



**Australian Government**  
**Australian Public Service Commission**



OFFICIAL

# Joint Committee of Public Accounts and Audit Inquiry into probity and ethics in the Australian public sector:

## Statement by the Australian Public Service Commission

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## Introduction

The Australian Public Service Commission welcomes the inquiry into the important issues that are in scope of the inquiry. The Commission has been working closely with Secretaries Board and the Minister for the Public Service on strengthening the integrity of the APS. These integrity initiatives, agreed by Cabinet and Secretaries' Board have been tabled to support the Inquiry.

While these integrity initiatives are being designed, planned and developed, the existing foundation of APS institutional integrity continues to be strengthened.

## APS integrity foundation

- The SES Performance Leadership Framework, developed in partnership with a COO Committee sub-group requires agencies to give equal weight to outcomes and behaviours when assessing the performance of their SES. The Service should have confidence that the senior leaders will demonstrate exemplary behaviour throughout their employment in the APS.

This framework builds on the APS Values through the Secretaries' Charter of Leadership Behaviours (Attachment A), raising the bar for leadership behaviours.

- The Strategic Commissioning Framework developed in consultation with the Department of Finance and other agencies across the Service, requires agencies to reduce their reliance on contractors and consultants and ensure core APS work is undertaken by APS employees.

The Audit of Employment, undertaken by the Department of Finance in collaboration with the Commission, provided the necessary insights into the make-up of the public sector workforce. The results indicated that in 2021-22, entities covered by the Audit, employed an external workforce of 53,900 staff at a cost of \$20.8 billion.

We expect the continued focus on uplifting accountability and transparency will drive behavioural changes over time.

- Included in the Commissioner's Direction in 2022, agencies are required to consult the Commission where an SES employee is suspected of breaching the APS Code of Conduct, and where a breach is found, to consult the Commission on the proposed sanction.

The additional support provided to agencies promotes accountability and consistency across the Service.

- Insights into the APS's institutional integrity continues through monitoring the health of the Service by the collection of data via the annual APS Employee Census and Agency Survey.

Findings are published in the State of the Service Report, with this year's report, among other things, shining a brighter light on leaders driving a pro-integrity culture. The State of the Service Report will be tabled in Parliament at the end of this month.

The Commission requires agencies to publish Employee Census results including action plans. If passed this will be required under the *Public Service Act 1999*.

## Capability

Capability uplift helps to enable the APS to operate effectively.

The Commission's Ethics Advisory Service provides advice and resources to support APS employees on the application of the APS Values and Code of Conduct.

The APS Academy offers a range of learning and training in partnership with agencies. This ranges from the mandatory integrity eLearning training, through to SES leadership programs, for example the SES Integrity Masterclass series – all aimed at uplifting APS capability.

The APS Commissioner is Chair of the Learning Board, and Deputy Chair of the Secretaries' Talent Council. These committees have a broad capability remit supporting integrity and stewardship to drive the institutional strength of the APS.

The APS Commissioner chairs the Integrity Agencies Group, which aims for integrity to be at the centre of the work of the public sector, and that the APS approach to integrity is integrated, capable, agile and transparent. The Integrity Agencies Group leads coordination, enhancement and promotion of institutional integrity across the Commonwealth.

## APS Conduct

It is a matter of public record that there are active inquiries underway that rely on the Commissioner's statutory powers. These include inquiries into alleged breaches of the Code of Conduct arising from the Robodebt Royal Commission, which are being investigated through the Central Code of Conduct Inquiry Mechanism Taskforce.

The inquiries underway, reflect the expectation of the Australian people, the Government and indeed the public service itself that public servants meet professional standards and all the requirements set out in the *Public Service Act 1999*.

They give leaders of the public service insight into where institutions and people are vulnerable to failure, and how the APS can be more resilient and effective in its service to the Government, Parliament and Australian public.

In this light, the Commission is taking forward a number of initiatives in the APS Integrity Taskforce action plan (Attachment B) published Friday 17 November 2023, the

Robodebt Royal Commission Response Taskforce recommendations and actions, and a suite of initiatives in the APS Reform agenda (Attachment C) that help foster a pro-integrity culture across the APS, many of which are the Government's public sector reform priorities and have been overseen by Secretaries Board.

Implementation of the integrity initiatives along with the Government's APS Reform agenda is supported by the development of an Integrity Roadmap for the Commission. It will help with sequencing the high volume of integrity reform initiatives. Importantly in partnership with agencies, the APS will have an overarching strategy to improve integrity across the Service.

## APS Reform

Stage one of the reform work was to design a reform agenda that has integrity and trust at its foundation.

Stage two is now underway, which is implementing the reforms and embedding them across the APS. This next stage of the reform agenda includes reforms to the appointments process and performance management of senior public servants to strengthen the employment, merit and integrity framework of the APS going forward.

On 1 December 2023, the APS Reform Office will join the Commission, further expanding its integrity priorities. Reform activities contribute to four priority pillars:

1. An APS that embodies integrity in everything it does
2. An APS that puts people and business at the centre of policy and services
3. An APS that is a model employer
4. An APS that has the capability to do its job well.

Along with building a pro-integrity culture for the APS, the Commission is focussing internally as a performance audit of the Commissioner's statutory functions in relation to integrity, ethics and stewardship is underway.

We see the audit, and taking action on recommendations from our Capability Review, as valuable opportunities to further strengthen the Commission's performance, which translates to improved advice, policies, guidance and resources for the Service.





Australian Government

# Secretaries' Charter of Leadership Behaviours

The Charter of Leadership Behaviours sets out the behaviours that we, as Secretaries, expect of ourselves and our SES, and want to see in leaders at all levels of the APS.

The Charter focuses on behaviours that support modern systems leadership within the construct of the APS Values and Code of Conduct.

These behaviours build on the Integrated Leadership System and the APS Leadership Capability Framework.

## DRIVE

### be **Dynamic**

Have an inquiring mind and be willing to innovate and change

Understand the system you operate in

Practise new ways of deploying yourself in your system to achieve the best outcome

Embrace risks and actively manage them

Enjoy your work and have a positive attitude

Don't walk past problems—be part of the solution

### be **Respectful**

Treat people with decency and respect

Embrace diversity and actively seek out views and perspectives that challenge your own

Build an inclusive culture that enables people to make their best contribution

### have **Integrity**

Be open, honest and accountable

Take responsibility for what happens around you

Have courage to call out unacceptable behaviour

### **Value** others

Be an active listener

Value others' contributions, perspectives and wisdom

Collaborate not compete to succeed as a team

Understand people and their views and motivations in order to lead, influence and communicate well

Build relationships

### **Empower** people

Trust, empower and grow others

Interpret and provide context—don't do people's jobs for them

Build capability and networks

Expect people to deliver and find positive ways to hold them to account

Accept people won't always get it right—and support them to bounce back

We encourage all APS leaders to consider how you can live up to these behaviours, where relevant to your role



**Australian Government**

**Department of the Prime Minister and Cabinet**

# Louder Than Words: An APS Integrity Action Plan

APS Integrity Taskforce



## The opportunity and why it matters

The integrity of the public service is one of the key drivers of public trust in government institutions. Recent lessons in public administration offer us a crucial opportunity for reflection, learning and action on integrity across the Australian Public Service (APS). We should grab it with both hands.

The APS delivers vital community services and shapes policies that affect the lives of millions of people. We need Australians to trust that we will use the power of our role and the resources of the state in the public interest. The vast majority of Australian public servants honour this expectation with professionalism and commitment. If failures in public administration do occur, we need to be willing to learn from these mistakes. Otherwise we risk eroding trust, which can undermine the APS as an effective democratic institution.

Integrity is a broad concept. At its heart it is concerned with individual and institutional trustworthiness, and demands high standards of ethical behaviour and respect for the law. The Australian Public Service Commission (APSC) defines integrity as “doing the right thing at the right time” to “deliver the best outcomes for Australia sought by the government of the day”. In practice it means our behaviour matches the APS Values and we are accountable when it does not. At the systems level, integrity also refers to being ‘whole and undivided’, which means the APS needs to adopt a more strategic and coordinated approach to integrity across the service.

## The Taskforce’s purpose and approach

The APS Integrity Taskforce (the Taskforce) was established by Secretaries Board to take a ‘bird’s-eye’ view of the APS integrity landscape, identify gaps and look for opportunities to learn from and build upon the important work already underway across the service. Secretaries Board agreed the Taskforce would examine three action areas:

### **CULTURE**

with a focus on ethical leadership and rewarding the behaviours needed to serve the Australian community.

### **SYSTEMS**

with a focus on making it easier for our people to do the right thing.

### **ACCOUNTABILITY**

with a focus on improving knowledge-sharing, strategic cooperation and coordinated approaches to implementing integrity standards.

The three action areas are interdependent, and all are necessary to be a public service with integrity at its heart. While the Taskforce has made recommendations on all three areas, there is a particular emphasis on the unique role of APS leadership as cultural architects for integrity. Our capability uplift recommendations therefore largely focus on SES. Integrity requires action at all levels, but without the right tone and demonstration from the top there will be no lasting impact. We have largely limited our focus to the APS, with some additional recommendations to ensure that the third parties we deal with uphold our integrity standards, and to support ministers' offices where relevant.

The APS has strong conduct and financial probity frameworks which need to be understood and enforced. Compliance processes are important, and leaders need to adopt a positive attitude to internal assurance and external oversight. But this alone is not enough. Being overly focused on formal processes and rules risks overlooking the informal leadership-based efforts and communication that have an important impact on the ethical culture of organisations.

***Integrity requires action at all levels, but without the right tone and demonstration from the top there will be no lasting impact.***

Where cultures are based on fear and silence, integrity cannot thrive. If the APS is serious about preventing problems, leaders need to provide the psychological safety necessary for staff to raise issues, ask questions, and point out when lines are crossed without risk of negative consequences. This means giving leaders the skills, behaviours and communication tools to build respect and trust. Fostering psychological safety also has a range of other important benefits including promoting mental well-being, curiosity and innovation. The follow-up and the quality of management's response to staff concerns is crucial. We need to support leaders to respond effectively, with curiosity, with empathy and without defensiveness. Two key reasons that staff do not speak up are the fear of retaliation and the perception that speaking up is futile. Integrity conversations need to become a part of the everyday conversations and work of our teams.


Leaders need to create an environment that empowers staff to perform their roles as impartial advisers in the public interest. The relationship of trust with ministers and their advisers is crucial. Ministers want, and generally appreciate, candid advice that is evidence-based and solutions-focused. We have recommended bolstering work to assist ministers' offices to better understand the different and complementary role played by the public service. Equally, our staff need to feel supported by the senior executive in providing frank and fearless advice to the government of the day.



A significant theme for the Taskforce has been the importance of public servants understanding, applying and balancing their unique role serving the Government, the Parliament and the Australian people. Role clarity, combined with ethical decision making, tempers the mindset of delivery 'at all costs' and the integrity risks it entails. Uniform induction addressing the fundamentals of being a public servant is available but needs to be more consistently implemented with a stronger focus on integrity and dealing with ambiguity. We also need leaders to give more than lip service to the importance of this obligation.

A pro-integrity culture can only exist where we have clear systems and accountability that support the behaviour we want to see. We need to ensure our people have the support to do the right thing at the right time. Government lawyers already play an important role in ensuring the public service can implement the Government's policies lawfully. But the law was never intended to be the maximum standard of behaviour required. Legality is the minimum standard expected of public servants. More work is needed to make sure APS staff not only uphold their obligations but are empowered to model the highest ethical standards of behaviour.

The pro-integrity culture we are building in the APS needs to be mirrored in the external partnerships we have with consultants, contractors and service providers. The government is committed to reducing APS reliance on consultants through building public service capability, but the need for external expertise and surge workforces will remain. External labour undertaking work on behalf and in support of government should be held to the same values as public servants. Strengthening the integrity of our relationships with external providers will also require development of specialist skills for APS staff in procurement and contracting roles. Our people need skills to effectively manage contracts so the APS gets the product it wants and value for money from its partners. Greater visibility across the APS of who we contract with and their past performance will increase transparency and help manage potential conflicts of interest.



***We need to support leaders to respond effectively, with curiosity, with empathy and without defensiveness.***

There are a number of different Commonwealth integrity and oversight bodies which would benefit from thinking and acting more like a system. To enable strategic discussions on risk and learning, actions need to be coordinated and integrity roles and responsibilities clarified across the Service. All the players need to be connected and work together to better support a pro integrity culture. There is cross-sectoral knowledge, insight and experience within integrity policy and oversight agencies. This knowledge could forge a greater strategic approach to integrity and system-wide learning across the APS.

The Taskforce is not recommending the APS reinvent the wheel. There is a wealth of good integrity practice to draw from within agencies. We have identified good practices in embedding institutional integrity within individual agencies and looked for opportunities to scale those examples (and share them) across the service. There are varying levels of integrity maturity across Commonwealth agencies. More guidance and support is needed to implement the array of integrity obligations that apply across the Commonwealth public sector. The Taskforce has developed an Integrity Good Practice Guide to inform more unified approaches and promote information-sharing between agencies.

## The policy landscape

The Taskforce has worked in partnership with agencies engaged in a high tempo of reform activity. This includes integrity as the first pillar of the Government's ambitious APS reform agenda and the establishment of the National Anti-Corruption Commission on 1 July 2023. We have sought to avoid duplication and used our recommendations to identify gaps or strengthen and uplift existing work or good practices.

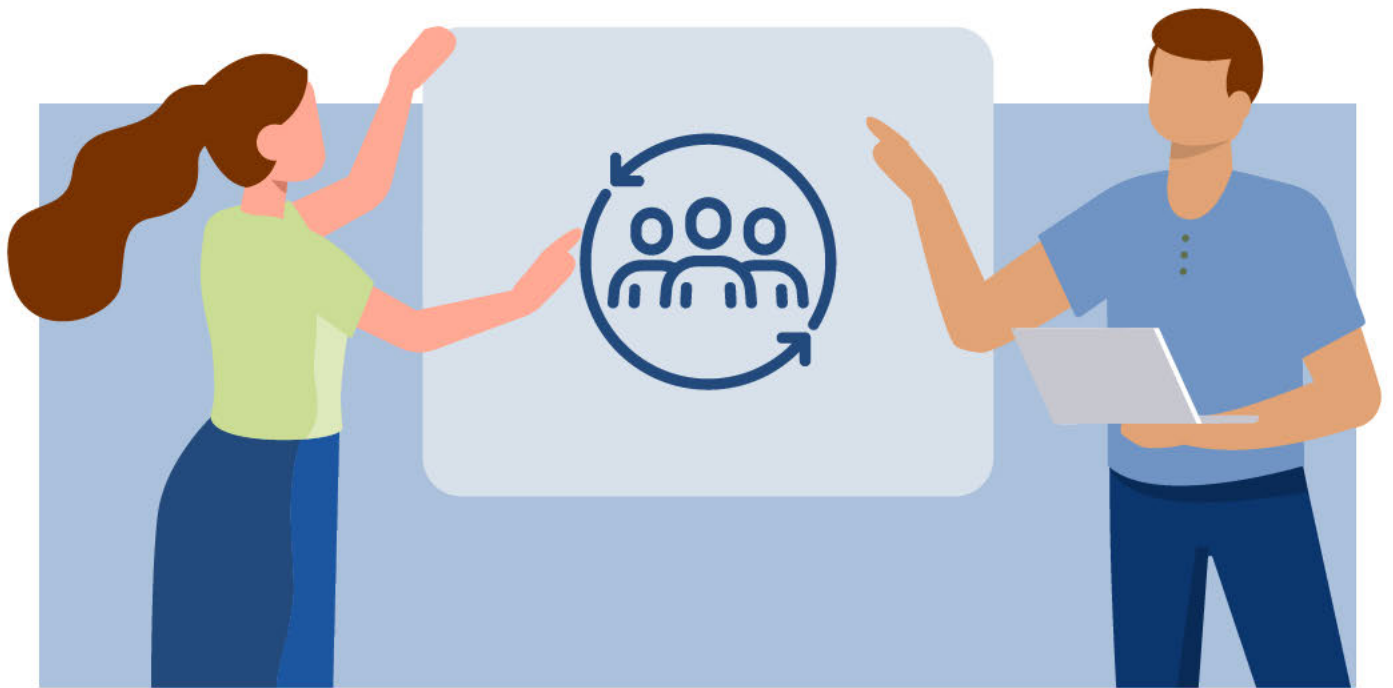
Current reforms to provide greater protections to whistle-blowers are complemented by the Taskforce's emphasis on building a culture of psychological safety in the workplace.

There is reform underway to improve regulation and procurement in the wake of confidentiality breaches by PwC and a taskforce is currently formulating advice for the government's response to the Robodebt Royal Commission. In addition, inquiries are currently being undertaken by the Parliamentary Joint Committee on Corporations and Financial Services and the Senate Finance and Public Administration References Committee.

We have collaborated with stakeholders throughout the process but the landscape continues to evolve. This is a good thing. It means some of our recommendations may have already been adopted by the time this Action Plan is presented to Secretaries Board. It could also mean that recommendations have been overtaken by ongoing events, including Cabinet decisions or parliamentary inquiries. In these cases we ask Secretaries to consider the intent of our recommendations.

## Implementation

The Taskforce's assessment is that there are a number of larger recommended actions that cannot be absorbed by the responsible agencies and would only be taken forward if adequately resourced.



## **CULTURE**

### **Recommendation 1**

Appoint the right leaders. Recruit people whose behaviour is consistent with the APS Values.

### **Recommendation 2**

Incentivise good leadership. Appraise performance of Secretaries and SES based on delivery of results and leadership behaviours.

### **Recommendation 3**

Recognise and reward people who lead with integrity.

### **Recommendation 4**

Bolster the capability of the APS to lead with integrity. Focus on ethical decision making and fostering psychological safety.

### **Recommendation 5**

Promote role clarity for the APS. Induct new SES into the cultural stewardship and legal responsibilities of their role.

