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Management and accountability

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Chapter 3.1

Governance structure

Our governance structure is designed to ensure accountability for delivering on the strategic direction for the department. It enables us to deliver outcomes in an efficient, effective and transparent manner.

Committees supporting our business

Committees reporting to the Secretary

Our governance committee structure at 30 June 2018 included the Executive Management Group and six supporting governance committees that provided advice and assurance to the Secretary on the administration and operation of the department.

Executive Management Group

The Executive Management Group, our most senior committee, is chaired by the Secretary. This group provides guidance on overall strategic direction, priorities, management and performance, and oversees our financial position by allocating resources, monitoring performance and risk, and ensuring regulatory requirements are met. The Executive Management Group meets weekly and comprises the Secretary and Deputy Secretaries.

Audit and Assurance Committee

This committee provides independent assurance and advice to the Executive Management Group on financial and performance reporting responsibilities, risk oversight and management, and our system of internal control. The Financial Statements Sub-Committee reports directly to the Audit and Assurance Committee and was established to give assurances to the members with regards to the department's financial responsibilities.

The committee has an independent Chair, three external experts, and two internal members appointed by the Secretary. It meets up to six times a year.

Committees reporting to the Executive Management Group

Infrastructure, Communications and Technology Committee

This committee is the departmental governance body for Property (Infrastructure), and Information Communication and Technology strategic planning and projects. It is responsible for ensuring strategy and operations align with departmental priorities. The committee is chaired by the Chief Operating Officer and membership includes Deputy Secretaries, Group Managers and a Branch Manager.

People and Culture Committee

This committee provides advice through the Chief Operating Officer to the Secretary and the Executive Management Group. It is responsible for advising on matters relating to people, corporate services, government and executive, legal, communications, property, security and business continuity. The committee is chaired by the Group Manager, Delivery Strategy and Operations, and membership includes Group and Branch Managers.

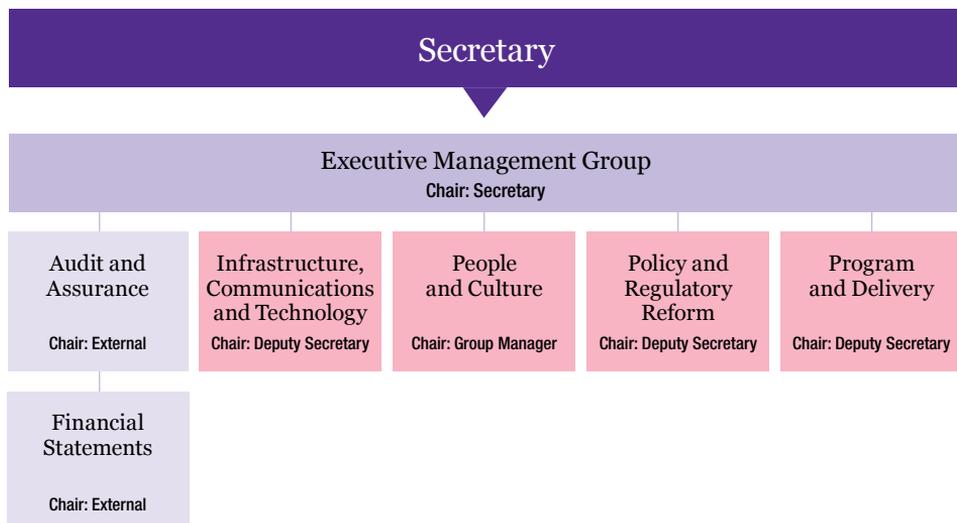
Policy and Regulatory Reform Committee

This committee has responsibility for the quality and performance of policy and deregulation activities. It is chaired by the Deputy Secretary, Social Security and membership includes Deputy Secretaries and Group Managers.

Program and Delivery Board

The board provides strategic direction and oversees the development and implementation of major programs, including the Streamlining Grants Administration Program. It is chaired by the Deputy Secretary, Families and Communities and membership includes Deputy Secretaries and Group Managers.

