

Minister for Government Services and Procurement
Incoming Ministerial Briefs
August 2019

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PORTFOLIO BRIEF FOR INCOMING MINISTER

[MINISTER FOR GOVERNMENT SERVICES AND PROCUREMENT]

PORTFOLIO BRIEF FOR INCOMING MINISTER
AUGUST 2019

SENSITIVE - CABINET



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PORTFOLIO OVERVIEW

The ACT Insurance Authority (the Authority) sits within the Commercial Services and Infrastructure Group (CSI) in Chief Minister, Treasury and Economic Development Directorate (CMTEDD). The CSI organisational chart is provided at [Attachment A](#).

The Authority is established under the *ACT Insurance Authority Act 2005* (the Act).

The Authority works to protect the assets and services of the Territory by providing risk management support and insurance services to all ACT Government directorates and statutory authorities. The Authority meets the insurable claims and losses of the ACT Government.

The Authority operates as the ACT Government's captive insurer of Territory risks. The captive insurance model protects the ACT Government budget from a range of catastrophic and accumulated risk exposures through its insurance arrangements, and the accumulation of a fund reserve to meet the cost of asset losses and legal liabilities that occur as a result of the activities of Government.

The portfolio represents just over \$25 billion of insured assets, with forecast annual premium revenue in 2019-20 of \$46.34 million and a forecasted equity position of \$82.18 million.

The Authority reports to the Minister for Government Services and Procurement through the Under Treasurer, Chief Minister, Treasury and Economic Development Directorate (CMTEDD).

The Authority operates on a cost recovery basis by collecting premiums from directorates and statutory authorities to meet the anticipated costs of claims.

Services and functions

The Authority provides insurance, claims and risk management services to directorates and statutory authorities.

The Authority's functions are to:

- carry on the business of insurer of Territory risks;
- take out insurance of Territory risks with other entities;
- manage and settle claims in relation to Territory risks;
- develop and promote good practices for the management of Territory risks; and
- give advice to the Minister about insurance and the management of Territory risks.

The Authority's operational model focuses on satisfying these functions by taking a leadership role to reduce the total cost of risk to the Territory and individual agencies.

The insurance coverage provided to directorates and statutory authorities by indemnity agreements and the Authority's reinsurance program is broad form cover that includes:

- public liability;
- medical malpractice;

- professional indemnity;
- property damage;
- directors and officers; and
- financial crime.

The Authority also arranges insurance policies on behalf of ACT Government agencies to cover contract works, travel, standing timber, aviation and personal accident cover for both aero retrieval and volunteer workers. The Authority bears no risk on these policies.

Nature and scope of activities

General activities

The Authority undertakes the following to achieve its functions:

- provides professional advice to ACT Government and Territory agencies on insurance and risk management issues;
- delivers a value for money reinsurance program to protect the Territory's budget;
- continues to maximise reinsurance recoveries;
- reviews the Territory's asset register as part of the insurance renewal process;
- develops business practices which will enable the Authority to achieve best practice results, and if feasible, reduced premiums for agencies;
- proactively manages claims against the Territory in consultation with agency stakeholders and in accordance with the ACT model litigant requirements;
- conducts regular reviews of existing claims to ensure that appropriate management is being applied and that realistic claim estimates are included in financial statements;
- facilitates agency access to the claims reporting and data analysis to support a risk managed approach to operational and asset management;
- continues to assist agencies with the application of the ACT Government Risk Management Policy;
- works with agencies to reduce the number and severity of incidents and ultimate claims cost;
- delivers to agencies a program of general and targeted risk management training;
- administers the Office of the Nominal Defendant of the ACT; and
- administers the Default Insurance Fund.

Risk Management

The Authority has developed and implemented a risk management plan in accordance with the Australian Standard on risk management AS ISO 31000:2018 and the ACT Government’s Risk Management Policy. The Authority’s plan identifies and details risks and control measures and treatment action plans for risks in the financial, business and information technology dependencies.

The Authority has identified the following key risks:

- insufficient and/or unsatisfactory external insurance arrangements; and
- annual premiums not sufficient to fully fund claims over the claim development period.

To manage these risks, the Authority engages a specialised insurance broker to provide professional advice and access to international and local reinsurance markets. Professional actuaries provide support and advice that aligns agency premiums with claims experience.

2019-20 priorities and next three financial years

Strategic and operational priorities to be pursued in 2019-20 and for the next three financial years include:

- implementing a program of reinsurance to protect the Territory budget based on an appropriate balance between transferred and retained risk;
- proactively managing claims against the Territory in consultation with agency stakeholders and in accordance with the ACT model litigant requirements;
- assisting agencies with the implementation and continuous improvement of risk management practices within the Territory that reflect international standards and business best practice in accordance with the ACT Risk Management Policy 2019;
- delivering risk management services including training, targeted educational seminars and consultancy services for agencies that increase the level of stakeholder engagement;
- implementing an insurance management system consistent with the requirements identified in the Authority’s Information Communication Technology Plan; and
- developing a change management plan to facilitate the Authority’s move to an activity- based work environment in the new ACT Government.

Estimated employment level and employment profile

Estimated employment level

	2017-18 Actual Outcome	2018-19 Budget	2018-19 Estimated Outcome	2019-20 Budget
Staffing (FTE)	18	19	18	19

2019-20 employment profile

Classification	Male	Female	Total
Senior Executive	-	1	1
SOG A	1	-	1
SOG B	-	3	3
SOG C	1	1	2
ASO6	-	4	4
ASO5	-	8	8
Total	2	17	19

PORTFOLIO PRIORITIES OVER THE NEXT MONTH

The Authority is implementing an insurance management system (IMS) which will record details of its claims and renewal information and provide enhanced reporting capability.

The Authority's Risk Management office was launched in February 2019 with the 2019 ACT Risk Management Policy. The Authority will continue to develop its scope of services including practical risk managing tools, training, targeted educated seminars, consultancy services and other supports.