## **SYSTEMS**

### **Recommendation 6**

Make confidential ethics and integrity advice available to APS staff, SES and agency heads.

### **Recommendation 7**

Provide clarity, confidence and capability uplift for public servants working with ministerial offices.

### **Recommendation 8**

Reinforce a culture of legality across the APS. Strengthen the independence of government lawyers.

### **Recommendation 9**

Reinforce the importance of good record keeping for integrity and support its practice across the APS.

### **Recommendation 10**

Bolster the specialist skills of procurement and contract management officers, and lift the contracting skills of all APS staff.



## **ACCOUNTABILITY**

### **Recommendation 11**

Build a strategic approach to integrity. Integrate the knowledge of oversight agencies to identify risks, create solutions and provide a unified message on integrity across the APS.

### **Recommendation 12**

Upscale institutional integrity (culture and compliance) within agencies.

### **Recommendation 13**

Strengthen the integrity of supplier conduct. Increase visibility across the Commonwealth of supplier engagement and performance.

### **Recommendation 14**

Address risks associated with the 'revolving door' and other conflicts of interest.

### **Recommendation 15**

Measure and report on integrity data across the APS to track progress and identify opportunities for improvement. Build APS skills in collecting and interpreting integrity data.



# Culture

## Recommendation 1

Appoint the right leaders. Recruit people whose behaviour is consistent with the APS Values.

Leaders set the cultural tone for their organisation through their behaviour. The APS needs to select leaders who 'walk the talk' on ethical values and respectful relationships. Appointing leaders who achieve results through enabling others is crucial to building a high-performing service. Greater visibility of upwards feedback will bring attention to people who lead with integrity, as well as indicating where behavioural 'red flags' may exist.

## Actions

1. Agencies to thoroughly investigate SES candidates through recruitment checks and questions that demonstrate self-reflection, commitment to inclusive culture-building, and sustainable delivery.
2. Applicants have the opportunity to provide, through the recruitment panel chair or APS Commissioner's representative, access to past performance appraisals and '360 degree' reports (where they exist) to provide more information for selection decisions. The recruitment panel also to extend the opportunity for external applicants to provide equivalent appraisals.
3. The APSC (in collaboration with agencies) to develop guidance to support the actions above.

## Recommendation 2

Incentivise good leadership. Appraise performance of Secretaries and SES based on delivery of results and leadership behaviours.

Integrity problems and poor ethical behaviour can arise if a culture is overly focused on results at any cost. For public servants, how we perform our role is as important as what we deliver in the job. By measuring the performance of both a leader's results and their enabling behaviours, we demonstrate the value and necessity of both.

## Actions

1. Agencies to implement, as a priority, the new SES Performance Leadership Framework which gives equal weighting to values-based leadership behaviours and the delivery of results.
2. The Department of the Prime Minister and Cabinet (PM&C), in consultation with the APSC, to implement a similarly-principled appraisal framework for Secretaries (through amendment of the *Public Service Act 1999*) and agency heads.
3. PM&C and the APSC to make both performance frameworks publicly available.
4. SES and Secretaries to be held accountable for creating the right environment for integrity through their performance discussions (for example, by discussing steps taken to build psychological safety in their departments and agencies in line with the Secretaries' Charter of Leadership Behaviours).

### **Recommendation 3**

Recognise and reward people who lead with integrity.

What we recognise and reward sends a strong signal about what we value and creates incentives for the behaviour we want to see.

## **Actions**

1. The Public Service Medal Committee to encourage nominations that recognise delivery of results through exemplary values-based leadership and culture-building.
2. Secretaries to review agency-level reward and recognition processes to ensure they include leading and acting with integrity.
3. Agencies to encourage managers at all levels to acknowledge and reward people who deliver results while upholding the APS Values to the highest standard.
4. APSC to include a question in the annual agency survey on whether and how integrity is recognised.

### **Recommendation 4**

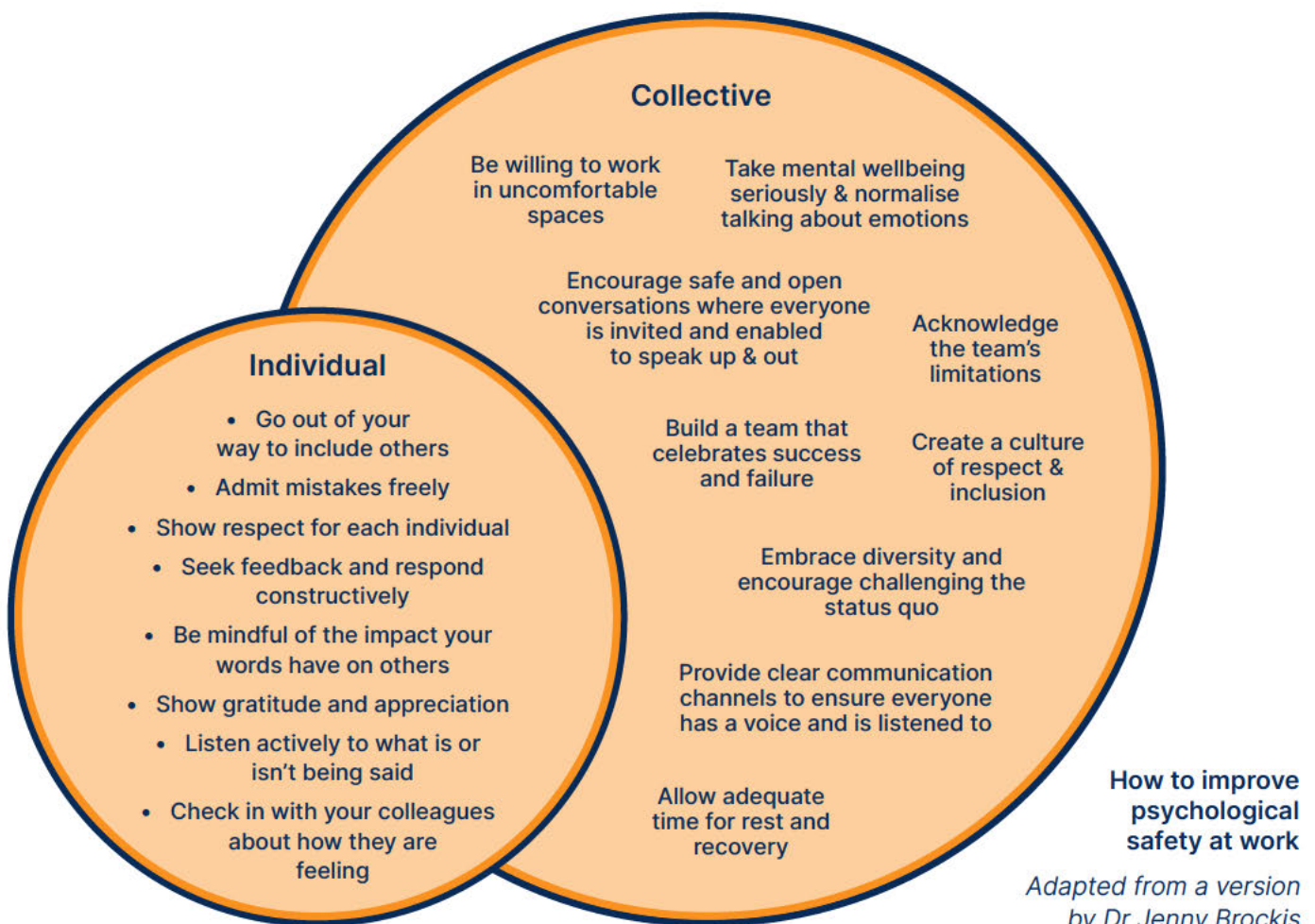
Bolster the capability of the APS to lead with integrity. Focus on ethical decision making and fostering psychological safety.

Leading with integrity means more than complying with rules. Behaving ethically is a key APS-Value. We must ensure our leaders have the skills to exercise and model ethical judgement. In addition, fostering psychological safety so that staff can speak up and raise concerns early can prevent integrity problems, increase wellbeing at work and make the APS an employer of choice. Understanding our roles as public servants enables us to engage in difficult and uncomfortable — but fundamentally important — conversations.

The APS Academy's Craft offerings include an excellent integrity product — the SES Integrity Masterclass. All staff, starting with SES, should be trained in practitioner-led sessions to recognise the ethical dimensions of workplace situations and use immersive hypothetical scenarios to practice ethical decision making.

## Actions

1. Secretaries to support all SES (particularly those newly promoted) to undertake the APS Academy's SES Integrity Masterclass to increase their understanding of:
  - the expectations and accountabilities of leading in the APS
  - how to exercise integrity and ethical decision making in all aspects of their work.
2. The APS Academy to explore uplifting its current offerings (starting with SES) on ethical decision making and practical approaches to building psychological safety in the workplace.
  - The Academy to continue partnering with expert providers, using the latest research, neuroscience-based learning approaches and behavioural ethics.
3. The APSC to scope establishing a continuing professional development model for the APS. This would mandate core capabilities in integrity and legal frameworks for all public servants.





4. The Secretaries Future of Work Committee to:
  - develop a whole-of-service approach to building psychological safety in practice
  - identify and develop indicators for measuring what success looks like.
5. Departments and agencies to promote simple tools for ethical decision making for staff at all levels, such as the APSC 'ReFLECT' model and the 'reflective practice' model in the three-minute 'Ethical Decision Making' video from The Ethics Centre.
6. Secretaries and agency heads to invest in their own leadership development and publicise this to their teams.

### **Recommendation 5**

Promote role clarity for the APS. Induct new SES into the cultural stewardship and legal responsibilities of their role.

Significant work is underway to provide clarity for public servants on the unique nature of their role. In legislation currently before parliament, the *Public Service Act 1999* will be amended to add a new APS Value of stewardship and a requirement for an APS purpose statement. One gap that could be addressed is for new SES to better understand their cultural responsibilities and broader obligations. A more intentional and consistent approach to SES induction could build a greater sense of belonging and recognition of the privilege of the role.

## **Actions**

1. Agencies to send new SES a letter of welcome which outlines their responsibilities as stewards of the APS, the significance of modelling the APS Values, and their obligations as members of the SES.
2. The APSC to host a mandatory welcome session for new SES, complementing the existing SES Orientation program and marking the significance of the promotion to SES. Established senior leaders could reflect on the role and responsibilities of the SES and the importance of leadership 'shadow' in building a pro-integrity culture.

# Systems

## Recommendation 6

Make confidential ethics and integrity advice available to APS staff, SES and agency heads.

APS staff at all levels can benefit from confidential support to talk through an integrity issue causing them concern. SES must navigate additional levels of complexity and ambiguity which at times can be isolating. Whilst some agencies have internal ethics and integrity advice available to their staff, others do not. Formal and informal support can be strengthened. Ideally, advice should come from people with a deep knowledge of the APS and governmental system, and training in integrity standards and advice. Integrity and ethics advice is also relevant to parliamentarians and their staff and may be provided by the Parliamentary Workplace Support Service.

## Actions

1. The APSC to bolster and promote its ethics advisory services:
  - Ensure the APSC Ethics Advisory Service is adequately resourced and trained to provide confidential ethics and integrity advice to APS staff and entities under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).
  - Create a bespoke service within APSC that is trained and resourced at a senior level to provide confidential ethics and integrity advice to SES staff and agency heads.
  - Promote these services and monitor and evaluate their uptake.
2. Deputy Secretaries or equivalent level to access informal peer support through the Ethics and Integrity Champions network (recommendation 12).

### **Recommendation 7**

Provide clarity, confidence and capability uplift for public servants working with ministerial offices.

A trusted partnership between the APS, ministers and ministerial offices is vital for effective policy and service delivery. Public servants, ministers and their staff need a clear understanding of their different and complementary roles. APS officers need to have effective communication skills to deliver solutions and evidence-based advice to ministers, and feel that the SES 'has their back' in the delivery of impartial (and from time to time unwelcome) news to government. Ministers and their offices need to be supported to get the most from the public service.

## **Actions**

1. The APSC to promote key education products such as the APS Academy's Strengthening Partnerships program to all SES and APS staff, especially Departmental Liaison Officers.
2. The APSC to develop a statement of practice which contains key expectations of the relationship between ministers' offices and the APS. This will be circulated to APS staff working in ministers' offices and raised with Chiefs of Staff on a regular basis
3. The APS Academy to include the Strengthening Partnerships program in the SES induction.
4. The APS Academy to uplift the Strengthening Partnerships program for ministers and their offices on their respective roles, responsibilities and relevant legal and integrity frameworks (following the pilot in 2023).
5. Agencies to give APS staff in ministers' offices a clear understanding of, and access to, support services available to them in the Parliamentary Workplace Support Service. Regular check-in conversations with SES can assist to surface any role clarity or integrity concerns before they become bigger issues.



### **Recommendation 8**

Reinforce a culture of legality across the APS. Strengthen the independence of government lawyers.

A culture of legality underpins the maintenance of trust in public administration and sound governance. This is not negotiable. It includes the proper handling of public resources by the APS, and the APS role in assisting the government of the day to implement its policies lawfully. Government lawyers need appropriate support when faced with ethical issues, including escalation structures when advice is not being heeded. Clear roles and responsibilities are essential to ensuring government lawyers are able to provide independent advice.

## **Actions**

1. Ensure timely escalation of legal risk within all APS agencies.
  - All heads of legal to have direct access to their accountable authority for escalation of legal risk.
  - Accountable authorities to make clear their expectation that significant legal risks will be brought to their attention, particularly as to the lawfulness of the activities of the agency.
2. Provide role clarity for government lawyers, to promote the independent discharge of their professional duties.
  - Each agency to ensure it has identified a head of legal who has ultimate professional responsibility (internal and external) for the legal services provided by the agency's in-house lawyers and who serves as the internal escalation point for any legal issues.
  - AGD to reinforce the fundamental professional duties of government lawyers, particularly the duty to avoid any compromise to their integrity and professional independence, through the whole of service guidance on the role and responsibilities of lawyers.
3. AGD to develop guidance for government lawyers on how to provide clear and consistent advice on the lawfulness of policy proposals, administration of public resources and executive action.
4. Leaders to reinforce to their staff the centrality of lawfulness to all the public service does.
5. AGD and APSC to consider expanding education resources for non-lawyers about the role of legal advice in policy development.

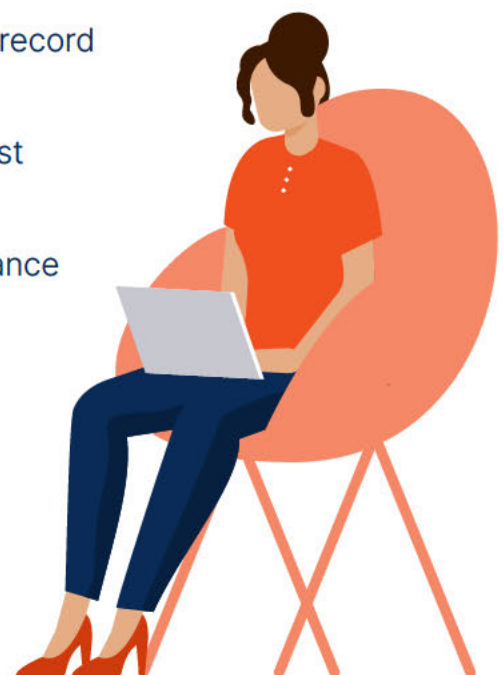
## Recommendation 9

Reinforce the importance of good record keeping for integrity and support its practice across the APS.

Recordkeeping is essential for demonstrating accountability in APS decision making. It is also a basic legal requirement of being a public servant. Recordkeeping enhances transparency and ensures we are accountable for how we deal with public resources. We should increase APS understanding of why recordkeeping is essential to integrity, as well as addressing potential disincentives to recordkeeping in the Commonwealth's freedom of information laws. We should also showcase useful existing resources such as the APS Academy's Records Management course, which includes a list of questions to help officers decide if a record needs to be made.

## Actions

1. After the conclusion of the Senate inquiry into the Commonwealth's freedom of information laws, AGD to consider if the *Freedom of Information Act 1982* is contemporary, fit-for-purpose and meets its original intention.
2. The APSC to implement a coordinated, APS-wide communications strategy (in consultation with the Office of the Australian Information Commissioner (OAIC) and National Archives of Australia (NAA)) that:
  - highlights the connection between integrity and record keeping, in line with the latest NAA guidance
  - articulates support from senior leadership for best practice in record keeping
  - promotes existing training and resources to enhance capability and culture around record keeping, including for ministers' offices.
3. Agencies to assess if their records management teams are sufficiently skilled and resourced.



### **Recommendation 10**

Bolster the specialist skills of procurement and contract management officers, and lift the contracting skills of all APS staff.

Procurement processes, poor contract management and contract variations present a significant financial and reputational risk to the Commonwealth. Efforts have been made to improve procurement processes in recent years. These efforts need to be continued and expanded to contract management skills and processes – which are a vital, but often overlooked, element of the procurement lifecycle. Without this capability uplift, there is a risk contracts will not represent value for money or deliver outcomes for the Australian community.

## **Actions**

1. The Department of Finance, in consultation with the APSC, to continue the development of practitioner-level procurement and contract management training and explore opportunities to mandate procurement and contract management training for all APS officers. This will support existing efforts to develop a Procurement Profession.
2. The Department of Finance to update the existing Australian Government Contract Management Guide to ensure it includes guidance on:
  - establishing meaningful and enforceable milestones and deliverables for supplier performance
  - monitoring and enforcing supplier performance against contract commitments, including guidance on escalation points
  - seeking appropriate legal advice when developing contract requirements beyond the Commonwealth Contracting Suite and ClauseBank to ensure that the new requirements give effect to contract enforcement
  - ensuring contract variations and extensions achieve value for money and are approved at a level commensurate with the risk, scope and nature of the contract being extended.





# Accountability

## Recommendation 11

Build a strategic approach to integrity. Integrate the knowledge of oversight agencies to identify risks, create solutions and provide a unified message on integrity across the APS.

