

Part 4

Management and accountability

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Chapter 4.1

Governance structure

Committees supporting our business

Committees reporting to the Secretary

At 30 June 2020, our governance committee structure included the Executive Management Group and four supporting committees that provided advice and assurance to the Secretary on the administration and operation of the department.

Executive Management Group

The Executive Management Group is our most senior governance committee. This group comprises the Secretary as Chair and deputy secretaries as members. It provides the department with guidance on overall strategic direction, priorities, management, and performance; and oversees our financial position by allocating resources, monitoring performance and risks, as well as ensuring our accountability and regulatory requirements are met.

Audit and Assurance Committee

This committee provides independent assurance and advice to the Secretary on financial and performance reporting responsibilities, risk oversight and management, and our system of internal control. The Audit and Assurance Committee Charter provides further information. This committee has an independent Chair, three external experts and three internal members appointed by the Secretary. It meets up to six times a year.

For further information on the Audit and Assurance Committee Charter, go to dss.gov.au

Figure 4.1.1 PGPA Rule Section 17AG (2A)(b)–(e)—Audit and Assurance Committee

Member name	Qualifications, knowledge, skills or experience (include formal and informal as relevant)	Number of meetings attended / total number of meetings	Total annual remuneration
Mr Nick Baker	Bachelor of Arts in Computing Studies Graduate Diploma in Professional Accounting Certificate IV Commonwealth Fraud Investigations Fellow Certified Practising Accountant Australia Member Australian Computer Society	Six of six	\$30,134
Ms Jenny Morrison	Bachelor of Economics Fellow—Chartered Accountants Australia and New Zealand Fellow the Australian Institute of Management Specialist in government financial reforms, governance and consulting Independent member and chair of Commonwealth audit and risk committees and financial statement sub-committees for large and small government entities	Five of six	\$18,316
Mr Ian McPhee	Bachelor of Business Bachelor of Arts Financial management and budget experience, Department of Finance Fellow of Chartered Accountants Australia and New Zealand Fellow CPA Australia, and the Institute of Public Administration Australia Financial statement and performance audit experience with Australian National Audit Office	Six of six	\$25,210
Ms Susan Page	Former Deputy Secretary for the Department of Infrastructure and the Department of Finance Five years' experience with Audit and Assurance Committees Member Department of Infrastructure, Transport, Regional Development and Communications Audit and Assurance Committee	Six of six	\$23,580

Member name	Qualifications, knowledge, skills or experience (include formal and informal as relevant)	Number of meetings attended / total number of meetings	Total annual remuneration
Mr Michael Lye	Bachelor of Arts (Psychology) Master of Social Welfare Administration and Planning Former Chief Operating Officer and Deputy Secretary for the Department of Social Services	Two of three (ceased membership November 2019)	\$0
Mr Matt Flavel	Master of Financial Management Bachelor of Economics (Hons) Previous experience as a Chief Operating Officer managing large complex budgets, audit, IT and security related issues	Two of two (new member March 2020)	\$0
Ms Flora Carapellucci	Graduate and member of the Australian Institute of Company Directors Master of Public Policy Special appropriations management and administered budgets	Six of six	\$0
Ms Chantelle Stratford	Master of Public Policy and Leadership Risk management skills through project manager, project sponsor and program management roles	One of six (ceased membership June 2020)	\$0

Committees reporting to the Executive Management Group

Policy Committee

This committee considers major policy issues, including early stage consideration of strategic issues, specialist advice on significant social services initiatives, and rapidly evolving situations. The committee is responsible for preliminary discussions of items, during the early policy development phase, that are intended for subsequent consideration by the Executive Management Group. The Deputy Secretary, Social Security chairs the committee.