Advisory Board review – the Authority is undertaking a formal review of the operation of the Insurance Advisory Board to clarify the Territory's expectations and to ensure that its guidelines are consistent with contemporary governance practices. The scope of this review will consider the operation of the Insurance Advisory Board in the context of the Authority's current activities and reporting structure.

LEGISLATIVE RESPONSIBILITIES

The Authority operates under the *ACT Insurance Authority Act 2005* (the Act).

KEY APPOINTMENTS

The Authority is supported by the Insurance Advisory Board (the Board) which is established under sections 12 and 14 (2) of the Act and in accordance with *Insurance Management Guidelines 2005 (No. 1)*.

The current board members are Mrs Maxine McDowell (Chair) and Mr David Sandoe (Member). The Advisory Board provides important and valuable support to the Authority, particularly in relation to a strategic approach to its reinsurance program, the identification of emerging risks and improvements to risk and claims management services.

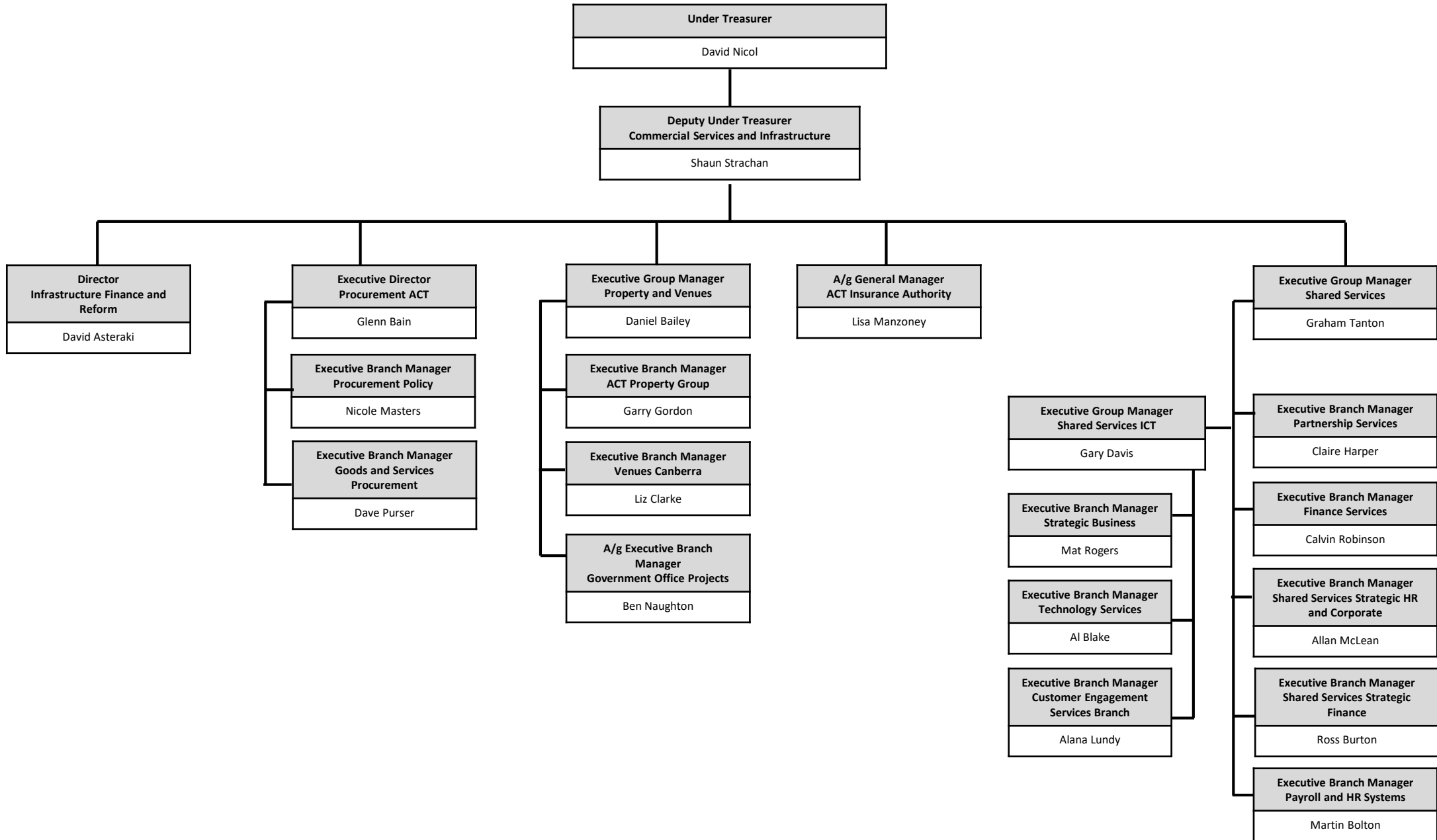
The Board must consist of two members appointed by the Authority who must, in the opinion of the Authority, possess sufficient skill and judgement with respect to the power and functions of the Authority under the Act. In regard to these appointments, the Under Treasurer, Chief Minister, Treasury and Economic Development Directorate is the Authority and the appointees are selected based on skills relevant to the above requirements.

The current Board members are:

Mrs McDowell has had over 45 years' experience in general insurance underwriting, risk management, marketing and claims. This experience includes underwriting management roles with Vero Insurance, QBE Insurance, Calliden Insurance Group and Harbour Pacific Underwriting Management as well as undertaking consulting roles with Finserv Consulting, CHU Underwriting Agencies, National Insurance Brokers Association (NIBA) and Marsh. She has been a named underwriter for managing agents at Lloyds of London and has conducted compliance and underwriting audits on behalf of Lloyds. She has represented NIBA on the Insurance Council Catastrophe Insurance Taskforce, and lectured in Property Insurance at the University of Technology, Sydney. She is now consulting on various general insurance and insurance broker matters, delivers compliance and technical training and is active in mentoring programs. She is an Honorary Life Member, Australian & New Zealand Institute of Insurance and Finance (ANZIIF).