Figure 3.1.1: Our governance structure, as at 30 June 2018



Business planning and risk management

Strategic and business planning

Our cascading planning process engages staff at all levels to understand how they contribute to delivering on required outcomes. There is a clear pathway from each staff member's individual performance plan through to our key corporate documents.

The 2017–18 Corporate Plan outlines policy, program and corporate objectives and guides the way in which we achieve results.

Further information is available in our corporate plan at www.dss.gov.au

Risk management

We base our approach to risk management on the Australian/New Zealand International Standard on Risk Management (AS/NZS ISO 31000:2009). It aligns with the nine elements of the Commonwealth Risk Management Policy, meeting our obligations under the *Public Governance, Performance and Accountability Act 2013*.

In the past year, we commenced an independent review of our Risk Management Framework which will be finalised in early 2018–19. The review will provide clear direction for improving and embedding risk management across the department.

Business continuity management

We have a structured business continuity program and undertake exercises to test its effectiveness. This year, the department engaged an external provider to assess current emergency response procedures.

We are committed to managing business interruptions that may affect critical services and assets. Our business continuity management framework including our Disaster Coordination Plan ensures we can deliver our critical work in the event of a disruption and aims to provide support to the communities affected by disasters.

Internal audit assurance activities

Internal audit is an independent, objective assurance and advisory function designed to add value and improve our operations.

The rolling Audit Work Program establishes internal audit priorities for the coming 12 months.

The department developed the program in consultation with the Audit and Assurance Committee and it is approved by the Secretary. We made changes to the 2017–18 program in response to emerging risks, which the Secretary and the Audit and Assurance Committee endorsed.

In the past year, we conducted internal audits into the transitioning and storage of longitudinal data; the management of the contractor and temporary workforce; and work health and safety arrangements. Multi-stage audits provided assurance relating to the integrity of IT systems; the quality of performance reporting; the implementation of the Community Grants Hub; the reform of Disability Employment Services and the establishment of the National Disability Insurance Scheme Quality and Safeguards Commission.

We report the findings from all internal audits, and progress towards implementing audit recommendations, to the Audit and Assurance Committee.

Compliance framework

We developed our compliance framework to maintain the integrity and accountability of the business and services we provide. It focuses on:

- » assessing and planning risk management
- » decision-making informed by risk
- » documenting why decisions are made
- » reviewing the quality of processes and how we are performing
- » identifying, escalating and reporting compliance activities
- » learning and seizing opportunities for improvement.

We review our compliance framework annually or when there is a change in better practice, relevant legislation and standards, or when the Government changes our responsibilities.

Compliance with finance law

Under section 19(1)(e) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), we are required to notify our Minister and the Minister for Finance of significant issues of non-compliance with the finance law (including the PGPA Act, any rules and instruments created under the PGPA Act, and Appropriation Acts) as soon as practicable after identification. In 2017–18 no significant issues of non-compliance with the finance law were identified or reported.

Fraud and corruption control

The department manages fraud control through a number of mechanisms, including:

- » a zero-tolerance approach to fraud and how we manage fraud risks
- » making our employees aware of their fraud control responsibilities through online and face to face training
- » integrated fraud prevention, detection and investigation arrangements, including the use of data analytics to identify fraud trends and issues
- » transparency and accountability in relation to internal and external fraud reporting obligations.

We reviewed and updated our Fraud and Corruption Control Plan to ensure it continues to reflect our business activities.

We undertake fraud risk assessments of our programs regularly to improve understanding of our exposure to fraud. These risk assessments involve identifying possible areas where fraud could be committed, evaluating existing risk mitigation strategies and identifying possible new or emerging risks that may require treatment. These fraud risk assessments form an integral part of our overall risk assessment framework.

Fraud and corruption awareness

In 2017–18, we delivered online and face-to-face fraud and corruption awareness training to staff, along with a series of fraud and corruption-related messages.

The training had a specific focus on corruption, emphasising how staff can identify corruption and what they can do to reduce opportunities for corruption to occur in their workplace.

Fraud investigation

In the past year we investigated allegations of fraud and criminal behaviour involving staff and funding recipients. We conducted these investigations in line with Australian Government Investigation Standards. All departmental investigators have at least the minimum qualifications stipulated in the standards.