The Commonwealth uses a multi-agency approach to promote integrity, transparency and accountability and to prevent corruption, fraud and misconduct. In order to build an integrity system greater than the sum of its parts, a strategic approach to governance is required. There is a rich vein of untapped cross-sectoral knowledge, insight and experience within integrity policy and oversight agencies. Bringing together agency heads who know the integrity picture across the whole APS will enable discussions on risk and learning, ensure actions are coordinated and clarify integrity roles and responsibilities across the Service. This smaller senior strategic group could be supported by two groups with membership covering policy and operational integrity. The three governance levels should collaborate, coordinate effort and share information and knowledge. Civil society groups, such as the Open Government Forum, should also be involved in efforts to build a strategic approach to integrity.

## Actions

1. Secretaries Board to establish a Strategic Integrity Advisory Group consisting of heads of those agencies with cross-sectoral oversight and integrity roles (the Commonwealth Auditor-General, Commonwealth Ombudsman and National Anti-Corruption Commissioner) co-chaired by the Secretary of AGD and the APS Commissioner. The Strategic Integrity Advisory Group will provide insights which could assist members to fulfil their respective integrity mandates including through reporting on strategic trends, championing an integrated approach to integrity and sharing insights domestically and internationally.
  - Invite the Strategic Integrity Advisory Group to make recommendations to the Secretaries Board on themes and issues for focus in the Commonwealth public sector.
  - Invite the Commonwealth Auditor-General, Commonwealth Ombudsman and National Anti-Corruption Commissioner to present at least once a year to Secretaries Board on cross-sectoral integrity themes.

2. APSC to refocus the Integrity Agencies Group chaired by the APS Commissioner to address operational and tactical issues and other priorities identified in the current review of its terms of reference.
3. AGD to continue the SES Integrity Forum it initially established for NACC preparation. The Forum brings together SES integrity policy makers and implementers across the public service and could share best practice, learn from integrity challenges and clarify integrity leadership roles and responsibilities. The Forum could provide a place to prioritise and coordinate effort on integrity initiatives across government and consider policy responses to issues identified by the Strategic Integrity Advisory Group and Integrity Agencies Group.
4. AGD, in partnership with the APSC, to develop an APS Integrity Strategy which articulates a clear narrative for the integrity activities and reforms underway across agencies, and identifies what agencies need to do to improve integrity across the service. This could include enhancements to coordination, information-sharing, evidence-gathering and reporting to strengthen integrity efforts and promote continuous improvement.

## **Towards a strategic Commonwealth Integrity System**

### **APS Integrity Strategy**

- Clear narrative for integrity activities and reforms underway across agencies
- Identifies enhancements to coordination, information-sharing, evidence-gathering and reporting to strengthen integrity efforts and promote continuous improvement
- AGD in partnership with APSC

### **Strategic Integrity Advisory Group**

- APS Commissioner, AGD Secretary, Auditor-General, Ombudsman, NACC Commissioner
- Strategic trends, championing an integrated approach to integrity, sharing insights domestically and internationally
- Recommend to Secretaries Board themes and issues for focus

### **Integrity Agencies Group**

- APS Commissioner Chair, Heads of 15 agencies with an integrity remit
- Address operational and tactical issues

### **SES Integrity Forum**

- AGD Chair, SES integrity policy makers and implementers
- Coordinate effort on integrity, share best practice, learn from integrity challenges, clarify integrity leadership roles and responsibilities, consider policy responses to integrity issues identified by the Strategic Integrity Advisory Group and Integrity Agencies Group

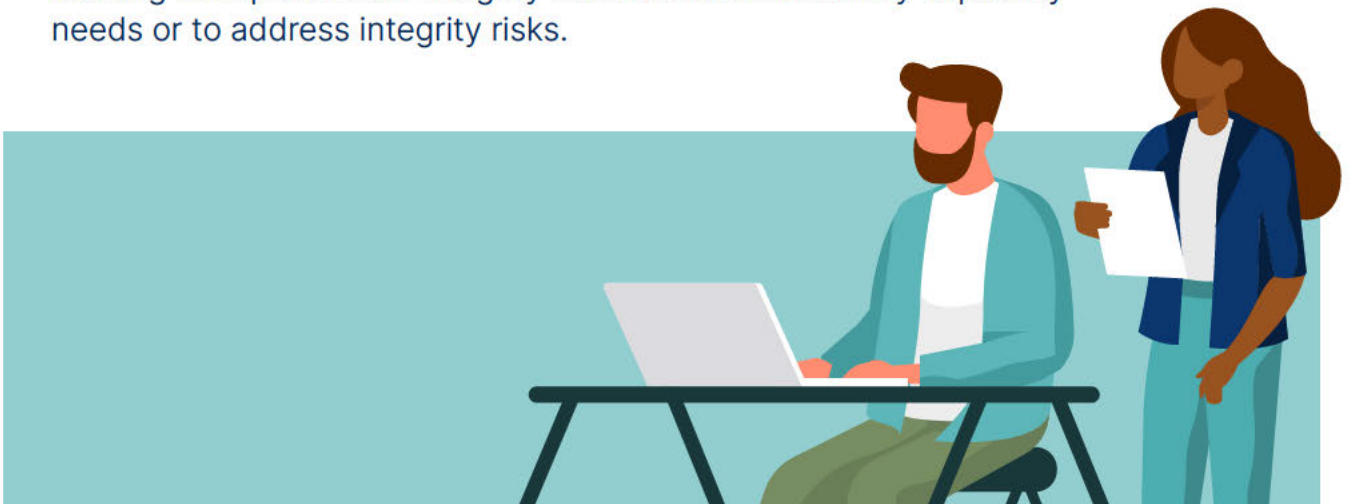
## Recommendation 12

Upscale institutional integrity (culture and compliance) within agencies.

Agencies need reassurance that their integrity frameworks are effective and that their fraud and corruption risks are mitigated. Integrity maturity self-assessments not only embed a culture of continuous improvement but also start an important cultural conversation about what integrity means to each agency and its staff. This work has already begun with almost two-thirds of departments and agencies having completed or planning to complete an integrity maturity self-assessment under the Commonwealth Integrity Maturity Framework.

## Actions

1. Secretaries to upscale integrity maturity across the Commonwealth by:
  - undertaking an agency self-assessment against the Commonwealth Integrity Maturity Framework and reporting back to Secretaries Board by September 2024 on plans to upscale their agency's integrity maturity
  - supporting agency heads within their portfolios to do the same
  - circulating the Integrity Good Practice Guide
  - establishing Deputy Secretary-level Integrity Champions to act as stewards of a pro-integrity culture and foster informal integrity conversations.
2. AGD to scope mechanisms to provide tailored, expert integrity guidance to agencies seeking to improve their integrity frameworks and identify capability needs or to address integrity risks.





### Recommendation 13

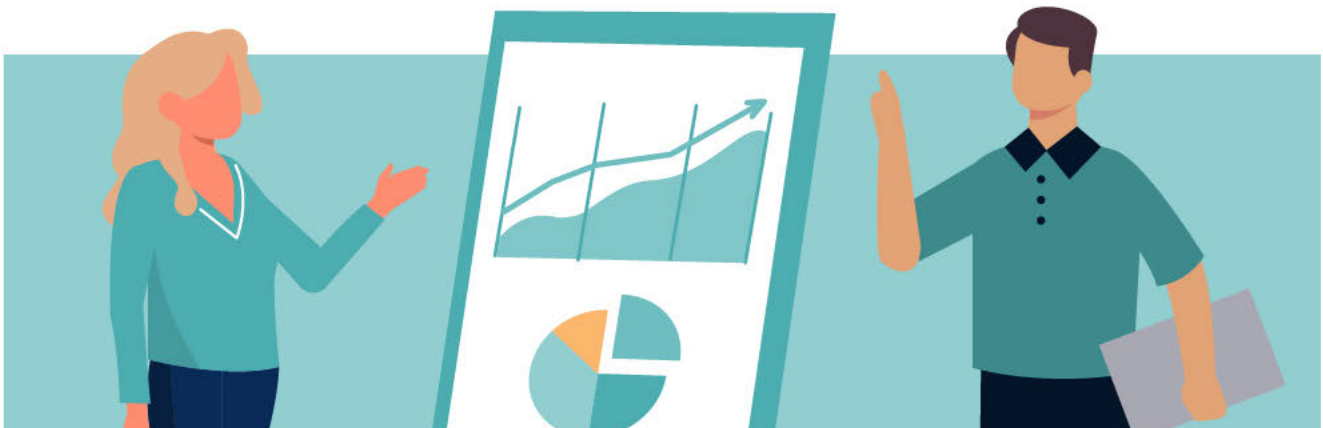
Strengthen the integrity of supplier conduct. Increase visibility across the Commonwealth of supplier engagement and performance.

Suppliers (including consultants, contractors and outsourced service providers) can be held accountable to the terms of their contract and are now subject to the jurisdiction of the NACC. However, suppliers are not APS employees and are therefore not held to the same standards and values as public servants. A Supplier Code of Conduct, under development, will assure the Australian public that entities undertaking work on behalf of the Commonwealth will be expected to uphold the same values and behaviours expected of public officials.

Across the APS, the decentralised nature of the Commonwealth procurement network provides a level of anonymity for poorly-performing contract service providers. Centralised knowledge sharing would enable delegates to make more informed decisions and reduce the risks of departments operating in a siloed manner.

## Actions

1. The Department of Finance to continue the development of a Supplier Code of Conduct, covering consultants, contractors and outsourced service providers, which would be enforceable as a material breach of contract.
2. The Department of Finance, in collaboration with AGD, to scope establishing a centrally-held register of all supplier contracts to improve knowledge sharing on prior performance, including information on suppliers who have been removed from government contracts or for breaches to the Supplier Code of Conduct.



## Recommendation 14

Address risks associated with the 'revolving door' and other conflicts of interest.

Career mobility between the public and private sector presents opportunities and risks. To maintain public confidence in the integrity of public officials, the 'revolving door' and the management of conflicts of interest across the APS needs to be strengthened. We need to enforce clear expectations of staff pursuing private sector opportunities in areas of related competency where a conflict could arise. Currently, only around half of Commonwealth agencies have a formal post-employment conflict of interest policy in place. We have also identified a gap in mechanisms to monitor compliance with conflict of interest policies. The APS would benefit from dedicated, ongoing education for staff at all levels about the rules, practice and significance of managing conflicts of interest.

## Actions

1. Secretaries Board to task Chief Operating Officer (COO) Committee to review conflict of interest management frameworks of all agencies from a risk mitigation perspective with a view to recommending agencies share good practice and establish the following:
  - Clear conflict of interest management policies and processes, including conflicts of interest arising in the context of previous employment, secondary employment and post-separation employment (the 'revolving door').
  - Specific processes for declaring and managing the actual, potential or perceived conflicts of interest of agency heads and SES officials, particularly after they leave the APS.
  - Regular, scenario-based training and guidance for staff at all levels on how to identify, declare and, most importantly, manage and monitor conflicts of interest to uphold integrity.
  - Centrally-recorded conflict declarations and conflict management plans within agencies, with monitoring and assurance processes in place.



### **Recommendation 15**

Measure and report on integrity data across the APS to track progress and identify opportunities for improvement. Build APS skills in collecting and interpreting integrity data.

We need to be able to measure the APS's integrity issues in order to address them, and to evaluate the efficacy of our responses. Integrity data collection and analysis should take place both at the agency level and APS-wide, showing 'hotspots' and areas of good practice. There is a variety of data available which can tell different stories about integrity across the APS, such as the annual Australian Institute of Criminology Fraud Census. The APSC's Integrity Metrics Resource is a useful reference and some agencies are already reviewing their data through an integrity lens. A common baseline for measuring and reporting on integrity is needed and should cover measuring data on compliance and culture (quantitative and qualitative sources). We also need to build up our databank to allow for evaluation over time.

## **Actions**

1. Secretaries Board to seek advice on how to measure integrity in the APS from the Strategic Integrity Advisory Group, supported by the APSC. The project could:
  - identify best practice for measuring integrity both within agencies and across the APS
  - provide practical guidance to help agencies engage with and interpret the data
  - cover qualitative factors that contribute to integrity, such as psychological safety, as well as more clear-cut metrics such as adjudicated instances of fraud and corruption
  - align with the work on psychological safety indicators to be undertaken by the Future of Work Committee (recommendation 4)
  - deliver a plan for a coordinated APS approach to collection, analysis, ongoing monitoring and reporting to Secretaries Board of this data.



Australian Government

Department of the Prime Minister and Cabinet

# Integrity Good Practice Guide

APS Integrity Taskforce



# Introduction

There is currently a high volume of activity across the Commonwealth to strengthen integrity systems and culture. This Integrity Good Practice Guide brings together a sample of good practices, to shine a light on innovative work underway and to encourage the sharing and uptake of scalable ideas across the APS. It presents initiatives that can be readily implemented across the integrity 'lifecycle' of an agency, from strategy through to implementation, monitoring and evaluation. The emphasis is on integrity culture rather than pure compliance with integrity obligations.





# Implementing an Integrity Strategy

Developing an integrity strategy can start an important conversation about how to embed a pro-integrity culture within an organisation. It also helps meet compliance obligations. Ideally, integrity strategies bring together the different internal areas responsible for workforce, governance and accountability, and provide a pathway for agencies to uplift their internal integrity maturity by implementing clear, actionable steps.

It is important to delegate responsibility for implementation and oversight of the Strategy and determine a fixed time period for implementation (these vary from 2-5 years). For example, the Department of Finance's Integrity Framework was established by its Executive Board and overseen by the Deputy Secretary Business Enabling Services.

## DITRDCA Integrity Strategy 2022-24

The Department of Infrastructure, Transport, Regional Development, Communications and the Arts (DITRDCA) Integrity Strategy seeks to **engage and empower** DITRDCA's people to:

- manage integrity risks
- role model behaviours of the highest integrity
- instill a culture of doing the right thing
- have difficult conversations about unethical behaviour when required

The Strategy contains an Integrity Framework which brings together DITRDCA's key areas of activity, including people, procurement, grants, federation funding agreements, governance and policy, and regulation. It is a living document, supported by an Action Plan with specific actions to uplift overall integrity maturity.

DITRDCA undertakes reviews to evaluate the effectiveness of its Integrity Framework, particularly in the event of significant change to the department's structure, priorities or risk profile. DITRDCA's approach to integrity, and integrity-related risks, is included in its [Corporate Plan](#).





# Integrity Champions & Leadership

Leaders in the APS are stewards of culture and should have the skills to foster an environment where integrity conversations are common. Peer learning and support can occur when leaders share ethical dilemmas and reflections on learning in a small group setting.

- Finance is developing leadership capability and accountability through a training module on 'ethics and Integrity' for SES leaders. In order to underscore that behaving with integrity is a responsibility of staff at all levels, Finance added 'Acting with Integrity' to its leadership expectations (which apply to all staff).
- The Department of Foreign Affairs and Trade (DFAT) customised the APS Academy's [SES Integrity Masterclass](#) for the overseas context and has embedded it in pre-posting training for outgoing Ambassadors, Heads of Mission and SES staff.
- DITRDCA has developed conversation starters to help senior executives and governance committees consider integrity issues, including an Integrity checklist and instructional videos. DITRDCA has appointed a Deputy Secretary-level Integrity and Risk Champion to promote an ongoing positive integrity and risk culture, raise awareness of integrity and drive implementation of DITRDCA's Integrity Strategy.

## APS Academy SES Integrity Masterclass

The APS Academy [SES Integrity Masterclass Series](#) is a 3-part series designed to support SES staff to strengthen integrity culture within their organisation.



## SES Integrity Masterclass Series Key Takeaways



This placemat outlines key concepts from the SES Integrity Masterclass Series on championing and strengthening a workplace culture of integrity, and building integrity capability. Participants are encouraged to discuss course learnings with team members and colleagues and to guide how learnings might be applied in the workplace. Remember, integrity is something we do, not just something we have. To practise integrity well, simply knowing the 'rules' is not sufficient – all employees, at all levels, play an important role in fostering a culture where integrity conversations are mainstream.

For more information visit the Australian Public Service Commission's Integrity webpage or the APS Academy's website.



### Championing an integrity culture

- A pro-integrity culture in the Australian Public Service is essential to enhancing trust, producing better decision making and exemplifying high professional standards.
- Senior leaders are stewards of culture and must foster an environment where integrity conversations are mainstream.
- The building blocks of a strong integrity culture are awareness, capability and accountability.

### Applying your learnings in the workplace



Promote enduring engagement with integrity within your team and organisation.



Engage in frank and fearless conversations with colleagues to make integrity conversations mainstream.



Champion a culture of integrity by sharing and socialising the Guide to Integrity Conversations and this Key takeaways placemat.



### Enhancing integrity capability

- Mutual awareness and recognition for the importance of integrity is vital to fostering environments where integrity conversations are mainstream.
- The difference between 'pro-integrity culture' and simply 'anti-corruption' is the maturity of agency culture and capability to have integrity conversations.
- Bring your own experiences and reflections to the table when engaging in integrity conversations.



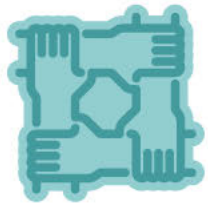
### Strengthening workplace integrity culture

- Integrity is developed through critical reflection – individually and at the organisational level.
- Leading with integrity entails developing trustworthiness and authenticity.
- Regular integrity conversations fosters a reflective space and builds psychological safety.
- Effective integrity management ensures proper leadership succession planning, and builds the bedrock for future organisational reflection.

### Reflections:

- How will you champion a culture of integrity in your workplace?
- How can you embed integrity into your organisation's everyday practice?
- Do you empower your teams and organisation to be critically reflective?
- Is your leadership trusted enough for people to initiate integrity conversations with you?
- What does integrity mean within your agency?
- Is integrity viewed as an individual, professional or organisational responsibility?