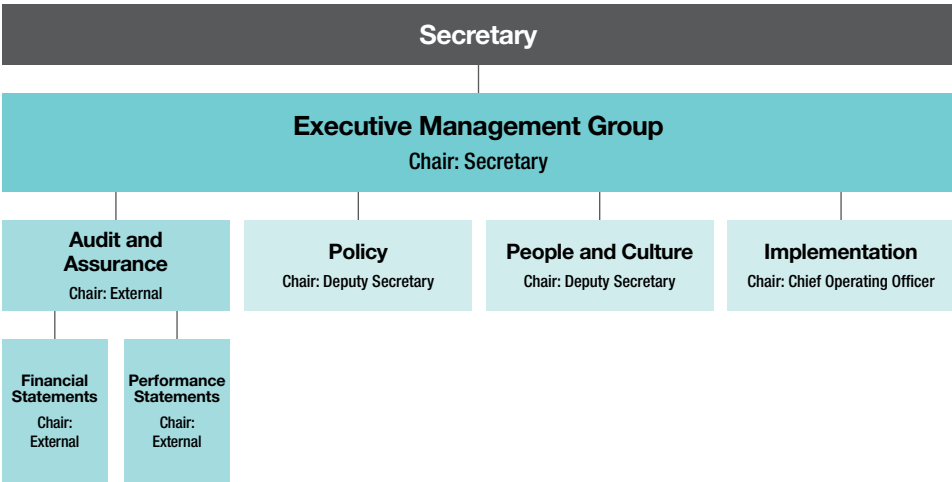
People and Culture Committee

This committee provides advice to the Secretary through the Executive Management Group. It is responsible for ensuring delivery of government requirements through improved oversight of our workforce. Its remit includes work health and safety, workforce strategy, diversity and inclusion, and other priorities as directed by the Executive Management Group. The Deputy Secretary, Families and Communities chairs the committee.

Implementation Committee

This committee provides advice to the Secretary through the Executive Management Group. It is responsible for ensuring effective design and delivery of government requirements through improved oversight of the department’s implementation activities. In the context of the Corporate Plan and Portfolio Budget Statements, the committee’s remit includes performance monitoring and reporting of election commitments, budget measures, enterprise risk management, and other priorities as directed by the Executive Management Group. The Chief Operating Officer chairs the committee.

Figure 4.1.2: Our governance structure as at 30 June 2020



Business planning and risk management

Strategic and business planning

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

Our Corporate Plan outlines our purpose, priorities, and performance objectives and guides the way in which we achieve results. For further information on our Corporate Plan, go to dss.gov.au

Risk management

Effective risk management is fundamental to ensuring we can deliver on government priorities. We base our approach to risk management on the Australian/New Zealand International Standard on Risk Management (AS/NZS ISO 31000:2018). It aligns with the nine elements of the Commonwealth Risk Management Policy 2014, meeting our obligations under the *Public Governance, Performance and Accountability Act 2013*.

In 2019–20, to demonstrate our commitment to enterprise risk management, we have continued to mature our risk management culture and capabilities by aligning our risks strategically with our corporate planning and embedding risk management principles into our everyday decision making.

Business continuity management

We are committed to managing business interruptions that may affect critical services and assets.

Our Business Continuity Management Framework ensures we can deliver our critical work in the event of a disruption. We review and test business continuity plans to ensure the safety, security, and wellbeing of staff during the event of an emergency or disaster.

In 2019–20, we activated key measures from our Business Continuity Plan and Pandemic Action Plan as part of our response to the bushfires and the COVID-19 pandemic.

Internal audit assurance activities

Internal Audit is an important component of our governance arrangements.

Internal Audit provides assurance services, including reasonable assurance engagements as defined in the *Public Governance, Performance and Accountability Act 2013*, Resource Management Guide 210.

Internal Audit is an independent assurance and advisory function designed to strengthen accountability of the department's activities and functions and improve risk-based, decision-making across our operations.

The 2019–20 Audit Work Plan considered our risk profile and was approved by the Secretary following consideration by the Audit and Assurance Committee. Over the year, 19 audits were undertaken across our policy, program, and enabling activities.

The Head of Internal Audit is independent from the department's policy and program management activities. To strengthen accountability, the Head of Internal Audit provides the Audit and Assurance Committee with all internal audit findings and advises them on progress towards implementing audit recommendations. The independence of the Head of Internal Audit allows the position to provide objective insights into the state of our governance, performance, risk management and internal controls, systems, policies, processes, and practices.

Compliance framework

We promote a strong compliance culture which enables us to deliver outcomes effectively and achieve high levels of performance.

Our Enterprise Compliance Framework establishes a foundation for a strong compliance culture enabling us to deliver outcomes effectively and achieve high levels of performance in a manner consistent with relevant legal and policy obligations. It forms part of a broader, coordinated approach to promote good governance underpinned by principles such as accountability, transparency, integrity, efficiency, and leadership.

This framework complements other key governance frameworks, including those addressing security, risk, and fraud.

Fraud and corruption control

Under section 10 of the *Public Governance, Performance and Accountability Rule 2014* (the Fraud Rule) we are required to have in place mechanisms to prevent, detect, and deal with fraud.

We are committed to preventing fraud against the department, our programs, and operations.

We manage fraud through a number of strategies, including:

- educating our employees on risk management
- identifying and mitigating our fraud, compliance, security, and privacy risks
- making our employees aware of their fraud control responsibilities
- integrating fraud prevention, detection and investigation arrangements and using data analysis to identify trends and issues
- ensuring fraud reporting is transparent and accountable.

We review our Fraud Control Framework regularly to ensure its continued effectiveness.