We submitted two briefs-of-evidence recommending prosecution to the Commonwealth Director of Public Prosecutions for consideration and we referred a further two matters for advice on whether a prosecution would be commenced.

In 2017–18, we became a participating member of the Australian Federal Police Fraud Anti-Corruption Centre.

Agreements with third parties

To enable effective delivery of outcomes, the department enters into a range of agreements with third parties, including other Australian Government entities, state and territory government entities, and external agencies. These agreements govern the way in which one party delivers programs, payments and services on behalf of the other.

Ethical standards

We promote ethical standards and behaviours relating to our workplace and employment, including:

- » the *APS Code of Conduct*; the *APS Values* and the *APS Employment Principles*
- » information on bullying and harassment
- » guidance on acceptance of gifts and benefits
- » information on conflict of interest and outside employment
- » guidance on ethical behaviour in practice
- » information about the *Public Interest Disclosure Act 2013*.

Our intranet provides links to external websites that deal with related material, including the Australian Public Service Commission.

The department incorporates the *APS Code of Conduct* and the *APS Values* in each employee's individual performance agreement.

In 2017–18 we ran orientation sessions that included information about ethical behaviour, the *APS Code of Conduct*, the *APS Values*, and the *Public Interest Disclosure Act 2013*. Staff are able to access a range of courses relating to ethical and respectful behaviours through the department's learning management system.

Service charter

Our service charter sets out the standards of service our clients can expect, and ways to help us improve our customer service. The charter also helps our staff understand their roles and responsibilities.

For further information on our service charter, visit www.dss.gov.au

Complaints management

We encourage people to provide feedback on their experiences with our department or department funded service providers. This ensures we continue to improve quality service to all Australians.

In 2017–18, 319 formal complaints were received through the department's feedback management system.

The highest numbers of complaints were about the following:

- » 56 complaints about the National Rental Affordability Scheme
- » 36 complaints about Early Intervention for Children with Disability programs
- » 31 complaints about Disability Employment Services.

Freedom of information

Information Publication Scheme

For further information on our Information Publication Scheme plan, visit www.dss.gov.au

Office of the Australian Information Commissioner

The Privacy Commissioner did not review any privacy complaints involving our department this financial year. Our privacy policy is available at www.dss.gov.au

Chapter 3.2

External scrutiny

Our operations are scrutinised by external entities such as the Australian National Audit Office (ANAO), the Commonwealth Ombudsman and committees of the Australian Parliament.

Reports by the Australian National Audit Office

During 2017–18, the Australian National Audit Office tabled four cross-agency performance audit reports involving our department:

- » Efficiency of the Australia Council's Administration of Grants
- » Administration of the *Freedom of Information Act 1982*
- » Efficiency through Contestability Programme
- » Management of Special Appropriations.

The Australian National Audit Office also completed an interim report from its external audit of our 2017–18 financial statements.

The following four performance audits were underway at 30 June 2018, and involve other agencies in addition to the department:

- » Disability Support Pension — follow-on audit
- » National Disability Insurance Scheme fraud control program
- » Implementation and Performance of the Cashless Debit Card Trial
- » Coordination and targeting of domestic violence funding and actions.

Australian National Audit Office reports are available at www.anao.gov.au

Reports by the Commonwealth Ombudsman

In 2017–18 the Commonwealth Ombudsman did not release any reports relevant to our department.

Judicial decisions

No judicial decisions impacted our operations during the year.

Administrative tribunal decisions

In 2017–18, no decisions of an administrative tribunal significantly impacted our operations.

Reports by parliamentary committees

The Senate Standing Committees on Community Affairs

The Senate Standing Committees on Community Affairs covers the Social Services, Human Services and Health Portfolios. Its work is divided between two committees — the Legislation Committee and the References Committee.