## An integrated approach to integrity

Agencies should consider the benefits of taking an integrated approach to integrity systems and culture. This can including bringing together the diversity of expertise across the organisation to share knowledge and address emerging issues.

- DFAT has created an Enhanced Personnel Security Capability working group. The working group brings together officers from across the department to identify and mitigate issues relating to insider threat, allowing for a holistic response.
- The Department of Industry, Science and Resources (DISR) has established a new Integrity Branch that brings together a range of integrity-related functions. The Integrity Branch includes a 'one-stop shop' for staff to seek advice or raise concerns in relation to integrity-related matters. The branch is focused on shaping the department's integrity culture, including by supporting good judgement and intentional thinking in all staff, to navigate and achieve the intent of integrity rules.



## A baseline of integrity knowledge

The [APS Commissioner's Directions 2022](#) introduced mandatory integrity training for APS employees within 6 months of being employed. Good practice suggests that integrity training should be ongoing and tailored to specific roles.

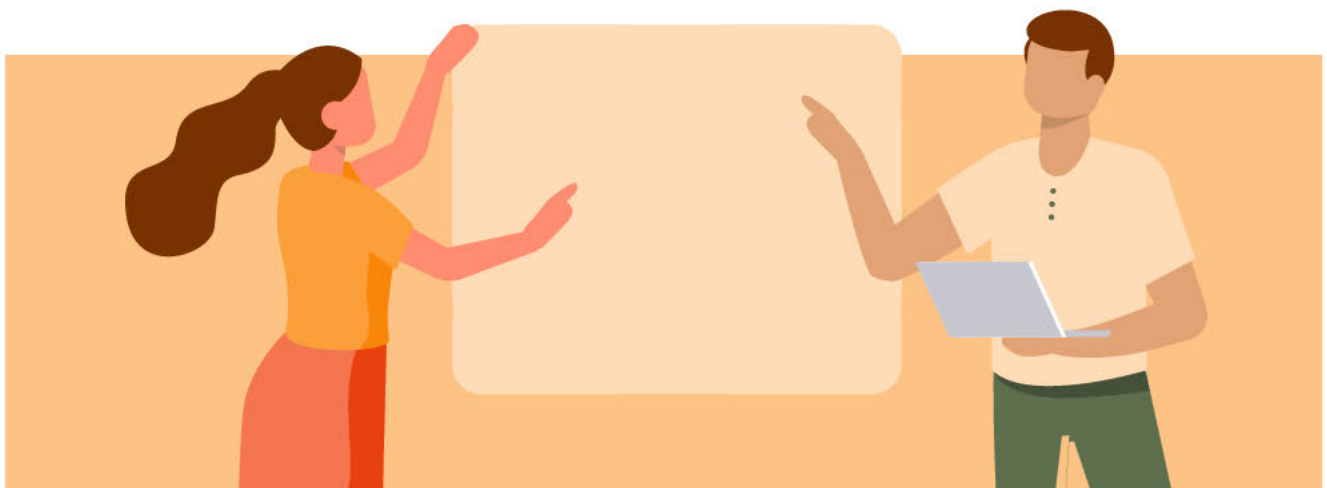
- The APS Academy offers an [Integrity in the APS e-Learning module](#) designed to strengthen APS employees' understanding of the importance of acting with integrity as they undertake their duties. Some agencies have embedded this module in their internal eLearning platforms as part of mandatory induction and ongoing training programs.
- DFAT is progressively delivering integrity training sessions at overseas posts, for both A-based and Locally Engaged Staff.



# Integrity Rewards & Recognition

What we recognise and reward sends a strong signal about what we value and creates incentives for the behaviour we want to see.

- The Australian Taxation Office (ATO) provides awards to those who go '**Above and Beyond**' including in a specific category for integrity. The integrity category **recognises** employees who either "exemplify integrity at the heart of the ATO" or "demonstrate ethical conduct by embedding and strengthening individual or system integrity by showcasing fraud prevention thinking and maintaining high integrity standards".
- The Department of Finance recognises ethical leadership **informally through feedback and public acknowledgement**, and formally through the Finance Awards program. Under the Awards, a specific leadership category recognises those staff that have exemplified Finance's leadership expectations, which explicitly includes "Acting with Integrity".
- DITRDCA acknowledges staff who are 'Living the Values' of the department informally using **thank you cards** that can recognise 'integrity moments'. Integrity is recognised more formally through the annual Secretary's awards.
- The Treasury has **individual and team awards for Integrity**.
- **Ethical leadership** is recognised within some agencies when their award programs consider nominations using the APS Leadership Capabilities and Secretaries Charter of Leadership Behaviours, which include integrity.
- A number of agencies have **Secretary's awards** with categories that recognise contributions to ethical culture, excellence in leadership through integrity and honesty, promoting positive morale and respect, empowering others to succeed and modelling exceptional service and integrity.








# Integrity Conversations & regular communications

Clear, consistent and regular communication is fundamental to embedding culture in an organisation. It is important that there is broader engagement across the agency in ongoing integrity conversations.

- The Independent Parliamentary Expenses Authority (IPEA) engages its staff in regular 'Curious Conversations' about ethical scenarios and questions.
- DITRDCA encourages staff to notice 'the uncomfortable feeling in the stomach', take a moment to pause, reflect and discuss with an appropriate person if needed. An integrity panel discussion was held as part of a broader range of integrity-themed engagement activities during its 2023 integrity week to encourage conversations around integrity.
- The Australian Federal Police (AFP) uses a range of tools to shape integrity culture, including an Integrity Matters Newsletter, case study briefings, podcasts, videos, posters, a continuous learning package (Recruit-to-Retirement), lock screen messages and all-staff emails.
- DITRDCA, the Department of Home Affairs and the ATO hold an annual 'Integrity Week' accompanied by a communications strategy to raise awareness among staff of integrity standards and expectations.
- DITRDCA has launched a centralised intranet integrity portal with resources and contact information for staff.



**Integrity**  
EVERYBODY AT EVERY LEVEL

**BE HONEST AND TRANSPARENT**

- Communicate openly and honestly
- Lead by example
- Value the contributions of others
- Store all records in Records Workspace
- Complete mandatory integrity training

**DO THE RIGHT THING  
AT THE RIGHT TIME**

- Make decisions that are apolitical, based on evidence and are accountable
- Consider implications and engage with risk
- Use the Integrity Framework
- Always report concerns

**HAVE A VALUES-DRIVEN MINDSET**

- Follow the APS Values and Code of Conduct
- Live the department's Values and Secretaries' Charter of Leadership Behaviours (DRIVE)
- Harness a pro-integrity culture

Search 'Integrity Strategy' on **CONNECT** for more info  
[integrity@infrastructure.gov.au](mailto:integrity@infrastructure.gov.au)

Department of Infrastructure, Transport,  
Regional Development, Communications  
and the Arts, Integrity Screen Card



## ATO One Habit at a Time program

The 'One Habit at a Time' program is an interactive program designed to help embed habits into everyday work. There is a six week 'sprint' where learning and development and communications activities across the agency focus on one habit to introduce and develop for all staff. The first campaign theme was 'Constructively Challenge'.

The One Habit at a Time program is the signature initiative of the refreshed ATO Culture strategy and is an interactive program designed to help us make positive changes to the way we work together. Together, we will focus on changing everyday habits, one at a time, giving us an opportunity to practice new ways of thinking and working together until it becomes part of our routine, and our culture.

### **The three behaviours of Constructively Challenge:**

1. Constructively challenging others  
- I step up and constructively challenge others
2. Responding to constructive challenges - I keep an open mind to curiously explore the suggestions from others
3. Creating opportunities to challenge  
- I create an environment where my colleagues and team feel safe to challenge me

### **'Own It' is about:**

- Owning all aspects of your work, relationships and wellbeing
- Being accountable and taking ownership of outcomes - whether they are successes or learning opportunities
- Proactively investing in your own development by taking charge of your career, being actively involved and being open to feedback
- Looking after your wellbeing by making it a daily priority



## Integrity & Ethics Advice

APS staff at all levels can benefit from confidential support to talk through an integrity issue causing them concern. Early advice can also prevent issues from getting worse. Agencies have adopted various models that are adapted to their specific operating environments.

- Finance has created Integrity Advisor roles in which volunteer staff are trained as confidential peer contacts. Integrity Advisors guide other staff to available channels for managing integrity matters.

- The Australian Border Force (within Home Affairs) has a confidential support and advice service called 'ABF Speak Safe' (Speak Safe). Speak Safe provides confidential support for all ABF officers to discuss inappropriate behaviour within, or connected to, the workplace, including behaviour that conflicts with Home Affairs' Integrity Principles. Speak Safe officers provide information on responding to inappropriate workplace behaviour, and can also assist in connecting ABF officers to Home Affairs' anonymous reporting system.
- The APSC offers an [Ethics Advisory Service](#) to all APS staff who wish to discuss and seek advice on workplace ethical issues.

### AFP Confidant Network

The AFP's Confidant Network is a national confidential integrity peer support network providing information, options and support to AFP members faced with harmful, unethical or corrupt behaviour connected to the workplace. Confidants are trained and undertake this voluntary role in addition to their usual duties.



## Integrity Reporting Channels

Agencies have differing approaches to internal integrity reporting. It is essential agencies are responsive to reports and protect confidentiality.

- Finance is progressing towards a **single front door** for all complaints and feedback and a centralised point for procurement complaints handling.
- The ATO maintains **multiple channels** for staff to report integrity concerns, including a Speak-up Hotline, an anonymous Fraud Alert Form, as well as an externally-facing Report Internal Fraud or Corruption Form.
- The AFP's integrated complaints management model (ICMM) introduces a **single entry point** for reporting workplace issues, grievances and complaints, with teams and strategies in place to help individuals navigate the right pathway. This model aims to be people-focused, reduce complexity and confusion, enhance communication, increase timeliness and promote transparency and consistency in decision making relating to complaints and grievances.





# Integrity Evaluation & Oversight

Monitoring and evaluation are critical to embedding a culture of continuous improvement. Agencies can adopt a positive mindset towards accountability, whether this is through initiating internal assessment, responding to external oversight, or bringing in a fresh pair of eyes.

- The [Commonwealth Integrity Maturity Framework](#) is a valuable resource for agencies seeking to benchmark and improve their internal integrity maturity.
- The ATO and the Department of Education engaged independent Integrity Advisors to bring a pair of fresh eyes to assess the department's integrity culture and frameworks.

## DISR embraces audit findings

DISR made a concerted effort to improve after the Australian National Audit Office (ANAO) identified failings in the department's administration of an entrepreneurs' grants program. Following the audit, strong leadership from the top set the tone for embracing oversight and owning the problems. The department established a taskforce to deal with issues it saw as systemic, and invited the ANAO to discuss the audit findings with SES and EL staff. The department also offered to meet with affected businesses to explain what went wrong. The department has now actioned all of the ANAO recommendations to get things right for the future.





# Integrity Data

There is a variety of data available which can tell different 'stories' about integrity within an agency. Whilst measuring integrity performance is not mandatory, it is good practice for agencies to use integrity indicators to identify risks, measure the effectiveness of integrity controls and monitor workplace culture and practice.

- The APSC has published an [Integrity Metrics Resource](#) to support agencies to understand their current integrity measurement capability and make informed decisions on where to focus future effort.
- DITRDCA issues a quarterly integrity dashboard to senior executives to measure, monitor and report on integrity performance. The dashboard assesses if integrity arrangements are working as intended and supports senior management decision making. It is intended that the dashboard will be shared across the department.
- Finance has established a quarterly Integrity Dashboard which it shares with all staff to provide visibility of key integrity data (for example, conduct, financial and procurement data), including to identify emerging risks. It regularly reviews and reassesses data points to ensure that they are being correctly interpreted and accurately represent the integrity picture.





# Finance Integrity Metrics Register

Finance has developed an Integrity Metrics Register to support its quarterly Integrity Dashboard. The Register describes the integrity indicator, its data source and the basis for its inclusion.

Metric	Description	Examples	Integrity indicators and considerations
<b>Performance management data</b>	Data that indicates whether appropriate performance management practices are in place and whether performance is being appropriately managed across the organisation	<ul style="list-style-type: none"> <li>Percentage of staff that have a performance agreement in place</li> <li>Percentage of staff that have undertaken a mid- or end-of- cycle assessment</li> <li>Active number of under-performance cases</li> </ul>	High rates of performance agreements in place, and regular performance conversations occurring, may indicate employees and managers are clear on expected deliverables, behaviours, career goals and development needs.
<b>Unscheduled leave absence</b>	Monitoring of unscheduled absences	<ul style="list-style-type: none"> <li>Number of days of unscheduled absence</li> <li>Number of employees whose unscheduled absence has reached or exceeded organisational thresholds</li> </ul>	Higher than usual unscheduled absences or changes to attendance patterns may indicate: health concerns for employees, including stress and burnout and cultural concerns within teams.
<b>Overtime and leave balances</b>	Records of overtime, flex- time/time off in lieu (TOIL) and excess leave balances.	<ul style="list-style-type: none"> <li>Days of overtime worked (APS1-6).</li> <li>Flex-time accumulated; maximums and minimums reached (APS1-6)</li> <li>TOIL accumulated; maximums and minimums reached (EL and SES).</li> <li>Instances of accumulated leave over 40 days</li> </ul>	<p>High levels of overtime, flex-time, or TOIL may indicate excessive workload or performance concerns, which may impact upon staff integrity. Regular overtime or after hours work can raise integrity concerns in terms of unsupervised work.</p> <p>High leave balances may indicate:</p> <ul style="list-style-type: none"> <li>employees are not accessing their leave entitlements</li> <li>Increased chance of stress and burnout feeling that they cannot take leave due to workload.</li> </ul>

Metric	Description	Examples	Integrity indicators and considerations
<b>Code of conduct reports</b>	Monitoring number, type, action time and outcomes of reports and investigations.	<ul style="list-style-type: none"> <li>Number of code of conduct investigations active and closed</li> </ul>	Monitoring code of conduct reports is important in identifying and responding to inappropriate behaviour, preventing it from reoccurring, and demonstrating to the agency that employees will be held accountable if they are found to have breached the Code.
<b>Compensable claims</b>	Monitoring number, type, action time and outcomes of compensable claims.	<ul style="list-style-type: none"> <li>Number of compensable claims</li> </ul>	Changes to the number of compensable claims may indicate broader integrity concerns within a business area, i.e. those claiming compensation for workplace injury due to stress or other workplace concerns.
<b>Work, health and safety (WHS) reports and incidents</b>	Monitoring number, type, action time and outcomes of WHS reports.	<ul style="list-style-type: none"> <li>Number of work, health and safety incidents by group/ division</li> </ul>	Changes to the number of WHS reports may indicate broader integrity concerns within a business area, such as not making employee safety a business priority.
<b>Training completion rates</b>	Monitoring and reporting on training that has an integrity focus.  This includes the mandatory integrity training for all employees new to the APS.	<ul style="list-style-type: none"> <li>Percentage that have completed mandatory integrity training within the required timeframe from induction</li> </ul>	Providing and monitoring completion of integrity training will assist with uplifting integrity awareness and capability.  Also ensures that agencies are meeting their obligations as outlined the Commissioner's Directions.
<b>Cessation processes</b>	Exit interviews and surveys provide an invaluable source of integrity information.	<ul style="list-style-type: none"> <li>Rate of completion of exit interviews/ surveys</li> <li>Correlation of perceived integrity issues in exit surveys with broader agency responses to Census/ pulse survey questions</li> </ul>	Staff members who are leaving an agency are most likely to raise integrity concerns during exit processes – they have nothing to lose or to fear given they are ceasing employment. This is a key opportunity to collect important information on integrity issues.

Metric	Description	Examples	Integrity indicators and considerations
<b>Conflict of interest declarations</b>	Monitoring and reporting on conflict of interest declarations and conflict of interest management plans.	<ul style="list-style-type: none"> <li>Number of conflict of interest declarations benchmarked against previous records for an equivalent period</li> </ul>	Encouraging, monitoring and reporting on Conflict of interest declarations supports employees to work with integrity, be accountable and be transparent.
<b>Gifts and benefits reporting</b>	Monitoring and reporting on gifts and benefits.	<ul style="list-style-type: none"> <li>Gifts, benefits or hospitality accepted, measured against gifts or hospitality offered</li> <li>Percentage of gift declarations approved within the required timeframe</li> </ul>	Encouraging, monitoring and reporting on gift and benefits supports employees to work with integrity, be accountable and be transparent.
<b>Outside Employment and volunteering</b>	Monitoring and reporting on requests for approval of outside employment and volunteering.	<ul style="list-style-type: none"> <li>Nature and frequency of outside employment and volunteering requests</li> <li>Number of requests for approval of outside employment/ volunteering and percentage of requests approved</li> </ul>	Encouraging, monitoring and reporting on outside employment and volunteering requests supports employees to work with integrity, be accountable and be transparent.
<b>Security clearances Cessation Secrecy</b>	Tracking and reporting on security clearance status and processing.	<ul style="list-style-type: none"> <li>Number of APS clearances granted and confirmed</li> <li>Number of staff or contractors PSPF non-compliant on separation</li> <li>Temporary access – short term and provisional</li> <li>Number of departure forms submitted</li> <li>Cessation Secrecy Undertakings</li> </ul>	Monitoring security clearance processes ensures that the agency is aware of potential onboarding delays, high risk role requirements and so on. A high number of pending security clearances for staff already engaged presents a higher risk to integrity.

