



Response to Question on Notice

JOINT COMMITTEE OF PUBLIC ACCOUNTS AND AUDIT

Australian Public Service annual update

SPECIFIC QUESTIONS ON NOTICE

Question 5

Given the relatively low levels of satisfaction with senior leaders highlighted in the State of the Service report (p. 8), what actions are being undertaken to improve this?

Response

The Strategic Centre for Leadership, Learning and Development (the Strategic Centre) was established in the Australian Public Service Commission in July 2010 to respond to the findings in Ahead of the Game: Blueprint for the Reform of Australian Government Administration, that the APS could do more to improve senior leadership and management broadly across the APS. The Strategic Centre has focused on two specific reform areas recommended by the Blueprint: improving talent management across the APS, and expanding and strengthening learning and development.

In 2011, the Strategic Centre worked closely with APS Agencies to develop the first iteration of the APS Leadership Development Strategy. Research and consultation is now underway to validate and refresh the 2011 Strategy, so that the Strategic Centre's programs continue to reflect evidence-based, contemporary approaches to leadership development. The Strategy emphasises and recognises the importance of developing APS management knowledge and craft, developing leadership and management behaviours necessary for achieving results and the personal and vocational aspects of leadership. The 2012 Strategy is scheduled for completion in August 2012. However, the frameworks being adopted for the Strategy are already being used for learning and development in a number of departments and agencies across the APS.

The Strategic Centre's work program has also focused on implementation of the priorities in the 2011 strategy. The program includes the following initiatives:

- A refreshed SES Orientation program that began in July 2012, providing a transition program for new SES officers at the Band 1 and 2 level. The program provides six months of ongoing development, including classroom, peer-learning and on-the-job learning to ensure new SES have the skills they require to make a successful transition into the SES (noting that a significant proportion move into the SES from the private or not for profit sectors) and work effectively in their new roles.
- A pilot talent development program for Band 2 SES officers over 2012, comprising selection, assessment and personalised development for high performing SES Band 2s

with the potential to move into more complex senior roles. A mid-program evaluation indicates that the program is helping participants to develop their leadership capability in complex environments.

- Implementation of a talent development program for high potential Band 3 (Deputy Secretary) employees from July 2012.
- Commencement of the analysis and design phase of a refreshed SES leadership development suite. A design board comprising senior human resources and learning and development representatives from a range of agencies, including specialist delivery reform, Indigenous and disability advisers, has been formed to provide guidance on the suite design. The refreshed programs will be progressively launched from October 2012, with all three programs launched by June 2013. The suite has a particular focus on improving the delivery and implementation of government policies.
- Completion of the first phase of research and analysis for the core skills strategy that will enhance the APS's skill sets for all levels and refocus on our management skills at the middle to senior management layers.

The Strategic Centre is required to begin a formal evaluation of its work in June 2014, including a comprehensive evaluation of each of its programs to ensure that they are aligned with and build the capabilities identified in the APS Leadership Development Strategy. The Strategic Centre's evaluation approach includes tracking whether programs deliver sustained change to workplace behaviour and leadership practices over time, including using data from the State of the Service reports.



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Australian Public Service annual update

Question 6

What guidance is available for APS staff regarding how to interact with Ministers and their offices? What efforts have been made to inform all APS Staff of this guidance? (p 65 the State of the Service report)

Response

The primary responsibility for providing guidance to Australian Public Service (APS) employees about appropriate behaviour rests with agency heads. This is because section 20 of the *Public Service Act 1999* places all the rights, duties, and powers of an employer in respect of APS employees on the agency head. Agency heads have a statutory responsibility to promote the APS Values.