We undertake regular assessment of fraud risks to improve understanding of our fraud exposure. These risk assessments involve identifying 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 compliance awareness

In 2019–20, online fraud awareness training was made mandatory for all staff. Face-to-face fraud and compliance awareness presentations were also facilitated with staff.

Throughout the year, we communicated a series of messages on fraud and corruption to encourage staff to learn about fraud and report suspicious behaviour.

Fraud investigation

In 2019–20, we assessed 35 suspected internal and external fraud incidents through established referral mechanisms in accordance with paragraph (d) of the Fraud Rule. These mechanisms allow officials, clients, and members of the public to confidentially report incidents of suspected fraud. Nine briefs of evidence were submitted to the Commonwealth Director of Public Prosecutions for consideration. Following an investigation, we also referred seven matters of criminal offending to a state law enforcement body.

In circumstances where there was not sufficient evidence of criminal offending, there were appropriate referrals to relevant entities or programs for consideration of compliance and/or other preventive actions.

In 2019–20, we worked in partnership with other agencies to initiate information sharing to improve inter-agency responses to fraud. The development of these partnerships aligns with the aims of managing risk and incidents of fraud across the department and the Commonwealth.

We undertake all criminal investigations in accordance with the Australian Government Investigation Standards and all departmental investigators have at least the minimum qualifications stipulated in the standards.

In 2019–20, we became a participating member of the Australian Federal Police hosted Operation Ashiba, which was formed following the closure of the Fraud and 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 organisations. 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.

We incorporate the APS Code of Conduct and the APS Values in each employee's individual performance agreement. Staff are able to access a range of courses relating to ethical and respectful behaviours through our 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, go to dss.gov.au

Complaints management

We value feedback on the experiences the public has with our department or department-funded service providers. This enables us to improve our quality of service to all Australians.

In 2019–20, 1,197 formal complaints were received through our Feedback Management System.

The top three areas of complaint were about:

- Social Security Payments
- the National Redress Scheme
- the National Rental Affordability Scheme.

Freedom of Information

We are subject to the *Freedom of Information Act 1982* (FOI Act) and we comply with the requirement to publish information to the public as part of the Information Publication Scheme (IPS). This requirement is in Part II of the FOI Act and has replaced the former requirement to publish a section 8 statement in an annual report. To view the department prepared IPS agency plan, go to dss.gov.au

Privacy

Our privacy framework is guided by our privacy policy. The privacy policy guides how we deal with personal information in respect of our functions and activities. For further information on our privacy policy, go to dss.gov.au

The Privacy Commissioner may investigate a privacy issue, including breach notifications and complaints, and issue a report or determination.

The Privacy Commissioner made inquiries in relation to one privacy breach and one privacy complaint in 2019–20. No reports or determinations relating to these matters were made.

Chapter 4.2

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

In 2019–20, the ANAO tabled a cross agency performance audit report involving the department on the delivery of the Humanitarian Settlement Program.

The ANAO also completed two performance audits focussed on the department:

- Management of Agreements for Disability Employment Services
- Fraud Control Arrangements in the Department of Social Services.

The following ANAO reports are in the preparation stage:

- Financial Statements of Australian Government Entities for the Period Ended 30 June 2020
- Decision-making controls for NDIS participant plans.

Completed audits can be found on the ANAO website. To view the completed audits, go to anao.gov.au

Reports by the Commonwealth Ombudsman

In 2019–20, the Commonwealth Ombudsman released one report related to the department:

- Lessons in good complaint handling.

For further information, go to ombudsman.gov.au

Judicial decisions

No judicial decisions significantly impacted our operations during the year.

Administrative tribunal decisions

No decisions of an administrative tribunal significantly impacted our operations during the year.

Reports by parliamentary committees

The Senate Standing Committees on Community Affairs

The Senate Standing Committees on Community Affairs covers the Health and Social Services Portfolios. Its work is divided between two committees—the Legislation Committee and the References Committee. During 2019–20, we had the following engagement with the Committees:

The Legislation Committee

- On 19 August 2019, we provided a submission to the inquiry into the Family Assistance Legislation Amendment (Extend Family Assistance to ABSTUDY Secondary School Boarding Students Aged 16 and Over) Bill 2019. We attended a hearing on 30 August 2019. The Committee tabled its final report on 5 September 2019. We tabled the Government response on 17 February 2020
- On 27 September 2019, we provided a submission to the inquiry into the Social Services Legislation Amendment (Drug Test Trial) Bill 2019. We attended a hearing on 2 October 2019. The Committee tabled its final report on 10 October 2019
- On 14 October 2019, we provided a submission to the inquiry into Social Security (Administration) Amendment (Income Management to Cashless Debit Card Transition) Bill 2019. We attended a hearing on 14 October 2019. The Committee tabled its final report on 7 November 2019. We tabled the Government response on 2 December 2019
- On 14 February 2020, we provided a submission to the inquiry into the Social Services and Other Legislation Amendment (Simplifying Income Reporting and Other Measures) Bill 2020. We attended a hearing on 17 February 2020. The Committee tabled its final report on 20 February 2020. We tabled the Government response on 26 February 2020
- On 6 March 2020, we provided a submission to the inquiry into Paid Parental Leave Amendment (Flexibility Measures) Bill 2020. The Committee tabled its final report on 19 March 2020.

