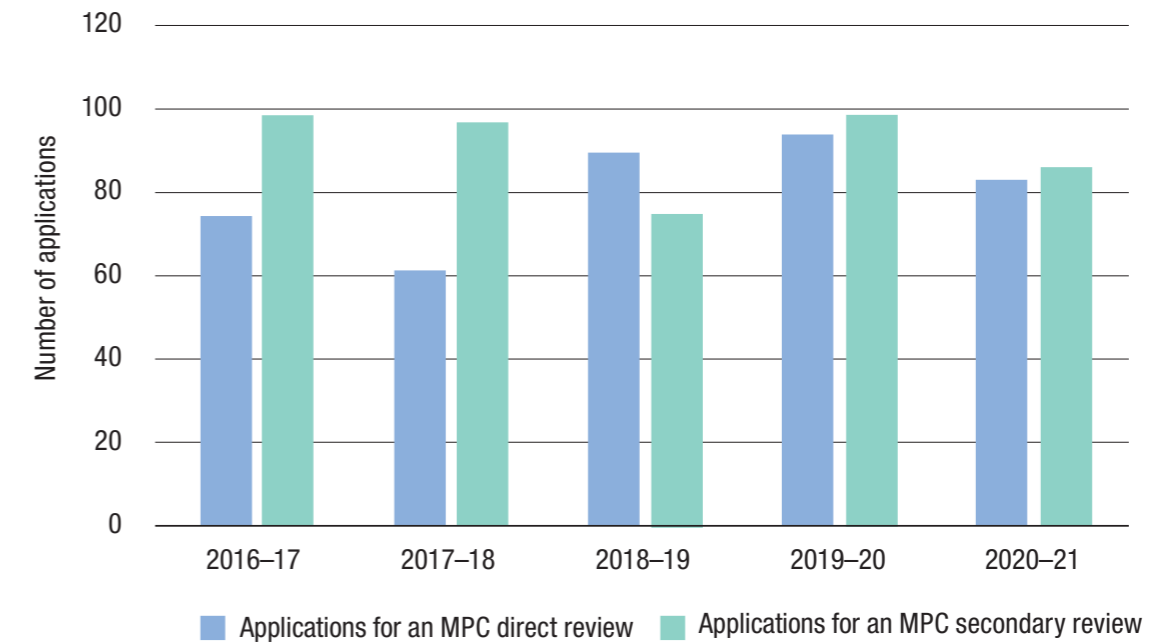


Figure 4: Applications for a review of a workplace decision, over a five-year period



The number of applications for review of workplace decisions has remained relatively stable over time. Note that there has been a gradual increase over time in the number of applications from APS employees seeking an MPC direct review of a workplace decision. The majority of these are reviews of breaches of the Code of Conduct and sanction decisions (see ‘Review of workplace decisions’ later in the chapter).

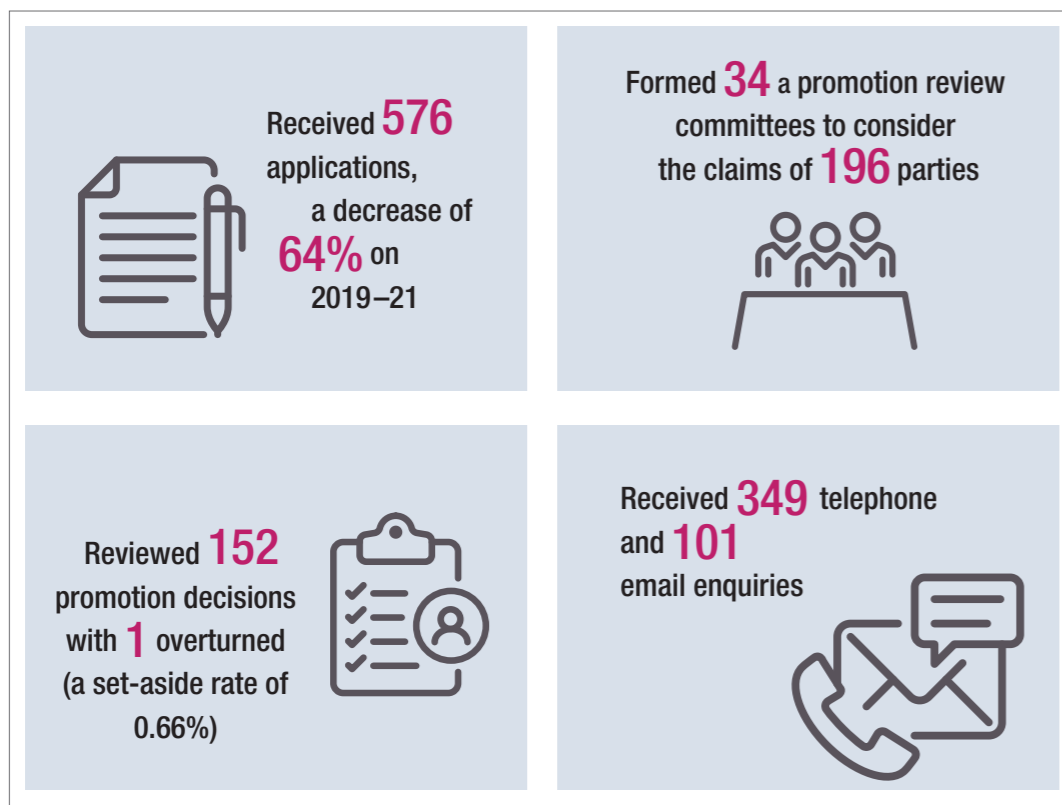
Contact with us

During 2020–21, we received 975 enquiries through either telephone or email. Of these, 599 were telephone enquiries and 223 were emails. The enquiries were about a range of topics related to our review functions. Most were from employees seeking advice on the eligibility criteria, on how to make

an application and about timeframes. We also received calls from managers and human resources (HR) practitioners seeking guidance on their role and responsibilities in the review process. Wherever possible, we try to help resolve the caller’s issue. We aim to provide advice and guidance to assist agencies to make better decisions and meet their procedural requirements.

We also received and responded to 108 calls and 45 emails that were on matters not within our jurisdiction or were misdirected enquiries.

Review of promotion decisions



About promotion reviews

Who can apply for promotion a review?

The entitlement to seek a review of a promotion decision is limited to certain APS employees and classifications, and can also depend on the location of the role.

To be eligible, an applicant must:

- be an ongoing APS employee, and
- be employed at APS classification level 5 or lower, and
- have applied for a promotion to a role at a higher classification, up to APS classification level 6, and
- have applied to the same location as the successful applicant.

The entitlement only applies in circumstances when:

- the person who won the promotion is an ongoing APS employee, and
- the role is a permanent role at a higher APS classification, and
- the application for review is made within the statutory timeframes.

In many recruitment actions, only one vacancy in one location has been advertised. In this circumstance, only unsuccessful APS job applicants for that vacancy can apply for a promotion review. There are, however, circumstances where a person who has won a promotion, and who meets the eligibility criteria for a review, can also apply for

review of a promotion decision. We call these 'successful applicants' but they are sometimes called 'protective applicants'.

This occurs when an agency conducts a 'bulk' round of recruitment, often advertising multiple roles, across multiple locations are advertised. For example, an employee may have applied for the same role in the Brisbane Mount Gravatt office, the Brisbane central business district (CBD) office, and the Brisbane Logan office. They may have been successfully promoted to a role in the Brisbane Mount Gravatt office, but they are still entitled to lodge a promotion review application for the roles they applied for in the Brisbane CBD office and the Brisbane Logan office. In many cases, a successful applicant for promotion will lodge a 'protective application' just in case another employee makes an application against the promotion. The reasoning is that if the promotion is overturned by a Promotion Review Committee (PRC), the protective applicant will have an opportunity to apply for a review of another employee's promotion, and potentially have it overturned. We had no cases this year where this scenario occurred.

Steps in reviewing a promotion decision

The purpose of conducting reviews of promotion decisions is to make sure the person with the most merit was promoted to a role. There are a number of important steps to completing a review of a promotion decision.

1. PROMOTION IS PUBLISHED IN APS GAZETTE

APS promotions are published weekly in the APS Gazette and online at APSjobs.gov.au.

An employee who seeks to have a promotion reviewed by the MPC has 14 days from the date of this notice to make an application.

2. APPLICATIONS ARE ASSESSED

Applications are assessed to determine whether the applicant and the circumstances of the promotion meet the eligibility criteria. Ineligible applicants and those who make invalid applications are advised why their application does not proceed to a promotion review.

3. PUBLICATION NOTICE ON MPC WEBSITE

Every Friday a notice is published on the MPC website of the promotions that have been named in an application for promotion review. A case is created, and the applicant(s) and promoted employee now become parties to the case.

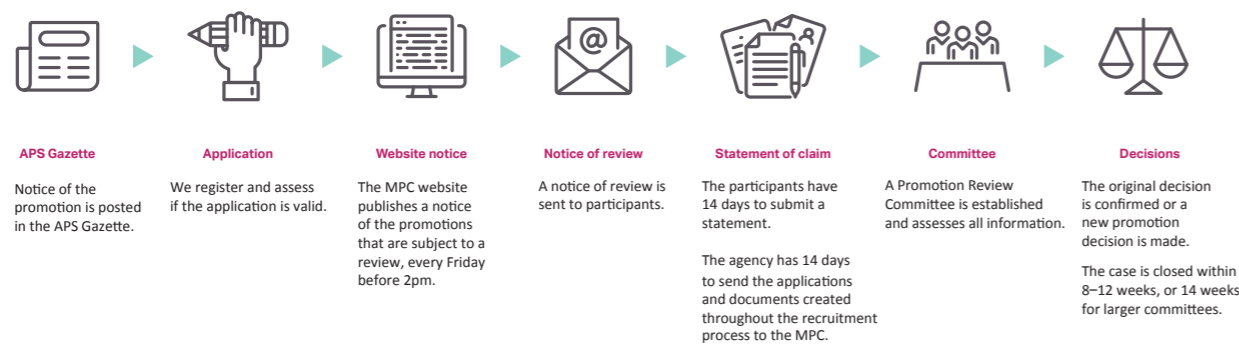
4. PARTIES ARE NOTIFIED

All parties to a case receive a notice that a review is now in progress. This includes the agency that conducted the original recruitment process. This notice has instructions and advice for the parties on the next steps and timeframes.

5. STATEMENT OF CLAIM

Parties are given an opportunity to submit a statement in support of their claim to the promotion. A statement can include new evidence, or information not otherwise considered in the initial recruitment process. An agency must give us all the documents and evidence relating to how the original recruitment panel reached its decision on who had the most merit. This information is collated and provided to the PRC.

Figure 5: Stages of a promotion review



6. ESTABLISH A PROMOTION REVIEW COMMITTEE

Members are appointed to a PRC in accordance with the Public Service Regulations 1999, to perform a review of a promotion decision on behalf of the MPC. A PRC has three independent and equal members.

7. DECISION

A PRC decides who is the most suitable candidate and has the greatest merit to

perform the duties of the role. The PRC considers all relevant recruitment records, including the role description, essential criteria, referee reports, selection report and statements of claim. A PRC may decide to conduct face-to-face interviews.

Once a decision is reached, the PRC completes a report and provides constructive feedback to unsuccessful applicant(s). The PRC’s decision is final and must be complied with by the agency.

Why do some agencies have more applications than others?

The number of applications will depend on the volume and scale of each agency’s recruitment activities.

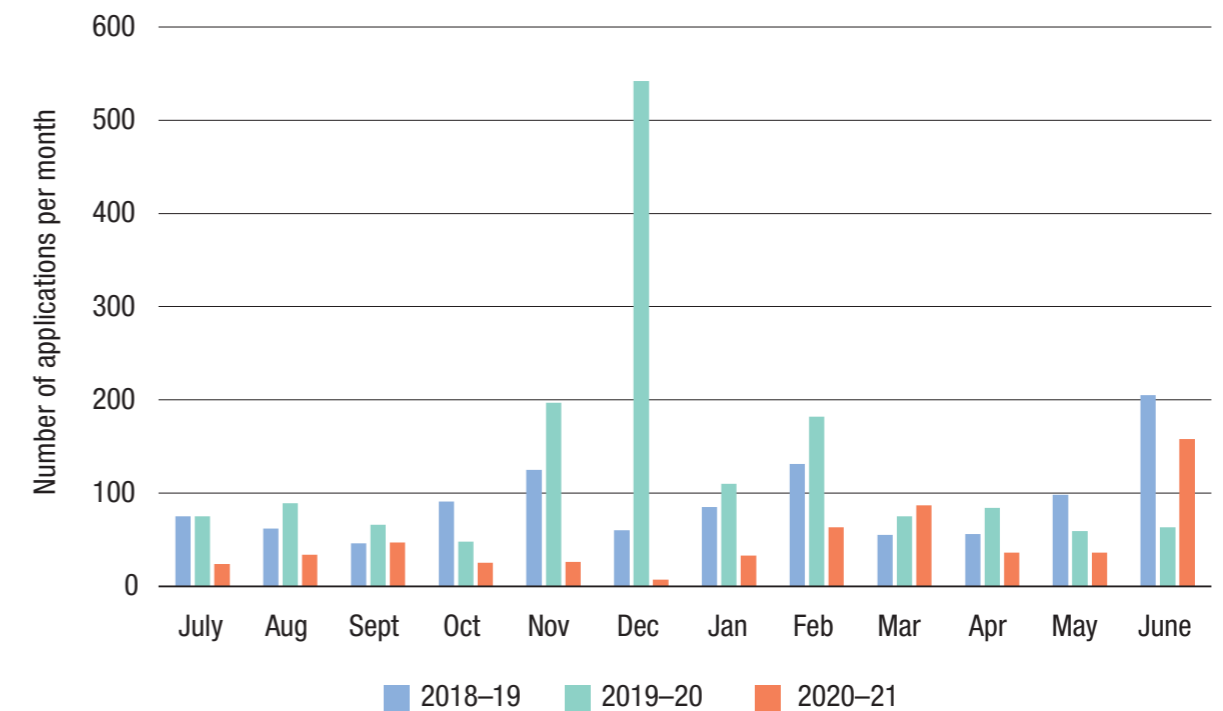
Larger agencies (such as the Australian Taxation Office (ATO)) can conduct recruitment rounds that assess the merits of hundreds of applicants for hundreds of vacancies for the same role in different towns, states and territories. This type of recruitment activity will generate more opportunity for individual employees to exercise their right to seek a review.

Another factor is the culture of the agency and the value it places on its employees’ right to know and understand their entitlements.

A positive workplace culture has a commitment to informing employees of their right to seek a review.

Agencies can do this by having senior management send a clear message of support through the human resources (HR) team and by having high-quality induction programs, as well as training and internal communications that assist their staff to understand their entitlements and how to seek a review.

Figure 6: Applications for a promotion review received, by month, over a three-year period



Applications received

In 2020–21, we received 576 applications for a review of a promotion decision. As shown in Figure 6, applications for promotion reviews can fluctuate significantly from month to month, consistent with the level of recruitment activities in APS agencies.

Table 1 includes the number of applications from APS employees who were promoted (successful candidates) but still made a promotion review application against another promotee. In most instances, these applications lapsed after the 14-day timeframe for applications to be received closed. These applications lapsed because no employee made a promotion review application against the successful candidate’s promotion.