Mr David Sandoe OAM (Member) - Dip BIA, MBA, ANZIIF (Fellow) CIP, MCMI, FAIM, FAICD. Mr Sandoe has over 46 years' experience in the insurance and financial services industry in Australia, New Zealand, UK and Ireland. This included senior executive roles with South British United/New Zealand Insurance and Zurich Financial Services and as a Principal and General Manager of Finity Consulting, an independently owned Australian firm of actuaries and insurance consultants. He is an independent board member of Defence Service Homes Insurance Scheme Advisory Board and is an Honorary Life Member of the Australian & New Zealand Institute of Insurance & Finance, is an Honorary Life Member of the Swiss Australian Chamber of Commerce and Industry (now SwissCham Australia) and Prostate Cancer Foundation of Australia. He retired as National Chairman of Prostate Cancer Foundation of Australia on 31 March 2015.

The remuneration of the Advisory Board members is determined by the ACT Remuneration Tribunal.





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ACT
Government

SENSITIVE - CABINET
PROCUREMENT ACT PORTFOLIO BRIEF
AUGUST 2019

PORTFOLIO OVERVIEW

Procurement ACT is a Division within the Commercial Services and Infrastructure Group (CSI) in the Chief Minister, Treasury and Economic Development Directorate (CMTEDD). The CSI organisational chart is provided at [Attachment A](#).

The Under Treasurer, David Nicol, is the Director-General of Treasury. Shaun Strachan is the Deputy Under Treasurer with responsibility for CSI group and Glenn Bain is the Executive Group Manager of Procurement ACT.

Procurement ACT is a focal point within Government for guidance, advice and support to deliver strong procurement outcomes through effective practices, strategies and policies.

Procurement ACT develops and promulgates processes and models for procurement across government.

Procurement ACT has 48 FTE at 220 Northbourne Avenue, Braddon and anticipated operating costs of approximately \$9.8 million per annum.

Given recent changes to structure and process arising from the creation of the new agency, Major Projects Canberra, there has been a need to refocus some aspects of the Procurement ACT work program.

LEGISLATIVE RESPONSIBILITIES

Under the Administrative Arrangements the Minister for Government Services and Procurement has policy responsibility for *The Government Procurement Act 2001* and the *Government Procurement Regulations 2007*.

Section 2A of the Act provides that Territory entities must pursue value for money in undertaking procurement activities. Value for money means the best available procurement outcome, and entities must have regard to a number of relevant factors set out in the Act.

In 2018 the Act and Regulations were expanded to include new provisions relating to the Secure Local Jobs Code, and a new role of Secure Local Jobs Registrar, was created. Policy responsibility for developing and amending these provisions has been with the Workplace Safety and Industrial Relations Division of CMTEDD which provides advice typically reports to the Minister for Employment and Workplace Safety.

Given the role has been created under the Government Procurement Act 2001, the Secure Local Jobs Registrar reports to the Minister for Government Services and Procurement. It is expected the Registrar, Mr Andrew Parkinson, will provide his own brief directly to you on current matters.

Procurement ACT also provides administrative support to the Government Procurement Board. The Government Procurement Board was established on 1 August 2001 by the Act. The Board's function and purpose are governed under section 6 and section 22A of the Act, as well as the Regulations. The Minister is responsible for appointing members of the Board following approval by Cabinet.

DIVISIONAL RESPONSIBILITIES

Goods and Services Procurements

Procurement ACT provides centre-led procurement advice and support services to Territory entities, with a particular focus on strategic/complex high value, high risk procurements. Procurement ACT partners with directorates and agencies to support ongoing management and delivery of procurement outcomes. At any one time, there are approximately 180 to 220 procurements being supported.

Advice and support extends from planning and tender development to tender selection and contract finalisation. Activities include assistance with preparing and considering the strategic aspects of a procurement, development of procurement documents such as Statements of Requirement, Procurement Plan Minutes, Requests for Tender, and Tender Evaluation Plans, to review of contract requirements, attendance at the Government Procurement Board, coordination of legal advice from the ACT Government Solicitor's office, support for evaluation panels, and advice and support on any issues relevant to successful delivery of the procurement.

Work of the delivery team is supported by standard documents, templates, contracts and systems that are continually being reviewed and updated.

The range of goods and services procurements administered is diverse, with many having a touch point with our local Canberra community – such as events (e.g. Floriade, National Multicultural Festival, Summernats), schools, hospital services and medical equipment, ICT software / hardware and professional services.

Procurement ACT also establishes and manages the Territory's whole-of-government arrangements (including travel, stationery and professional services), and performs an ongoing business support function advising, supporting and managing whole-of-government panel arrangements.

As well as delivering business as usual procurement activities in partnership with other agencies, Procurement ACT contributes to major government policy initiatives and is engaged in a continuing process of improvement to ensure that Territory entities are supported to achieve best practice in their procurements and optimise value for money outcomes, consistent with the legislative framework.

Procurement Policy

Procurement ACT provides advice in relation to the *Government Procurement Act 2001* and associated regulations, (working with the Chief Minister's stream of the Directorate with regard to the Secure Local Jobs Code and associated regulation) and develops and implements policies, guidance and supporting material in relation to ACT Government procurement, in conjunction with other areas of the ACT Government, other jurisdictions and in consultation with interested third parties.



Governments worldwide are increasingly looking to procurement policy settings to deliver not only the necessary goods and services that government requires, but through leveraging their purchasing power, also to deliver desirable social and economic outcomes for the community. Procurement policy and delivery has moved from a logistical and contractual set of requirements to a more sophisticated approach involving greater strategic planning and various tendering and delivery models. Governments seek to achieve value for money outcomes and are increasingly leveraging their considerable purchasing power to achieve desirable social and community outcomes.

Procurement Systems

Procurement ACT provides whole of government systems to support Territory entities in their procurements and comply with legislative requirements. These systems include Tenders ACT, the Contracts Register, Vendor Panel for the management of panel arrangements, and the new digital tool known as OSQAR (Online Simple-procurement Quoting And Reporting) providing guidance and support for low value, low risk procurements undertaken within agencies.