The Legislation Committee

- » On 25 July 2017 the department provided a submission to the inquiry into the National Disability Insurance Scheme Amendment (Quality and Safeguards Commission and Other Measure) Bill 2017. The department attended a hearing on 5 September 2017.
- » On 4 August 2017 the department provided a submission to the inquiry into the Social Security Legislation Amendment (Better Targeting Student Payments) Bill 2017.
- » On 4 August 2017 the department provided a submission to the inquiry into the Social Services Legislation Amendment (Payment Integrity) Bill 2017. The department attended a hearing on 31 August 2017 and provided responses to Questions on Notice on 4 September 2017.
- » On 30 August 2017 the department attended a hearing on the inquiry into the Social Security Legislation Amendment (Welfare Reform) Bill 2017 and provided answers to Questions on Notice on 4 and 5 September 2017.
- » On 29 September 2017 the department presented a submission to the inquiry into the Social Services Legislation Amendment (Cashless Debit Card) Bill 2017. The department attended a hearing on 2 November 2017 and provided responses to Questions on Notice between 13 and 17 November 2017.
- » The department appeared before the Legislation Committee at its Senate Estimates hearings on 25 October 2017 (Supplementary Estimates), 1 March 2018 (Additional Estimates) and 31 May to 1 June 2018 (Budget Estimates).
- » On 14 November 2017 the department attended a hearing for the inquiry into the Social Services Legislation Amendment (Housing Affordability) Bill 2017 and provided responses to Questions on Notice on 17 November 2017.

- » On 6 February 2018 the department provided a submission to the inquiry into the Commonwealth Redress Scheme for Institutional Child Sexual Abuse Bill 2017 and Commonwealth Redress Scheme for Institutional Child Sexual Abuse (Consequential Amendments) Bill 2017. The department attended hearings on 16 February and 6 March 2018 and provided responses to Questions on Notice on 2 March and 16 March 2018.
- » On 11 April 2018 the department provided a submission to the inquiry into the Social Services Legislation Amendment (Drug Testing Trial) Bill 2018. The department attended a hearing on 24 April 2018 and provided responses to Questions on Notice on 1 May 2018.
- » On 11 April 2018 the department provided a submission to the inquiry into the Social Services Legislation Amendment (Self Sufficiency for Newly Arrived Migrants) Bill 2018. The department provided responses to Questions on Notice on 24 April 2018.
- » On 31 May 2018 the department provided a submission to the inquiry into the National Redress Scheme for Institutional Child Sexual Abuse Bill 2018 and National Redress Scheme for Institutional Child Sexual Abuse (Consequential Amendments) Bill 2018.

The References Committee

- » On 1 November 2017 the department attended a hearing of the Senate Community Affairs References Committee’s inquiry into the delivery of outcomes under the *National Disability Strategy 2010–2020* to build inclusive and accessible communities. The department responded to Questions on Notice on 20 November 2017.

Finance and Public Administration References Committee

The Finance and Public Administration Committee covers the following portfolios: Prime Minister and Cabinet and Finance. The committee also maintains oversight over three Parliamentary departments: the Department of the Senate, the Department of Parliamentary Services and the Parliamentary Budget Office. During 2017–18, the department had the following engagement with the committee:

- » On 6 October 2017 the department provided a submission to the Senate Finance and Public Administration References Committee’s inquiry into the Delivery of National Outcome 4 of the *National Plan to Reduce Violence against Women and their Children 2010–2022*. We attended a hearing on 8 November 2017 and responded to Questions on Notice on 16 November 2017.

The House of Representatives Standing Committee on Social Policy and Legal Affairs

The House of Representatives Standing Committee on Social Policy and Legal Affairs may inquire into and report on any matter referred to it by either the House or a Minister, including any pre-legislation proposal, bill, motion, petition, vote or expenditure, other financial matter, report or document. During 2017–18, the department had the following engagement with the committee:

- » On 15 May 2018 the department provided a submission to the Social Policy and Legal Affairs Committee's inquiry into local adoption and attended a hearing on 22 May 2018.

The Joint Standing Committee on the National Disability Insurance Scheme

The Joint Standing Committee on the National Disability Insurance Scheme initiates inquiries into various aspects of the National Disability Insurance Scheme, including the scheme's operation and performance. Either House of Parliament can refer these inquiries. During 2017–18, the department had the following engagement with the committee:

- » On 20 October 2017 the department attended a hearing of the inquiry into the transitional arrangements for the National Disability Insurance Scheme.
- » On 8 November 2017 the department attended a hearing of the inquiry into the Provision of services under the NDIS Early Childhood Early Intervention Approach.
- » On 28 March 2018 the department attended a private hearing of the inquiry into Market Readiness and provided responses to Questions on Notice on 16 May 2018.