The References Committee

- On 30 September 2019, we provided a submission to the inquiry into the adequacy of Newstart and related payments and alternative mechanisms to determine the level of income support payments in Australia. We attended hearings on 10 October 2019 and 14 February 2020. The Committee tabled its final report on 30 April 2020
- On 3 October 2019 and 16 December 2019, we attended hearings for the inquiry into Centrelink's compliance program.

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 of Representatives or a Minister, including any pre-legislation proposal, bill, motion, petition, vote or expenditure, other financial matter, report or document. During 2019–20, we had the following engagement with the Committee:

- On 12 September 2019, we tabled the Government response to the inquiry into Local Adoption
- On 24 October 2019, we provided a submission to the inquiry into age verification for online wagering and online pornography. We attended a hearing on 6 December 2019. The Committee tabled its final report on 5 March 2020
- On 11 June 2020, we provided a submission to the inquiry into homelessness in Australia.

The Joint Standing Committee on the National Disability Insurance Scheme

The Joint Standing Committee on the National Disability Insurance Scheme (NDIS) initiates inquiries into various aspects of the NDIS, including the Scheme's operation and performance. During 2019–20, we had the following engagement with the Committee:

- On 19 September 2019 and 21 November 2019, we attended hearings for the inquiry into NDIS planning and the inquiry into Supported Independent Living. The Committee tabled its final report for the inquiry into Supported Independent Living on 13 May 2020
- On 21 November 2019, we attended a hearing for the inquiry into General issues around the implementation and performance of the Scheme
- On 13 February 2020, 17 April 2020, and 8 May 2020, we attended hearings for the Joint Standing Committee on the National Disability Insurance Scheme
- On 3 March 2020, we tabled the Government response in the House of Representatives for the inquiry into NDIS planning. The response was tabled in the Senate on 24 March 2020. The Committee tabled its interim report on 3 December 2019
- On 3 March 2020, we tabled the Government response in the House of Representatives for the inquiry into General issues around the implementation and performance of the Scheme. The response was tabled in the Senate on 24 March 2020. The Committee tabled its progress report on 29 March 2019
- On 3 March 2020, we tabled the Government response in the House of Representatives for the inquiry into Market Readiness. The response was tabled in the Senate on 24 March 2020
- On 11 June 2020, we provided a submission to the inquiry into the Scheme's workforce.

The Joint Select Committee on Implementation of the National Redress Scheme

- On 7 February 2020, 26 February 2020, 19 March 2020, 15 April 2020, and 29 May 2020, we attended hearings for the inquiry into the implementation of the National Redress Scheme
- The Committee tabled its interim report on 30 April 2020.

Other Parliamentary Inquiries

- On 6 September 2019, we provided a submission to the Senate Select Committee inquiry into Jobs for the Future in Regional Areas. The Committee tabled its final report on 4 December 2019
- On 30 October 2019, we provided a submission to the Joint Committee of Public Accounts and Audit inquiry into Efficiency and Effectiveness. We attended a hearing on 15 November 2019
- On 18 December 2019, we provided a submission to the Joint Select Committee inquiry into Australia's Family Law System. We attended a hearing on 14 February 2020
- On 18 February 2020, we tabled the Government response in the Senate for the former Joint Standing Committee inquiry into the oversight of the implementation of redress related recommendations of the Royal Commission into Institutional Response to Child Sexual Abuse. The tabling of the Government response in the House of Representatives occurred on 24 February 2020
- On 5 March 2020, we tabled the Government response for the House of Representatives Select Committee inquiry into Intergenerational Welfare Dependence
- On 13 March 2020, we attended a hearing for the Senate Economics Legislative Committee inquiry into the National Consumer Credit Protection Amendment (Small Amount Credit)
- On 30 April 2020 and 2 June 2020, we attended hearings for the Senate Select Committee on COVID-19 inquiry. We provided a submission to the inquiry on 12 May 2020
- On 30 June 2020, we provided a submission to the House Standing Committee on Indigenous Affairs inquiry into food prices and food security in remote communities.