Procurement Governance and Reporting

Procurement ACT works across government to report on procurement policy outcomes, to improve documentation and process in light of industry best practice, and to develop quality reporting, assurance, education and communication initiatives.

Procurement ACT provides regular updates to partner directorates as well as quarterly updates to Directors-General as part of a whole-of-CSI report.

In addition, Procurement ACT provides monthly WHS, risk and audit reporting across the whole CSI group to the Under Treasurer and Deputy Under Treasurer.

Secretariat Support

Procurement ACT provides secretariat and coordination support to the Government Procurement Board. The Board is established under the *Government Procurement Act 2001* to review and provide advice to ACT Government entities, directors general and Ministers on procurement issues and practices in the Territory, and to review procurement proposals. The Board comprises external and ACT Government members all of whom are appointed by the Minister. While not a member of the Board, the Executive Group Manager or his representative attends all meetings of the Board to provide guidance and advice.

Procurement ACT also provides secretariat and coordination support to the Procurement Review Advisory Group which includes senior executives from across government that provides feedback on current practices and the operation of the procurement framework, which in turn informs prioritisation of Procurement ACT business activities and ongoing improvement strategies.

PORTFOLIO PRIORITIES OVER THE NEXT SIX MONTHS

Ministerial Appointments: The ACT Government Procurement Board

A process is occurring to fill the two vacant non-public employee member positions on the Government Procurement Board.

A Cabinet date of mid to late September is likely for consideration of a Cabinet Appointment Paper with recommendations for filling the vacant positions. You will receive in the next couple of weeks a brief with recommendations for those appointments and advice on the process for appointment.

The current composition of the Board is set out in the table below.

Member	POSITION	START DATE	EXPIRY DATE
Ms Meredith Whitten	Chair	Jul 2016	Mar 2020
Ms Louise Gilding	Deputy Chair	May 2018	Jun 2024
Mr Damon Hall	Public Employee Member	Jul 2018	Aug 2024
Ms Fleur Flanery	Public Employee Member	Jul 2018	Aug 2024
Ms Virginia Shaw	Non-Public Employee Member	Jul 2015	Sep 2021
Ms Bettina Konti	Public Employee Member	August 2019	August 2022
<i>Vacant</i>	Non-Public Employee Member		
<i>Vacant</i>	Non-Public Employee Member		

Business Improvement and Strategy

In addition to managing the ongoing program of active procurements, work is underway to improve both internal and external procurement practice across four priority areas of communication, customer service, professional development and quality. Particular areas of focus include building awareness and strengthening engagement with directorate clients, re-orienting practice to be more customer-centric, and improving technical capability through training and other professional development opportunities.

Procurement Review and Customer Satisfaction Survey

Procurement ACT has engaged the Procurement Review Advisory Group to assist in the work of a review conducted under the auspices of the Strategic Board. The review will analyse and articulate areas of interest and concern relating to the procurement framework and its operation through current procurement activities and practices across government.

Terms of Reference for which were established by Strategic Board and are as follows:

1. The development and promulgation of processes and practices to give effect to the Securing Local Jobs Package and in particular the Secure Local Jobs Code under the *Procurement Act 2001*;



2. Response to the requirements for a Domestic Review arrangement in line with obligations arising from international treaties and trade agreements;
3. Consultation on the delivery of a comprehensive procurement training and education programme, its content and delivery methods;
4. The development of a business case to provide options to Government to better match notifiable invoices to their underpinning contract;
5. Roles and responsibilities of Directorates and the Government Procurement Board in the development of Annual Procurement plans;
6. Simplified procurement processes and engagement models for procurement of goods and services across both low value/low risk and high value/high risk activity.

The first two of the Terms of Reference have been fully addressed and closed.

Progress has been made on the remaining four Terms of Reference. Work will continue over the next twelve months to complete and close those.

From time to time during that period, key procurement review discussion or decision points will be brought forward to the Strategic Board. These discussions points are likely to include recommendations on changes to processes and arrangements, Government policy, and legislation to support improvement to the Territory's procurement framework.

In addition, a recent customer satisfaction survey conducted by the CSI group identified helpful insights and feedback for Procurement ACT in relation to its service offering and delivery. The messages from this survey and from the work of the Procurement Review Advisory Group provide a solid basis for Procurement ACT's priority setting and business capability development.

This work will result in a better understanding of the respective roles and responsibilities and a closer partnership between directorates and Procurement ACT in the delivery of procurement outcomes. It is also focusing on ensuring that the Procurement ACT service offering and delivery meets expectations within and outside government.

Professional Services Panel

Procurement ACT is in the process of establishing a whole-of-government Professional and Consulting Services panel with the aim of reducing the cost of obtaining and using professional and consulting services and to provide a more transparent and effective vehicle for obtaining these services.

The Request for Tender closed on 17 December 2018 and 277 tender submissions were received. The Final Evaluation Report is expected to be completed and endorsed by the Under Treasurer (who is the delegate for whole-of-government panels) in the next few weeks, and once finalised, all directorates will be able to access organisations from the panel for a wide variety of consultation arrangements.

Secure Local Jobs Code

Procurement ACT will continue to work collaboratively with the Secure Local Jobs Registrar across government to ensure obligations under the Code are well understood and implemented as smoothly as possible for internal and external stakeholders. This includes reviewing and, where necessary, updating, standard form documents and templates and the Procurement ACT website and intranet.

From November 2019, the scope of the Code will expand and will require organisations wishing to tender for territory-funded work over \$200,000 that is primarily for labour (ie services contracts) to hold a Secure Local Jobs Code Certificate.

From January 2020, grandfathering arrangements applying to ACT Government panels will end and organisations wishing to secure work through a panel will be required to hold have a Secure Local Jobs Code Certificate. All whole-of-Government panels managed by Procurement ACT are being reviewed to ensure compliance with the Code. Procurement ACT will also be working with ACT Government agencies to provide advice and assistance on ensuring compliance with the Code for panels managed by individual agencies.