Metric	Description	Examples	Integrity indicators and considerations
<b>Breaches (personal, physical and ICT)</b>	Monitoring and reporting on breaches.	<ul style="list-style-type: none"> <li>• Number and severity of personal security incidents</li> <li>• Number and severity of physical security breaches</li> <li>• Number and severity of ICT security breaches</li> </ul>	Changes to the number of breaches may indicate broader integrity concerns within a business area. This may indicate that business processes need updating or better awareness.
<b>Fraud and corruption reports and investigations</b>	Monitoring number, type, action time and outcomes of fraud and corruption reports and investigations.	<ul style="list-style-type: none"> <li>• Number of fraud allegations</li> <li>• Reporting channels for allegations of fraud and corruption (handled internally or reported to law enforcement agencies)</li> <li>• Fraud Risk Assessment completed</li> <li>• Fraud awareness training completed</li> </ul>	Monitoring fraud and corruption reports is important in identifying and responding to illegal behaviour, preventing it from reoccurring, and demonstrating to the agency that employees and contractors will be held accountable if they are found to have participated in fraudulent or corrupt behaviours.
<b>Privacy breaches</b>	Monitoring number, type, action time and outcomes of privacy breaches.	<ul style="list-style-type: none"> <li>• Number of reported privacy breaches by group</li> <li>• Types of privacy breach by group</li> </ul>	An increase in privacy breaches may indicate broader integrity concerns within a business area such as poor induction and business processes.
<b>Public Interest Disclosures</b>	Monitoring number of Public Interest Disclosures (PID).	<ul style="list-style-type: none"> <li>• Number of PID made</li> </ul>	Changes to the number of PID may indicate broader integrity concerns within an agency. Emphasis on a particular area may highlight the need for reformed integrity practices in relation to that area.

Metric	Description	Examples	Integrity indicators and considerations
<b>Late Contracts published to Austender</b>	Monitoring late number of contracts published to Austender website	<ul style="list-style-type: none"> <li>Number of late published contracts over 42 days</li> <li>Total number of contracts</li> </ul>	All entities must report contracts over \$10k on Austender within 42 days of entering an arrangement. Monitoring this metric ensures good record keeping practices and compliance with mandatory requirements.
<b>Late Invoices paid</b>	Monitoring number of late invoices paid	<ul style="list-style-type: none"> <li>Number of late invoices paid</li> <li>Total number of invoices</li> </ul>	High number of late invoices accrue interest if payments are not made within the maximum payment terms.

# More Information

## Websites

**Australian Public Service Commission:** [Integrity in the APS](#)

**APS Academy:** [Integrity Craft](#)

**Commonwealth Fraud Prevention Centre:** [Commonwealth Fraud Prevention Centre](#)

**National Anti-Corruption Commission, Corruption Prevention and Education:**  
[Corruption prevention and education](#)

**National Anti-Corruption Commission, Commonwealth Integrity Maturity Framework:**  
[Commonwealth Integrity Maturity Framework](#)

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**National Anti-Corruption Commission, Corruption Prevention & Education:**  
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**APSREFORM**

Australian Public Service Reform

# Annual Progress Report 2023





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## Secretary's foreword

The Australian Public Service (APS) Reform agenda is about an APS known for its integrity, respected for its thoughtful care of public resources, trusted for its commitment to citizens.

The APS Reform agenda centres on values, capability and accountability as the core of a great public service. The first phase of reform focused on the cultural, structural and legislative foundations of a professional, ethical public service.

The work ahead looks to an APS which can sustain long-term capability while responding quickly to national priorities. I know this is achievable because I see it often – in individual public servants who exemplify APS Values through their work, and in public organisations which manage policy and implementation with skill and determination.

Australians can have great confidence in their public service. As stewards of the APS, we seek to do the right thing at the right time, guided by a deep commitment to Australia's democratic institutions. It is our job to make good choices which meet these high standards.

The *Spirit of Service* exhibition at the Museum of Australian Democracy celebrates the diversity of public service. In portraits and stories of individuals working in a wide range of APS organisations, the exhibition is the story of honourable people pursuing an honourable mission in the interest of the country. It is a compelling glimpse of the spirit of service that has shaped our reform agenda, and will spur our efforts into the future.

The following pages testify to that same spirit of service and stewardship, with integrity at its core, which will continue to drive the transformative and ongoing process of APS Reform.

**Professor Glyn Davis AC**

Secretary of the Department of the Prime Minister and Cabinet



## APS Commissioner's foreword

Public sector reform has been a recurring feature of public administration since the first departments of state were established at Federation in 1901. Successive governments and public sector leaders have changed and strengthened the Australian Public Service, in response to changing public expectations of government, technology, economic, social and security circumstances, and workplace needs.

Each successive wave of change has taken time and effort, with many people contributing to it. Typically, reform builds on the past, occurs in steps, and is most successful when it has a compelling rationale, is do-able, and has strong structures in place to guide implementation.

The Government has articulated its vision and priorities for the Australian public sector. Public sector reform has had many inputs, from the Thodey Review, to the experience during the pandemic, insights from other jurisdictions, and election commitments.

Through its APS Reform program, the Government is seeking to deepen trust in government and public administration. People trust public institutions when they do their job well and are open and fair in how they go about it. The Government's priorities of integrity, capability, a genuine focus on people and business, and a workplace that attracts, supports and retains staff, all help underpin trust in Australia's public institutions.

I am heartened by the enthusiasm I have seen for change across the service. Conversations with graduates and cadets, and Secretaries and Agency CEOs, show an eagerness to work collectively to improve our public service. There is a deep confidence by the Government in the public service's ability to take up the challenge. The community has placed trust in us to continue striving to learn and do the best job we can, whether it's in policy, program implementation, regulation, operations or service delivery. We won't let this confidence and trust go astray.

This progress report is an important milestone because it takes a frank approach to assessing the delivery and risks of the first phase of APS Reform. Led by Secretaries Board, teams from 12 agencies are delivering 44 APS Reform initiatives. They have provided input on the progress, impact and risks associated with each initiative. Their progress represents active and collaborative effort across the APS and positive partnerships working together to embed reform.

Ten initiatives are complete and have transitioned into what we call business-as-usual. Thirty-four initiatives remain underway, with the next phase of APS Reform in development. Real change takes time. Gradually, the APS is becoming stronger, better able to deliver what the Government, Parliament and Australian community expect and need from us as public servants.

The next phase of reform takes us further to creating an APS that is unwavering in its integrity and capability, and cares deeply about the communities we are here to serve.

I am proud to be a public servant and of the enthusiasm of the APS for ongoing transformation. Step by step, public servants are creating lasting change that will make a difference to government and the lives of Australians, now and into the future. I thank them for doing this.

**Dr Gordon de Brouwer**

Australian Public Service Commissioner



## Executive summary

This Progress Report outlines the APS's approach to undertaking multi-year transformation of the APS through the Government's APS Reform agenda. It provides an update for the Minister of Public Sector Reform, the Parliament, the public, APS staff and interested parties on progress to date. As the first Progress Report, the document provides an overview of the agenda and the implementation approach to embed enduring change. It outlines the current status and impact of reform activities, key risks to be managed, and how work to date positions further reform.

In October 2022, the Australian Government announced its APS Reform agenda to deliver enduring change to strengthen the APS for the benefit of all Australians. APS Reform draws on a broad set of source materials to guide a contemporary approach to reform, including the 2019 *Independent Review of the APS*, led by Mr David Thodey AO, and past reform activities.

The agenda is built on four priority pillars, underpinned by eight clear and practical outcomes to measure progress and impact over time. The scope and scale of change is ambitious; the agenda aims to reach every aspect of the 170,000 strong APS workforce, spread across 189 Commonwealth public sector entities. Transformation is necessarily a long-term and iterative process. The scale and breadth of impact of the Government's APS Reform agenda will therefore continue to grow over time.

Overseen and led by Secretaries Board, the first phase of the Government's reform program comprises 44 initiatives designed to help deliver eight reform outcomes. Responsibility for developing and implementing these initiatives is held by 12 departments and agencies, and there is an expectation that all parts of the APS will embed positive changes as time goes on.

The APS has developed a fit-for-purpose approach to implementation. This promotes an incremental, adaptive and continuous approach to reform and which builds on the activities of past and ongoing efforts to transform the APS. Delivery is structured over three phases, and activities are sequenced to ensure key foundations are put in place to enable the scaling and embedding of reforms across the APS. This will ensure the APS remains capable of responding to the ever-shifting requirements of Government and the community. It balances strategic and pragmatic imperatives, and supports careful management of delivery risks.

Progress and impact to date is promising and the APS has taken good steps to address critical challenges, as well as set the foundations for further reform efforts. While every initiative has a clear set of milestones and outcomes driving its activity, there are also ancillary benefits through implementing the program as a whole.

Overarching risk themes have emerged in the first year of reform. Maintaining a methodical approach to mitigating risk places the APS in a strong position to further target its focus on areas of greatest need for improvement.





## Progress Report sections

The first two sections provide an overarching understanding of the agenda and its impact on the public service and the Australian public. The next three sections comprise a detailed account of how the agenda has been built, supported and used to drive whole-of-service improvement.

- **Section One: Overview of APS Reform** discusses the origin of the Government's APS Reform agenda and its overall composition, including the commitment and investment Government has made to date. It outlines the implementation approach to support the agenda, such as the program logic of initiatives that feed into reform outcomes, which in turn ensure progress against each reform pillar. The sequencing of work across three phases is discussed, which will ensure the agenda remains flexible to the dynamic and evolving context of Government.
- **Section Two: Progress of APS Reform initiatives** discusses the implementation and impact of the first year of APS Reform, contextualised according to the overarching objectives for this first phase. Of the 44 Phase One initiatives, 10 are complete, 15 are in the delivery stage, 11 in the planning stage, and 8 in the design stage. Progress has been made against every reform outcome.
- **Section Three: Implementation architecture** discusses the key components in governance and decision-making, program delivery, reporting and engagement. This work reflects a step change in the way the APS formally co-ordinates and interacts to drive APS-wide change.
- **Section Four: Program risks** discusses the overarching risks that have emerged in the first year of reform, which may affect the ability of initiatives to deliver intended outcomes.
- **Section Five: Future focus areas** discusses the importance of securing the foundational outcomes and impacts of the first phase of reform and the need to remain vigilant in refining the approach to implementation. It provides a preview of the upcoming areas of focus for reform activity, including: bolstering integrity, building an outwardly-engaged APS, and continuing to build and strengthen capability.



## Section One: Overview of APS Reform





## The APS operates in a dynamic and evolving context

APS reform has been an ongoing effort for many years and momentum is accelerating. The Thodey Review was an important bedrock for reform in 2019. Since its release the operating environment of the APS and the public's expectation of government has shifted. The COVID-19 pandemic shone a light on the need for fast and effective government decisions. Community needs have emphasised the value of human-centred policies and services built on public engagement. The failures of the Robodebt Scheme highlighted the importance of integrity and frank advice from a professional and apolitical public service.

The APS is being called to deal with increasing policy complexity, rapidly fluctuating international and domestic dynamics, and delivery demands where public sector organisations need to keep pace with the private sector. The APS Reform agenda builds on reform efforts to date and positions the APS to be future-fit and capable of adapting to changing and rising expectations.

## APS Reform addresses current and future needs

In October 2022, Senator the Hon. Katy Gallagher, Minister for the Public Service, [outlined the Government's plan](#) to deliver comprehensive and enduring changes to strengthen the public service. The Minister outlined four priority areas, or pillars, for APS Reform:

1. An APS that embodies integrity in everything it does
2. An APS that puts people and business at the centre of policy and services
3. An APS that is a model employer, and
4. An APS that has the capability to do its job well.

APS Reform draws on a broad set of source materials including:

- The 2019 *Independent Review of the APS*, led by Mr David Thodey AO;
- Lessons learned from the COVID-19 pandemic;
- The National Partnership Agreement on Closing the Gap;
- Other jurisdictions' experience of public sector reform including recent reforms in New South Wales, Western Australia, and New Zealand;
- The Government's election commitments, such as commitments to establish a **National Anti-Corruption Commission**, and to achieve **Net Zero in the APS by 2030**; and
- Past APS reforms such as the 2010 *Ahead of the Game* review and the 2022 independent *APS Hierarchy and Classification Review*; and ongoing reforms being led by Secretaries Board such as the establishment of the **APS Academy**, **APS Professional Stream**, and **Secretaries' Charter of Leadership Behaviours**.

The agenda aims to strengthen and empower the public service and increase trust and confidence in Australia's public sector institutions. Initiatives will build the capability and capacity of the APS, support greater transparency and genuine partnership with the community, and position the APS to work in collaborative and dynamic ways. This will enable the service to better support the Government to deliver on its agenda now, and into the future. Collectively the initiatives within the



APS Reform agenda represent a significant and impactful package of reforms to the public service, and build on past efforts and success.

## Program of work

The APS Reform agenda, as assessed in this report, is structured around four priority pillars, eight program outcomes, and an initial portfolio of 44 initiatives. Exhibit 1 on page 10 provides a summary of the program of work and its structure. It shows how all reform initiatives are closely aligned to a reform pillar and their related reform outcomes. This ensures that collectively the initiatives are working to achieve the full scope of the Government's reform agenda, and that there is a clear alignment between high-level and working-level understandings of reform. This does not mean that reform initiatives contribute to only one pillar or outcome. In most cases they will help progress multiple outcomes, and furthermore their combined changes will work together to enable a greater degree of improvement than they could have accomplished alone.

While all reform initiatives will be implemented in practical ways across the APS, their design and initial delivery is being led by 12 departments and agencies. These agencies have long-held leadership of related policies, services or regulations. As a result central agencies are responsible for delivering the majority of initiatives, although the design, development and final implementation of the initiatives draw deeply on the insight and support of all agencies.

## Investment in APS Reform

As part of the 2022-23 Budget, the Government announced a three-year \$72.9 million commitment to the APS Reform agenda. This initial investment enabled the first step toward making cultural, structural and legislative changes to further strengthen the APS and ensure it is more aligned to the community it serves. This funding provides:

- \$40.8 million over three years to design, deliver and support initiatives that deliver immediate benefits for the public sector and the broader Australian public.
- \$25 million to establish an APS Capability Reinvestment Fund to fund projects to build organisational capability in the APS.
- \$7.1 million for initial work to help meet the Government's APS Net Zero 2030 target. Including to establish the APS Net Zero Unit within the Department of Finance, which assists agencies with capability, implementation and reporting.

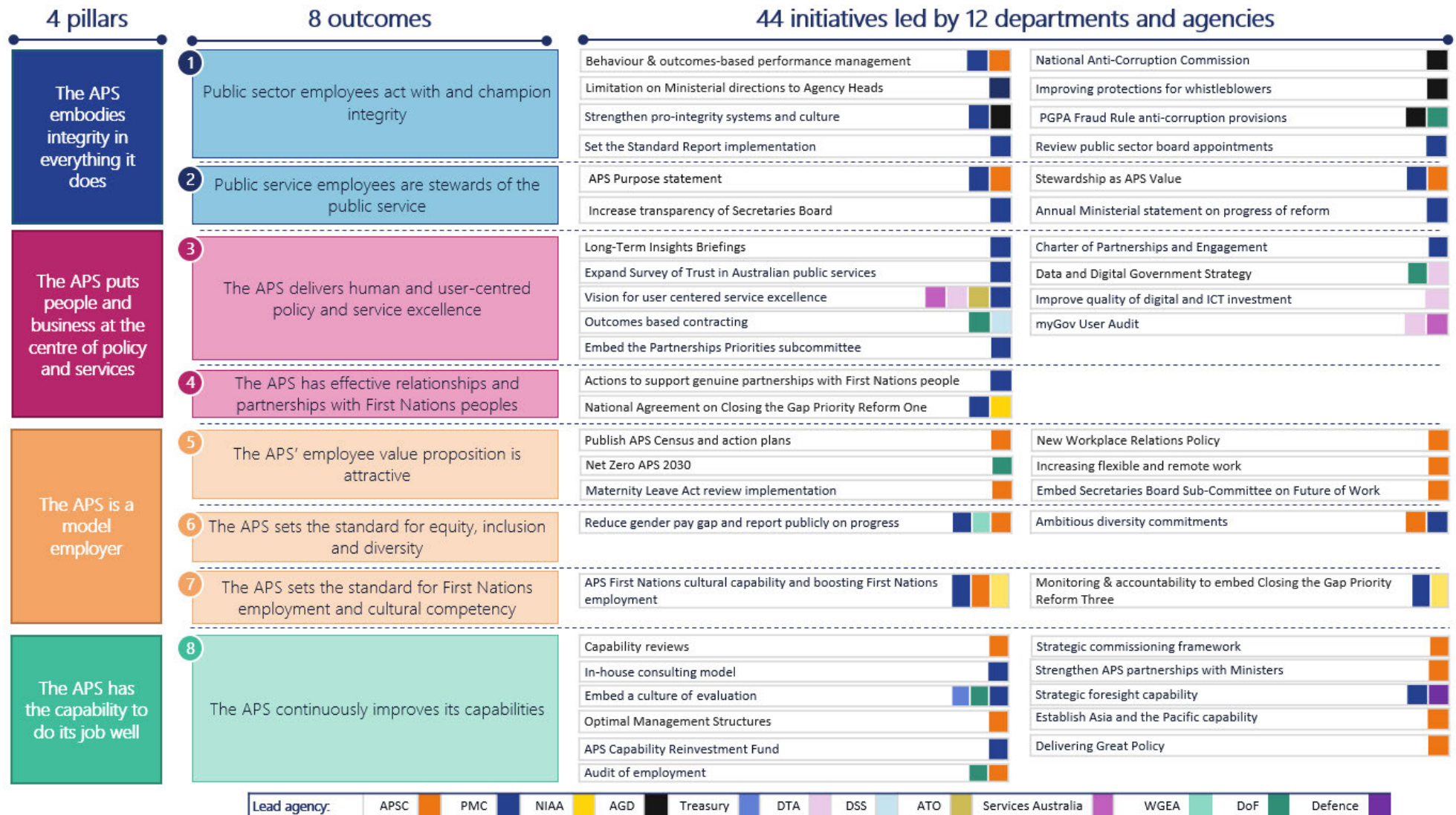
The 2023-24 Budget builds on the support provided in the 2022-23 October Budget, with the first distributions from the APS Capability Reinvestment Fund. The Government has allocated \$18.5 million over two years from 2023-24 from the \$25 million APS Capability Reinvestment Fund. This includes \$8.4 million for 10 service-wide capability building projects, identified through a competitive process.