For further information on the department's submissions, responses to questions on notice, and transcripts of the hearings, go to aph.gov.au

Chapter 4.3

Managing our people

Overview

We implemented a range of strategies and initiatives in 2019–20 to continue to develop our workforce capability in line with current and emerging Government priorities, and to foster an inclusive culture that reflects the diversity of the Australian community.

We adapted quickly to support our people through the response to COVID-19.

Key actions undertaken included:

- ensuring all departmental workplaces were compliant with physical distancing requirements
- establishing a new contact centre for Services Australia within the Enid Lyons Building at Tuggeranong, Canberra
- redeploying staff as part of the whole of APS response to COVID-19
- acquiring IT equipment to support remote working and designing targeted advice for managers to support employee health and wellbeing
- facilitating home-based work arrangements, including ongoing support for employees who were health vulnerable or who live with someone who was health vulnerable.

Effectiveness in managing and developing staff

Workforce planning

Our *Workforce Strategy 2019–22* (the Workforce Strategy) is a core element of our planning framework. The Workforce Strategy identifies the overarching principles which guide how we manage our current and future workforce capability and culture, and incorporates our workplace behaviours (action orientated, builders of cooperative relationships, curious, and decisive). Each year, the Workforce Strategy is reviewed, and priority initiatives are adjusted. For 2019–20, thirteen priority initiatives were identified under five key themes: capability, leadership, inclusion, adaptability and wellbeing.

The senior executive used regular workforce reporting and analysis, including the 2019 APS Employee Census results, workforce trend analysis, and workforce data (provided through an online Executive Dashboard) as evidence to inform workforce decisions.

Leadership and capability development

In response to physical distancing requirements, our face-to-face learning and development programs were adapted to suit self-paced online learning where possible, resulting in an increase of eLearning programs from 69 to 100 between 1 April and 30 June 2020.

Staff completed a total of 7,942 eLearning courses in 2019–20. Additionally, staff accessed 45,335 high-quality, video tutorials through LinkedIn Learning. Staff have demonstrated a willingness to adapt their learning to different delivery models and we continue to develop flexible learning options to meet current and emerging needs.

We continued to invest in growing capable leaders and provided high-value learning opportunities to our APS staff. In 2019–20, 26 staff participated in a range of highly regarded leadership and management programs including the Jawun APS Secondment Program, the Sir Roland Wilson and Pat Turner Scholarships, and the Australian and New Zealand School of Government (ANZSOG) Executive Masters of Public Administration Program.

Senior Executive Service (SES) employees attended targeted SES development programs including Indigenous Cultural Awareness Training, Australian Public Service Commission (APSC) SES Leadership Development and, SES Orientation, the ANZSOG Executive Fellows Program, the ANZSOG Executive Masters of Public Administration, and the Australian Institute of Company Directors course. Senior leaders also participated in a 360-degree feedback assessment process where they were assessed against SES leadership capabilities.

We continue to acknowledge and recognise outstanding staff performance and contribution through our annual Secretary's Excellence Awards and NAIDOC Awards programs.

Workplace diversity

We continue to support a diverse and inclusive workplace. Our *Diversity and Inclusion Strategy 2019–2021* outlines how we will foster inclusion across the department to ensure all employees are treated equitably and respectfully.

The *Diversity and Inclusion Strategy 2019–2021* guides the development of key diversity and inclusion action plans within the department that build on our existing framework and commitment to diversity and inclusion.

We strive to provide a work environment for all staff to thrive and succeed through the following objectives:

- inclusive culture that celebrates diversity
- engage diversity through our people
- improved capability
- leadership that drives cultural change.

To support our staff and ensure ongoing engagement with internal and external programs and policies, we have established the following staff diversity committees, each supported by executive diversity champions and a diversity network:

- Culturally and Linguistically Diverse (CALD) Network Committee
- Aboriginal and Torres Strait Islander Staff National Committee
- Disability and Carers Committee
- Pride Committee (LGBTIQ).

Diversity committees regularly collaborate to ensure inclusion and representation of all staff, including those who experience intersectional diversity.

We also maintain memberships with the following diversity organisations:

- Australian Network on Disability (Gold membership)
- Diversity Council of Australia
- Pride in Diversity.

In 2019–20, our staff participated in 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 National Families Week.

Culturally and Linguistically Diverse

The CALD Network and CALD Network Committee has been established as part of our *Diversity and Inclusion Strategy 2019–2021* to support staff from CALD backgrounds by representing their interests, perspectives, and concerns. The Committee also provides strategic advice to the department to enable, encourage, and deploy diverse experiences to our work environment.

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, service delivery, and capability development.