Aboriginal and Torres Strait Islander Procurement Policy

The Aboriginal Torres Strait Islander Procurement Policy commenced on 1 July 2019.

The objective of the policy is to further the economic independence of Aboriginal and Torres Strait Islander people, primarily by targeting opportunities for Aboriginal and Torres Strait Islander small to medium enterprises in the Canberra region. The policy encourages Territory entities to identify and address barriers to Aboriginal and Torres Strait Islander enterprises in their procurement activities. The policy was developed working closely with the chair of the Aboriginal and Torres Strait Islander Elected Body and involved consultation with Aboriginal and Torres Strait Islander peak bodies and enterprises.

Key Features of the policy include:

- an exemption to the quotation threshold for Territory entities to directly approach an Aboriginal and Torres Strait Islander enterprise for a quote for work under \$200,000;
- an addition to the Local Industry Participation Policy and, where appropriate, the provisions of the Secure Local Jobs Code, to specifically consider Aboriginal and Torres Strait Islander employment and sub-contracting opportunities for projects valued at \$5 million and over; and
- targeted and meaningful performance measures for Territory entities to report against, which capture the breadth and volume of work opportunities afforded to, and successful engagements of, Aboriginal and Torres Strait Islander enterprises. The performance measures are then reported in each Territory entity's annual report.

Procurement ACT has been undertaking an across-government education and training role to ensure that agencies are informed about and can implement and report on the requirements of the new policy.

Consultation has also occurred in relation to presentation of the policy utilising Aboriginal and Torres Strait Islander artwork which has been commissioned from a local artist. The former Minister has selected the preferred artwork. Agreement to the content of the foreword of the document and a photo and signature from the Minister is requested to finalise the document. A brief will be provided to you shortly to explain current status and to seek your agreement to the foreword.

Work to implement the new policy will be ongoing, including to simplify procurement processes to engage Aboriginal and Torres Strait Islander enterprises and to work with the Economic Development Group in Chief Minister, Treasury and Economic Development to help strengthen external enterprises' capabilities to tender or quote for ACT Government business opportunities.

Other activities will focus on the reporting requirements that now apply and the best ways Procurement ACT can support Territory entities to meet their reporting obligations.

Simple Procurement Enhancement

Procurement ACT provides the "Online Simple-procurement Quoting And Reporting" (OSQAR) system, which includes an online web-based procurement tool for producing the Request for Quotation (RFQ) documents for the Territory's simple, low risk procurements (i.e. procurement that is valued at/or above \$25,000 and up to \$200,000). OSQAR is based on the Australian Government's Commonwealth Contracting Suite.

Work is focusing on establishing new systems to support simple procurement to improve the Territory's forecasting and planning capability including visibility, tracking and reporting of Simple procurement activity across Government.

Ongoing Policy Development

Modern Slavery and Human Trafficking

As part of the 2019-20 Budget Estimates hearings, the former Minister received Questions on Notice from Ms Caroline Le Couteur MLA about modern slavery and human trafficking in supply chains. This issue has arisen periodically over the past few years, particularly from Mrs Vicki Dunne MLA. Last year the Commonwealth Government and NSW Government enacted legislation on modern slavery in supply chains, which requires businesses with large turnovers (\$100 million and \$50 million respectively) to report on their supply chains' slavery risk.

Procurement ACT recently briefed the former Minister and is keeping a 'watching brief' on this issue. Following discussion about the brief it was proposed further advice would be provided to the Minister with an update on status early next year. A copy of the recent brief (CMTEDD2019/4065) has been provided to you separately.

Sustainable Procurement Policy

Procurement ACT is updating the Sustainable Procurement Policy with an expanded toolkit and guidance material that will encourage and support Territory entities to consider a broad range of sustainability issues when undertaking procurements. This process involves consultation with other interested directorates and agencies.

Sustainability assessments of procurement projects should include the factors relevant to the individual procurement, and slavery and trafficking will be referenced as part of the suite of

sustainability issues in the updated policy and toolkit. Slavery and trafficking are more likely to be relevant to procurement of products with a lengthy or international supply chain.

Other issues of importance to government and the community, such as waste, fuel usage, greenhouse gas emissions, environmental outcomes and single use plastics, will also be included to ensure that procurement policy continues to respond to community expectations and identified government priorities.

Gender Equality and Prevention of Domestic Violence

Procurement ACT is working with the Community Services Directorate (CSD) to develop a policy platform and supporting material for inclusion of gender equality and prevention of domestic violence in the procurement process. It is proposed a joint brief be prepared for the Minister for Women and the Minister for Government Services and Procurement, to seek support for the proposed approach, with a view to an announcement being made in March 2020 as part of the second women's action plan. We expect to be able to provide a brief on this matter in the next month or two.

Australasian Procurement and Construction Council

Procurement ACT maintains a watching brief on developments in other jurisdictions and best practice in the procurement sector, and is actively engaged in a number of relevant committees under the auspices of the Australasian Procurement and Construction Council (APCC). The Executive Group Manager, Glenn Bain, is currently the Chair of the APCC.