The Government also allocated \$14.3 million (including \$4.2 million from existing resources) to other projects aligned to the purpose of the APS Capability Reinvestment Fund, including \$10.9 million over two years to provide start-up funding for an in-house consulting function and \$3.4 million over two years to boost First Nations employment in the APS.





Exhibit 1: Reform program logic and summary of program





## Taking a phased approach to deliver APS transformation

The Government has set a high mark of ambition for the APS Reform agenda. This is reflected in the quantity of reform commitments, the breadth of expected impact across the public service, and the depth of change necessary to embed lasting improvements. Exhibit 2 outlines the multi-year approach adopted to deliver upon this ambition, with activities phased over three horizons.

*Exhibit 2: Summary of phased approach to reform over three time horizons*

	Phase 1: Set the Foundations October 2022 – October 2023	Phase 2: Reinforce and Embed November 2023 - June 2025	Phase 3: Continuous Improvement July 2025 onwards
Objectives	<ul style="list-style-type: none"> <li>• <b>Develop a clear program logic</b> to support continuous and adaptive reform, which plots a path towards a public service that meets community and Government expectations</li> <li>• <b>Design and stand up a delivery model and implementation architecture</b>, including core governance and reporting mechanisms</li> <li>• <b>Design and launch initiatives to achieve Phase One objectives</b>, focused on laying the enabling foundations for incremental and continuous change</li> <li>• <b>Define an APS-wide transformation strategy</b> to guide reform efforts across the Service and embed outcomes in the dynamic and decentralised context of the APS</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Consolidate achievements from Phase One</b> of reform and scale the scope and breadth of impact of long-term initiatives as they mature</li> <li>• <b>Build on the foundations</b> with additional and targeted reforms, with a focus on integrity, partnerships and capability</li> <li>• <b>Establish a networked approach to reform</b>, to support collaboration and surface and share lessons learned</li> <li>• <b>Reinforce strategic use of governance</b> to drive coordinated and effective implementation of reforms within agencies; and manage implementation risks and challenges</li> <li>• <b>Promote engagement with reform</b> across the APS through improved communication, and create opportunities to be involved</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Leverage and scale best practice transformation</b> and implementation efforts</li> <li>• <b>Maintain close feedback loops</b> that support agency development and implementation of reform initiatives, and drive accountability for intended impacts</li> <li>• <b>Reinforce change management efforts</b> to support enduring cultural and behavioural change</li> <li>• <b>Promote bottom-up transformation activity</b> across the service to support the ethos of reform and build on reform outcomes</li> <li>• <b>Evaluate effectiveness of the program logic</b> (pillars, outcomes, initiatives) and implementation approach to determine potential gaps and opportunities</li> </ul>

Since October 2022, the Department of the Prime Minister and Cabinet's APS Reform Office and the Australian Public Service Commission have worked across the service to design and stand-up an implementation approach for reform that can support a multi-year effort. Upfront efforts centred on establishing:

- A principles-based implementation approach to guide planning and decision-making, and
- A program logic and with clear Phase One objectives for initiatives.

Some initiatives have been prioritised and sequenced to deliver early outputs, while others have been scheduled for implementation once key foundational pieces of work are in place. In some instances a single product or output may achieve the lion's share of a reform goal, while in others, a methodical and sustained effort to drive culture or behaviour change will be necessary for genuine impact to be felt across the service, and by the Australian community. Simultaneously accomplishing the totality of these changes is not feasible.

The eight program outcomes of APS Reform provide an organising framework through which decisions can be made about the potential inclusion of new initiatives in the agenda over time.



## Principles-based implementation approach

Secretaries Board endorsed a fit-for-purpose implementation approach in December 2022 based on six principles that reflect lessons learned from past public sector reform efforts and transformation best practice. This includes advice outlined in the Thodey Review.

The principles, summarised in Exhibit 3, continue to be a source of guidance when the reform agenda adapts in the future.

*Exhibit 3: Summary of six implementation principles*

1	2	3	4	5	6
<b>Committed and accountable leaders</b>	<b>Clear purpose, outcomes, and priorities</b>	<b>Measure and report what matters</b>	<b>Coordinated and fit-for-purpose delivery plans</b>	<b>Capability empowerment</b>	<b>Consistent communications and engagement</b>
Establish an authorising environment with clear expectations and accountabilities for reform, focussed on long-term objectives.	Define clear and measurable overall target outcomes within a project logic that ensures reform projects achieve the Government's intended transformation outcomes.	Tailor approaches to reporting to ensure minimum necessary requirements, which enable proactive intervention, timely delivery and assure impact.	Ensure the APS Reform Office guides and maintains transformation efforts.	Empower agency-level innovation and project delivery expertise.	Deliver clear, continuous, two-way communication to build awareness, establish buy-in, and celebrate success.
Actively engage governance entities to oversee and drive reform.	Agree a process for prioritising and sequencing initiatives to maximise impact of outcomes.		Ensure varying agency operating contexts (priorities, interests, capability, capacity) are factored into roles and expectations for reform across the APS.	Provide central, enterprise-wide steering and support to unlock barriers, uplift capability, and embed reform.	

## Phase One, objectives for initiatives

In Phase One of APS Reform, reform initiatives are focussed on delivering one or more of the following near-term objectives to set the foundations for incremental and cumulative change:

- **Laying the initial foundations that enable operational change to the APS.** Initiatives that define and enable enduring institutional changes to the APS by amending or introducing new legislation, setting new policies, or creating new bodies. Near-term outcomes are focussed on setting institutional levers for ongoing change efforts, at an operational level.
- **Refining APS behaviours to match expectations and increase oversight.** Initiatives that focus on defining what the APS should be, as well supporting increased oversight and accountability. Near-term outcomes are focussed on refining the behavioural expectations of public sector employees, and the way the APS operates to deliver stronger outcomes for the public.
- **Investing in core mechanisms to drive capability uplift and target immediate skills gaps.** Initiatives that drive immediate capability uplift to target gaps as well as long-term investment, to ensure forthcoming challenges are addressed.



- Preparing for future reforms by scoping long-term work. Initiatives that uncover meaningful insights into the state of the APS, its operating context – both current and anticipated – and determine how we might further strengthen the APS.

Achieving these activities is a gateway to reinvigorating APS transformation. It creates change that is both impactful in its own right, as well as setting up future phases of reform that create clear pathways to successfully achieve the overarching reform outcomes.





## Section Two: Progress of APS Reform initiatives

This section provides an overview of the implementation status of the 44 initiatives. It then goes on to describe the progress of initiatives according to the Phase One objectives. The section describes how initiatives are working collectively to build on reform efforts already underway across the service, to drive reform outcomes, as opposed to discrete initiatives working independently of one another. Detailed descriptions of the status of each initiative and their achievements to date are included in Attachment A.

Insights derive from the APS's Reform reporting model, used to track the implementation status of initiatives. To ensure successful implementation, the APS Reform Office centrally tracks and reports on all initiatives. In recognition of the importance of minimising reporting burdens, formal reporting is pursued quarterly with status updates pursued in between where necessary. Agencies are required to provide updates on their initiatives' delivery status, milestones, capability uplift, outcomes and risk.

### Implementation has progressed against objectives

Exhibit 4 on page 15 summarises the distribution of initiatives according to their current stage of delivery. These insights are self-reported by project teams as at 4 October 2023.

At present, 10 of the 44 initiatives are complete and have transitioned to business-as-usual in the service. Many relate to changes to overarching decision-making bodies or the establishment of new institutions within the APS. Completed initiatives include two election commitments: the establishment of a **National Anti-Corruption Commission** and completion of an **audit of employment**.

Delivery is underway for 15 of the 44 initiatives. These include integrity-related initiatives and reforms to make the APS a model employer, as well as continuing to build on the previous reform work such as the establishment of the APS Surge Reserve workforce and the APS Academy.

Initiatives that remain in the planning or design stages are those which either depend on, or would benefit from, more comprehensive consultation and data to best understand complexities, or to devise a solution that can incorporate stakeholder views. These include workforce planning-related initiatives and capability-related initiatives that aim to boost strategic skills.

Every initiative within the APS Reform agenda is working to progress at least one of the eight APS Reform outcomes. These outcomes describe the desired end-state of the APS Reform program, providing direction for the reform initiatives which each contribute to the transformation. Most initiatives, as a result of the interconnected nature of reform, will also help to progress secondary reform outcomes in addition to their primary one. This is designed so that APS Reform makes a greater impact than the sum of its individual initiatives.

The APS is embedding capability uplift through the collective implementation of reform initiatives. The development and implementation of a particular reform may require uplifting the skills of the team leading it, with that capability improvement then extending beyond APS reform implementation. Capability areas strengthened by reform initiatives include project management



and strategic policy advice, use of data in evidence-based policy, outcomes-based working, promotion of active engagement and partnership, and cultural capability.

Exhibit 4: Summary of initiatives by stage of project lifecycle as at 4 October





## Pillar One: The APS embodies integrity in everything it does

### Outcome 1: Public sector employees act with and champion integrity

Ensuring that public sector employees are supported by a pro-integrity system, and culture is key to APS Reform. Employees need to understand what integrity means, their responsibilities, and uphold integrity; championing this in the context of their daily work and behaviours. Improving understanding of the Commonwealth integrity architecture ensures a strategic and effective approach to preventing, detecting and sanctioning fraud and corruption, protecting whistle-blowers, and enabling pro-integrity behaviours. By doing this, trust and confidence in the APS and government is increased and ongoing reforms led by Secretaries' Board such as the Secretaries' Charter of Leadership Behaviours are reinforced

#### Structural change to lock-in integrity across the APS

The first phase of APS Reform initiatives included several that are making permanent structural changes to legislation, and whole-of-government frameworks, to strengthen the Commonwealth integrity architecture. This includes the introduction of the Public Service Amendment Bill, which as at September 2023, is before the Parliament. This also includes the passage of the *Public Interest Disclosure Amendment (Review) Act 2023*, the *National Anti-Corruption Commission Act 2022*, and *National Anti-Corruption Commission (Consequential and Transitional Provisions) Act 2022*, and work to reform the *Commonwealth Fraud Control Framework 2017*.

These changes will strengthen the importance and focus on integrity within the governing architecture of the APS. The recently established **National Anti-Corruption Commission (NACC)** is already demonstrating this. Commencing operations on 1 July 2023, the NACC works to enhance integrity in the public sector by deterring, detecting and preventing corrupt conduct involving Commonwealth public officials through education, monitoring, investigation, reporting and referral. Complementing this work is the initiative to **strengthen protections for whistle-blowers** which has already resulted in priority amendments to the *Public Interest Disclosure Act 2013* to strengthen whistle-blower protections and complement the work of the NACC.

Additionally, under the **Public Governance, Performance and Accountability (PGPA) Fraud Rule anti-corruption provisions** initiative the Government is strengthening Commonwealth entities' measures to prevent, detect, and respond to corruption, by extending the legal requirements of the Fraud Rule under the PGPA Act. Changes will require relevant agencies to act on corruption as well as fraud; an Exposure Draft of the Rule amendments has been released.

As part of the **Limitation on Ministerial directions to Agency Heads** initiative, the Government seeks to strengthen the apolitical nature of the APS under the *Public Service Act 1999*, through the Public Service Amendment Bill 2023 – as at September 2023, the Bill is before the Parliament. Subject to the passage of legislation, this amendment will strengthen the requirement that individual APS employment decisions must be made free from political interference.

#### Refining standards to support a culture and behaviour that embeds integrity



Beyond amendments to legislation, other initiatives are refining APS integrity standards to positively influence the behaviour and culture of individuals as well as workplaces across the APS.

The initiative strengthening **behaviour and outcomes-based performance management** establishes an overarching set of requirements for all APS agencies to incorporate into their performance frameworks. This will embed a culture of transparency and accountability for performance. An SES Performance Leadership Framework was launched in August 2023 and APS agencies are required to fully implement the Framework by 2025. A non-SES Performance Framework will be developed and published by the end of 2025. These frameworks will build consistency across the APS, and provide assistance to managers to meet the formal requirement that behaviours must be considered equally with outcomes. Increased emphasis on workplace behaviour will support psychological safety for our people, and the creation of a better culture across the APS.

The Government continues to implement remaining government-related recommendations in the **Set the Standard Report implementation**, aimed at ensuring Commonwealth parliamentary workplaces are safe and respectful.

#### [Scoping other ways to enhance integrity in the APS and on government boards](#)

Finally, several initiatives seek to ensure that public sector employees act with and champion integrity, including through reviewing processes and asking what else can be done. The APS Integrity Taskforce has delivered on an action plan recommending ways of improving integrity in the APS as part of the **strengthening pro-integrity systems and culture** initiative, and the **Review of public sector board appointments** initiative, led by Ms. Lynelle Briggs AO, responds to concerns about transparency in appointment processes for public sector board appointments. These initiatives will help inform future initiatives or reforms to strengthen integrity in the APS.

### **Outcome 2: Public service employees are stewards of the public service**

Initiatives supporting Outcome 2 seek to strengthen the role and purpose of what it means to be a public servant, making sure everyone in the APS understands their role and responsibilities. The Thodey Review identified a need for the APS to develop a more cohesive and collaborative culture across the diverse functions and agencies that make up the public service. In line with this, recent events have shown the need for public servants to individually and collectively protect the institution of the APS. This includes looking ahead to identify and meet challenges with the interests of all Australians in mind.

The first phase of reforms under this outcome seeks to define and clarify the individual and collective roles and culture of the APS, now and into the future. Building on this founding definition, other initiatives seek to promote understanding to ensure public servant employees understand the importance of their enduring role, and to clarify for the Australian public the purpose and workings of the APS and the Government.

#### [Defining the shared purpose and values of the APS](#)

Better defining the role of the APS and public servants, and setting the standards of how APS employees should act in carrying out their duties is critical. Two key initiatives support this by





drawing from a range of sources to adequately provide direction on a common purpose and set of values for the diverse functions, agencies and individuals of the APS. Developing this shared understanding is key to enable culture and behaviour change.

The Government seeks to add **Stewardship as an APS Value** under the *Public Service Act 1999*, through the Public Service Amendment Bill 2023. As at October 2023, the Bill is before the Parliament. Currently under the *Public Service Act 1999*, only Secretaries, the APS Commissioner and Secretaries Board are required to act as stewards of their departments and the APS. The Bill aims to enshrine stewardship as an APS Value so that all public servants are required to act in a way that upholds the Value at all times. By doing this, public servants will be cognisant of how their individual behaviours contribute to the stewardship of the APS. The new Value has been defined as *"The APS builds its capability and institutional knowledge, and supports the public interest now and into the future, by understanding the long-term impacts of what it does,"* and was developed by extensive APS and public consultation.

An **APS Purpose Statement** will be developed to provide an operational mechanism for a unified vision that delivers on Section 3 of the *Public Service Act* for what the APS aspires to be. Between 31 May – 8 August 2023 a Deliberative Committee of APS staff designed options with opportunities for staff and members of the public to contribute. The statement seeks to create a unified and collaborative culture across the diverse functions comprising the APS. Work is already underway to develop the statement and has sought input from a deliberative committee consisting of 40 staff members representing 22 agencies and a diverse range of cultural and linguistic backgrounds, abilities, sexualities, genders, locations, ages, and classifications, as well as approximately 9,000 additional pieces of feedback.

#### Increasing oversight of APS activities

Two initiatives will increase awareness of the role of the APS and transparency of its work. First, the Minister for the Public Service will deliver an **annual Ministerial statement on the progress of reform**. This update will not only provide an opportunity to review the agenda for future reform but will also boost awareness, an understanding of APS Reform, and support change. The Minister is due to deliver the statement in November 2023.

Second, several steps have been taken to **increase transparency of Secretaries Board**. These efforts provide Australians greater clarity on the purpose and workings of the APS leadership. Secretaries Board meeting communiques and the Terms of Reference are now published online, with information about Secretaries Board sub-committees and their meeting communiques now published on relevant departmental websites. As a central pillar of governance across the service, these measures increase transparency of senior collective leadership effort across the APS.

## Pillar Two: The APS puts people and business at the centre of policy and services

### **Outcome 3: The APS delivers human and user-centered policy and service excellence**

Genuine partnership and engagement with Australia's people, communities, non-government sectors, academia and industries is key to developing policies and services that reflect the needs



and aspirations of the people they affect. The APS must have clear principles for when and how it engages in partnership, to instil public trust and transparency in government institutions and processes. This will help embed integrity in public service culture and behaviour with communities. The APS must also be proactive in ensuring policies and services are accessible and meet user needs. By delivering human-centred services and harnessing digital and data systems, the APS can build community trust, confidence and satisfaction in public services.

To achieve this outcome, the initiatives in Phase One focus on four areas. The first is laying the institutional structures to ensure that meaningful engagement with the public is a core feature of the APS. The second is a set of initiatives that set the standard for what APS partnership and engagement should aspire towards. The third is uplifting capability to deliver policy and services that are human centred. Finally, a set of initiatives are developing greater understanding about the APS's operating context to improve trust in the APS, demonstrate its ability to address future challenges and outline how the APS's capability could be further strengthened.

#### [Laying the institutional architecture for engaging community](#)

To deliver human and user-centred policy and service excellence, the APS can embed institutional structures that champion and facilitate engagement with communities. The **Partnerships Priorities Sub-committee** promotes a coordinated effort in delivering user-centred policy and service excellence by embedding partnership culture and behaviour across the public service. This includes making engagement and co-design with communities, states and territories, businesses, NGOs and universities a natural and early impulse in how the APS works. The Sub-committee is driving work according to established international standards of engagement, which enables a clear benchmarking of practice. The influence of this work is being seen in the APS through programs such as the Capability Reviews.