The APS Values and Code of Conduct contained in the *Public Service Act 1999* (the Act) serve as the primary guidance for APS employees on behaviour and conduct. Relevant APS Values and elements of the Code include:

- the APS is apolitical, performing its functions in an impartial and professional manner (s 10(1)(a) of the Act)
- the APS is openly accountable for its actions, within the framework of ministerial responsibility to the government, the Parliament and the Australian public (s 10(1)(e) of the Act)
- the APS is responsive to the government in providing frank, honest, comprehensive, accurate and timely advice and in implementing the government's policies and programs (s 10(1)(f) of the Act)
- an APS employee, when acting in the course of employment, must comply with all applicable Australia laws (s 13 (4) of the Act)
- an APS employee must maintain appropriate confidentiality about dealings that the employee has with any minister or minister's member of staff (s 13(6) of the Act)
- an APS employee must use Commonwealth resources in a proper manner (s 13 (8) of the Act).

Consistent with the Public Service Commissioner's functions of promoting the APS Values and Code of Conduct, the Australian Public Service Commission (the Commission) has made a variety of guidance material available to agency heads and employees with the aim of building effective working relationships between the political and administrative arms of Government.

Commission guidance available to APS employees

The Commission's guide *APS Values and the Code of Conduct in Practice: A guide to official conduct for APS employees and agency heads* includes a chapter titled 'Working with the

Government and Parliament'. This guidance is available online at www.apsc.gov.au/publications-and-media/current-publications and contains advice on:

- the principles that apply to the relationship between the APS and government
- the accountability framework
- the responsibilities of APS employees in respect of the law
- the role and limits to the role of APS employees in their interactions with government
- how to build and maintain a constructive relationship with Ministers and their offices
- how ministerial offices function and how they interact with APS agencies
- the Code of Conduct for Ministerial Staff
- the specific roles of APS employees working in ministerial offices as ministerial advisers or as Departmental Liaison Officers, and
- caretaker arrangements during election periods.

The Commission's Ethics Advisory Service (EAS) established in May 2009 consists of an email and telephone advice line available to all APS employees, including SES staff, and provides advice on how to apply the APS Values and Code of Conduct, as well as strategies and techniques for ethical decision making in the APS. This can include advice on interacting with Ministers and their offices.

In 2006 the Commission published *Supporting Ministers, Upholding the Values: A good practice guide*. This guide contained detailed information for APS employees on managing the relationship between the APS and Ministers including:

- the basic requirements, roles, and responsibilities, for building effective relationships with Ministers
- agency protocols on issues that might arise
- good practice documentation
- examples of good practice agency protocols, and
- checklists for APS agencies and APS employees.

While this document is drawn upon by the EAS in providing advice to APS employees, it is not currently available more widely as it requires updating, for example, to take account of contemporary agency policies which are used as case studies.

The Commission also offers learning and development programs which touch on the interactions with Ministers and their offices, including *Briefing Ministers* a program for SES Band 1 and Executive Level 2 staff.

Other guidance available to APS employees

The following documents also refer to the relationship between APS employees and Ministers and their offices.

- *Standards of Ministerial Ethics* available online at www.dpmc.gov.au/guidelines
- *Code of Conduct for Ministerial Staff* available online at www.smos.gov.au/media/code_of_conduct.

Efforts made to inform APS employees of the available guidance

The Commission's guidance is available on the Commission's website, together with information about the EAS. The then Commissioner wrote to all agency heads in 2009 announcing the launch of the Service in May 2009 and encouraging them to bring it to the attention of their staff, including through agency intranets and newsletters.

Most agencies have an ethics contact officer who assist with promoting the EAS within their agencies and attend regular network meetings facilitated by the Commission.

The EAS also draws attention to the Commission's guidance when responding to queries.

Where Commission guidance is relevant to a learning and development program offered by the Commission it is brought to the attention of employees attending that program. For example, programs on leadership, policy development and the APS Values and Conduct.

Standards of Ministerial Ethics is publicly available on the website of the Department of the Prime Minister and Cabinet.