Notifiable Contracts and Invoices

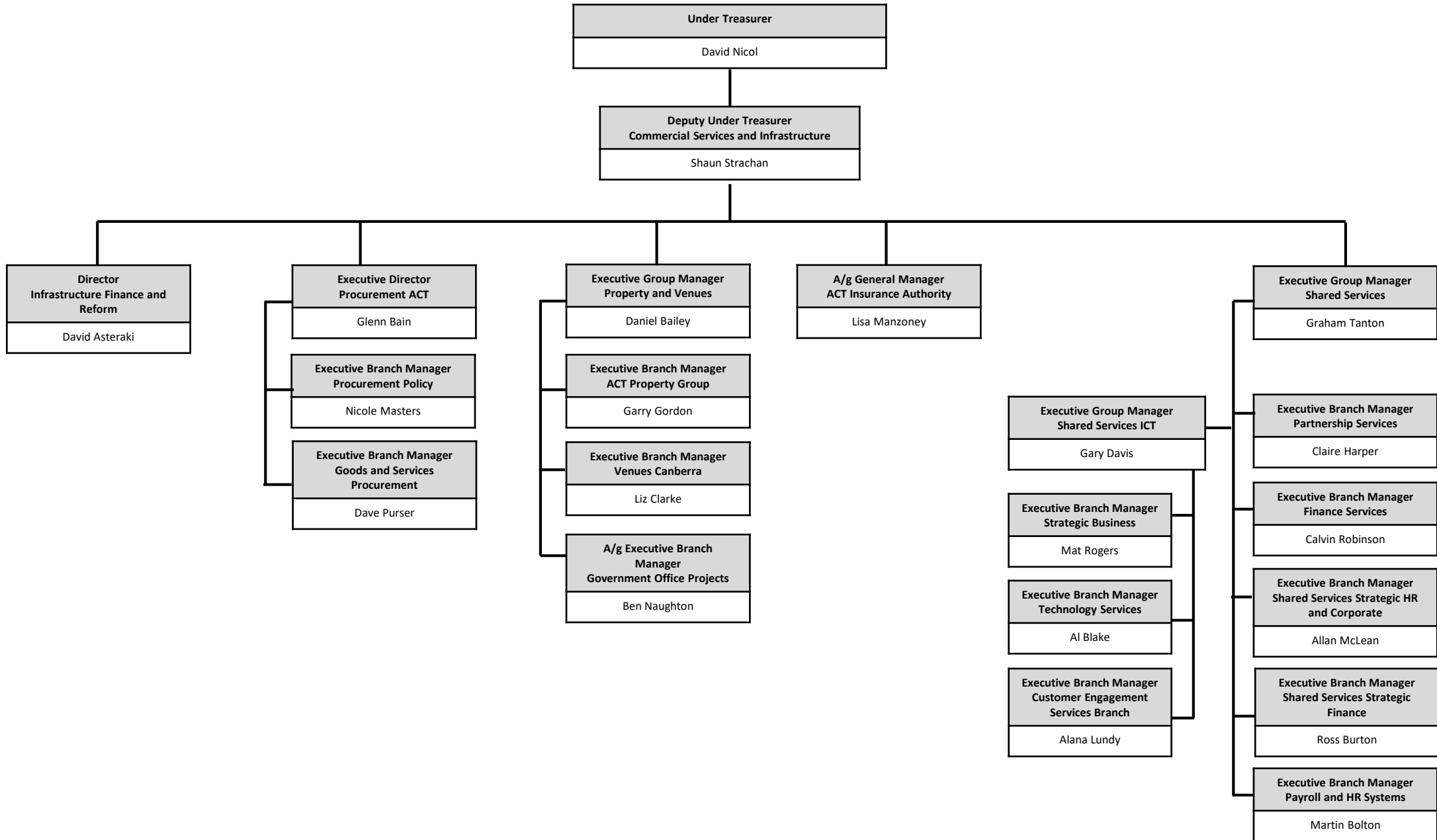
Following a motion passed in the Legislative Assembly the Government is investigating the feasibility of improving the linkages between the Territory's contract and financial management systems and processes to enable reporting on contracts associated with invoices on the notifiable invoices register. Implementation of this proposal requires changes to government systems and administration, and complementary change to systems and process of the businesses invoicing government. Shared Services Finance has carriage of this project and is working with Transport Canberra and City Services on a pilot. Procurement ACT will be involved in implementing the solutions because of its stewardship of the Contracts Register.

International Trade and Procurement Agreements

The Territory has implemented a domestic review process to ensure it is compliant with obligations under International treaties and agreements. Procurement ACT will continue to monitor the arrangements and those implemented in other jurisdictions, to determine whether any changes are required.

The final stage in ensuring the Territory is fully compliant with these arrangements is to specify reasons a Territory entity may conduct a limited procurement (also known as a select or single select process). The agreements specify reasons for a limited approach to the market and, while Procurement ACT is confident the large majority of Territory procurements would comply with those provisions, an amendment to the *Government Procurement Regulation 2007* may be desirable for greater certainty and alignment of the regulatory framework with the agreements.

Procurement ACT will prepare advice in the coming months about the possible need for regulatory change.





PORTFOLIO BRIEF FOR INCOMING MINISTER

[MINISTER FOR GOVERNMENT SERVICES AND PROCUREMENT]

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AUGUST 2019

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SHARED SERVICES PORTFOLIO BRIEF – AUGUST 2019

PORTFOLIO OVERVIEW

ACT Shared Services is a Division within the Commercial Services and Infrastructure Group (CSI) in the Chief Minister, Treasury and Economic Development Directorate (CMTEDD). The CSI organisational chart is provided at [Attachment A](#).

ACT Shared Services was established in 2007 to provide efficiencies across government through a centralised corporate services capability allowing Directorates and Agencies to focus on their core business and serving the ACT community. ACT Shared Services consists of over 780 full time employees and contractors delivering a range of services including ICT, payroll and finance to over 22,000 ACT public servants across all sectors and provide ICT for over 40,000 students.

To date, ACT Shared Services has provided approximately \$400 million back to budget through savings over the 12 years since establishment. ACT Shared Services processes over 500,000 staff pays per annum, over 300,000 invoices, completes over 60,000 service requests each week and currently project manages over 200 ICT projects across government.

The current focus of ACT Shared Services is to build value to stakeholders by upgrading processes through automation whilst providing managers and staff with the skills to identify and address areas for improvement. Through our committed workforce, ACT Shared Services will continue to deliver and continuously improve the services and value proposition we provide to ACT Government.

ACT Shared Services is in the process of modernising its administrative processes and capabilities, recent and current work include:

- upgrade of Human Resource Information and Management Solution (HRIMS);
- update to Shared Services governance model;
- Oracle Whole of Governance Licensing agreement;
- Desktop Modernisation;
- Cloud Computing; and
- ACT Shared Services Website.