Chapter 3.3

Managing our people

Overview

We implemented a range of strategies and initiatives in 2017–18 to continue to develop our workforce capability in line with current and emerging organisational priorities and foster an inclusive organisational culture which reflects the diversity of the Australian community.

Effectiveness in managing and developing staff

Workforce planning

A workforce planning gap analysis was undertaken in 2017–18 to identify what critical skills and characteristics are needed. This analysis will inform the development of a forward workforce plan and investment in targeted workforce strategies.

We undertook operational workforce planning in line with the business planning cycle, enabling the senior executive to monitor and make informed decisions about workforce capability and capacity.

The senior executive used regular workforce reporting and analysis, including the 2017 APS Employee Census results, as the primary evidence basis for setting organisational priorities in relation to the workforce.

Leadership and capability development

Our *Workforce Capability Strategy* outlines our approach to building personal and departmental capability. This includes continued enhancements to our Learning Management System to include job family profiles and capture recommended capability development based on role.

In 2017–18, our staff had access to more than 35 different eLearning programs through LearnHub, of which 4,560 courses were completed. We also delivered over 58 centrally funded face-to-face training courses to build a range of skills, including leading high performing teams and project management. This was complemented by unlimited, on-demand access to a library of high quality, current and engaging video tutorials on Lynda.com. In the past year, staff viewed 16,645 learning videos.

We invest in developing the skills of our managers, with external leadership opportunities offered or provided to high performing staff at all levels. During the year 20 staff took part in these leadership and management programs including Jawun secondments, the Sir Roland Wilson Scholarship, Career Development Assessment Centre and the Australian and New Zealand School of Government Executive Master of Public Administration Program.

Workplace diversity

We continue to support a diverse and inclusive workplace. Our *Aboriginal and Torres Strait Islander Workforce Strategy*, *Disability Workforce Action Plan* and the *DSS Gender Equality Action Plan*, build on our existing framework and commitment to diversity and inclusion.

In the past year our staff participated in the International Day of People with Disability, Hearing Awareness Week, NAIDOC Week, National Reconciliation Week, Carers Week, Harmony Day, Wear it Purple Day, Mental Health Week, International Day Against Homophobia, Biphobia, Intersexism and Transphobia, and Families Week.

Employment of Aboriginal and Torres Strait Islander peoples

We value, acknowledge and respect diversity and actively use life experiences, skills and knowledge of Aboriginal and Torres Strait Islander peoples as a source of advice on policy and delivery.

More than 5 per cent of our staff identified as being Aboriginal or Torres Strait Islander in June 2018, compared with an APS rate of 3.3 per cent in December 2017. Of those, 109 were ongoing and one was non-ongoing.

Our *Reconciliation Action Plan 2017–2020* and *Aboriginal and Torres Strait Islander Workforce Strategy 2015–2018* guide our commitment to the recruitment, retention and career development of Aboriginal and Torres Strait Islander staff across all policy and program areas.

We continue to participate in entry level recruitment programs to provide employment pathways for Aboriginal and Torres Strait Islander peoples, including through the Department of Jobs and Small Business's Indigenous Australian Government Development Program, the Department of Human Services Indigenous Apprenticeship Program and a department-specific Indigenous Internship Program.

Support for Aboriginal and Torres Strait Islander staff and supervisors is provided through our Indigenous Liaison Officer, who coordinates initiatives around our *Reconciliation Action Plan* and *Aboriginal and Torres Strait Islander Workforce Strategy*.

Our Indigenous Champion, a role performed at the Deputy Secretary level, has provided leadership in supporting the executive to implement our Indigenous employment strategies. Our champion also works with the Aboriginal and Torres Strait Islander Staff National Committee to provide strategic advice on workforce initiatives for Indigenous employees.

Employment of people with disability

Increasing employment outcomes for people with disability is a priority for our department. A total of 7.2 per cent of our staff identified as having a disability in June 2018, compared with an APS rate of 3.6 per cent in December 2017.