Table 2 lists the outcomes of the 576 applications for a promotion review received this financial year.

Table 1: Applications received from successful and unsuccessful applicants

Applications received	Number
Successful candidate (protective)	433
Unsuccessful candidate	61
Total	494*

*Note: This total does not include the 82 applications assessed as ineligible, withdrawn or yet to be assessed at 30 June 2021.

Table 2: Outcomes of applications for a promotion review

Application outcomes	Number
Lapsed	326
Promotion review case created	168
Ineligible	70
Withdrawn	6
Received, not yet assessed	6
Total	576

Promotion review cases

When we prepare for a promotion review, we create a 'case'. A case is how we track applications to a particular agency, vacancy and location. A case can include numerous parties seeking to have their merit assessed for a role.

For each case, we gather together statements of claim, role descriptions, referee reports, selection reports and any interview notes created by the agency's recruitment panel. This information is collated to assist the PRC to make its decision.

We handled 60 cases this year. Of those, 21 did not proceed to a promotion review because the applications lapsed or were withdrawn. There were 34 cases where a PRC was established to review a promotion decision, involving a total of 196 individual parties. The remaining five cases were not completed in this financial year (see Table 3).

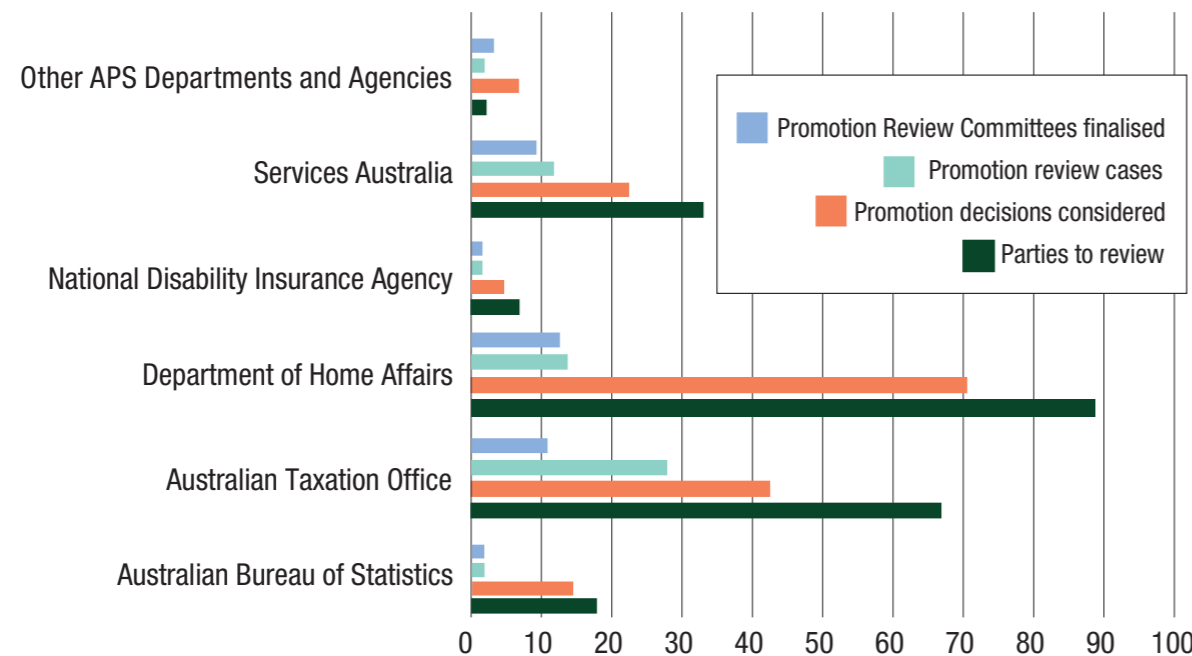
Table 3: Status of promotion review cases

PRC cases	Number
Proceeded to promotion review	34
Lapsed or withdrawn	21
Ongoing	5
Total	60
Parties involved	
Number of parties	196

During 2020–21, the largest number of parties to a promotion review for a single recruitment exercise was 19. This compares with 52 in 2019–20 and 71 in 2018–19. Five other promotion review cases had 10 or more promotion review parties, compared with 24 in 2019–20 and nine in 2018–19.

Figure 7 breaks down cases by agency, with the number of decisions considered, the total number of parties involved, and the number of PRCs finalised.

Figure 7: Promotion review workload by agency



Promotion review outcomes

In the vast majority of promotion reviews, a PRC does not vary or change the promotion decision. This year, only one promotion decision was overturned by a PRC, which is similar to previous years (four in 2019–20 and two in 2018–19).

an improvement on last year's result, which was 78%. However, last year we dealt with a significantly higher number of applications, which surged in late 2019 and early 2020. In 2018–19, we completed 95% of cases within our timeliness target.

Timeliness

Our performance target for conducting promotion reviews is for 75% to be completed:

- within eight weeks of the closing date where there are up to 10 parties to the review
- within 12 weeks of the closing date where there are 10 or more parties to the review.

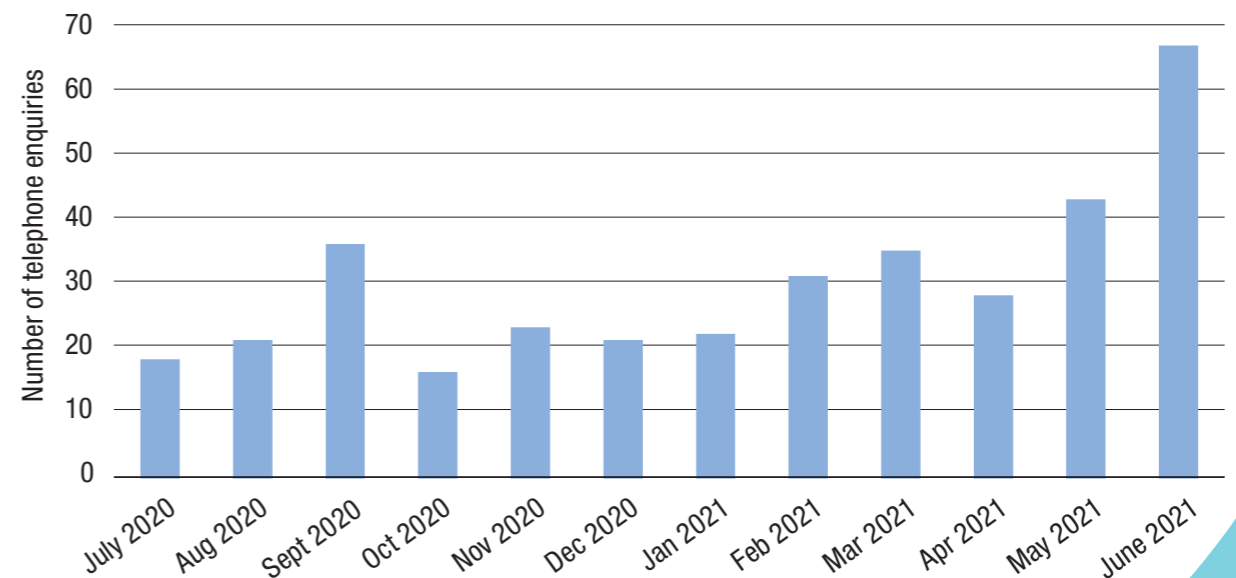
This year, we completed 100% of promotion reviews within our target timeframes. This is

Contact with us

We collect data on the number of enquiries we receive from employees, agencies and applicants about promotion reviews. We will continue to improve our collection and analysis of this data and use it to make decisions about where we focus our resources.

Throughout the year, we received 349 telephone enquiries about the promotion review process, which represents 58% of all telephone enquiries received. We received 101 email enquiries about promotion reviews during 2020–21.

Figure 8: Promotion review telephone enquiries by month



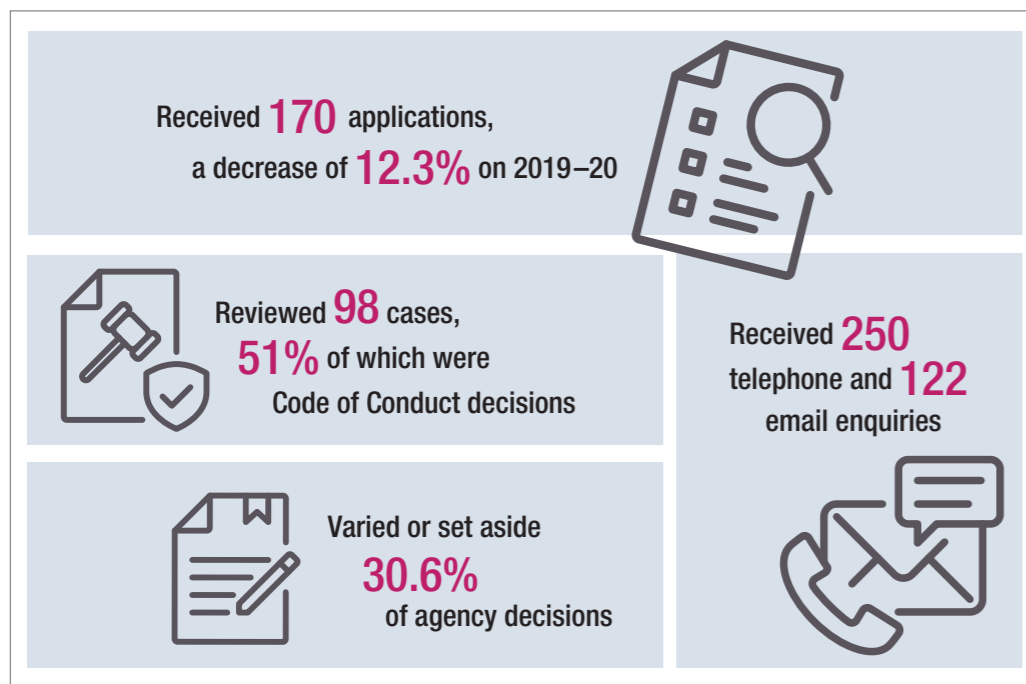
Of the 349 promotion review telephone enquiries received:

- 116 concerned a current promotion review case (33%)
- 211 were general enquiries about promotion reviews (60%)
- two concerned a finalised promotion review case (less than 1%)
- 20 were categorised as 'other' (6%).

By agency, the breakdown of promotion review telephone enquiries was:

- 153 concerning the ATO (43%)
- 41 concerning Services Australia (11%)
- 28 concerning the Department of Home Affairs (8%)
- 127 concerning four other agencies or an undisclosed agency (36%).

Review of workplace decisions



About review of workplace decisions

Who can apply for a review of a workplace decision?

The entitlement to seek a review of a workplace decision is available to all ongoing and non-ongoing non-Senior Executive Service (SES) APS employees.

A former employee (non-SES) can seek a review in one circumstance: a determination that they have breached the Code of Conduct. This entitlement only applies if the decision was made after the employee left the APS.

What workplace decisions can be reviewed?

We can conduct reviews of a range of workplace decisions that affect a person's employment in the APS. For example, we can review decisions about performance management ratings, improvement plans and leave requests, and the handling of complaints about bullying, sexual harassment or inappropriate workplace behaviour.

We also review determinations that an employee has breached the Code of Conduct and any associated sanction decision, including a reduction in salary or classification, reassignment of duties or a reprimand.

Decisions that we cannot review include decisions that involve high-level strategic and resourcing decisions or the reasonable assignment of duties. These exclusions are set out in Schedule 1 of the Regulations.

MPC direct versus secondary review

As outlined in Part 1, for certain workplace decisions, an employee can apply directly to the MPC to review a workplace decision; for the remainder, the agency must conduct the initial or primary review before it comes to our office. We explain below the difference between an MPC direct review and an MPC secondary review.

MPC direct review

APS employees can apply directly to the MPC to conduct a review of a workplace decision without first applying to their agency in certain circumstances:

- An investigation has determined that the APS employee (or in certain circumstances, a former employee) breached the Code of Conduct and/or the resulting sanction decision.

b. It is not appropriate for the agency to conduct an internal primary review of the workplace decision because:

- the agency head was directly involved in making the decision or taking the action that is the subject of the review
- it is not appropriate due to the seriousness or sensitivity of the decision or the action
- it is alleged the action or decision is victimisation or harassment of the employee for having made a previous application for review.

APS agencies are also able to refer matters requesting that the MPC conduct a direct review in circumstances where:

- the agency head was directly involved in the decision or the action
- it is not appropriate for the agency to conduct the review due to the seriousness or sensitivity of the matter
- the decision was taken by a statutory officer and that officer is supervising or managing the APS employee.

MPC secondary review

With the vast majority of decisions, an APS employee must first request that their agency conduct an internal review. This is generally called a 'primary' review. It is designed to give agencies an opportunity to:

- deal with serious or less complex matters quickly and informally
- resolve an issue before it escalates to something more serious
- fix a problem, mistake or error with a decision quickly
- identify and address an emerging issue before it becomes a systemic problem.

If the employee is not satisfied with their agency's primary review, they advise the agency that they request that the MPC conduct a secondary review. The agency must forward the review to the MPC for the secondary review. This means we have a fresh look at the original decision.

Employees are also entitled to apply for an MPC secondary review if their agency head has declined a request to conduct a primary review of a decision.

Steps in reviewing a workplace decision

Our reviews are independent, fair and merits based. Our role is to stand in the shoes of the original decision maker and to take a fresh look at the relevant facts, law and agency policy to reach a decision. We must have regard to the individual circumstances of each matter. We may also ask for additional supporting documents such as policies, procedures and examples of the applicant's work or rosters. It will depend on the issue or decision we are reviewing. Each review is unique.

Once our review is completed, we make a recommendation that the agency:

- uphold its original decision or action, or
- vary it in some way, or
- set it aside, including in some cases recommending an alternative outcome.

Figure 9 illustrates the steps in reviewing a workplace decision, whether it is reviewed by the agency first or comes directly to the MPC in the first instance.

Applications received

Our total review caseload for 2020–21 was 197 cases, comprising 170 applications received during the year and 26 applications carried over from the previous year. We finalised 177 and the outcomes were:

- 98 proceeded to review
- 49 did not meet the eligibility criteria for review
- 23 were withdrawn prior to a review being finalised
- seven were resolved prior to completion of the review, where parties agreed to an outcome that no longer required our involvement.

Table 4 shows the number of applications for review of a workplace decision we received and finalised this year and the number of agencies whose decisions were subject to an MPC review.