ACT Shared Services has its own output class in the Budget Statements (total output cost of \$219 million), which includes 11 Accountability Indicators. Table 43: Accountability Indicators Output 7.1 within the 2019-20 Budget Statement, lists those indicators along with the targets for 2019-20.

Output Class 7: Shared Services

Output 7.1: Shared Services

Table 43: Accountability Indicators Output 7.1

	2019-20 Targets
a. ICT costs compared to peer organisations' costs, as benchmarked by an independent organisation ¹	within 5%
b. Email availability across government during core business hours ²	100%
c. ICT service requests made via the Service Desk are resolved within Service Level Agreements' timeframes ³	90%
d. Average time taken for telephone ICT service requests to be answered by a Service Desk Officer ⁴	30 seconds
e. Number of successful attacks on internally hosted ACT Government websites ⁵	0
f. Human resources service requests made via the Service Desk are resolved within Service Standard timeframes ⁶	90%
g. Business Activity Statements completed in accordance with the ATO deadline ⁷	100%
h. Fringe Benefits Tax Return submitted to the ATO in accordance with the ATO deadline ⁸	100%
i. Monthly financial information available for use by agencies by 6th working day of the month ⁹	100%
j. Annual financial statements completed and provided to agencies by 10th working day of July ¹⁰	100%
k. Finance service requests made via the Service Desk are resolved within Service Standards timeframes ¹¹	90%

DIVISION PRIORITIES

Major projects:

HRIMS Program

Budget: \$68.725m

Overview: The HRIMS Program aims to procure and implement an integrated Payroll/Human Capital Management system for the ACT Government. A budget of \$11 million was approved by Cabinet in June 2017, with supplementary funding, in the order of \$56.1 million, granted in the 2019-20 budget. The implementation is scheduled over two years with a final operating capability delivered in 2021-22. The implementation partner, Ernst & Young commenced work in May 2019. The implementation will be structured into 3 releases, each delivering specific capability to the Territory:

- > Release 1: Recruitment & Onboarding, Workforce Administration, Payroll, Time & Absence
- > Release 2: Performance Management, Learning & Development
- > Release 3: Workforce Planning, Talent Planning, Health & Wellbeing

Preparatory work for data migration and system integration has been underway for some months. Business process analysis and harmonisation activities have been ongoing since early 2018 and a WHoG HR Process Baseline has been agreed. Solution design activities commenced in July 2019.

Oracle Whole of Government Licensing Agreement

Budget: \$10.23m

Overview: Funding was received in the 2019-20 budget process to cover the new Oracle agreement and ongoing licence compliance monitoring over a three-year period. The project scope also provides for a review of the Territory's current utilisation of on-premises Oracle applications to identify options for taking these applications to the Cloud, consistent with the Territory Cloud Policy.

Shared Services has negotiated with Oracle a Whole of Government (WhoG) licensing arrangement covering database products required to drive key Territory functions (e.g. financial management, revenue management). The new three year arrangement was signed by the Territory during May 2019. The WhoG arrangement will consolidate multiple agreements the Territory currently has with Oracle, thereby eliminating licence duplication, and achieving licensing costs savings. The new arrangement takes the form of an unlimited licence agreement whereby there is no restriction on the Territory's utilisation of numerous Oracle technical products.

Cloud Adoption Program

Budget: \$8.95m

Overview: The Program's objective is to modernise the delivery of ICT services to Directorates by making use of the flexibility, responsiveness and agility offered by cloud technologies. The program is in the final stages.

Desktop Modernisation Program

Budget: \$8.46m

Overview: The program will deliver a modern and secure Desktop Operating System, including the latest version of the Office Productivity Suite. This will provide the Territory with a shared common capability to better meet the needs of the ACT Government into the future, including initiatives such as Activity Based Working.

Long Service Leave Project

Budget: \$1.883

Overview: This project aims to automate the calculation of Long Service Leave (LSL) entitlements for employees of the ACT Government. The LSL Automation project was deployed to production on the 30 March 2019. The display of LSL balances on staff payslips is being rolled out to directorates and is due to be completed by the end of October 2019. HR21 display will be switched on at the end of the payslip staggered roll out.

Debt Management Software Solution

Budget: \$0.592

Overview: The objective of this software solution is to improve process efficiencies in dealing with external debt management and debt recovery outcomes of Government for those ACT entities who choose to use Shared Services to manage debt and debtors on an end-to-end basis. The process of finalising the infrastructure design for integration and implementation of the software with existing ACT Government systems is underway.

Government Office Projects

Overview: Shared Services ICT (SSICT) is working with the Government Office Project team and the Flexible Work Arrangements team to deliver a common ICT work point solution for the new Government Office Buildings. The work point will consist of a monitor, docking station, keyboard and mouse.

Cost Model Review

Overview: During 2018-19 Shared Services at the direction of the Strategic Board undertook a review of Shared Services Cost / charging model with the intention that instead of invoicing Directorates and agencies for the recovery of Shared Services costs, Shared Services would receive direct appropriation for these agreed core services. Following completion of the review and provision of a Final report to Strategic Board in February 2019 it was agreed by Strategic Board for HR and Finance core services to be directly appropriated from 1 July 2019 but further work was required with regard to ICT Services and this work is continuing during 2019-20. The Review also recommended changes to Shared Services governing arrangements which has subsequently been agreed by Strategic Board and implemented.

BUDGET

Prior to 1 July 2019 85% of ACT Shared Services revenue was derived from User Charges billed to Directorates for services provided. From 1 July 2019 Shared Services is now appropriated directly for HR and Finance services costs following the outcomes of the Shared Services Cost Model review.

LEGISLATIVE RESPONSIBILITIES

Nil – ACT Shared Services does not have legislative responsibilities.