The *Code of Conduct for Ministerial Staff* is publicly available on the website of the Minister for the Public Service and Integrity

Both *Standards of Ministerial Ethics* and the *Code of Conduct for Ministerial Staff* are referenced in *APS Values and Code of Conduct in Practice: a guide to official conduct for APS employees and agency heads* and there is also a link to the *Code of Conduct for Ministerial Staff* in that document.



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Australian Public Service Annual update

GENERAL COMMENTS

Capability Reviews are a forward looking, short, sharp assessment of an agencies capability to deliver its forward agenda in the context of strategy, leadership and delivery. The reviews are undertaken by three senior reviewers: two external, which could include former Secretaries or eminent people equivalent status from the private or non government sectors and one currently serving Deputy Secretary who are supported by the Australian Public Service Commission's (APSC) Capability Review team.

SPECIFIC QUESTIONS ON NOTICE

Question 9

Will the findings of each Capability Review be made public, and if so when?

Response

Capability Review reports will be published on an annual basis on the Australian Public Service Commission website each November in conjunction with the release of the State of the Service Report.



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Question 10

How do all the reviews fit together - for example, what is the difference between an APSC Capability Review and a Systems/Special Review in the PS Amendment Bill? Is this clearly explained anywhere?

Response

Systems reviews and special reviews are defined in the Public Service Amendment Bill 2012, which is currently before Parliament. These allow for broader inquiries than capability reviews and serve different purposes.

Capability reviews

Capability reviews are short, sharp assessments of an agency's capability and capacity to deliver against its strategic goals. They are forward looking reviews of agency capability, not performance reviews. The assessment process covers strategic, leadership, and delivery capability.

All departments and major agencies will be reviewed over the next three years with six reviews either completed or underway. Review reports will be published on an annual basis at the same time as the State of the Service Report and APS-wide observations, about both strengths and development areas, will be considered in this annual report.

The reviews are led by a team comprising two eminent external reviewers along with a serving Deputy Secretary from another department supported by Commission teams who, among other tasks, ensure the consistent application of the model.

When complete, agencies develop action plans that respond to review findings and progress is monitored through follow up assessments.

The purpose of capability reviews is explained on the Commission's website at www.apsc.gov.au/aps-reform/capability-reviews.

Capability reviews will be conducted under proposed section 41(1)(c) of the *Public Service Act 1999* (the Act) (item 40, schedule 1 of the Public Service Amendment Bill).

Systems reviews and special reviews

Systems reviews and special reviews are described in item 40, schedule 1 of the Public Service Amendment Bill 2012. These reviews will provide a broader form of review than

capability reviews, allowing the government to request the Commissioner to review any matter relating to an agency including, but not limited to, management and organisational systems, structures or processes in an agency, and the functional relationships between agencies.

- Systems reviews' will allow the Commissioner to review and report on the management and organisational systems, structures and processes of an APS body, or the functional relationship between two or more bodies. These powers do not derogate from the inquiry functions of other statutory officers and it will be a matter for Government as to who is the most appropriate entity to conduct a review.

The Prime Minister, or the Agency Minister or a Secretary with the agreement of the Prime Minister, will be able to initiate such reviews.

- By contrast, 'special reviews' will be able to be initiated only at the direction of the Prime Minister. While it is expected that special reviews will be uncommon, the Bill makes clear such a review is available to Government in those rare circumstances where the public interest demands it. The Commissioner's information-gathering powers under section 43 of the Act will be available for special reviews.

In many respects these proposals codify arrangements currently available to the Public Service Minister under the Act. The proposed amendments to the Act do not disturb the Commissioner's existing 'own motion' powers.

Other Commonwealth reviews

Other Commonwealth officers such as the Auditor General, the Inspector General of Intelligence and Security, and the Commonwealth Ombudsman can also undertake reviews of APS agencies. None of these alternative reviews focus on the overall performance and operation of agencies, or between agencies, or their future capability needs in quite the same way as reviews conducted by the Public Service Commissioner.