Figure 9: Flowchart of the life cycle of a review

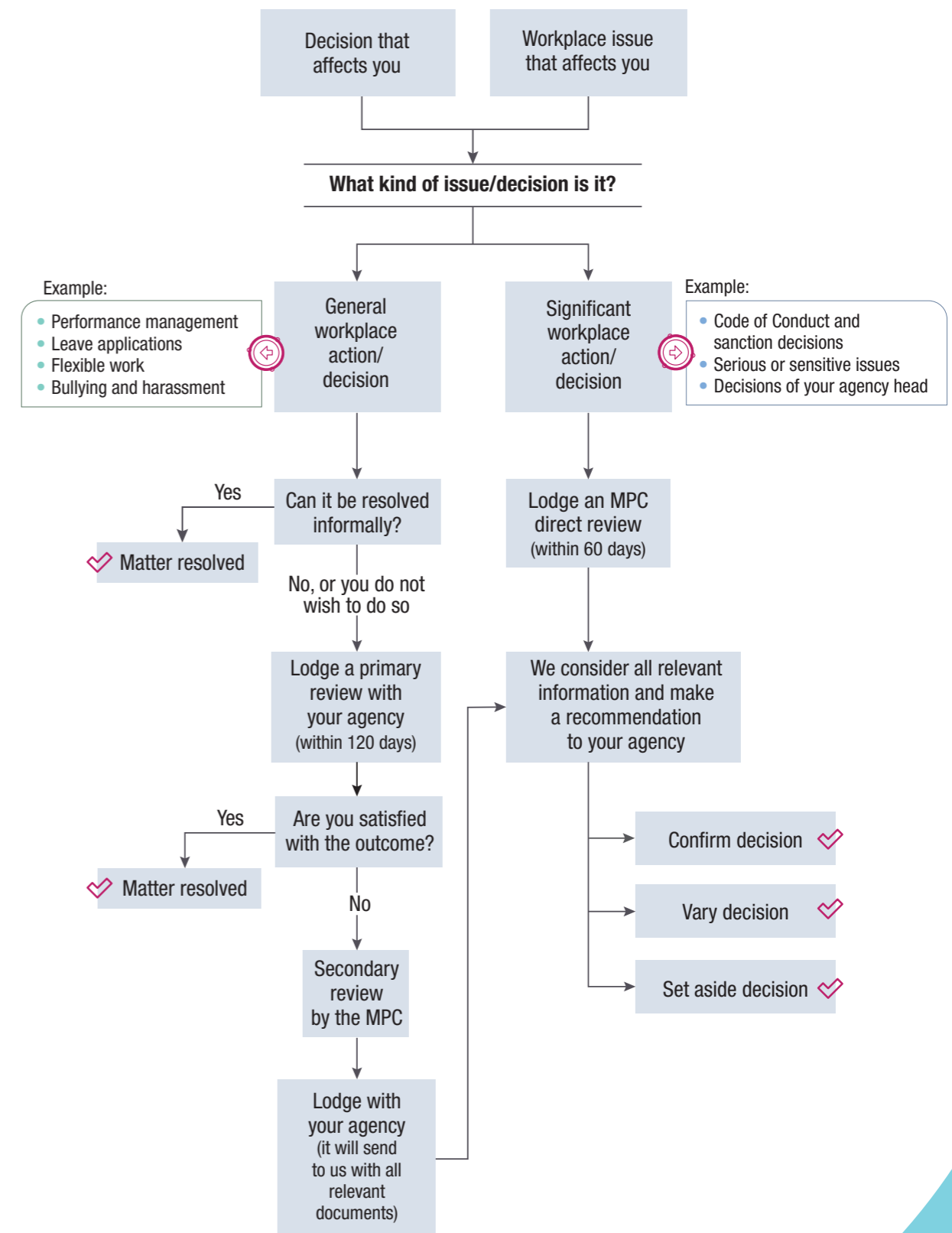


Table 4: Applications received and finalised and the number of agencies involved

Applications	2020-21
Received	170
Finalised	177
Agencies involved	28

Figure 10 shows the number of applications received over a 10-year period. This year, we had a 12% decrease in the number of applications received, compared last year. Despite this, the numbers have remained relatively stable over a number of years, particularly in relation to applications reviewed (98 applications were reviewed this year compared to 99 last year).

Nearly 30% of all applications for review of a workplace decision did not proceed to review.

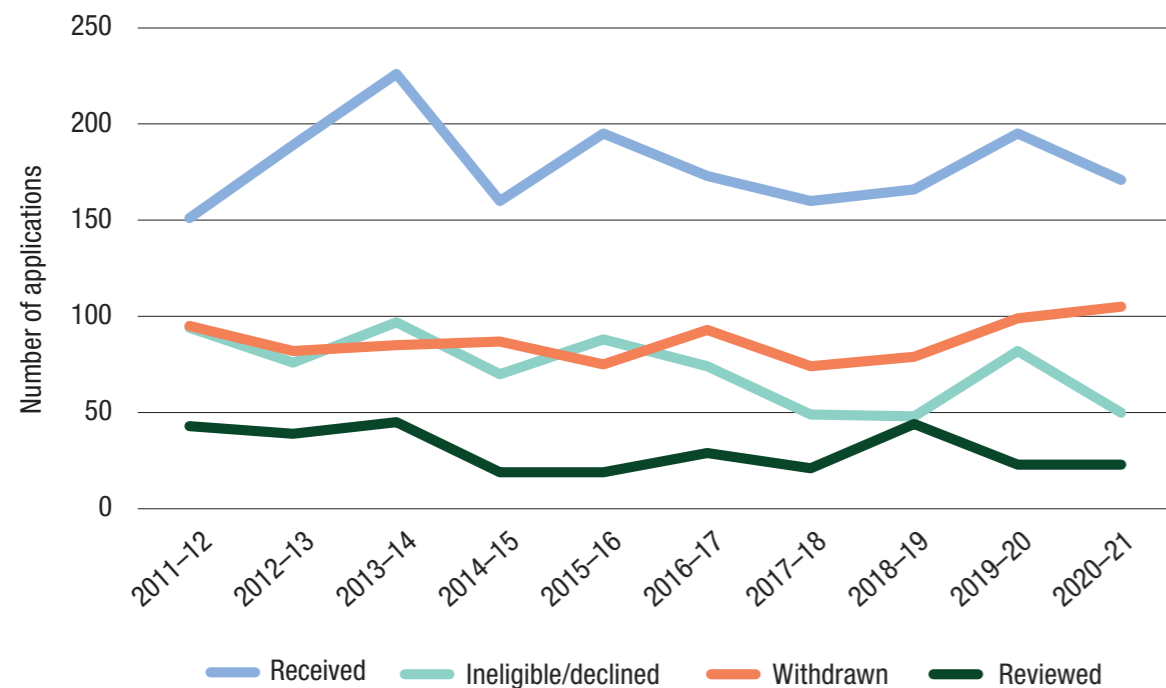
The primary reasons for this are:

- the decision was excluded under Schedule 1, item 10 of the Regulations—for example, it was an operational, strategic policy or resourcing decision that did not have a personal impact on the applicant
- there were no special circumstances relating to the decision or the applicant that enabled the MPC to conduct a direct review prior to the agency doing its own internal review
- the applicant made their application out of time, and without evidence of an exceptional circumstance to explain the delay.

For applications that do not proceed to review, we provide written reasons for our decision and advice on other courses of action to resolve the applicant's concerns.

Next year, we will continue to improve how we communicate with and inform APS employees and agencies on how we

Figure 10: Applications received and outcomes over a 10-year period



make our decisions, and about timeframes and eligibility criteria. We hope to see a corresponding reduction in the number of ineligible applications in the coming year. APS employees who have applied for a promotion at Executive Level 1 or 2

classification and allege there was a 'serious defect' in the recruitment process can seek a review. This year, we received three such applications, all of which were declined on the basis that there was insufficient evidence to meet the criteria for serious defect.

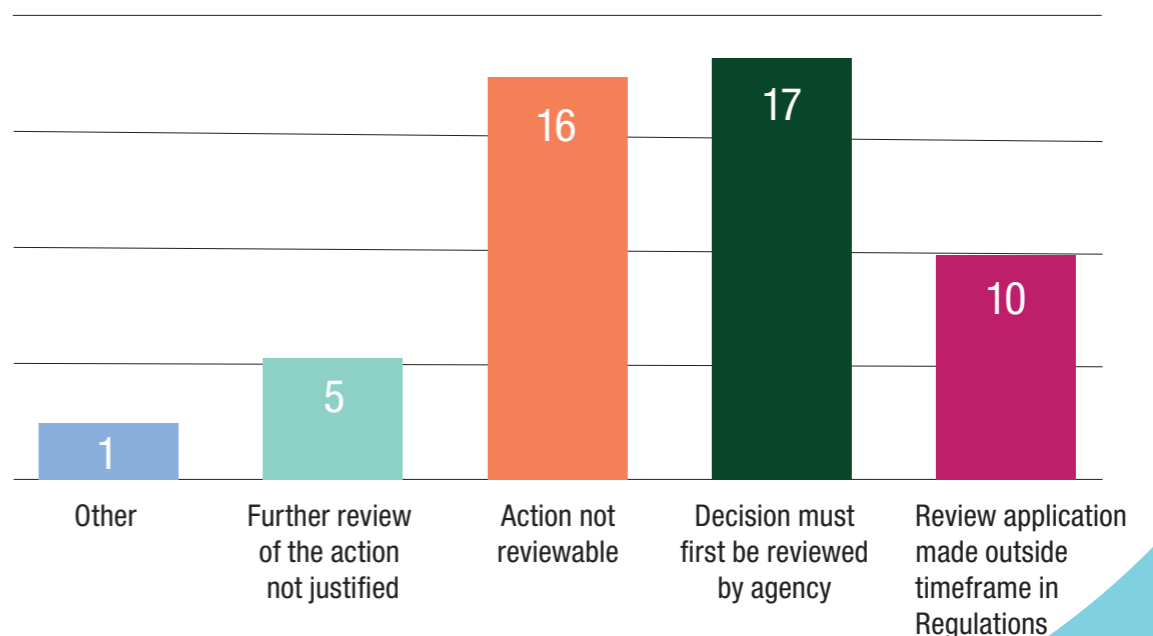
Reviewing the consistency of the recruitment process

A recruitment process involved only a short interview with each candidate. The applicant considered that it was a serious defect in the selection process for the panel to have rated the suitability of the applicants solely on their performance at the interview.

In the applicant's view, the panel should have had broader consideration of the skills, qualifications and experience outlined in the written application and curriculum vitae. Our review noted that the merit principle in the Public Service Act defines when a decision is based on merit but does not restrict the way in which an agency may assess an applicant's relative suitability for the role. Our review found that each interviewed applicant was afforded the same process and the panel decision was based on an assessment of each candidate's suitability to perform the role.

While we did not consider there were any serious defects, we noted the agency had used different decision makers for different stages of the recruitment process. We wrote to the agency and encouraged it to reconsider this practice in its future selection processes.

Figure 11: Reasons applications did not proceed to review



Note: The 'Other' matter was more suitably handled by another agency.

Applications by agency

There are 112 agencies in the APS, of which only 28 (25%) had employees seek a review by the MPC of a workplace decision. The four largest agencies by number of employees—Services Australia, the ATO, the Department of Defence and the Department of Home Affairs—comprise 56% of APS employees and 65% of review applications made to our office. Table 5 shows the breakdown of applications by agency for 2020–21.

Table 5: Applications by agency

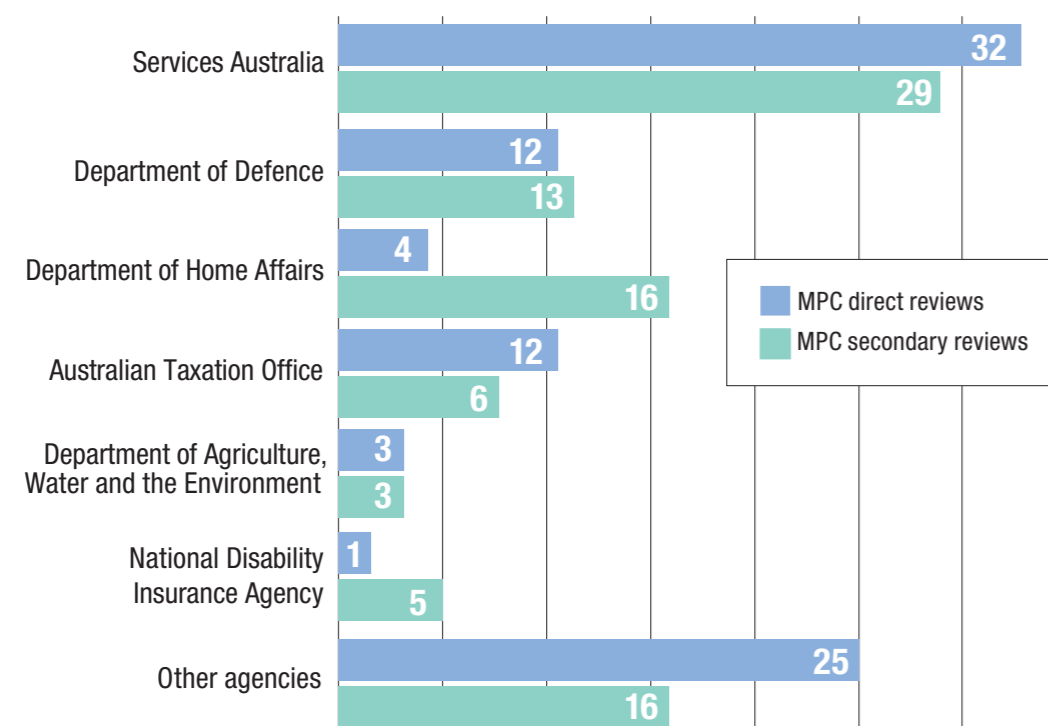
Applications	2020–21
Services Australia	53
Department of Defence	23
Department of Home Affairs	20
ATO	14
All the rest	60

Figure 12 shows the number of applications received for direct review and for secondary review, by agency. About half of the applications from Services Australia, the ATO and Defence employees were made directly to the MPC, meaning the decision was serious, involved the Code of Conduct, or similar.

We received more applications (75%) from Home Affairs employees who were not satisfied with the outcome of the agency’s primary review.

The MPC meets senior representatives of these agencies on a regular basis to discuss significant issues, timeliness and any patterns or trends identified during our review work.

Figure 12: Applications for reviews of workplace decisions, by agency and type



Note: ‘Other agencies’ comprises 13 agencies with fewer than five review applications each.

Review outcomes

In 2020–21, we completed 98 reviews of workplace decisions to determine whether the correct and preferable decision had been made. Conducting a merits review is resource intensive and requires considerable skill as well as a deep understanding of the principles of administrative decision-making.

Of the 98 reviews:

- in 68 (69%) we agreed with the original decision and recommended that the agency decision or action be upheld
- in 30 (31%) we recommended that the decision under review be varied or set aside.