Our *Disability Workforce Action Plan 2015–2018* guides our approach to recruiting, developing and retaining people with disability.

We provide entry-level employment pathways for people with disability, through participation in the Australian Network on Disability's Stepping Into Internship Program. We also apply APS RecruitAbility to all our recruitment processes.

We provide support and guidance to employees with disability and their managers through:

- » maintaining the role of a Disability Access Coordinator
- » centralised funding to provide reasonable adjustment for employees with disability
- » specialised training for managers of staff who have an intellectual disability
- » through working closely with rehabilitation managers.

Our Disability Champion, a role performed at the Deputy Secretary level, drives workforce initiatives for employees with disability.

Support for Lesbian, Gay, Bisexual, Trans, Queer and Intersex Staff

In the 2017–18 Australian Public Service Commission State of the Service Survey, 4.2 per cent of our staff identified as lesbian, gay, bisexual, trans and/or intersex. We have established a Pride Committee and Network, as well as champions to support lesbian, gay, bisexual, trans, queer and intersex staff and allies at work.

Figure 3.3.1 Diversity in our people



*DSS figures as at 30 June 2018. APS figures as at 31 December 2017 (sourced from the Australian Public Service Employment Database).

Graduate Program

In 2017–18 we recruited 69 staff through our Graduate Program.

Our graduates undertake a 10-month program that offers comprehensive internal and external training, networking opportunities, and broad opportunities for career development.

The program exposes participants to social policy development and programs that improve the wellbeing of people and families in Australia. Graduates are provided with opportunities to formulate and support Australian Government initiatives and influence the social policy agenda.

Workplace arrangements

Enterprise agreement

The Department of Social Services Enterprise Agreement 2015 to 2018 commenced on 21 October 2015 and covers non-SES employees. The agreement has a nominal expiry date of 21 October 2018. Bargaining for a new agreement was undertaken from April 2018 to July 2018 and a new agreement was supported by employees in August 2018 for the period 2018 to 2021.

Individual Flexibility Arrangements for non-Senior Executive Services (SES) employees

In accordance with the *Fair Work Act 2009*, Individual Flexibility Arrangements can be used to provide varied terms and conditions for non-SES employees. We also used Individual Flexibility Arrangements to attract and retain staff, which recognises highly valued skills and critical roles.

As at 30 June 2018, we had 62 Individual Flexibility Arrangements in place.

Performance pay

Performance payments were not made to non-SES employees in 2017–18.

Senior Executive Service remuneration

The Secretary reviews SES remuneration annually after completion of the annual performance cycle. The individual SES employee's performance review takes into account factors including organisational performance, relevant remuneration data and the size and complexity of the role when determining remuneration outcomes.

As at 30 June 2018, 67 SES employees were remunerated through a Section 24 (1) determination.

Common law contracts

We do not use common law contracts to employ staff.

Non-salary benefits to employees

Our Enterprise Agreement offers a range of non-salary benefits to our people, including leave, flexible working arrangements, access to salary packaging and remote locality assistance.

Work health and safety

We acknowledge and are committed to fulfilling our responsibilities under the *Work Health and Safety Act 2011*, the *Work Health and Safety Regulations 2011* and the *Safety, Rehabilitation and Compensation Act 1988*.

The department's strong focus on work health and safety has resulted in sustainable reductions in workers' compensation claims. The department's achievements include:

- » a decrease in the number of workers' compensation claims submitted in 2017–18 to eight, compared to 33 in 2013–14
- » accepting two workers' compensation claims in 2017-18, compared to 30 in 2013–14
- » maintaining a low number of psychological claims accepted with one claim in 2017–18, which is the same as in 2016–17
- » maintaining a decrease in the department's Comcare workers compensation premium rate for a third consecutive year from 2.1 per cent of payroll in 2015–16 to 1.1 per cent for 2018–19
- » achieving an 89 per cent conformance rate in its 2017–18 internal audit of the department's rehabilitation management system.

We will continue to focus on encouraging early identification, reporting and response to workplace hazards and injuries in the workplace to further improve work health and safety and return to work performance.