#### [Uplifting the standards for APS partnership and engagement](#)

The development of a **Charter of Partnerships and Engagement** sets out principles for improving the way the APS puts people and business at the centre of policy, implementation and delivery. It aims to support agencies to build capability to genuinely partner and engage with Australia's people and communities, non-government sectors, academia and industries to develop more responsive policies and programs. The Charter will help realise the Government's commitment to genuine partnership and engagement in policy-making and service delivery with the public so that policies and programs are more likely to be sustainable and deliver against government and public expectations.

Designing a shared whole of APS **vision for user-centred service excellence** will help to clarify what the public service is working towards for APS employees and the public. It creates a clear standard to be measured against, with the ability to find where there are gaps in user satisfaction and trust, and where there are insights to be drawn from areas of strength. The creation of this vision is also an opportunity for staff to engage with the concept of user-centred service and to help embed that concept in everyday work.

The APS is establishing a whole-of-service approach to **outcomes-based contracting** with third parties to deliver services for Australians. This initiative seeks to support increasing APS officers' expertise in writing statements of requirements applicable for the circumstances in which external



consultants are appropriate; meaning it is only pursued in cases where the work is more efficiently or effectively outsourced than completed internally, or when independence is required. It will also ensure the entity maximises the benefit from the procurement of any such external arrangement.

#### [Investing in data and digital capability uplift](#)

As digital transformation continues at rapid pace across Australia and the world, it is critical that the Australian Government remains at the forefront of data and digital technologies to improve how it develops policies and delivers services. Therefore three initiatives under this outcome relate to developing digital and ICT capability and services that meet communities' needs and expectations.

The **Data and Digital Government Strategy** is a whole-of-government strategy setting the vision for how the Government will deliver simple, secure and connected public services for all people and businesses through world-class data and digital capabilities. The Strategy reflects the need for the Government to continue its own data and digital transformation to ensure it can meet the public's expectation and demand for digital services, data-informed policies and decision-making, as well as ensuring the APS is prepared for the digital age.

Efforts to **improve the quality of digital and ICT investment** aim to ensure APS stakeholders and partners receive high quality and timely advice on their digital investments, whole-of-government strategies, policies, and standards relating to digital and ICT investments. This initiative is progressing well through the role of the Digital Transformation Agency (DTA). As the Government's trusted advisor on digital and ICT matters, the DTA provides strategic and policy leadership, investment prioritisation, contestability, and assurance oversight across the Government's digital and ICT investment portfolio, engaging via the Government's Digital and ICT Investment Oversight Framework ([IOF](#)). The IOF supports engagement across the entire digital investment lifecycle – from early planning, approvals, project delivery and the realisation of benefits. The DTA undertakes regular data collections on investment health, analysis and reporting that serve to inform the Government's decisions relating to its digital and ICT investments. This work provides stakeholders and partners with high quality and timely advice on whole-of-government strategies, policies and standards for digital and ICT investments, which helps agencies deliver better digital outcomes.

The **myGov User Audit** is an independent review of the user experience, functions and performance of myGov in the context of being the primary front door to the Government's digital services. The user audit was released in January 2023 and provided findings and recommendations for the future of myGov. The user audit recommendations have provided Government with a path forward that requires a long-term commitment to invest in myGov as critical national infrastructure. The Digital Transformation Agency and Services Australia are working in partnership to develop a joint response to the myGov User Audit for Government's consideration in the 2023-24 Mid-Year Economic and Fiscal Outlook context. Work is progressing with collaboration and engagement across whole-of-government to develop a high-level position to each recommendation for Government.

#### [Understanding the operating context: trust in the APS and future challenges](#)



Two initiatives seek to develop more understanding about the APS's operating context – both current and anticipated – to determine how the APS could be further strengthened.

The **Survey of Trust and Transparency in Australian public services** provides a core dataset that can be used by policymakers to better design or improve policies, building on the revised approach to partnerships. It helps the APS better understand community sentiment around their use and experience of Australian Government services. Publishing an expanded annual report on the Survey and monthly results (via a dashboard) ensures that appreciating user experiences remains a core part of the development and delivery process, and in turn builds greater trust and satisfaction within the community.

The **Long-Term Insights Briefings** initiative will strengthen institutional capability in the APS for analysing significant, complex, longer-term, cross-cutting and strategic policy challenges that may affect Australia and the Australian community in the medium and long-term. The briefings are developed through a process of consultation with the Australian community on issues affecting them, as well as with experts from the public service, academia, industry and the not-for-profit sector. By engaging with the public and the APS more broadly, the briefings will assist in developing an understanding of the evidence, context, trends and implications of the issue over a long-term horizon and position the APS to better deliver for Australians.

#### Outcome 4: The APS has effective relationships and partnerships with First Nations peoples

Central to APS Reform is supporting the APS to build full and genuine partnerships with First Nations communities and organisations, including through delivering culturally safe services through respectful engagement and building genuine partnerships. The APS must build relationships based on mutual trust and respect with culturally safe engagements. It is through this first step of building relationships that shared decision-making with Government on policies and programs that impact First Australian peoples can be enabled.

The initial initiatives that are working towards this outcome are currently in design. It is anticipated that these initiatives will lay the groundwork, structure and relationships to develop genuine and meaningful partnerships with First Nations peoples and communities.

Under the **National Agreement on Closing the Gap, Priority Reform One** agencies will work individually and collectively to set up structures and an approach to ensure formal partnership arrangements support Closing the Gap. To support best practice across all portfolios in establishing and strengthening partnerships and shared decision-making with Aboriginal and Torres Strait Islander people, this has included the development of the Commonwealth Aboriginal and Torres Strait Islander Partnerships and Engagement Framework.

**Action to support genuine partnerships with First Nations people** is undertaking early scoping to consider the need for any systems or legislative change required to transform mainstream government organisations, to enable formal partnerships and shared decision making with Aboriginal and Torres Strait Islander people.





## Pillar Three: The APS is a model employer

### Outcome 5: The APS's employee value proposition is attractive

Ensuring the APS is a great place to work and offers a quality employee experience is key to attracting and retaining the best and brightest public servants. APS Reform efforts are focussing on creating an attractive employee value proposition for current and future employees, including improving working conditions and lifting pay. Under this first phase, there are several initiatives that make operational changes to improve the working conditions and overall value proposition of the APS. Accompanying these initiatives are actions designed to ensure long-term oversight and accountability for conditions, and the broader employee value proposition of the APS. These will ensure that standards are kept high and any emerging issues or risks can be addressed for longevity.

#### Operational change to promote an attractive APS

Four initiatives are centred around policy change that make the APS a more attractive place to work, while simultaneously laying the groundwork for future efforts to improve the APS's employee value proposition. For example, the ***New Workplace Relations Policy*** has focussed on fair and genuine negotiations between employers, employees, and unions through service-wide bargaining. An APS wide approach to workplace flexibility has been agreed, and Secretaries Board endorsed the 'Principles of flexible work in the APS' in March 2023. The new policy aims to deliver pay increases and better conditions, while also laying the groundwork to reduce fragmentation of pay and conditions across the service over time. Service-wide bargaining commenced in March 2023.

The Government continues to implement the **Maternity Leave Act review**. Ensuring that parental leave in the APS meets the needs of today's employees as they establish families and maintain careers in the Commonwealth is key to attracting and retaining talent in the APS. The Government has tabled parental leave conditions in APS-wide bargaining as an interim step ahead of considering new parental leave legislation to replace the *Maternity Leave (Commonwealth Employees) Act 1973*.

Access to flexible work has become an increasingly important driver of attraction and retention for employees in the APS and the broader Australian labour market. In acknowledgement of this, in April 2023 the APSC published a set of **principles of flexible work in the APS** as endorsed by the Secretaries Board. Greater access to flexible work will not only strengthen the APS's ability to deliver strong outcomes, improve workforce resilience and help employees balance their work and personal priorities, but it will help the APS recruit new staff from anywhere in Australia.

Through **APS Net Zero 2030** the Government is taking action to reduce its greenhouse gas emissions to net zero by 2030 (excluding security agencies). By doing this the Government is seeking to lead by example on workplace efforts to ensure emissions reductions, and is upholding its commitments in the United Nations Framework Convention on Climate Change under the Paris Agreement. As part of the interim policy and reporting framework entities are due to start reporting and taking early action in 2023.

#### Increasing oversight of APS workplaces and employees experience



Two initiatives are underway to ensure there is greater oversight of APS workplaces and employees experience. These initiatives will drive accountability, ensuring issues are addressed and the employee value proposition remains attractive over time.

The initiative to **publish APS Census and action plans** will, subject to the passage of the Public Service Amendment Bill 2023, which as at September 2023 is before Parliament, establish a requirement for agencies to publish their annual APS Census results and accompanying action plans. This requirement will assist in developing better performance by ensuring there is transparency in agency Census results and the implementation of action plans to address poor results. Results are due to be published by the end of November 2023.

The **Secretaries Board Sub-Committee on Future of Work** continues to operate as a catalyst in driving organisational and workforce reform priorities for the APS, to address pressures and emerging workforce demands. The Sub-committee meets regularly to provide advice to Secretaries Board on opportunities to strengthen APS workforce and organisational capability, including developing the best value proposition for the APS in the employment market.

### Outcome 6: The APS sets the standard for equity, inclusion and diversity

Being a model employer requires the APS to set the standard for diversity and inclusion. Initiatives under this outcome seek to set the standard for inclusion and diversity in the APS as well as developing greater clarity of gender pay inequality in the APS to help reduce the gender pay gap.

Through the **APS Culturally and Linguistically Diverse (CALD) Employment Strategy**, the Government aims to address concerns about discrimination and racism in the APS. The Strategy will provide tangible actions to promote individual cultural capability across the APS, improve key process points for recruitment, mobility and promotion, and develop an organisational culture that values diversity.

The Government is committed to **reducing the gender pay gap and reporting publicly on progress**. The *Workplace Gender Equality Amendment (Closing the Gender Pay Gap) Bill 2023* requires the Workplace Gender Equality Agency to publicly release 2023 APS Gender Pay Gap data for every agency with 100 or more employees. Enhanced transparency aims to drive accountability that encourages agencies to take further actions to address the gender pay gap.

### Outcome 7: The APS sets the standard for First Nations employment and cultural competency

Building the cultural capability of the APS and increasing the number of First Nations staff, particularly at senior levels, is critical to improving outcomes for First Nations communities. Equally important is ensuring retention of First Nations employees. These initiatives are linked to the Government's commitments under the National Agreement on Closing the Gap, and aim to build cultural safety and eliminate racism in government institutions.

#### Investing in the APS's cultural capability

The **APS First Nations cultural capability and boosting First Nations employment initiative** is making changes to the key aspects of recruitment in the APS and the working environment to better employ and retain First Nations employees. A national affirmative measures round for First Nations SES Band 1 recruitment is expected to commence in 2023. Additionally the APSC's



Cultural Capability Hub commenced in August 2023. This is a central repository of practical guidance and suggested resources to support staff to uplift their Aboriginal and Torres Strait Islander cultural capability. This will be complemented by the APS Academy Footprints program, a cross-cultural learning and professional development framework that supports continuous and ongoing development of cross-cultural capability.

Through **Monitoring & Accountability to embed Closing the Gap Priority Reform Three** the Government is developing a framework to measure and drive cultural, systemic and structural transformation across APS agencies.

## Pillar Four: The APS has the capability to do its job well

### Outcome 8: The APS continuously improves its capabilities

To support Australians now and into the future, the APS needs a skilled, confident workforce, and robust and trusted institutions to deliver modern policy and service solutions. To achieve this outcome the APS needs to continuously assess its strengths and weaknesses, and take action to uplift capability over time. Importantly, reforms will reinforce and build upon recent reforms such as the establishment of the APS Academy, APS Professions Stream and APS Surge Reserve workforce.

Under the first phase of reforms initiatives are clustered into four groups. The first two groups lay the foundation for long-term capability uplift by investing in new bodies and frameworks. A third group of initiatives directly invest in known capability gaps while the final cluster of initiatives seek to understand the broader picture of capability in the APS and how it might be lifted overtime.

#### Structural change to build capability overtime

The **APS Capability Reinvestment Fund** is an investment in building the organisational capability of APS agencies. Through the Fund the APS is working in genuine partnership to invest in pressing capability needs, for example, embedding iterative evaluation methods in all policy and program roles, and improving gender impact analysis in policy.

The establishment of an **in-house consulting model** (now known as **Australian Government Consulting**) addresses the increased reliance on external consultants to deliver strategic products for the APS. This initiative aims to reduce reliance on external consultants, build capability through consulting practitioner skill transfer, leverage existing specialist capability within the APS and provide guidance on how to improve value for money (in the instances where procuring external services remains appropriate). The service is due to begin operation and Guidance on Engaging External Consultants will be available in 2023.

As part of **embedding a culture of evaluation** the Government established the Australian Centre of Evaluation. The Centre will work to strengthen the quantity, quality and impact of evaluations across the APS. Its purpose is to lead the APS to integrate high-quality evaluation into all aspects of program and policy development to support evidence-based policy decisions that deliver better outcomes for Australians. Doing so enables agencies to better identify whether programs or policies are meeting their intended outcomes.



### [Setting standards for strategic commissioning](#)

Complementing the in-house consulting model is the **Strategic Commissioning Framework**. This initiative will set a clear expectation that core APS work must be done by the APS, and will outline limited circumstances in which outsourcing could be appropriate. Agency heads will apply the framework to rebalance their workforce, prioritising direct employment while delivering on their priorities. A resources toolkit will support the framework, connecting agencies to practical implementation guidance including advice on outcomes-based contracting. This initiative will ensure the APS reduces its reliance on contractors and consultants and maximises the benefit of any external arrangements through good contract and supplier management. The framework is due for release in late 2023.

### [Implementing projects that uplift capability](#)

Five other initiatives seek to address known capability gaps in the APS workforce.

**Delivering Great Policy** is a program within the APS Academy designed to help develop high-level strategic policymaking skills as well as create connections across different policy networks. Its regular training schedule and networking opportunities are directly improving policy capability through awareness and understanding of the core Delivering Great Policy principles. This initiative is also an example of leveraging practitioner-led learning across the service.

Two pilot programs to **establish Asia and the Pacific capability** respond to the need, outlined in the Thodey Review, to cultivate a workforce with deep experience in and knowledge of Asia and the Pacific due to the ongoing shift in the global economic weight of Asia. The programs, *APS Indo-Pacific Executive Development Program* and *Pacific Cultural Capability Microcredential* aim to develop APS staff's understanding of the shared challenges facing our region and their levels of cultural competency toward Asia and the Pacific. The APS Academy has partnered with Asialink to co-design and deliver the APS Indo-Pacific Executive Development Program, which is currently open for learner registrations.

Thinking critically and strategically about the future is vital for developing good policy and successful responses to longer term challenges faced by governments. The initiative **futures and strategic foresight capability** is focussed on broadening the use of futures analysis to inform policy and decision-making across the APS. It aims to improve staff and agency understanding at the operational level of the principles of futures thinking and how to apply those to set strategy, stress-test and refocus policy on outcomes, support decision-making, and improve engagement with stakeholders.

A strong partnership between the APS and Ministers is critical to the development and delivery of policies and services to the Australian community. Without a strong partnership, it is difficult for APS staff to deliver Ministerial objectives. As a part of the initiative **strengthening the APS partnerships with Ministers**, APS staff's capability to partner with and build stronger relationships with Ministers and their staff, is being uplifted through information resources and a learning program. Minister's staff are also attending panel discussions to enhance their capability to build stronger relationships with the APS.

The **Optimal Management Structures** initiative is helping APS agencies modernise their structures and ways of working. This updated guidance advocates for flatter structures, wider spans of





control and decision-making at the lowest appropriate level. Successive reviews have found the APS needs to streamline management and adopt best practice ways of working to reduce hierarchy, improve decision-making, and make best use of APS expertise and resources. The guidance is due to be released in 2023 and will be an important guide to assist agencies operate at their best capacity.

#### Understanding capability in the APS and the reliance on consultants

Two initiatives have a focus on identifying opportunities to improve capability in the APS.

The **Capability Review program** will help embed a culture of continuous improvement in the APS and ensure agencies continue to deliver government priorities and outcomes for Australians. Capability reviews are independent, forward-looking and assess an agency's ability to meet future objectives and challenges. They aim to facilitate discussions around an organisation's desired future state, highlight strengths and organisational capability gaps, and identify opportunities to act on them. Once a review has been completed, agencies then develop and implement action plans to address any capability gaps identified in the review. Four capability reviews have already been completed. The Government has sought to legislate capability reviews as a requirement under the Public Service Amendment Bill 2023 – as at September 2023, the Bill is before the Parliament.

The **Audit of Employment** initiative collected information across the APS on the use of external labour including contractors and consultants. The report of the Audit was published in May 2023 and provides government with an understanding of the scale and nature of the contingent workforce.



## Section Three: Implementation architecture

Phase One of APS Reform included the essential task of establishing a fit-for-purpose implementation architecture for APS Reform. The six Implementation Principles agreed by the Secretaries Board, as outlined earlier in Exhibit 3 (refer page 12), played a critical role to help deliver this architecture. It enabled a quick translation of high-level reform objectives endorsed by the Government in October 2022 into a tangible delivery model with strategic levers to enable and embed enduring change.

The implementation architecture and delivery model for APS Reform has been stood up and further refinement is planned for the next six months. The arrangements include eight agreed program outcomes and metrics, a clear governance structure including roles and accountabilities for delivery, prioritisation and risk frameworks, and a formal reporting and engagement model. Core elements of the implementation architecture are summarised in Exhibit 5, with further detail provided in the following sub-sections. With this architecture in place, the Service's experience in implementing current reforms will directly assist the implementation of future ones.