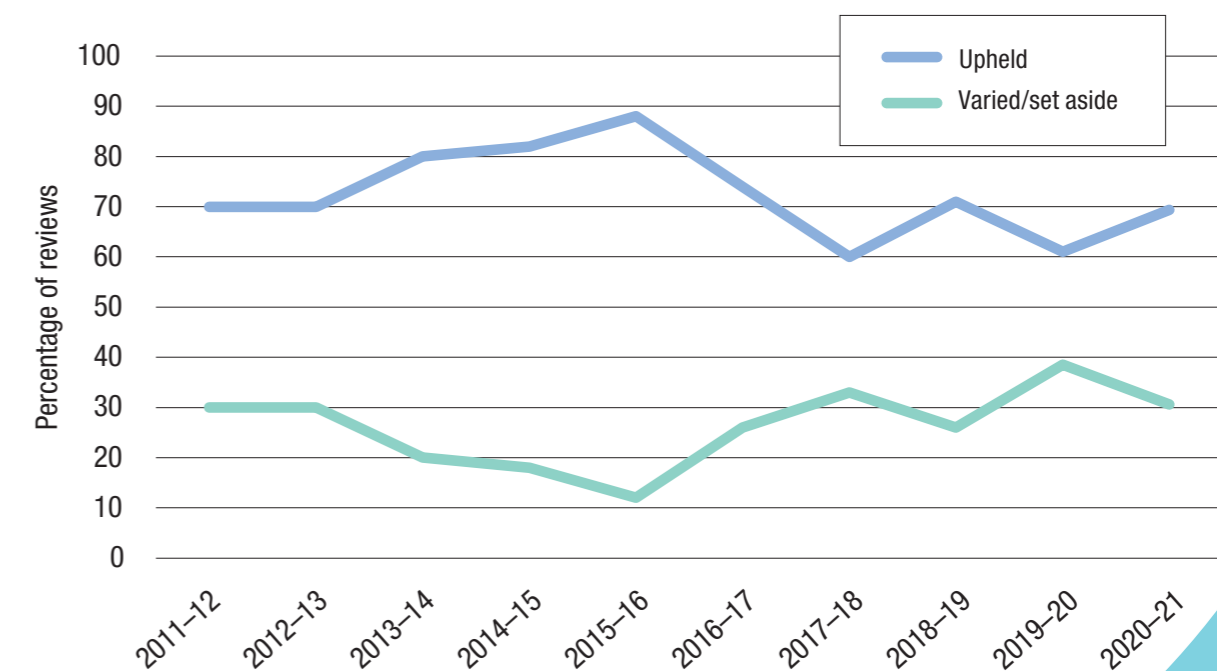
This year, all but one of our recommendations to agencies were accepted.

Table 6: Percentages and totals of decisions set aside or varied

Decisions set aside or varied	2020–21
Code of Conduct	15 (30%)
Secondary review of workplace decision	14 (32%)

Figure 13 shows the trend over time in the proportion of cases upheld, varied or set aside. There was a small increase in the number of decisions upheld this year. We will continue to identify areas where we can build capability and capacity in the sector to reduce this rate. We do this through our community of practice forums, having case studies on our website and developing tip sheets for agencies and decision makers on how to make good decisions.

Figure 13: Percentage of agency actions set aside/varied or upheld, over a 10-year period



The main reasons why we set aside a decision or recommend that the agency vary it are:

- significant procedural errors
- insufficient evidence to support the decision maker's conclusions about facts relating to the case
- misapplication of a policy or an enterprise agreement

- insufficient weight or consideration given to the individual circumstances of the matter.

The following case studies are examples where an agency did not comply with its procedural obligations, where the individual circumstances of the applicant were not properly considered, and where a delay resulted in an unfair decision being made.

A procedurally unfair misconduct investigation

An employee was found to have engaged in harassing and bullying behaviour towards a co-worker. The employee's conduct was found to have breached the Code of Conduct. The employee sought a review on the basis that the decision was unfair and wrong.

Misconduct investigations in the APS must meet the requirements of procedural fairness and comply with the agency's procedures for handling misconduct investigations, including that:

- the employee must be informed of the allegations against them
- the employee must be given a reasonable opportunity to respond to the allegations
- the person making the decision must be independent and unbiased.

In our view, the decision maker's actions indicated that they had already made up their mind that the employee had engaged in misconduct prior to hearing the applicant's version of events. When putting their preliminary view to the employee, the decision maker invited them to identify which sections of the code were breached, without providing any opportunity to discuss whether they had engaged in the conduct. This supported the view that the decision maker failed to have an open mind, raising a perception of apprehended bias. In addition to this, the allegations lacked sufficient detail for the applicant to fairly and adequately respond.

We recommended that the agency set aside the decision on the basis that the employee did not get a fair or unbiased hearing. The agency accepted this recommendation.

Failure to take individual circumstances into account

An employee applied to work from home for one week to care for their elderly parent following surgery. The agency declined this request on the basis that the employee would be unable to both care for their parent and perform their duties. The agency instead invited the employee to submit an application for carer's leave. The employee did so, and this was granted.

The employee applied for a review as they felt the agency decision was unfair and did not take into account the exceptional circumstances of their situation. On review, we noted the following significant features in the employee's application to work from home:

- the employee's parent required monitoring but minimal actual care
- the need for care was urgent, unexpected and of brief duration.

The agency did not appear to take into account the above considerations in declining to grant the request to work from home. Available evidence indicating that the employee was monitoring their parent rather than providing personal care was a significant consideration in determining whether they were able to perform their duties remotely. In these circumstances, granting the application to work from home would not have negatively impacted the operational requirements of the business.

We recommended that the decision be set aside. The agency accepted this recommendation. The employee's carer's leave was re-credited to them and recorded instead as paid miscellaneous leave.

A delayed decision was unfair

An employee applied to advance within their broadband, from APS level 3 to APS level 4. The application was denied.

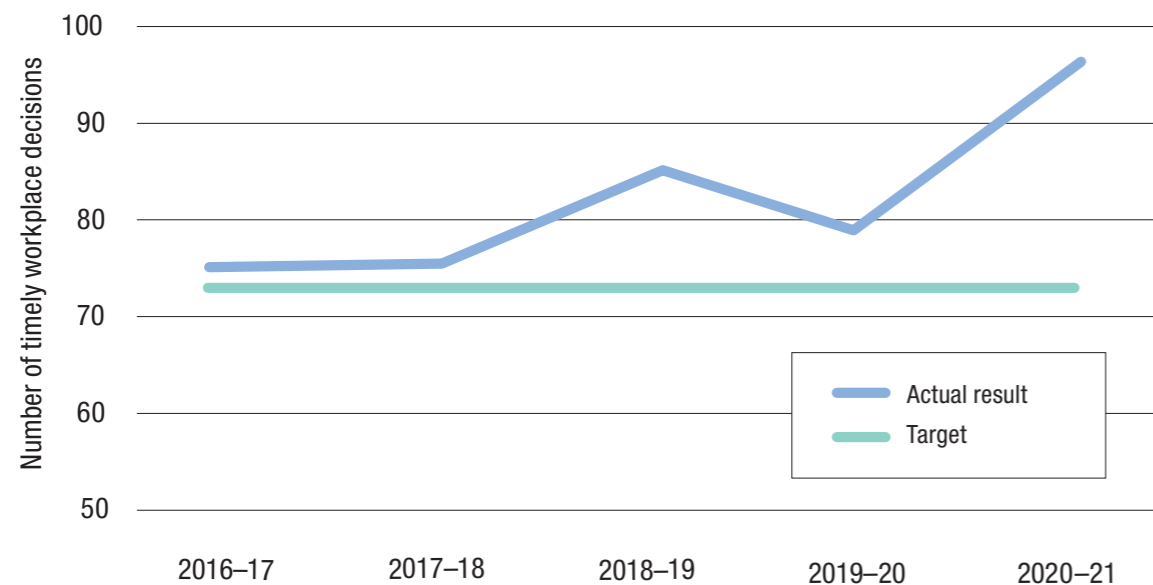
The agency's policy and guidelines required the supervisor to assess the employee's application within 21 days. However, in this case the agency took almost a year to consider the employee's application. In our view, this was an unreasonable delay. A number of changes occurred within that year which the agency attributed the delay to; however, in our view the assessment process was relatively simple and routine, and could have been done within the 21-day time limit.

When the agency did assess the employee's application, it took into account subsequent events including reduced output due to a change in duties while the employee was learning a new role. In our view, this approach was unfair. We considered that the agency should have assessed the employee against their performance at the time of their application (or within the 21 days) and not on the job requirements that were in place almost a year later, after the employee had changed roles.

When we looked at the evidence, we found that the employee had met all the requirements at the time they lodged their application. This included that they demonstrated appropriate capability at the higher APS level 4 and met all the other requirements to advance.

We recommended that the agency set aside the decision and that the employee be approved for broadband advancement. We recommended that this be backdated to the time when it should have been assessed, which was 21 days from the date of the application. The agency agreed to these recommendations.

Figure 14: Timeliness of reviews of workplace decisions, over five years

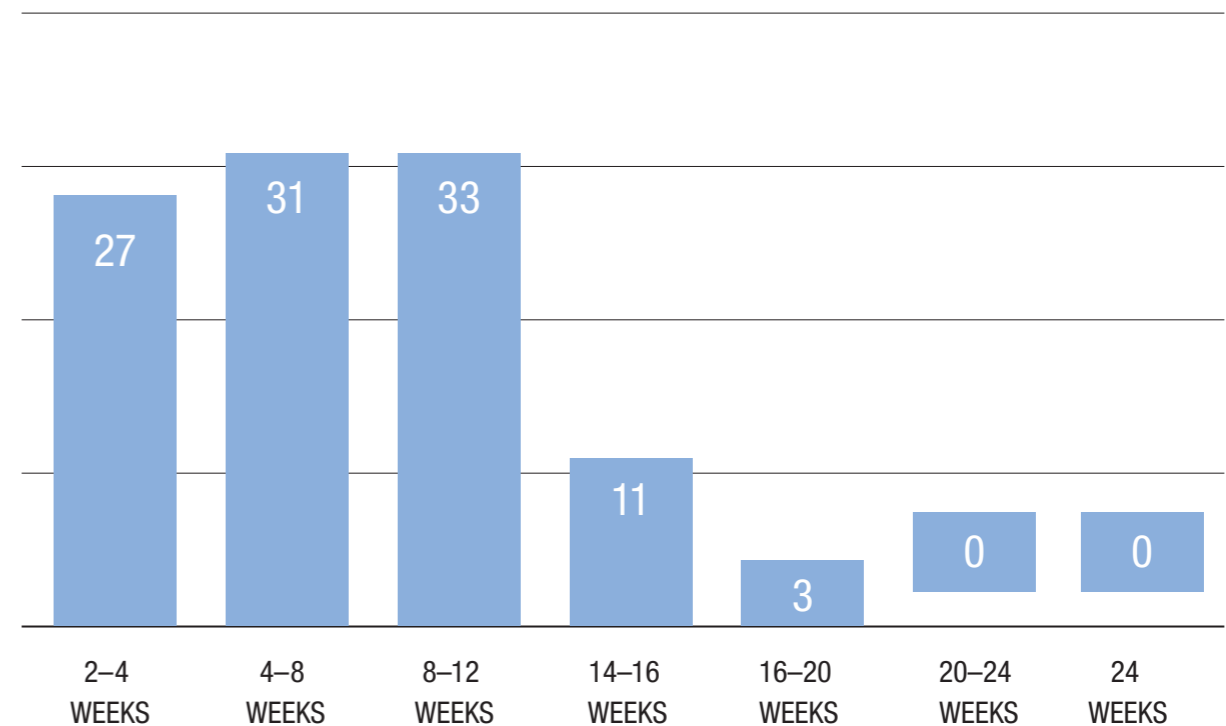


Timeliness

Our target is to complete 75% of reviews of workplace decisions within 14 weeks from the date of receipt (excluding time 'on hold'). This year, we exceeded this target and completed 95.2% of all our reviews of workplace decisions within that timeframe. As shown in the above figure, this is a significant improvement on previous years.

In specific circumstances we may place a review on hold (for a period that is excluded from the count of weeks to complete a review as shown in Figure 14). We place a review on hold only when we are not able to take action on a matter—for example, because we are waiting for information from either the applicant or the agency. We have internal rules that restrict when a review case can be placed on hold.

Figure 15: Number of weeks taken to complete reviews of workplace decisions



Note: The totals in this figure include reviews that were resolved prior to a recommendation being made.

As can be seen in Figure 15, the majority of reviews are completed within eight weeks. This total does not include times when a review is placed on hold. The length of time taken to complete a review reflects the work involved in conducting merits reviews, including adhering to procedural fairness requirements and writing comprehensive reports that clearly explain the reasons for our decision.

MPC direct reviews of workplace decisions

Decisions in Code of Conduct matters

In Code of Conduct matters, we can review a workplace decision that an employee (and sometimes a former employee) has breached the Code of Conduct or a sanction

decision made in relation to a breach. Each decision is counted as a separate review. We consider the evidence gathered during the agency's own investigation and the employee's version of events. It is our role to reach conclusions about whether:

- the employee did what was alleged
- what the employee did was appropriate in light of the employee's responsibilities, agency policies and the circumstances
- the employee's actions were a breach of the Code of Conduct and, if so, what elements of the Code of Conduct were breached

- the agency substantially complied with relevant procedures, policy or guidelines and with the requirements of procedural fairness.

If a sanction has been imposed, our review will consider whether the sanction is appropriate in the circumstances of the employee's case. Getting sanction decisions right is important to the culture and productivity of a workplace. Our review of sanction decisions provides assurance that decision-making is robust, fair and consistent with the APS Values and Employment Principles.

This year, we received 69 applications for a review of a decision or finding that an employee, or former employee, had breached the Code of Conduct or a sanction decision. Of these, 50 Code of Conduct decisions proceeded to review, involving 40 employees.

Reviewing decisions in Code of Conduct matters accounts for 48% of all our review work. Figure 16 demonstrates that the

number of reviews of Code of Conduct decisions has been trending upwards since 2017–18 as a proportion of total reviews, despite this year's small decrease in overall applications.

For the 50 reviews of Code of Conduct decisions we conducted, we recommended that:

- 35 decisions be upheld
- nine decisions be set aside
- six decisions be varied.

Our reviews of decisions involving the Code of Conduct covered a wide range of behaviour and conduct. Bullying, harassing and discourteous behaviour comprised the largest group of cases, including five cases in which employees were found to have engaged in sexually harassing behaviour. Uncooperative or unprofessional behaviour was the next most significant behaviour. For a comprehensive breakdown of the categories of decisions, see Figure 17 and Appendix B, Table B.7.

