

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Prime Minister and Cabinet Portfolio

Department of the Prime Minister and Cabinet

Budget Estimates Hearings 2003-2004, 26-27 May 2003

Question: PM 12

Outcome 1

Topic: Prime Minister and Cabinet Rewards and Recognition Scheme guidelines

Hansard Page: F&PA 135

Senator Faulkner asked: Provide the departmental guidelines for the award and recognition scheme.

Answer: The current guidelines for the department's Rewards and Recognition Scheme are set out below:

DEPARTMENT OF THE PRIME MINISTER AND CABINET

PERSONNEL GUIDE 5.1.6

REWARDS AND RECOGNITION SCHEME

Overview

The department is seeking to introduce a rewards and recognition scheme to recognise and reward staff who, as part of a team, make a significant contribution to the goals of the department. The Scheme would provide the department with an opportunity to recognise the performance of staff with greater immediacy than is possible under the formal performance appraisal process. These guidelines reflect consultations that have been undertaken between staff and the Executive and outline how the scheme would operate within the department.

Aims

An increasing number of APS agencies have recognised the benefits of schemes which can deliver rewards and recognition with greater immediacy than annual performance cycles.

The Performance Appraisal and Development Scheme (PADS) is the principal recognition scheme rewarding performance in the department. PADS is augmented by existing non-monetary rewards including:

- presentation of awards such as the APS medal and Australia Day Awards; and
- presentation of personal development opportunities such as exchange programmes, SWIM and the Full Time Study Award.

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To complement the existing performance and feedback processes it is proposed that this department, with the support of the Secretary and the Executive, introduce a flexible rewards and recognition scheme, to provide timely recognition to employees. This scheme is designed to assist with establishing a culture where recognition of performance both formally and informally is normal practice.

The adoption of a formal rewards and recognition scheme is designed to:

- reward outstanding and consistent performance;
- provide visible evidence of the contribution of teams in meeting the department's corporate objectives;
- recognise the efforts of teams who seek to build upon the consistency and quality of their work; and
- recognise the importance of high quality team work of a routine nature.

Nominations

A team is defined as two or more staff members and may include APS and EL staff. Any staff member can nominate a team for a reward. Nominations will be lodged through a dedicated e-mail address.

Selection

A departmental selection committee will consider nominations and make a recommendation to the secretary for his endorsement. Membership of the committee will comprise one FAS, one branch head, one section head and two APS/EL and will change every six months to ensure there is equal representation across the department. Membership of the committee will be determined by the Executive.

Frequency

Nominations will be considered by the committee on a monthly basis. This may result in one or more teams being recommended for a reward, or none.

Presentation of the reward/s should be an opportunity for a social occasion. For example, the relevant division of the reward recipients could organise a morning tea during which the reward/s could be presented.

Rewards

A reward will be provided to the individuals comprising the successful team/s to the value of \$60 per individual. This allows the team/s flexibility in choosing whether to use these amount collectively to pay for a team outing, or for the rewards to be used individually. Rewards could include things like:

- movie tickets;
- vouchers for lunch or dinner; and

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- gift vouchers.

Funding

Divisions will fund the scheme through existing budgetary allocations on a pro-rata basis. Funds will be pooled and distributed consistent with these guidelines as determined by the departmental selection committee.

Performance Appraisals

The scheme will not form part of the formal appraisal process and should be seen as an independent and less formal complement to existing feedback processes.

Inclusion in the Certified Agreement

The scheme has been incorporated within the new Certified Agreement for the purposes of public accountability and to provide the authority for the expenditure of public monies under the scheme.

Tax Implications

Rewards that are individually less than \$100 in value and infrequently provided and/or difficult to record and value, may be exempt from fringe benefits tax (FBT). Where an employee's individual fringe benefits amount is \$1000 or less over the course of the FBT year (01 April to 30 March), the gross-up value of that amount, known as the reportable fringe benefits amount, is not required to be reported on the employee's group certificate or payment summary.

Integrity

It is important that the scheme retain its integrity. Consequently, staff making nominations should ensure that recipients genuinely deserve to be considered for a reward.

Records

The selection committee will keep a record of the decision making process in the interests of transparency and accountability, in addition to the normal requirements for the expenditure of public monies.

Review

The department will review the scheme after 12 months.

Further Information and Feedback

Feedback on this scheme can be provided to the Senior Adviser, Employee Relations, who will also be able to answer any queries staff may have on the scheme.