As at 30 June 2020, six per cent of our employees (143 staff) identified as being Aboriginal and/or Torres Strait Islander.

Our *Reconciliation Action Plan 2017–2020* and our *Aboriginal and Torres Strait Islander Workforce Strategy* 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. This includes 10 participants in the Indigenous Apprenticeships Program, coordinated by Services Australia and our department-specific Indigenous Internship Program.

Support for Aboriginal and Torres Strait Islander staff and their supervisors is provided through our Indigenous Liaison Officer, who coordinates initiatives from our *Reconciliation Action Plan 2017–2020* and *Aboriginal and Torres Strait Islander Workforce Strategy*.

Our Indigenous Champion, a role performed at the deputy secretary level, provides senior leadership support 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.

The Aboriginal and Torres Strait Islander Staff National Committee represents the interests, perspectives, and concerns of Aboriginal and Torres Strait Islander Staff through, advocacy and engagement and by providing advice on issues that impact staff. The Aboriginal and Torres Strait Islander Staff National Committee provides input into our *Reconciliation Action Plan 2017–2020* and our *Aboriginal and Torres Strait Islander Workforce Strategy*.

Employment of people with disability

Increasing employment outcomes for people with disability continues to be a priority. In total, 6.8 per cent of our staff identified as a person with disability as at 30 June 2020 (160 staff).

Our *Diversity and Inclusion Strategy 2019–2021* 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 in which we had four interns. We also apply APS RecruitAbility to all our recruitment processes.

In July 2019, we recruited six data analyst trainees through our Autism@Work program in partnership with Dandelion.

Having the right supports in place to help people with disability enter the workforce and develop their careers is a key element of our mission to improve the wellbeing of individuals and families in Australian communities. We provide support and guidance to employees with disability and their managers through:

- dedicated Disability and Inclusion Advisers
- centralised funding to provide reasonable adjustment for employees with disability
- specialised training for managers of staff with disability, including those with intellectual disability.

Our Disability and Carers Committee represents the interests, perspectives, and concerns of staff with disability and those that are carers. The Disability and Carers Network is open to anyone interested in disability issues and provides input and recommendations to the Disability and Carers Committee.

Our Disability Champion, a role performed at the deputy secretary level, drives workforce initiatives for employees with disability. Our Disability Champion is a member of the APS Disability Champions Network and the Australian Network on Disability.

Support for lesbian, gay, bisexual, transgender, intersex and queer staff

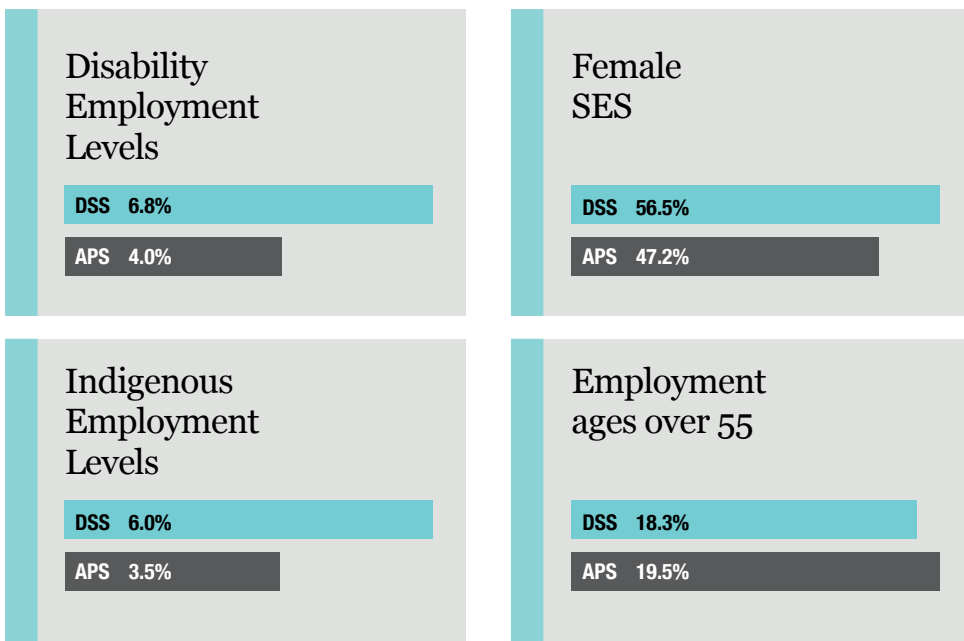
In the 2019 APS Employee Census, 5.7 per cent (118) of respondents identified as lesbian, gay, bisexual, transgender, intersex and/or queer (LGBTIQ). We have an established Pride Committee and Network, as well as champions to support LGBTIQ staff and their allies at work.