Figure 16: Code of Conduct matters as a proportion of total reviews, 2016–17 to 2020–21

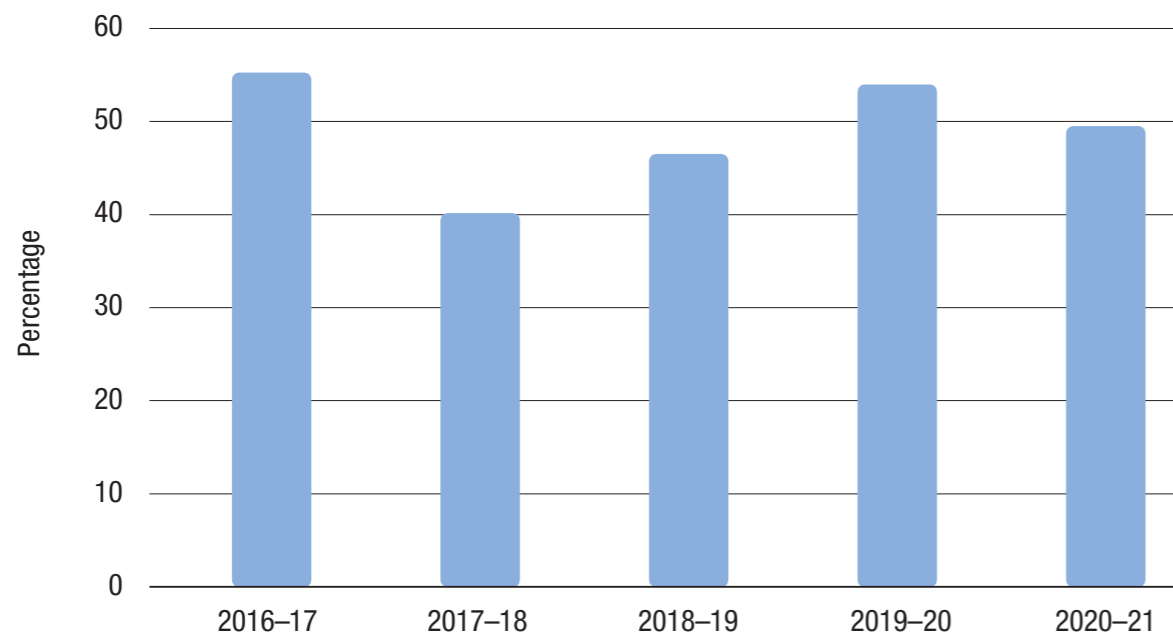
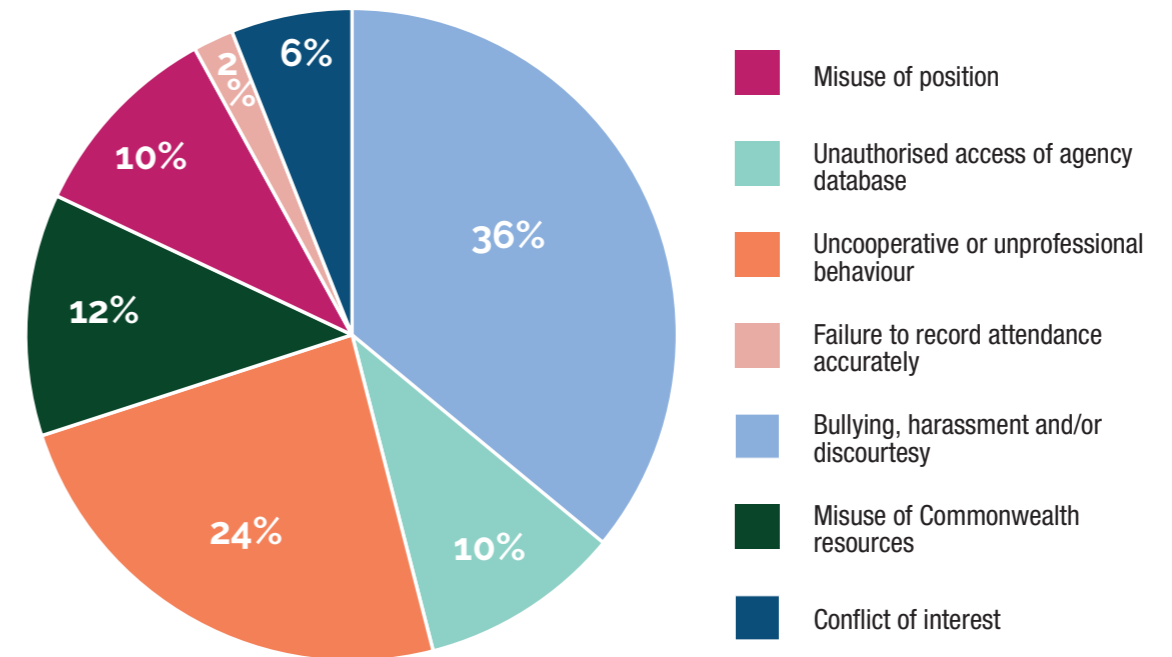


Figure 17: Reviews of Code of Conduct decisions by issue



Seniority and culture a factor in a sanction decision

A senior employee was found to have breached the Code of Conduct by engaging in harassing behaviour towards colleagues. As a result, the agency imposed a sanction of a reduction in classification. The employee applied for review as they considered that a lesser sanction was more appropriate and proportionate in the circumstances.

In support of their application, the employee claimed that the behaviour was uncharacteristic, that there was no likelihood of the behaviour occurring again, and that the sanction imposed would have a significant financial impact.

Our review found evidence that the employee had engaged in aggressive, harassing and unprofessional behaviour towards several colleagues over a number of years. In our view, the behaviour did not demonstrate leadership or set a positive example for more junior colleagues. We were not satisfied that the conduct was uncharacteristic or unlikely to happen again.

Senior APS employees are expected to cultivate and foster positive workplace relationships, set an example of professional workplace behaviour and be conscious of the impact of their behaviour on others.

In determining an appropriate sanction, we considered the seriousness of the conduct, and the impact of the employee's behaviour on others and on the agency.

On balance, we agreed with the agency that the conduct was serious in nature, and recommended that the sanction decision to impose a reduction of classification be confirmed.

Decisions that are sensitive, serious or not appropriate for agency review

We received 14 applications to conduct direct reviews of workplace decisions that would, in usual circumstances, be reviewed first by the agency.

Of those 14 applications, 10 did not proceed to a review. We accepted the remaining four applications for an MPC direct review on the basis that:

- the agency head had some involvement in the decision under review
- the decision was sufficiently serious to warrant our involvement.

The reasons why the other applications did not proceed to review include:

- the applicant had sought an agency primary review and it was not yet complete
- the agency head was not involved in the decision, the action was not serious and sensitive, or the action for which review was sought was not claimed to be victimisation or harassment for previously seeking review
- the application was made outside the statutory timeframe
- the applicant had ceased being an APS employee.

MPC secondary reviews of workplace decisions

We received 97 applications to conduct secondary reviews of workplace decisions this year. Of those, we reviewed 44 decisions, and an additional decision was resolved before the review was completed.

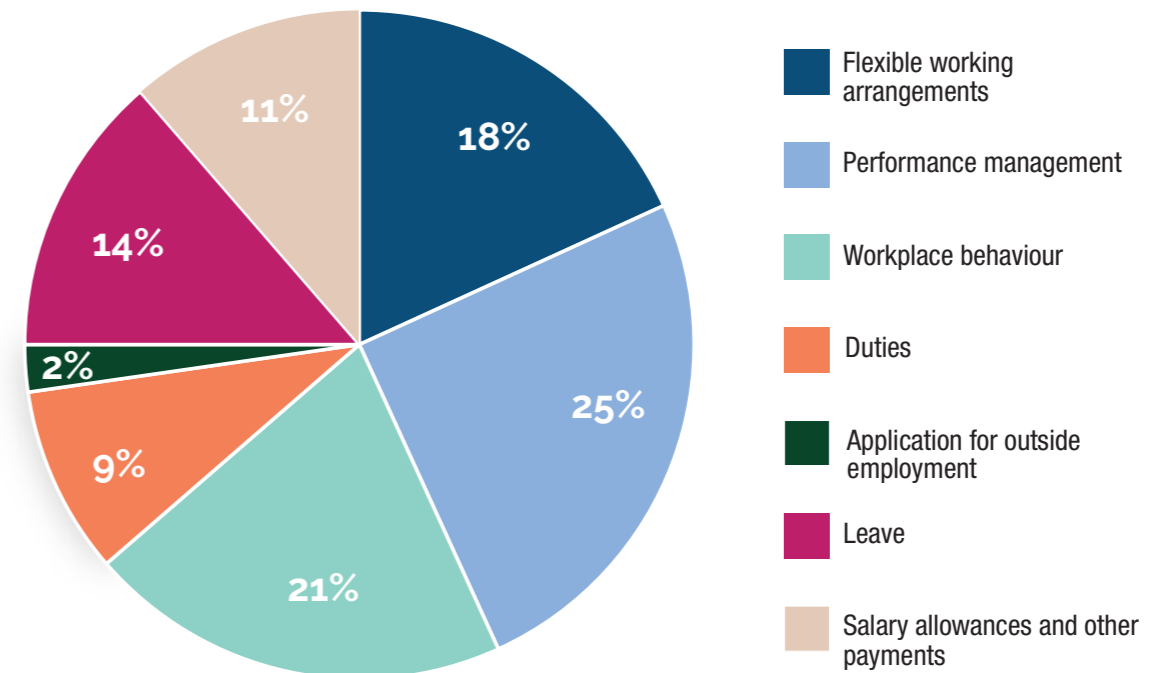
Figure 18 and Appendix B, Table B.7 provide a breakdown by issue of the 44 secondary reviews that we completed this year.

The largest proportion of secondary reviews conducted related to disputes about an employee’s performance management. This includes decisions about ratings, underperformance, and salary increments. Conducting reviews about performance management outcomes is usually complex. It requires the reviewer to understand the nature of the employee’s duties and role and the operational requirements of the employee’s work. Often we are reviewing a manager’s opinion on an employee’s analytical and problem-solving capabilities, level of output, or skills in communicating with colleagues or members of the public. The remainder of these reviews covered a diverse range of decisions about leave, applications for secondary employment outside the APS, and disputes about duties, salary and allowances.

Another significant proportion of our work relates to complaints about how workplace misbehaviour, such as bullying and harassment, is handled.

There was a rise in the proportion of reviews of decisions about flexible working arrangements this year (18%) compared with last year (4%). This increase in disputes about working arrangements is likely related to the COVID-19 pandemic and the impact of state-based public health orders.

Figure 18: MPC secondary review by issue



Having difficult conversations about underperformance

An employee sought a review of their manager’s decision to rate their performance as unsatisfactory following a formal performance management process. This resulted in the employee being reduced in classification. Our review looked at:

- examples of the employee’s performance over time
- evidence of support and feedback given to the employee
- a version of events from the supervisor
- the agency’s performance management policy
- formal procedural requirements in the agency’s enterprise agreement
- relevant sections of the *Public Service Act 1999*.

Reviews about performance are complex and nuanced. We look at the steps taken by a supervisor or manager prior to moving to a formal underperformance process. This includes the level of support provided to assist the employee to improve, the adequacy of notice about the areas of their performance that were not up to standard, and clear direction on what improvement was required.

In this instance, we concluded that the agency had acted fairly and reasonably in how it managed the employee's performance. The supervisor had followed all of the necessary steps set out in the enterprise agreement and given adequate support to the employee to assist them to improve. The agency had also given notice to the employee in advance that, without improvement, the employee's salary or classification could be reduced.

In our view, the evidence indicated that the employee did not meet the requirements of their role and that their work needed an unreasonable amount of revision by the supervisor. We recommended that the decision be confirmed.

Balancing mitigating circumstances in a pandemic

During the pandemic, an employee was found to have failed to comply with a COVID-19 quarantine direction to stay in their home for 14 days following their return from overseas. As a result of this determination, a sanction of a reprimand and a small fine was imposed.

The employee applied for a review because they considered that the decision maker had not fairly taken into account their individual mitigating circumstances.

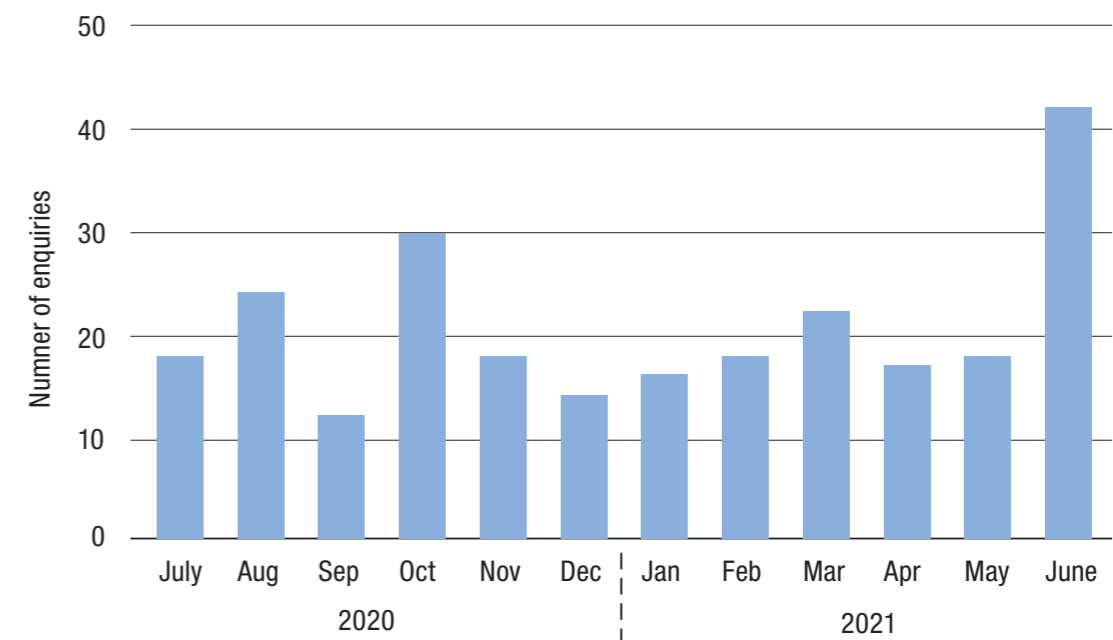
The employee said they had left their home for a short period of time as a coping strategy. The employee described their behaviour as uncharacteristic and attributable to an acute mental health condition.

In this case, we noted the significant mitigating factors to explain the employee's behaviour, such as the stress and anxiety they were experiencing due to COVID-19 and home quarantine. We noted the employee's otherwise good employment record. We also noted that the employee had not been careless or reckless in regard to public safety.

We balanced these mitigating factors with the seriousness of the behaviour and the potential impact on the community. We decided the employee's actions had put the agency's reputation at risk, particularly during the serious public health crisis of the pandemic.

We agreed with the agency that a small financial penalty was warranted to act as a deterrent and to show that the agency expects its employees to comply with public health directives in all circumstances.

Figure 19: Number of telephone enquiries about reviews of workplace decisions, by month



COVID-19 related decisions

In 2020–21, we collected data on review applications where COVID-19 was identified by the applicant as a consideration relevant to the matter under review. Of the 170 applications received, there were 22 applicants who cited COVID-19 as a factor. We recommended to uphold nine COVID-19 related decisions and to set aside or vary three such decisions.

The applications related to home-based work, unscheduled absences from work due to COVID-19 restrictions, compliance with COVID-19 public health orders, and disagreements about leave arrangements.

Contact with us

We respond to hundreds of enquiries from employees and agencies by phone and email. We have a small team of officers who are responsible for managing and responding to the vast array of questions

and issues arising from individual cases and general enquiries about the MPC and our role. We value the opportunity to engage directly with our stakeholders and use the data we collect to inform our education and communications strategy.

During the reporting period, the office recorded 250 telephone enquiries relating to reviews of workplace decisions, which represents 42% of all telephone enquiries received. We received 122 email enquiries relating to reviews of workplace decisions in 2020–21.

Of the 250 telephone enquiries:

- 34 concerned a current review
- 179 were general enquiries about the Review of Actions scheme
- 21 concerned a finalised review
- 16 were categorised as 'other'.

The vast majority of calls we receive are from employees who wish to remain anonymous.

Performance of other statutory functions

3.

Reviews of involuntary retirement decisions for Australian Federal Police employees

Australian Federal Police (AFP) employees employed under the *Australian Federal Police Act 1979* can apply to the Merit Protection Commissioner (MPC) for a review of a decision by the AFP Commissioner to retire the employee due to physical or mental incapacity. When making these types of retirement decisions, the consent of the AFP employee is not required.

All AFP officers and civilian staff members are entitled to a review, but Senior executive AFP employees are not.

Our role is to make sure the retirement decision is based on sound evidence and is the correct and preferred decision, taking into account all the individual circumstances.