*Exhibit 5: APS Reform Implementation Architecture structured according to the six implementation principles endorsed by Secretaries Board in December 2022*

	1	2	3	4	5	6
	<b>Committed and accountable leaders</b>	<b>Clear purpose, outcomes, and priorities</b>	<b>Measure and report what matters</b>	<b>Coordinated and fit-for-purpose delivery plans</b>	<b>Capability empowerment</b>	<b>Consistent communications and engagement</b>
<b>Implementation architecture core elements</b>	<ul style="list-style-type: none"> <li>✓ Roles, responsibilities and accountabilities woven into APS <b>governance architecture</b></li> <li>✓ <b>Cohort of 100+ initiative leads</b> established across 12 agencies with accountabilities to deliver initiatives</li> <li>✓ Dedicated <b>APS Reform Program Board</b> established</li> </ul>	<ul style="list-style-type: none"> <li>✓ Initiative <b>Prioritisation and Sequencing Framework</b> established</li> <li>✓ <b>8 measurable program outcomes</b> agreed within a program logic and ensuring all initiatives are contributing to common objectives</li> <li>✓ <b>APS Reform Handbook</b> created to provide a clear narrative for reform and achieve shared sense of purpose</li> </ul>	<ul style="list-style-type: none"> <li>✓ Fit-for-purpose APS Reform <b>Reporting Model</b> established</li> <li>✓ <b>Tiered Engagement Model</b> established to augment reporting and help de-risk delivery</li> <li>✓ <b>Delivery Risk Framework</b> created to enable dynamic risk assessments and timely support / intervention</li> <li>✓ <b>Whole-of-program metrics</b> defined to monitor progress of the 8 program outcomes</li> </ul>	<ul style="list-style-type: none"> <li>✓ <b>Strategy to hardwire accountabilities</b> to embed reform outcomes defined, with APS-wide implementation plan to follow in Phase 2</li> <li>✓ Initiative leads empowered to set and manage project delivery plans; <b>PMO team providing central oversight</b> to align plans to program objectives via hands-on quality assurance</li> </ul>	<ul style="list-style-type: none"> <li>✓ Approach to <b>hardwiring capability outcomes</b> via reform initiatives defined and codified in Reporting Model</li> <li>✓ <b>APS-wide strategy to uplift capability</b> being defined via Future of Work Sub-committee</li> <li>✓ <b>Networked approach</b> to sharing transformation best practice and capability defined via COO Committee, with further work to come in Phase 2</li> </ul>	<ul style="list-style-type: none"> <li>✓ Cohort of 100+ initiative leads actively engaged to gather intelligence on reform progress, and provide a <b>feedback loop</b> on opportunities for improvement</li> <li>✓ Systematically <b>communicating progress</b> within and beyond the APS</li> </ul>

## Implementation is supported by a set of core elements

The APS Reform Office implementation architecture comprises components focussed on governance and decision-making structures, program delivery, reporting and engagement processes.



## Governance and decision-making structures

Reforms are being pursued through a distributed delivery model with devolved accountability for outcomes. Clearly defined APS Reform roles, responsibilities, and accountabilities have been woven into existing APS governance structures, including Secretaries Board and its Sub-Committees. This is summarised in Exhibit 6 below. A newly established APS Reform Program Board has been stood-up, comprising Deputy Secretaries from 10 departments to oversee the implementation of the APS Reform agenda, and provide advice to areas that are involved in reform activity. Its role is as a supporting mechanism for the Secretaries Board, which holds overall accountability for the delivery of the APS Reform program. The APS Reform Program Board will provide recommendations particularly regarding governance, risk and reporting. Further, an ongoing Program Management Office function is enabling effective and efficient central planning, guidance, support, and oversight of reforms.

The model of devolved accountability simultaneously empowers and holds agencies to account for the implementation of reform outcomes. Combined, these structures work to support, enhance and optimise the accountabilities of each agency responsible for delivering reforms.

*Exhibit 6: Summary of APS Reform governance arrangements*

	Decision-making role	Responsibilities
<b>Minister for the Public Service</b>	<ul style="list-style-type: none"> <li>Determine overall ambition and strategic direction</li> <li>Agree priorities and sequencing</li> </ul>	<ul style="list-style-type: none"> <li>Determine program objectives (i.e., intended outcomes)</li> <li>Set / endorse priority initiatives</li> <li>Approve governance, timelines and sequencing</li> <li>Approve key final products and determine next steps</li> </ul>
<b>Secretaries Board</b>	<ul style="list-style-type: none"> <li>Agree initiative-level ambition</li> <li>Determine initiative-level accountabilities</li> </ul>	<ul style="list-style-type: none"> <li>Establish the authorising environment</li> <li>Problem-solve delivery risks</li> <li>Help shape and set direction on APS reform</li> </ul>
<b>APS Commissioner</b>	<ul style="list-style-type: none"> <li>Determine and advise Minister and Secretaries Board to delay, suspend or accelerate initiatives, in consultation with Secretary of Finance</li> </ul>	<ul style="list-style-type: none"> <li>Ensure initiatives are delivered on-time and to the intended effect to achieve APS reform ambition</li> <li>Assure and sign-off on appropriate planning and optimise delivery agenda</li> </ul>
<b>APS Reform Program Board</b>	<ul style="list-style-type: none"> <li>N/A</li> </ul>	<ul style="list-style-type: none"> <li>Provide program-level assurance and advice on whole-of-program interdependencies, focussing on APS Reform governance framework and risk management</li> <li>Identify connections between Secretaries Board sub-committees, and guide collaboration on reform work</li> </ul>
<b>APS Reform Program Management Office</b>	<ul style="list-style-type: none"> <li>N/A</li> </ul>	<ul style="list-style-type: none"> <li>Manage Secretaries Board sub-committee interfaces</li> <li>Lead APS-wide risk mitigation engagements</li> <li>Set and manage implementation strategy</li> <li>Track and report delivery of projects, outcomes and risk</li> </ul>
<b>Individual agencies</b>	<ul style="list-style-type: none"> <li>N/A</li> </ul>	<ul style="list-style-type: none"> <li>Develop and execute project plans to deliver initiatives</li> <li>Report on delivery progress, outcomes and risk</li> </ul>

**Legend:** Decision-maker Oversight Delivery Formal reporting line Partnership, peer review and support

## Program delivery model

Reform is service-wide. The 44 Phase One initiatives are being led by 12 departments and agencies with coordination driven by a strong Program Management Office to ensure joined up delivery across the APS. Accountability structures are designed to enable agency-driven cultural change across the APS. Measures of success, including changes in behaviour, will be tracked in the long-term.



The program delivery model includes the establishment of the 8 whole-of-program outcomes. In April 2023, the Minister for the Public Service agreed the outcomes following endorsement by Secretaries Board, which now serve as the primary objectives for reform. In effect, these outcomes describe the end-state of the APS Reform program and provide direction for reform initiatives that each contribute to the required transformation. They also support decision-making about the potential inclusion of new initiatives. All initiatives are intended to be completed or transitioned to business as usual in time, creating opportunities to build on their successes with new projects and ambitions.

The underpinning indicators of success and metrics for the eight program outcomes will be put to the Secretaries Board for consideration and agreement. This work will enable empirical monitoring and reporting of program outcomes over time, inform where progress is or is not being made, and where attention ought to be focussed across the program to achieve reform outcomes (for example via reinforced efforts or new initiatives).

### Reporting and engagement process

A fit-for-purpose APS Reform Reporting Model has been established to consistently track and report on challenges, risks, opportunities and successes of reform initiatives. This model builds on other successful reporting models in operation across Government, and is backed by regularly scheduled senior attention via the governance structures. A comprehensive risk framework is also in place to proactively surface risks (for example via the reporting model) and to enable timely support or intervention.

The APS Reform Program Management Office has established a Tiered Engagement Model, to enhance formal reporting cycles and actively monitor APS Reform delivery risks. The Tiered Engagement Model is guided by proven program prioritisation and risk frameworks to ensure a consistent approach to identifying and mitigating risk, by increasing the level of engagement for areas in highest need.





## Section Four: Program risks

### The Reform program is managing several overarching risk themes

The APS Reform Office, in partnership with project teams across the service, works to identify and mitigate potential program delivery risks. Based on bottom-up reporting by project teams, this Section outlines the common overarching risks that have emerged in the first year of reform. Measures are in place to mitigate these risks and the APS Reform Office will work with agencies on an ongoing basis to ensure their efficacy. At a program-level, the prioritising, staging and sequencing of reform efforts is intended to minimise the cumulative effect of any of these risks.

#### Capacity of the APS to absorb reform

Despite a strong appetite for APS Reform, changing or competing priorities within agencies may challenge the capacity of the APS to absorb reforms. This risk is amplified if there is a perception that staff cannot see how the initiative applies to their role, or if there is a significant additional workload related to engagement, communication and implementation of an initiative. There is also a risk that some employees may experience 'change fatigue' in light of the rapidly evolving operating environment.

There are five mitigation strategies for agencies to improve their capacity to implement reforms. First, sharing and testing early findings and outcomes from initiatives with senior decision-makers, to receive feedback and direction for how the initiative should progress. Second, working collaboratively with other agencies and stakeholders across government, to design and implement initiatives so that they better reflect agency needs. Third, conducting workforce planning to address the expected increase in workload as some initiatives undertake full-scale implementation. Fourth, leveraging good governance practice through assessing implementation readiness in the early stages of development. Fifth, as times goes on, ensuring our delivery and communications demonstrate the benefit of an evolving and ongoing reform agenda.

#### Scale and complexity of work

As is common in large scale change programs, the scope and complexity of change is coming to the fore as project teams' progress through their various stages of work. Mishandling the substantial scale and complexity of an initiative could result in the design and implementation of policies that lack the details and considerations necessary to meet intended outcomes.

There are five mitigation strategies to address the challenges of substantial scale and complexity. First, close engagement with initiative leads. Second, transparent monitoring and reporting that aligns with expectations. Third, establishing avenues for early intervention. Fourth, support if an initiative is off-track. Fifth, testing the scope and depth of the initiative with as broad an audience as applicable, to reduce the likelihood that the initiative fails to deliver lasting change.



## Shared approach to implement initiatives

For initiatives to progress and achieve their full potential, all key parties must have a shared approach to developing and implementing it, including the scale, scope and timing of the reform activity. Some project teams report ongoing effort is required to establish shared approaches to change in their context. Unless addressed, discrepancies relating to a consistency and timeliness of implementation could impact the initiative's ability to deliver on objectives.

There are three mitigation strategies in place to ensure a shared approach to implementing initiatives. First, providing open, clear and unambiguous advice to APS and Government decision-making bodies on the status and goals of the initiative. Second, providing timely and detailed briefing of challenges preventing progress on the initiative, including any emerging risks of scope creep or difficulty in developing a common solution to a problem experienced differently by agencies. Third, managing expectations about the potential to deliver the initiative on time and according to the shared ambition of the initiative.

## Passage of legislation

Passage of legislation is a key enabler for enduring reforms for a number of initiatives. Passage of legislation with delay or significant unanticipated amendments may impact the successful and timely delivery of reform outcomes. In particular, the passage of the Public Service Amendment Bill 2023 is necessary for several initiatives. As at September 2023, the Bill is before the Parliament.

## Strength and maturity of APS partnership and engagement models

Many initiatives require a robust approach to partnering with the community or other sectors to design or implement reforms. Immature partnership models may be reflected in the Australian community becoming disenfranchised with the process, disagreeing with the fundamental principles of the reform approach, lacking the capacity to engage, or pursuing opposing interests.

There are three mitigation strategies to facilitate more mature partnerships with the community and other sectors. First, engaging early and regularly to identify and pre-empt areas of anticipated disagreement, and ultimately build support for the initiative. Second, drawing on expert-feedback and surveying citizens to better understand the communities' needs. Third, working across agencies to leverage access to community organisations and support partnership.



## Section Five: Future focus areas

An intensive first phase of reform initiated service-wide action and built a strong foundation across all 4 reform pillars. The flow-on benefits of the current series of initiatives are already informing the future direction of APS Reform. For instance, the initial set of capability reviews have provided early insights to help direct continuous improvement throughout the service. They indicate that further effort is required to support agencies acting as stewards of their environments as well as ensuring the capability exists to build and maintain connections with key partners within and outside of the service. They also underscore the need to invest in core modern competencies, including in workforce planning and in supporting integrated, accessible and shareable use of data.

The need for reform is stronger than ever. In the wake of the Royal Commission into the Robodebt Scheme, it is clear that more work is required to ensure that the public service has the capability, capacity and confidence to give clear and unfettered advice to government and to do the job that Parliament and the Australian people need and expect it to do. Importantly, there is a need to ensure that all public servants – from APS level employees to agency heads – understand their role in APS Reform, how it will affect them, and how it will assist them in doing their job.

### The APS Reform implementation approach will be refined

While a significant portion of the APS Reform implementation architecture has been established since December 2022, further opportunities for improvement remain. Drawing on the original set of underlying implementation principles outlined in page 12, the APS Reform Office and the APSC are working to develop new and refine existing components to further support delivery of APS Reform.

The first focus area involves supporting increased staff engagement and collaboration across the APS. This includes engagement activities to convert staff awareness into action, through increased communications on opportunities to implement reforms in daily operating contexts. Further, it includes supporting models of collaboration between reform teams, and across agencies, so that relevant insights and best practice are shared in a timely manner to guide implementation efforts.

The second focus area for improving implementation is to strengthen agency-level accountabilities for implementation. This could include formal mechanisms, such as mandatory reporting on reform contributions as part of regular corporate documents, or through senior performance agreements. It could include adopting more customisable approaches to how agencies embed reforms, according to their own unique operating contexts and cultures. Empowering agencies to set and manage their own project delivery plans is important to ensure reforms are embedded across the service. This approach would be bolstered by central oversight mechanisms that ensure alignment to program objectives. In doing this, APS Reform will be more relevant, localised and easily accessible for all APS employees.



## With the foundations now laid, impact reporting will commence

Securing enduring change to the operation of the APS will be the critical measure of success for the entire reform program. This report has not provided an assessment on progress against the overarching reform outcomes as most initiatives are in the early stages of their development and implementation. For outcomes and impact to be accurately measured, initiatives must be either in their implementation stage or at a point of sufficient maturity to allow for long-term trends to emerge.

Measurement of outcomes will draw on a variety of inputs. These include monitoring of headline indicators of success and metrics, implementation progress reporting by departments and agencies, and formal whole of program reviews and evaluations. Combined with the monitoring and reporting of individual initiative outcomes, these inputs will provide a picture of how the implementation of reforms is having an impact on the broader service.

As the reform agenda progresses into its next phase of embedding and expanding reform efforts, we anticipate the future annual reports of progress will provide an assessment of progress against reform outcomes.

## The next series of initiatives will drive further improvements

Over the next 18 months, the APS will build on the strong foundations created in Phase One of APS Reform through a focussed set of initiatives. A second phase of APS Reform will target three priority areas where there is the greatest need for ongoing reform to:

1. Bolstering integrity through legislative amendments and non-legislative initiatives
2. Building an outwardly-engaged APS, and
3. Strengthening capability.

### Bolstering integrity through legislative amendments and non-legislative initiatives

Across the service, there is a strong impetus and opportunity to significantly elevate the importance of integrity in all the APS does – both at the systemic and individual levels.

The Royal Commission into the Robodebt Scheme recommended significant reform to the way public policies are designed and implemented. A joint taskforce led by the Department of the Prime Minister and Cabinet, the Attorney-General's Department and the Australian Public Service Commission is considering and leading the development of advice to Government on responding to the Commissioner's recommendations.

In parallel, APS leaders have reflected on the integrity of the APS through the Secretaries Board and appointed an APS Integrity Taskforce. In its interim report, the Integrity Taskforce flagged improvements to integrity are needed across the themes of culture, systems and accountability. The Integrity Taskforce's final report in September 2023 includes an action plan for Secretaries Board to strengthen pro-integrity systems and culture in the APS.





In response to this, the first priority area in Phase Two of APS Reform will be to bolster the integrity of the APS through initiatives that cover three primary themes:

- Merit-based appointments, performance framework and greater integrity functions for the position of Secretaries, Agency Heads and the APS Commissioner
- Extension of APS Values to PGPA entities to promote greater alignment across the APS and improve public trust, and
- Building greater accountability and transparency.

### Building an outwardly-engaged APS

For the Government to ensure that its policy, programs and services are designed around the people they are meant to serve, meaningful engagement with non-government sectors and the public is essential.

It is important to build an outwardly-engaged people-focussed public service, with the skills and strengths to successfully engage across government, communities, academia and business. This will allow the public service to draw on ideas, expertise and resources to develop more effective policy. Quality engagement seeks to shape and nurture relationships that are open, respectful and mutually beneficial. This includes developing stronger relationships, genuine collaboration, co-design and joint decision-making.

The second priority area in Phase Two of APS Reform will build an outwardly-engaged APS by focussing on two core initiatives:

- Implementation of guidance to underpin quality engagement and service design
- Building quality external engagement.

### Strengthening capability

The Government is committed to further building capability across the APS, by continuing to focus on workforce requirements and capability needs as they emerge and evolve.

Labour force insight data indicates the top two emerging critical skills areas for the APS are cyber and digital capability, and the emerging green economy.<sup>1</sup> These skill sets are prioritised in Phase Two of APS Reform, to ensure the APS is focused on building capability in areas of critical need; acknowledging the market is not developing capability fast enough to meet emerging needs.

The third priority area in Phase Two of APS Reform will strengthen capability where focussed whole of service consideration is required through initiatives that cover three primary themes:

- Strategic consideration of critical specialist capability such as ICT and green economy skills, to further reduce the reliance on contractors and consultants, and support delivery of government priorities

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<sup>1</sup> APSC, 'Labour force insights and budget implications', Centre of Excellence in Workforce Planning, July 2023



- Emerging areas of development priority considered through initiatives, such as the development of leadership at all levels and a second round of the Capability Reinvestment Fund, and
- Initiatives that promote the APS as a model employer through recruitment, retention and mobility of talent.

## APS Reform remains a service and community-led agenda

The APS Reform agenda can only be at its most impactful if it benefits from insights across government and the community. As always, we welcome public contributions to parts of the reform agenda under active development.

Further information on how to have your say or to simply keep up to date on APS Reform engagement can be found at: [Have your say | APS Reform](#).