We have used new furniture and equipment in our new premises in Tuggeranong as a key strategy to address muscular skeletal health. We fitted the new building with sit/stand desks for all National Office staff and offered the same to employees across the organisation on an as-required basis.

Other initiatives implemented in 2017–18 to ensure the health, safety and welfare of workers include:

- » supporting ill or injured employees through the department's early intervention program to help them remain at work or return to work safely
- » implementing a dedicated electronic case management system to help the department's case managers effectively manage return to work
- » participating in APS working groups to provide input into the ongoing management of the Comcare Scheme, which provides all scheme employers with an integrated safety, rehabilitation, compensation system
- » inviting employees to participate in the annual influenza vaccination program to reduce unscheduled absences during the influenza season.

Notifiable incidents

In 2017–18 there were two notifiable incidents in relation to a serious injury of a person.

No investigations were carried out under part 10 of the *Work Health and Safety Act 2011*.

Chapter 3.4

Managing our finances

The 2017–18 financial statements in this report reflect our effective financial management. We were responsible for expenditure of \$117.7 billion during the year, including \$109.3 billion in expenses for outlays to individuals and \$6.8 billion for programs, subsidies and grants to support the community.

How we are funded

The Australian Parliament, via the Appropriation Acts, provides the department with two types of funding: departmental and administered.

Departmental resources are used to develop and implement policies and deliver services (programs).

We also administer payments, subsidies, revenues and other resources on behalf of the Australian Government. A shaded background in our financial statements indicates information that relates to an administered resource (see Part 4).

Table 3.4.1: Trends in departmental finances

	2017–18 \$ million	2016–17 \$ million	Change \$ million
Revenue from the Australian Government	406.8	403.1	3.7
Other revenue	86.1	105.4	(19.3)
Total income	492.9	508.5	(15.6)
Employee benefits	259.0	256.5	2.5
Suppliers	203.7	212.9	(9.2)
Other expenses	73.0	66.8	6.2
Total expenses	535.7	536.2	(0.5)
Deficit attributed to the Australian Government	(42.8)	(27.7)	(15.1)
Add back non-appropriated depreciation and amortisation expense	72.1	62.8	9.3
Surplus attributed to the department	29.3	35.1	(5.8)
Financial assets A	83.0	128.4	(45.4)
Non-financial assets B	275.8	254.1	21.7
Liabilities C	156.2	152.3	3.9
Net assets (A+B-C)	202.6	230.2	(27.6)

Table 3.4.2: Trends in administered finances

	2017–18 \$ million	2016–17 \$ million	Change \$ million
Recoveries	54.3	58.7	(4.4)
Interest	1.0	1.5	(0.5)
Other revenue	13.5	18.4	(4.9)
Total revenue	68.8	78.6	(9.8)
Suppliers	965.5	967.4	(1.9)
Subsidies	84.9	85.0	(0.1)
Personal benefits	109,346.3	109,503.4	(157.1)
Grants	1,495.6	1,264.7	230.9
Payments to corporate Commonwealth entities	3,210.8	1,598.5	1,612.3
Other expenses	1,034.1	364.0	670.1
Total expenses	116,137.2	113,783.0	2,354.2
Financial assets	6,240.3	5,586.9	653.4
Liabilities	6,402.6	6,026.0	376.6

Assets management

Our assets are managed under the authority of section 20A of the PGPA Act, relevant accounting standards and Department of Finance requirements.

We invest in new assets to improve our systems and processes. We manage capital investment through an annual capital plan that reflects both government priorities and ongoing business needs.

Consultants

During 2017–18, 60 new consultancy contracts were entered into involving total actual expenditure of \$12 million. In addition, 45 ongoing consultancy contracts were active during the period, involving total actual expenditure of \$9 million.

We contract providers for specialist expertise or when independent research, review or assessment is required. Decisions to engage consultants were made after considering the skills and resources required for the task, internal capacity, and the cost effectiveness of contracting an external service provider. Consultants were engaged in line with the PGPA Act and related regulations.

Annual Reports contain information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the AusTender website.

Summary information on consultancy services is set out in Tables 3.4.3 and 3.4.4.