The MPC did not receive any applications for review of an AFP retirement decision this year.

Complaints and inquiries

Complaints about final entitlements

We take complaints from former Australian Public Service (APS) employees (including Senior Executive Service employees) who are concerned about their final entitlements. Final entitlements are the payments an employee receives when they cease employment. Those payments may include final salary payments including any outstanding payment for overtime, any leave that has been accrued but not taken, and the calculation of redundancy payments and payments in lieu of notice.

Final entitlements are determined by the *Fair Work Act 2009* and the industrial instrument the employee is employed under, such as an agency enterprise agreement or contract of employment.

We can investigate errors in the amount of money received or delays in providing an employee with their final payment. We can also look into whether an agency has provided adequate information about how final entitlements are calculated.

This year, we finalised four complaints involving concerns about final entitlements.

Inquiries

The MPC can conduct inquiries into:

- a public interest disclosure that relates to an alleged breach of the APS Code of Conduct and meets all the requirements of a disclosure in accordance with the *Public Interest Disclosure Act 2013*
- an alleged breach of the Code of Conduct by the Australian Public Service Commissioner
- an APS action, refusal or failure to act by a person in the capacity of an APS employee, Secretary or agency head, but only at the request of the Public Service Minister
- whether an APS employee, or former employee, has engaged in conduct that may have breached the Code of Conduct, but only at the request of an agency, and if the employee agrees.

We did not conduct any inquiries into any of the above matters this year.

We did receive one request to investigate an alleged breach of the Code of Conduct, which the complainant stated was a public interest disclosure. After carefully considering the complaint, we determined that the information provided was not a public interest disclosure and therefore could not be made to the MPC. We advised the complainant of alternative avenues for making the complaint.

Employer services

The MPC can provide employer services to APS agencies, non-APS Commonwealth entities, and state and territory agencies and departments to help them make high-quality and timely recruitment and employment-related decisions. The services are provided on a fee-for-service basis and include:

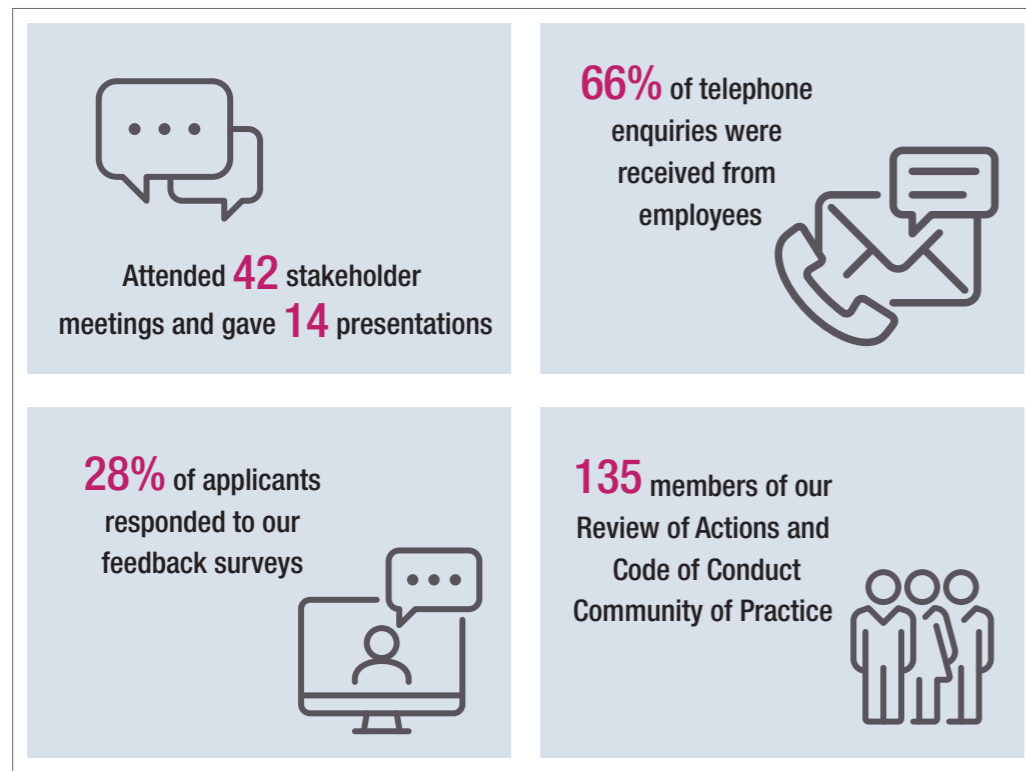
- Independent Selection Advisory Committees (where the MPC forms a selection committee for an APS agency)
- recruitment services (for example, convening selection panels for APS and non-APS entities)
- workplace investigations and merits reviews of workplace decisions for non-APS entities.

This year, we did not have the resources or capability to promote any of these services; consequently we received no requests for them. In 2021–22 we are planning to promote some of these services through our website and as part of our communications strategy.

Engagement, projects and accountability

4.

Engagement



We recognise the importance of actively engaging and consulting with our stakeholders, to work together on service improvements to achieve safe, effective and productive workplaces in the Australian Public Service (APS).

We have reflected this in our communications strategy, where we set out to:

- educate the APS on the role of the Merit Protection Commissioner (MPC) and raise awareness of the entitlement to seek a review
- constructively assist APS agencies to continuously improve their practice.

Our stakeholder engagement activities this year are outlined in the following sections.

Stakeholder meetings

The MPC and her staff attended 42 meetings with external stakeholders and gave 14 presentations this year. Due to the COVID-19 pandemic most of these engagements occurred online or as teleconferences, using a variety of platforms.

- The MPC met with the five largest APS agencies on a quarterly basis throughout the year. These meetings are an opportunity to provide feedback, identify patterns and emerging trends in review outcomes, and discuss

significant, complex or sensitive issues. In November 2020, the MPC also met with representatives from the Australian Federal Police to discuss the operation of the review entitlement set out in the *Australian Federal Police Act 1979*.

- We gave a presentation to the Samoan Public Service Commission on the role of the MPC in the APS. This presentation was in conjunction with the Australian Public Service Commission (APSC) and was very well received.
- In March 2021, the MPC was invited to speak at the Australian Labour and Employment Relations Association (ALERA) ACT annual conference. The conference theme was 'Fair Workplaces: Culture & Values'. This was a great opportunity to present on the role of the MPC in supporting fair and safe workplaces.
- Throughout the year, the MPC and her senior staff participated as guest speakers in 10 sessions on Code of Conduct decision-making, the Review of Actions scheme and the MPC's role as part of the APSC's Senior Executive Service Orientation program.
- The MPC participated in a panel discussion and presented at the Review of Actions and Code of Conduct Community of Practice for APS practitioners.
- In June 2021, we piloted a program of information sessions for APS employees to raise awareness of the entitlements to seek review under the *Public Service Act 1999*. The pilot was conducted with employees of the Australian Taxation Office (ATO). Feedback from the sessions

will inform the rollout of our free webinars in 2021–22. We would like to acknowledge the assistance of the ATO staff in our pilot.

- We invited staff of the Community and Public Sector Union to participate in our staff professional development series. We also had the Behavioural Economics Team from the Department of the Prime Minister and Cabinet talk about using behavioural insights to communicate with employees returning to work after a long period of leave due to illness or injury.
- The MPC presented on the role and functions of her office to the 2021 graduates as part of the APSC's graduate induction.

In addition to meetings and presentations, the MPC engages with stakeholders as an independent member of the Audit Committee for the Office of the Inspector-General of Intelligence and Security. The MPC was also appointed as the Chair of the Audit and Risk Committee for the Australian Human Rights Commission towards the end of the year and chaired one meeting during the year.

The MPC is also a member of the Integrity Agencies Group, chaired by the Australian Public Service Commissioner, which met three times during the year. This group serves to ensure that integrity is at the centre of the work of the APS and that the APS approach to integrity is integrated, capable, agile and transparent.

Review of Actions and Code of Conduct Community of Practice

We continue to support the Review of Actions and Code of Conduct Community of Practice to raise the quality of reviews and Code of Conduct decisions in the APS and build a network of practitioners who can share information and experiences in a supportive environment.

The community of practice is governed by a steering committee. Our role is currently to provide secretariat support through maintaining the membership list, providing support to agencies where possible, and leading planning for future meetings. The growing membership of the community of practice is sitting at 135 members. As a result of COVID-19, we moved away from in-person meetings to an online forum using a range of platforms to communicate. We look forward to developing a hybrid model that will include online and face-to-face meeting options in the future.

Surveys and feedback from applicants and agencies

We build on feedback we receive from applicants through a survey instrument sent out to all applicants who have been through an MPC review process. We ask for feedback in order to learn and improve our review processes and how we communicate with applicants. The purpose is to seek feedback on the process, not about the outcome of the review.

The survey is anonymous and conducted online. It is sent to all applicants who have

received a review recommendation. The response rate this year was 28%, compared to 34% in 2019–20. Respondents were generally positive about the application process, with 87% agreeing that the process to apply for review was easy.

Some of the criticism of the review process reflected disappointment with the scope of the MPC's powers and capacity to consider concerns that are important to the review applicant but outside the scope of the review. Some respondents also expressed concern about their agency's delay in responding to the recommendations made by the MPC on their application.

Examples of responses are:

My contacts were very professional and, I felt, impartial. I had anxiety about going over the investigation again in a sense, but felt much better about it based on my initial dealings with MPC staff.

When I [sought] assistance and throughout the commencement of the review, the review officer and delegate were impartial, courteous and respectful.

In response to this feedback, we have undertaken initiatives to improve the timeliness, frequency and effectiveness of our communication at every stage of the review—particularly at the assessment stage and in explaining the scope of the review to the applicant. We also used the feedback to inform the rebuilding of our website to improve its functionality and improve access to information about timeframes, scope and the eligibility criteria.

During 2020–21, we commenced surveying agencies on a six-monthly basis to seek feedback on the overall experience of the review process and to track changes and

improvements. Respondents were sent an anonymous online survey in December 2020 and June 2021. The response rate was 27% for both survey periods.

Website visits

In 2020–21, we had 114,208 visitors to our website, with the most visited website pages being:

- our home page—14,469 views
- information on how to manage complaints and disputes—11,225 views
- information on promotion review—7,206 views
- information on procedural fairness in employment decision-making—7,156 views
- applying for review of workplace decisions and promotion reviews—6,448 views.

Projects

Reach Out strategy

Increasing awareness of our role in the public sector is critical to achieving our vision: to support and contribute to safe, productive and harmonious workplaces in the APS.

In 2020–21, we piloted an education program, called Reach Out, for APS employees to highlight key information about the review of workplace decisions and promotion decisions. The pilot was very successful and will be developed into a program of webinars and workshops to be rolled out in the coming months. Registration to attend these sessions has been available on the new website at www.mpc.gov.au since September 2021.

New website

For much of the year we were drafting and designing a new, modern website. It will have short explainer videos and make it easy to register for webinar events. We look forward to reporting on this in next year's annual report.

Inaugural Promotion Review Committee Convenor Conference

Promotion Review Committee (PRC) convenors perform an important statutory function for the MPC, and many are casual rather than ongoing employees. Many are scattered across the country and do not have the opportunity to attend the office when they do their convening work. This means their opportunities to interact with other convenors and the ongoing staff are minimal. In response to these factors, we convened the inaugural PRC Convenor Conference in March 2021. At that first meeting, we developed terms of reference setting out the broad objectives of the conference and agreed to convene every quarter.

The feedback from attendees was positive and it was clear that this forum will provide an opportunity to improve the way we work, build consistent practices and processes in the conduct of promotion reviews, and provide a platform for convenors to share and discuss their casework experiences arising from complex cases.

Pilot of application process for promotion review

We have begun a pilot initiative to improve the efficiency of the promotion review process and decrease the amount of time APS employees spend submitting applications for review that do not proceed. As noted in Part 2, most applications for promotion review lapse because no unsuccessful candidate seeks a review of the successful candidate's promotion. Another key driver is to reduce the administrative burden on our small team.

During the pilot, we will use regulation 5.9 of the Public Service Regulations 1999 to extend the time for making an application for a review of a promotion decision. This will allow for successful candidates to only make a 'protective' application if we have received an application against their promotion decision.

We will report on the outcome of the pilot in next year's annual report.

Development of our services to employers

As noted earlier in this report, the MPC can assist employers by providing recruitment and employment services. These services can assist an employer to make high-quality and timely recruitment decisions or to effectively manage allegations of misconduct or workplace disputes. These services are provided on a fee-for-service basis. To date, we have not had the resources to develop an approach to promoting these services.

This year, we engaged a business development consultant to assist

us in developing a strategy to offer employer services to APS and non-APS Commonwealth entities and to state and territory agencies and departments. The key objectives of the engagement were to undertake competitor analysis, develop a pricing model and develop a marketing strategy, and identify the governance and internal controls needed to ensure work quality. The final report met all the objectives and identified five core services that would complement our current capability. Operationalising the strategy has been incorporated in our business plan and the work associated with that will roll into 2021–22.

Accountability

The APSC is included in the Department of the Prime Minister and Cabinet's Portfolio Budget Statements. The Australian Public Service Commissioner, as head of the APSC, is responsible for the APSC's financial and human resources and for assessing the level of its achievement against its outcome.

During 2020–21, the MPC had managerial responsibility for the work of the APSC employees who assisted the MPC in the exercise of her functions.

Financial arrangements and corporate support

The MPC is neither a Commonwealth entity nor an accountable authority for the purposes of the *Public Governance, Performance and Accountability Act 2013*. Rather, the MPC is a statutory officer appointed by the Governor-General under

section 52 of the Public Service Act. Section 49(2) of the Public Service Act requires that the staff necessary to assist the MPC must be persons engaged under that Act and be made available by the Australian Public Service Commissioner. The MPC does not have a separate budget allocation and is dependent on the APSC for staffing and resources to undertake her functions.

In 2020–21, the MPC was allocated an annual budget (excluding corporate costs) of \$2.045 million and an average staffing level of 12.7.

The MPC and the Australian Public Service Commissioner have a memorandum of understanding for the provision of staff and corporate services. The current memorandum of understanding took effect in June 2015. It will be reviewed and updated during 2021–22.

Interaction with Australian Public Service Commissioner

The respective responsibilities of the MPC and the Australian Public Service Commissioner are established in the Public Service Act. The roles are complementary, particularly in relation to maintaining confidence in public administration.

The Australian Public Service Commissioner is responsible for upholding high standards of integrity and conduct in the APS. The MPC assists by ensuring consistent standards of decision-making and people management practices across the APS, and also provides an important assurance role for the APS. This assurance is provided by reviewing individual actions or decisions

for consistency with the APS Values and other administrative law requirements, and through reviews of determinations of breaches of the Code of Conduct and/or sanctions.

During the year, the MPC and the Australian Public Service Commissioner met on five occasions.

Business planning and risk management

During 2020–21, we reviewed and updated our two-year business plan, which sets out our objectives and priorities to:

- engage with our stakeholders
- build capacity internally and externally
- innovate for better service delivery and discharge of functions
- enhance our governance and accountability.

We also engaged a risk consultant to update our existing risk register. The key objectives of the engagement were to identify new and emerging risks, review current risks and controls, update the risk register and produce a heat map of key risk areas. The review involved individual interviews with staff as well as a series of risk analysis workshops.