We participate in the Australian Workplace Equality Index, a national benchmark for LGBTIQ workplace inclusion. In 2019–20, we achieved Silver employer status.

Our Pride Committee works to ensure all employees are valued for their differences, all policy and programs created by the department are inclusive of LGBTIQ people in Australia, and we strive to lead the APS in LGBTIQ social policy. While the Pride Committee and departmental documentation may refer specifically to LGBTIQ, the Pride Committee represents all people of diverse sexualities and gender even if they are not specifically identified in the LGBTIQ acronym.

The Pride Network is open to all staff, including allies of LGBTIQ staff. The Pride Network receives regular information about issues relevant to gender and sexual orientation. Membership of the Pride Network is confidential and open to both Allies and LGBTIQ staff.

Figure 4.3.1 Diversity in our people



Department of Social Services figures as at 30 June 2020.

APS figures as at 31 December 2019 (sourced from the Australian Public Service Employment Database).

Graduate Development Program

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

In 2020, we recruited a cohort of 74 graduates. 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 government initiatives and influence the social policy agenda.

In 2020, members of the graduate cohort were seconded to Services Australia as part of the response to COVID-19 enabling them to experience direct service delivery to Australians.

Workplace arrangements

Enterprise agreement

The *Department of Social Services Enterprise Agreement 2018 to 2021* commenced on 21 January 2019 and covers non-SES employees. The agreement has a nominal expiry date of 21 January 2022.

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 use Individual Flexibility Arrangements to attract and retain staff, to recognise highly valued skills and critical roles.

As at 30 June 2020, we had 21 Individual Flexibility Arrangements in place.

Performance pay

Performance payments were not made to departmental employees in 2019–20.

Secretary remuneration

The Secretary is remunerated under the *Remuneration Tribunal (Departmental Secretaries—Classification Structure and Terms and Conditions) Determination 2020*, which is made under Division 4 of Part II of the *Remuneration Tribunal Act 1973*.

Senior Executive Service remuneration

The Secretary reviews SES remuneration annually, after completion of the annual performance cycle. When determining salary progression outcomes for an individual SES employee's performance, the Secretary considers factors including organisational performance, relevant remuneration data, and the size and complexity of the role.

As at 30 June 2020, 70 SES employees were remunerated through a section 24(1) determination. This includes SES employees on temporary transfer, secondment, or leave.

Common law contracts

The department does not use common law contracts to employ staff.

Non-salary benefits to employees

The *Department of Social Services Enterprise Agreement 2018 to 2021* 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*.

Our strong focus on work health and safety and early intervention has resulted in sustainable reductions in workers' compensation claims.

Our achievements include:

- sustaining a low number of workers' compensation claims submitted in 2019–20
- maintaining a low number of accepted workers' compensation claims in 2019–20
- no psychological injury claims accepted in 2019–20
- maintaining a decrease in our Comcare workers' compensation premium rate for a fifth consecutive year from 2.1 per cent of payroll in 2015–16 to 0.47 per cent for 2020–21.

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

Other initiatives implemented in 2019–20 to ensure the health, safety, and welfare of our workers include:

- working with our managers to support ill or injured employees through our early intervention program, to help them remain at work or return to work safely
- refreshing our Work Health and Safety Management Arrangements which provide a framework for reducing the risk and incidence of workplace injury, illness, and bullying
- promoting and encouraging employees to access the services of our Employee Assistance Program to support positive physical and mental health and wellbeing
- delivering mental health e-learning and promoting additional external mental health resources
- promoting tailored mental and physical wellbeing messages through the launch of 'Mental Health and Wellness Mondays'
- delivering targeted mental health training for managers through Lifeline's 'The Working Mind for Managers' program
- 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, and compensation system
- inviting our employees to participate in the annual influenza vaccination program.

As a result of COVID-19, we also:

- established a dedicated intranet page to provide up-to-date guidance and information for staff
- increased the frequency of cleaning at all sites, including a focus on high touch point areas such as kitchens, door handles and hand-rails, meeting rooms, tables, and printers
- implemented physical distancing measures by reconfiguring workstations and placing signage on all meeting/training/conference rooms and offices mandating reduced maximum capacity to achieve both the 1.5m and 4m2 requirements
- removed excess furniture from meeting rooms, breakout, and common areas
- displayed digital signage throughout the office to promote how staff can exercise physical distancing and hygiene practices
- installed hand sanitiser stations at main entry and exit points and distributed hygiene packs throughout work areas
- provided services through the Employee Assistance Program, provided mental health resources to staff and implemented a dedicated mental health first aid information line for staff.