Table 3.4.3: Consultancies in 2017–18

	Number	Expenditure (\$ million, GST inc.)
New consultancies let	60	12.0
Ongoing consultancies active	45	9.0
Total	105	21.0

Table 3.4.4: Total expenditure on new and ongoing consultancy contracts — 2015–16 to 2017–18

Expenditure (\$ million, GST inc.)		
2017–18	2016–17	2015–16
21.0	15.1	15.9

Australian National Audit Office access clauses

All departmental contracts let in the past year required the Auditor-General to have access to the contractor's premises.

Exempt contracts

In 2017–18 no contracts were exempted from reporting on AusTender.

Purchasing

Our purchasing activities are consistent with the Secretary's Instructions and internal procurement guidelines, which are in accordance with the Commonwealth Procurement Rules 2018.

Purchasing is made in an accountable and transparent manner, complying with Australian Government policies and meeting relevant international obligations.

In 2017–18, the department exceeded its targets under the Indigenous Procurement Policy by awarding more than three per cent of contracts to Indigenous businesses.

Procurement initiatives to support small business

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

We support the use of SMEs through various means including:

- » using standardised contracts for low-risk procurements valued under \$200,000
- » using an electronic invoice processing system
- » incorporating Australian Industry Participation Plans in procurement where applicable.

The Department of Social Services 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 Department of Treasury's website, www.treasury.gov.au

Grants administration

The Community Grants Hub, which offers end to end grants administration services, continues to mature and now provides services to eight client agencies including our department.

The Hub processed 333 grants rounds for its client agencies in the past year and manages over 7,000 funding arrangements with more than 3,100 organisations. Importantly, the Hub has successfully delivered several major rounds for client agencies, such as the Community Child Care Fund for the Department of Education and Training, and Disability Employment Services for our department. The workload of the Hub is expected to increase significantly in 2018–19.

In the past year, the Hub has completed two major reforms to its operations through the Streamlining Grants Administration and One Delivery programs. These reforms have improved the Hub's capability to deliver effective and efficient grant administration services at scale for its client agencies.

The Hub also manages the Data Exchange, which measures the effectiveness of client-based grant programs and provides visibility of outcomes achieved for clients of grant funded services. Over 2,400 organisations and 12,600 users are on the Data Exchange and this will increase as more agencies on-board programs to the Data Exchange system. In 2017–18, the Hub commenced enhancements to the Data Exchange to support increased usage and enhanced reporting and analytical capability. The Data Exchange is currently used by four Commonwealth agencies and negotiations are underway with other Commonwealth and state agencies to use the exchange, including sharing data to provide greater insights into client pathways across and between Commonwealth and state funded related programs.

Information on grants advertised during the last financial year is available at www.communitygrants.gov.au/grants

Information on grants awarded since 1 January 2018 is available at www.grants.gov.au and information on grants awarded up to 31 December 2017 is available at www.dss.gov.au

All the difference in the world



It's amazing what a difference 12 months can make in the life of a person with disability, who now has access to care and support through the National Disability Insurance Scheme (NDIS).

One year after joining the NDIS, 62-year-old Port Macquarie man Geoffrey has a new lease on life.

"This time last year I would never go out of my house. Ever since the NDIS I can get out more," Geoffrey explained.

He spent most of his time inside his house, only venturing out for regular doctor's appointments to manage Parkinson's disease, and weekly visits to his nearby church. His carers, or his 'friends' as he calls them, make all the difference.

"They're helping me get out and enjoy life instead of withering away. I can smile again."

The addition of a motorised NDIS-funded scooter make it possible for Geoffrey to be even more independent.

"I take it into town three times a week just to clean it... Everybody in town wants to be seen with me," Geoffrey jokes.

Throughout 2017–18, the Department of Social Services worked with states and territories to continue the NDIS roll out and design the NDIS Quality and Safeguards Commission. The commission will ensure high standards of quality and safety in NDIS services for Australians with a disability.

The NDIS supported 183,965 Australians by 30 June 2018.

ABOVE: NDIS participant, Geoffrey, says his NDIS-funded motorised scooter gives him greater independence.

See part 2 chapter 2.3 for more information.