The final report included a number of recommendations, which have been adopted, and an action plan has been developed. Actions that can be treated as projects will be incorporated into our business plan for completion over the next two years.

Freedom of information and privacy

We received three applications under the *Freedom of Information Act 1982* during 2020–21. These were for papers relating to applicants' reviews of workplace decisions. Two requests were finalised and one request was withdrawn.

We did not notify the Office of the Australian Privacy Commissioner of any privacy breaches.

Judicial review and other court decisions

During 2020–21, two unconnected applications for judicial review were filed in the Federal Court of Australia. They were seeking reviews of workplace decisions taken by two APS agencies under the Public Service Act and Regulations. The MPC was joined by the respective APS agencies as a defendant to each of these applications. The applicants are seeking judicial review of the decisions made by the APS agencies in relation to breaches of the APS Code of Conduct. These decisions were confirmed by the APS agencies upon the recommendation of the MPC. Both applications were ongoing in the Federal Court when this report was finalised.

Information Publication Scheme

In 2020–21, information about the MPC's information publication plan was located on the APSC website and in the APSC information plan, which is available at

<https://www.apsc.gov.au/information-publication-scheme-ips>.

Next year the MPC will have its own information publication plan, which will be published on the new MPC website.

The year ahead

5.

Our key priorities

The COVID-19 pandemic will continue to have an impact on the way Australian Public Service (APS) employees and agencies approach their working environment over the coming year. Key priorities for 2021–22 will be to keep APS employees and agencies aware of the changing landscape, provide guidance on good practice in decision-making and people management during unprecedented times, and continue to provide effective and expert reviews. We will do this through the range of activities listed below.

Engaging with and supporting our stakeholders

- Maintain the momentum of our engagement with our stakeholders through our website, webinars, videos and information sessions to raise awareness of review entitlements.
- Build on our suite of resources to support agencies, managers and human resources (HR) practitioners to make good employment-related decisions that are timely, fair and embedded in administrative decision-making principles.
- Launch the new Merit Protection Commissioner (MPC) website with refreshed content and improved navigation for our key stakeholders.
- Simplify our online application forms and improve the way employees make an application to the MPC.

Delivering new services and resources

- Promote the MPC business model, offering expert and high-quality employment-related services to APS and non-APS Commonwealth entities and to state and territory agencies and departments.
- Provide free webinar sessions for all APS employees about their review entitlements, how the Review of Actions scheme operates and what the roles of their agency and the MPC are within that scheme.
- Publish video explainers on our website explaining how promotion review and review of workplace decisions operate.
- Publish new tip sheets, case studies and good practice guides for agency decision makers and applicants.
- Promote our Independent Selection Advisory Committee capabilities to assist agencies to conduct high-quality recruitment processes.

Improving the way we work

- Maintain staff engagement in professional development through a program of speakers and presentations.
- Monitor the analytics of our new website for functionality, accessibility and usefulness, and use that information to continue to enhance the site.
- Survey stakeholder groups to measure awareness of review entitlements and the role of the MPC in the APS, and use these results to target our communications and develop new resources.

- Contribute to any legislative reforms that will impact or improve how we do our work.
- Support the Australian Public Service Commission's investment in a new fit-for-purpose case management system and design workflows to improve reporting capability and drive efficiencies.
- Continue to receive and use feedback from applicants and agencies to inform our work and continuously improve.
- Assess the outcome of the pilot to engage an MPC legal counsel.
- Complete and report on the pilot of a two-stage Promotion Review Committee application process and assess the benefits to inform potential changes in the future.

Appendices



Appendix A:

The Merit Protection Commissioner's statutory functions

MPC function	Statutory authority—Australian Public Service
<p>Review of Actions scheme—other employment-related actions (workplace decisions)</p> <p>(This includes Code of Conduct reviews, direct reviews of other matters and secondary reviews.)</p>	<p><i>Public Service Act 1999</i> Section 33 and subsection 50(1)(d) Subsection 50(1)(d) (provides for review functions to be prescribed by regulations)</p> <p>Public Service Regulations 1999 Part 5, regulations 5.1, 5.2, 5.4, 5.5, 5.22–5.37 Schedule 1</p>
<p>Review of Actions scheme—promotion and engagement</p> <p>(This involves merits-based promotion reviews and review of engagement decisions relating to certain Parliamentary Service employees.)</p>	<p><i>Public Service Act 1999</i> Section 33 and subsection 50(1)(d)</p> <p>Public Service Regulations 1999 Part 5, regulations 5.1, 5.2, 5.3, 5.5, 5.6–5.21</p>
<p>Review agency's determination that a former employee breached the Code of Conduct for behaviour they engaged in while an employee</p>	<p><i>Public Service Act 1999</i> Section 33 and subsection 50(1)(ca)</p> <p>Public Service Regulations 1999 Part 7, Division 7.3</p>
<p>Review the actions of statutory office holders who are not agency heads that relate to an employee's APS employment</p>	<p><i>Public Service Act 1999</i> Section 33 and subsection 50(1)(d)</p> <p>Public Service Regulations 1999 Part 7, Division 7.4</p>

MPC function	Statutory authority—Australian Public Service
--------------	---

<p>Inquire into:</p> <ul style="list-style-type: none"> – a public interest disclosure alleging a breach of the Code of Conduct 	<p><i>Public Service Act 1999</i> Subsection 50(1)(a) Subsection 50(2) (provisions relating to Merit Protection Commissioner's powers when conducting the inquiry)</p> <p>Public Service Regulations 1999 Part 7, Division 7.1 (regulations 7.1 and 7.1A)</p>
<ul style="list-style-type: none"> – the Australian Public Service Commissioner for an alleged breach of the Code of Conduct 	<p><i>Public Service Act 1999</i> Subsection 50(1)(b)</p>
<ul style="list-style-type: none"> – an APS action as requested by the Public Service Minister 	<p><i>Public Service Act 1999</i> Subsection 50(1)(c) and subsection 50(2)</p>
<ul style="list-style-type: none"> – whether a current or former APS employee has breached the Code of Conduct 	<p><i>Public Service Act 1999</i> Subsection 50(1)(ca) and section 50A</p> <p>Public Service Regulations 1999 Part 7, Division 7.6 (Merit Protection Commissioner's procedures)</p>
<p>Investigate complaints by former employees relating to entitlements on separation</p>	<p><i>Public Service Act 1999</i> Subsection 50(1)(e)</p> <p>Public Service Regulations 1999 Part 7, Division 7.2</p>
<p>Establish an Independent Selection Advisory Committee</p>	<p>Public Service Regulations 1999 Part 4</p>
<p>Provide recruitment and employment-related services to any (non-APS) person or body on a fee-for-service basis</p>	<p><i>Public Service Act 1999</i> Subsections 50(1)(e) and subsection 50(3)</p> <p>Public Service Regulations 1999 Part 7, regulation 7.4</p>

Function of the Merit Protection Commissioner	Statutory authority—Australian Federal Police
---	---

<p>Review decisions of the Australian Federal Police Commissioner to compulsorily retire Australian Federal Police employees on invalidity grounds</p>	<p><i>Australian Federal Police Act 1979</i> Sections 32 and 33</p> <p>Australian Federal Police Regulations 2018 Part 3, Division 2</p>
--	--

Appendix B:

Data tables for statutory functions

This appendix provides information on the activity and performance of the statutory functions of the Merit Protection Commissioner (MPC). Information on the MPC's functions can be found at: <https://www.mpc.gov.au>.

Review of promotion decisions

Table B.1 shows the status of promotion review cases, for 2020–21 as at 30 June 2021, compared with 2019–20.

Table B.1: Status of promotion review cases 2020–21, compared with 2019–20

Promotion review cases	2020–21	2019–20
On hand at start of year	9	13
Created during the period	51	151
Total caseload	60	164
Reviewed by Promotion Review Committee	34	108
Invalid (e.g. applicant not an ongoing APS employee)	6	18
Lapsed (e.g. a protective application where no application received from an unsuccessful candidate) or withdrawn	15	29
Total finalised during period	55	155
On hand at end of year	5	9
Target completion time (weeks)	8 or 12	8 or 12
Number completed within target time	55	121
Percentage completed within target time	100	78.06

Table B.2 shows the promotion review caseload by agency for 2020–21.

Table B.2: Promotion reviews by agency, 2020–21

Agency	Australian Taxation Office	Services Australia	Department of Home Affairs	Australian Bureau of Statistics	10 other APS departments and agencies	Totals
Number of promotion review applications received	430	59	65	10	12	576
Number of promotion review cases registered (not including cases on hand at the start of the year)	26	8	11	1	5	51
Number of promotion review committees formed and finalised—cases reviewed	10	9	12	1	2	34
Number of parties to a promotion review process where a Promotion Review Committee was formed and finalised	57	31	86	15	7	196
Number of promotion decisions subject to review	42	22	70	14	4	152
Number of promotion decisions varied	1	0	0	0	0	1

Review of workplace decisions and complaints

Table B.3 provides information on the review of workplace decisions and complaints casework in 2020–21. Table B.4 provides information on the timeliness with which we performed our review and complaints functions. Both tables compare results for 2020–21 with those for 2019–20.

Table B.3: Review and complaints workload, 2020–21 compared with 2019–20

Cases	Direct reviews—Code of Conduct	Direct reviews—other	Secondary reviews	Former employee Code of Conduct (regulation 7.2A)	Total reviews	Complaints about final entitlements (regulation 7.2)	Total cases	
							2020–21	2019–20
On hand at start of year	16	0	10	0	26	1	27	35
Received during the period	68	14	87	1	170	3	173	200
Total cases	84	14	97	1	196	4	201	235
Reviewed	50	4	44	0	98	3	101	96
Facilitated resolution	5	0	1	1	7	0	7	6
Not accepted	4	9	37	0	49	1	50	83
Lapsed or withdrawn	15	1	7	0	23	0	23	23
Total finalised during period	74	14	89	1	177	4	181	208
On hand at end of year	10	0	9	0	19	0	19	27

Note: Direct reviews are reviews conducted by the MPC without first being reviewed by the agency head. Secondary reviews are conducted by the MPC following a review conducted by the agency head or after the agency head decides the matter is not reviewable but the MPC considers it is.

Table B.4: Timeliness in handling reviews and complaints, 2020–21 compared with 2019–20

Review type	2020–21		2019–20	
	Average time to complete reviews (weeks)	Completed within target timeframes (%)	Average time to complete reviews (weeks)	Completed within target timeframes (%)
Direct reviews—Code of Conduct	7	95.55	11.1	80.4
Former employees—Code of Conduct (regulation 7.2A)	2	100	13.3	100
Direct reviews—other	5	100	12.9	66.7
Secondary reviews	9	95.55	10.7	79.5
Total reviews	8	95.24	11	79.7
Complaints about final entitlements (regulation 7.2)	4.42	100	1.9	100

Note: We have reported separately on reviews of workplace decisions (direct to the MPC and secondary reviews) and complaints about entitlements on separations (regulation 7.2) in this annual report. Previous annual reports included complaints about entitlements in the overall review figures.

Table B.5 details the number of reviews and complaints about entitlements by agency.

Table B.5: Reviews and complaints completed, by agency, 2020–21

Agency	Direct review—Code of Conduct	Direct review—non Code	Secondary review	Total	Complaints about entitlement—former employees
Services Australia	21	0	18	39	3
Australian Taxation Office	7	0	3	10	0
Department of Home Affairs	3	1	6	10	0
Department of Defence	6	0	3	9	0
Department of Foreign Affairs and Trade	3	0	1	4	0
National Disability Insurance Agency	0	1	3	4	0
Fourteen agencies with fewer than four each	10	2	10	22	1
Total	50	4	44	98	4

Table B.6 shows the subject matter for all reviews, other than Code of Conduct, completed in 2020–21.

Table B.6: Subject matter of reviewed cases (other than Code of Conduct cases), 2020–21

Subject matter	Secondary subject matter	Number
Salary allowances and other payments	Allowances/entitlements	1
	Salary	4
Subtotal		5
Flexible working arrangements	Home-based work	8
	Remote working arrangement	2
Subtotal		10
Performance management	Unsatisfactory performance, including performance rating	6
	Performance appraisal	3
	Process	2
	Probation	1
Subtotal		12
Duties	Hours of work	3
	Relocation	1
	Revoke employment suitability clearance	1
Subtotal		5
Workplace behaviour	Workplace directions or warnings including about attendance	3
	Handling of bullying complaints	3
	Handling/investigation of complaint	3
Subtotal		9
Leave	Personal or carer's leave	3
	Annual leave	1
	Miscellaneous leave	2
Subtotal		6
Other	Outside employment	1
Subtotal		1
Total		48

Table B.7 shows the subject matter of all Code of Conduct cases reviewed in 2020–21.

Table B.7: Subject matter of Code of Conduct reviews completed, 2020–21

Subject matter	Number
Bullying, harassment and discourtesy	18
Unauthorised access agency database	5
Uncooperative or unprofessional behaviour	12
Misuse of Commonwealth resources	6
Misuse of position	5
Failure to record attendance accurately	1
Conflict of interest	3
Total number of matters identified	50