Notifiable incidents

In 2019–20, there were three 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 4.4

Managing our finances

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 5).

Table 4.4.1: Trends in departmental finances

	2019–20 \$ million	2018–19 \$ million	Change \$ million
Revenue from the Australian Government	411.9	420.5	(8.6)
Other revenue	54.2	77.8	(23.6)
Total income	466.1	498.3	(32.2)
Employee benefits	288.5	287.8	0.7
Suppliers	146.3	188.4	(42.1)
Other expenses	88.0	98.2	(10.2)
Total expenses	522.8	574.4	(51.6)
Deficit attributed to the Australian Government	(56.7)	(76.1)	19.4
Add back non-appropriated depreciation and amortisation expense	73.2	95.9	(22.7)
Less principal repayments—leased assets	(20.8)	-	(20.8)
Surplus attributed to the department	(4.3)	19.8	(24.1)
Financial assets A	91.0	99.5	(8.5)
Non-financial assets B	583.9	229.8	354.1
Liabilities C	668.5	166.2	502.3
Net assets (A+B-C)	6.4	163.1	(156.7)

Table 4.4.2: Trends in administered finances

	2019–20 \$ million	2018–19 \$ million	Change \$ million
Recoveries	226.4	54.2	172.2
Interest	53.5	71.8	(18.3)
Other revenue	76.0	9.9	66.1
Total revenue	355.9	135.9	220.0
Suppliers	128.2	229.4	(101.2)
Subsidies	118.2	126.4	(8.2)
Personal benefits	129,233.0	110,804.4	18,428.6
Grants	2,723.5	2,425.8	297.7
Payments to corporate Commonwealth entities	8,302.7	5,305.0	2,997.7
Other expenses	463.9	248.2	215.7
Total expenses	140,969.5	119,139.2	21,830.3
Financial assets	6,398.4	7,495.6	(1,097.2)
Liabilities	8,866.1	6,632.6	2,233.5

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 2019–20, 88 new consultancy contracts were entered into involving total actual expenditure of \$26.6 million. In addition, 51 ongoing consultancy contracts were active during the period, involving total actual expenditure of \$9.7 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. Further information on the value of contracts and consultancies is available on the AusTender website. To view the value of contracts and consultancies, go to tenders.gov.au

Summary information on consultancy services is set out in Tables 4.4.3 and 4.4.4.

Table 4.4.3: Consultancies in 2019–20

	Number	Expenditure (\$ million, GST incl.)
New consultancies let	88	26.6
Ongoing consultancies active	51	9.7
Total	139	36.3

Table 4.4.4: Total expenditure on new and ongoing consultancy contracts 2017–18 to 2019–20

Expenditure (\$ million, GST incl.)		
2019–20	2018–19	2017–18
36.3	24.1	21.0

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 2019–20, no contracts were exempted from reporting on tenders.gov.au

Purchasing

Our purchasing activities are consistent with the Secretary's Instructions and internal procurement guidelines, which are in accordance with the *Commonwealth Procurement Rules 2019*.

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

In 2019–20, we exceeded our targets under the Indigenous Procurement Policy by awarding more than three per cent of contracts to Indigenous businesses.

Procurement initiatives to support small business

We support small business participation in the Commonwealth Government procurement market. Further information on Small and Medium Enterprises (SMEs) and Small Enterprise participation statistics is available on the Department of Finance's website. To view SME and Small Enterprise participation statistics, go to finance.gov.au

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.

We recognise the importance of ensuring 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. To view the results, go to treasury.gov.au

Grants administration

We manage programs through effective design, implementation, ongoing monitoring, and evaluation to support achieving intended outcomes for the Australian community. This is supported by our Grants Management Office which works in partnership with policy areas to support best practice in planning, designing, and selecting grant recipients. In the 2019–20 financial year, 10,163 grants were administered specific to the department, across 136 programs to a value of \$997.7 million (excluding fee for service arrangements).

The Community Grants Hub (the Hub) administers grants for the department, as well as providing shared services grants administration for nine external client agencies.

- Department of Health
- Department of Agriculture, Water and the Environment
- Department of Veterans' Affairs
- Department of the Prime Minister and Cabinet
- National Indigenous Australians Agency
- Attorney-General's Department
- Department of Education, Skills and Employment
- National Disability Insurance Agency
- Department of Home Affairs.

In the 2019–20 financial year, the Hub administered 44,141 funding arrangements across 715 programs, totalling \$10.3 billion (excluding fee for service funding arrangements) for these agencies and the department.

Information on grants awarded by the Department of Social Services during 2019–20, is available at grants.gov.au—Australia's whole-of-government grants information system. Information on grants awarded up to 31 December 2017 is available at dss.gov.au