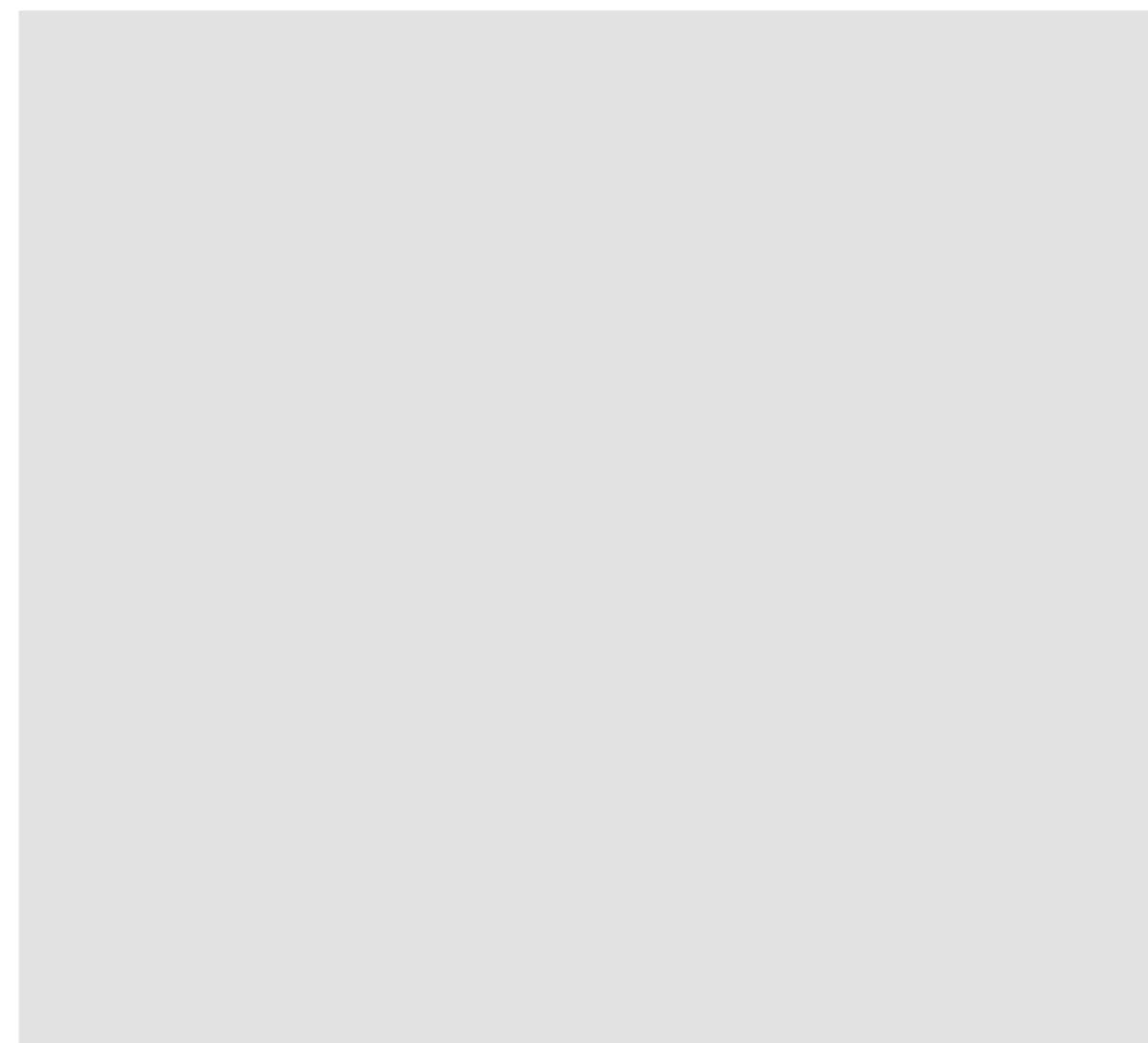
List of figures

Figure 1: Organisational structure.....	143
Figure 2: Types of actions under Review of Action scheme.....	146
Figure 3: Applications for review of a promotion decision, over a five-year period	150
Figure 4: Applications for review of a workplace decision, over a five-year period.....	151
Figure 5: Stages of a promotion review.....	154
Figure 6: Applications for promotion review received by month, over a three-year period	155
Figure 7: Promotion review workload by agency	156
Figure 8: Promotion review telephone enquiries by month.....	157
Figure 9: Flowchart of the life cycle of a review	161
Figure 10: Applications received and outcomes over a 10-year period.....	162
Figure 11: Reasons applications did not proceed to review.....	163
Figure 12: Applications for review of workplace decisions, by agency and type	164
Figure 13: Percentage of agency actions set aside/varied or upheld, over a 10-year period.....	165
Figure 14: Timeliness of review of workplace decisions, over five years.....	168
Figure 15: Number of weeks taken to complete reviews of workplace decision	169
Figure 16: Code of Conduct matters as a proportion of total reviews, 2016–17 to 2020–21	170
Figure 17: Reviews of Code of Conduct decisions by issue.....	171
Figure 18: MPC secondary review by issue.....	173
Figure 19: Number of telephone enquires about reviews of workplace decisions, by month	176

List of Tables

Table 1: Applications received from successful and unsuccessful applicants.....	155
Table 2: Outcomes of applications for a promotion review.....	155
Table 3: Status of promotion review cases.....	156
Table 4: Applications received and finalised and the number of agencies involved.....	162
Table 5: Applications by agency.....	164
Table 6: Percentages and totals of decisions set aside or varied	165
Table B.1: Status of promotion review cases 2020–21, compared with 2019–20.....	196
Table B.2: Promotion reviews by agency, 2020–21	197
Table B.3: Review and complaints workload, 2020–21 compared with 2019–20	198
Table B.4: Timeliness in handling reviews and complaints, 2020–21 compared with 2019–20	199
Table B.5: Reviews and complaints completed, by agency, 2020–21	200
Table B.6: Subject matter of reviewed cases (other than Code of Conduct cases), 2020–21	201
Table B.7: Subject matter of Code of Conduct reviews completed, 2020–21.....	202

INDEX



A

abbreviations and acronyms, 128
 Aboriginal and Torres Strait Islander peoples, 23, 26–7, 38
 graduates, 41
 see also Commonwealth Aboriginal and Torres Strait Islander Workforce Strategy
 administered activities and payments, 17
 administrative tribunal decisions, 22
 advertising, 30
 advice and support, provision of, 8, 37, 43
 Agency Survey, APS, 44
 APS Academy, 9, 39, 40
 APS Code of Conduct breaches, decisions review, 143, 146, 150–1, 158–9, 166, 170–1
 statistics, 165, 202
 APS Employment Database, 54
 APS Learning Board, 39
 APS Professions, 7
 APS Values, Employment Principles and Code of Conduct, 57, 142 *see also* APS Code of
 Conduct breaches, decisions review
 APSJobs graduate portal, 7, 41
 assets management, 27
 Audit and Risk Management Committee, APSC, 20, 21–2
 audit, internal, 19
 Auditor-General reports, 7, 22
 Australia Day Awards, internal, 26, 115–16
 Australia's Public Service: For the Government of the Day exhibition, 8
 Australian Federal Police involuntary retirement decisions, review of, 144, 146, 178, 183
 Australian Financial Review, 7
 Australian Information Commissioner reports, 22
 Australian Public Service Commissioner, 12, 15
 average staffing level, 9, 11, 23
 communications activities, 51–2
 corporate goals, 16
 feedback to, 5, 37, 43, 53, 55
 financial performance summary, 16–17
 guidance materials, 37, 57, 61
 governance committees, 20–2
 organisational overview, 11
 organisational structure, 15
 outcome, 16
 performance measures, 34–5
 performance summary, 33
 programs, 16
 purpose, 16
 responsibilities, 11
 review, 2020–21, 7–9
 strategic priorities, 34–5
 website, 5
 Australian Taxation Office, 154, 156, 158, 164, 200
 awards and recognition, 7

B

benefits, non-salary, 25
 budget outlook for 2021–22, APSC, 17

C

capability assessments, SES, 50
 capability development, APS, 39–41, 39–42, 48, 59
 Capability Framework Scoping Project, 50
 Centre for Leadership and Learning, 46
 Comcare, 26
 Commonwealth Aboriginal and Torres Strait Islander Workforce Strategy, 8, 27, 38
 Commonwealth Ombudsman, 22
 compliance with financial management and accountability framework, 19
 consultancies, 27–30
 contracts, reportable, 27–30
 control framework, 19
 Core Cultural Learning, 26
 corporate governance, 19–22
 Corporate Plan 2020–21, 8–9, 16, 25
 corporate strategies, 58–61
 correction to previous annual report, 117
 courses and training, APSC, 26
 COVID Workplace Action Plan, 26
 COVID-19 pandemic, 33, 42, 58
 APS response to, 7, 22
 see also workplace decisions, review of
 Cultural Awareness e-learning, 26
 cyber security capability, APS, 60

D

data and research, 7, 44–5, 54
 Data Professional Stream, 7, 40
 Defence Force Remuneration Tribunal, 11
Delivering for Australians reform agenda, 7, 39
Delivering for Tomorrow: APS Workforce Strategy 2025, 39
 Department of Defence, 164, 200
 Department of Home Affairs, 156, 158, 164, 200
 deployment of APS staff, 7, 22, 42
 Digital Professional Stream, 7, 40
 Digital Transformation Agency, 17
 Disability Employment Strategy, APS, 8, 38
 disability reporting, 30
 Digital, Technology and Data Investment and Prioritisation Framework, 59
 diversity and inclusion, 38
 staff, 23
 graduate applicants with disability, 41
 networks and groups, 20, 26
 diversity champions, SES, 26

E

e-learning modules, 19, 26, 60
 ecologically sustainable development, 30
 employee assistance program, 25, 26
 Employee Census, APS, 8, 42, 44, 54
 employee diversity networks, 20, 26
 employee value proposition, 56
 employer services, Merit Protection Commissioner, 147, 179, 186, 190
 employment practices, 37
 Enterprise Agreement 2018–21, 25, 104
 enterprise agreements, APS, 36
 entity resource statement, 102
 environmental performance, 30
 events and exhibitions, 8, 51, 53
 Executive Board, 20
 Executive Committee, 20
 exempt contracts, 30
 expenses for outcome, 103
 external scrutiny, 22–3

F

fee-for-service assistance, Merit Protection Commissioner, 147, 179, 186, 190
 financial statements, 63–116
 flexible working arrangements, 25, 26 *see also* workplace decisions, review of
 fraud control, 19
Freedom of Information Act 1982, 30, 188
 funding, 9

G

Gender Equality Strategy, APS, 8, 38
 Generalist Stream, 7
 Governance Improvement Plan, 61
 GradConnection Top 100 Most Popular Graduate Employers, 7
 Graduate Community of Practice, 41
 Graduate Program Careers Fair, 41
 graduate recruitment, 23, 183
 APS, 7, 41, 56

H

Hierarchy and Classification Review, 9, 50
 highly paid staff, 106–7
 HR Working Group, 37
 human resources management, 23–7, 186
 arrangements with Merit Protection Commissioner, 11, 142–3
 human resources practitioners, engagement with, 37
 Human Resources Professional Stream, 7, 40

I

Independent Selection Advisory Committee, 143, 147, 190
 Information Publication Scheme, 30, 188
 information sessions for APS employees, Merit Protection Commissioner, 183
 integrity initiatives, 8, 57
 international partnerships and engagement, 54–5

J

judicial decisions, 22
 Judicial Office Holders' Remuneration and Entitlements Program, 17
 judicial review, applications for, 188

K

key management personnel, 12–14, 106–7

L

leadership development, 48
 Learning and Development Strategy and Action Plan, 39
 learning and development, APS, 46–7, 60
 learning and development, APSC *see* courses and training, APSC
 legal counsel, Merit Protection Commissioner, 137, 142–3, 191
 list of requirements, 120–7

M

mental health and wellbeing, staff, 26
 mentoring and coaching, 26
 Merit Protection Commissioner, 11, 15, 55, 175
 average staffing level, 187
 business planning and risk management, 187
 casual staff, 143
 communications activities, 143, 182–5
 conferences and meetings, 138, 183, 185
 contacts and enquiries, 140, 151, 157–8, 179
 education programs, guidance and materials, 138, 183, 185, 190
 foreword to annual report, 137–9
 interaction with Australian Public Service Commissioner, 186–7
 organisational overview, 140, 142
 organisational structure, 142–3
 outlook for 2020–21, 139, 190–1
 purpose, 142
 responsibilities, 142
 staffing arrangements, 11, 142–3
 stakeholder engagement, 140, 182–5, 190
 statutory functions, 144, 194–5
 surveys and feedback, 138, 184
 vision, 142
 website, 140, 185, 190

Minister for the Public Service, 11, 144
 Minister's office, support to, 52
 ministerial correspondence, briefs and submissions, 52
 Mobility Framework, APS, 7, 42
 Morrison, the Hon Scott MP, 11, 144
 Morton, the Hon Ben MP, 144
 Museum of Australian Democracy, 8

N

National Australian Built Environment Rating System, 30
 networks and groups, 20, 26
 notifiable incidents, 26

P

parliamentary committee inquiries and reports, 22–3
 Parliamentary Service employees, 142
 People and Change Committee, 20
 performance management, 25, 61 *see also* workplace decisions, review of
 performance pay, 25
 portfolio, 11, 186
 Portfolio Budget Statements 2020–21, 16, 186
 privacy breaches and complaints, 188
 procurement, 27
 professional memberships, staff, 25
 professional stream strategies, APS, 7, 40
 Professionalising APS Capabilities professions model, 40
 professions model, APS, 40
 projects, Merit Protection Commissioner, 139, 185–6
 promotion decisions, review of, 138, 140, 145, 152–8
 agencies involved, 154, 156
 contacts and enquiries regarding, 157–8
 eligibility for, 152–3
 lapse of applications, 186
 number of applications, 154–6
 outcomes, 157
 process, 153–4
 protective applications, 153, 186
 statistics, 150–1, 152, 158, 196–7
 timeliness performance target, 157
 Promotion Review Committee, 143
 application process pilot, 190
 Promotion Review Committee Convenor Conference, 185
Public Governance, Performance and Accountability Act 2013, 19
 public interest disclosure inquiries, 146, 179
 Public Sector Workplace Relations Policy 2020, 8, 36
Public Service Act 1999, 11, 25, 53, 142, 144
 purchasing, 27

R

Reach Out strategy, 185
 Reconciliation Action Plan, 26
 recruitment services to employers, Merit Protection Commissioner, 147
 reform agenda, APS, 7
 Remuneration Report, 8
 Remuneration Tribunal, 11
 remuneration, 25
 statistics, 105–7
Report into consultations regarding APS approaches to institutional integrity, 57
 Review of Actions and Code of Conduct Community of Practice, 138, 183, 184
 Review of Actions scheme, 137–8, 140, 144–6 *see also* promotion decisions, review of;
 workplace decisions, review of
 Review of the APSC Centre for Leadership and Learning, 47

S

salary ranges, 105
 Samoa Public Service Commission, 55, 183
 Secretaries Board, 49
 section 24(1) determinations, 104
 security awareness training, 60
 Sedgwick, Stephen, integrity consultations by, 8, 57
 senior executive remuneration, 106–7
 Services Australia, 22, 55, 156, 158, 164, 200
 small business procurement, 30
 social media, 51
Social Media: Guidance for Australian Public Service Employees, 57
 staff
 diversity and inclusion, 23
 remuneration, 25
 statistics, 23–4, 104–14
 work health and safety, 26
 see also human resources management
State of the Service Report 2019–20, 8, 53
 State of the Service Roadshow, 51
 Strategic Resource Framework, 59
 study assistance, 25, 26
 succession management, senior APS, 50
 Surge Reserve, APS, 7, 42
 surveys, 184–5

T

Talent Councils, 49–50
 talent identification and management, 49–50
 timeliness targets, Merit Protection Commissioner, 138 *see also* promotion decisions, re-
 view of; workplace decisions, review of
 training *see* courses and training, APSC; learning and development, APSC

U

unreasonable delay in decision making, 167–8

V

virtual events and online engagement, 41, 51, 54

virtual training and workshops, 37, 43, 46–7, 48, 60

W

wage increases, public service, 25, 36

Waugh, Linda (Merit Protection Commissioner), 15, 137–9, 142

Woolcott, Peter (Australian Public Service Commissioner), 7–9, 12, 15

work health and safety, 20

workforce capability gaps, 40

Workforce Management Taskforce, APSC, 22

Workforce Strategy, APS, 7, 9, 25, 42, 58

workplace agreements, 25, 104

workplace decisions, review of, 138, 140, 145, 147, 158–64

agencies involved, 164, 200

applications received, 160, 162, 198

contacts and enquiries regarding, 175

direct review, 159, 169–72

eligibility for, 158

final entitlements disputes, 146, 178

flexible working arrangements, 167, 172–3, 201

misconduct investigations, 166, 171, 172–4, 201

outcomes, 162, 165–6

performance management, 172–4, 201

process, 161

related to COVID-19, 138, 172, 174–5

secondary review, 159, 160, 172–5

statistics, 150–1, 196–202

timeliness performance measure, 168–9, 199

see also APS Code of Conduct breaches, decisions review

workplace relations, 36, 43

Workplace Relations and Work Health and Safety Committee, 20

workshops

human resources, 37

workplace relations, 43

World Bank, 54