KEY APPOINTMENTS

Statutory Appointments

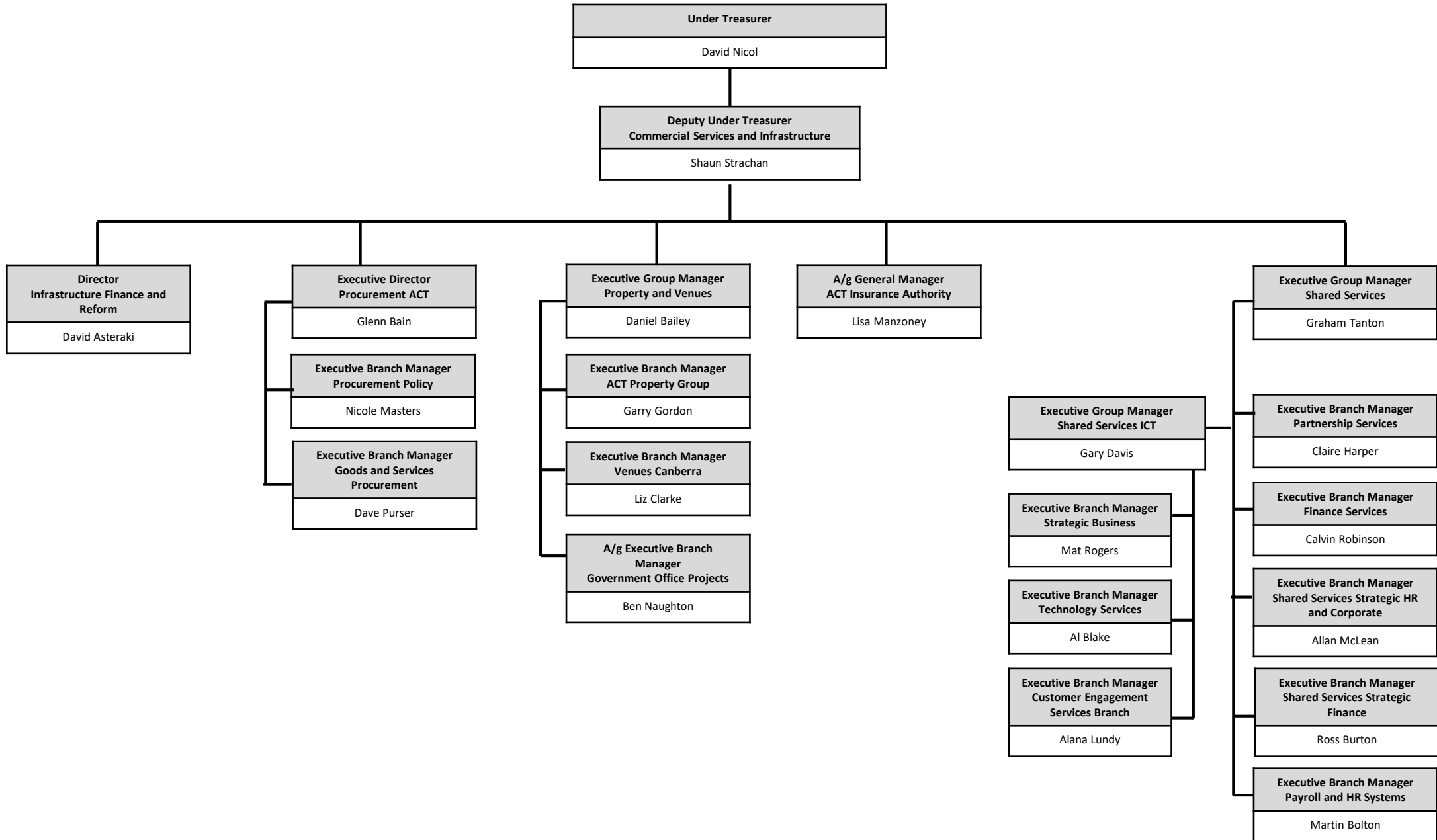
Nil – ACT Shared Services does not have Statutory Appointments

Non-Statutory Appointments

Nil – ACT Shared Services does not have Non-Statutory Appointments

MINISTERIAL COUNCILS AND CONSULTATIVE BODIES

Nil – ACT Shared Services does not have ministerial councils and consultative bodies





PORTFOLIO BRIEF FOR INCOMING MINISTER

Minister for Government Services and Procurement

WORKFORCE TRANSFORMATION PROGRAM PORTFOLIO
BRIEF FOR INCOMING MINISTER SUZANNE ORR MLA
AUGUST 2019

SENSITIVE - CABINET

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ACT
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SENSITIVE - CABINET

GOVERNMENT SERVICES AND PROCUREMENT:
WORKFORCE TRANSFORMATION PROGRAM PORTFOLIO BRIEF
– AUGUST 2019

PORTFOLIO OVERVIEW

The Workforce Transformation Program is managed within the Public Sector Management group. Public Sector Management is one of three groups within the Workforce Capability and Governance Division ('WCAG') of CMTEDD. The functions of WCAG include:

- providing strategic advice to the ACT Government on public sector employment and workplace relations;
- supporting good governance in the public sector by developing effective policy, legislative and industrial frameworks; provides workforce planning and strategic support to public sector agencies; and
- providing support to the Head of Service, the Strategic Board and its sub-committees.

Public Sector Management has responsibility for administration of the *Public Sector Management Act 1994*, administration of executive employment and various service wide human resource programs and policy functions.

The other two groups within WCAG are:

- Public Sector Workplace Relations; and
- Secure Local Jobs

(both the subject of separate portfolio briefs).

Further information about Workforce Capability and Governance is available at <https://www.cmtedd.act.gov.au/industrial-relations-and-public-sector-management>

Workforce Transformation Program

The Workforce Transformation Program was established to align with the development of the Dickson and Civic Office buildings and aims to successfully transition approximately 3,000 staff from six directorates into Activity Based Working in these new office environments.

The Civic government office building will accommodate up to 1,900 public servants from the Chief Minister, Treasury and Economic Development, Justice and Community Safety, Education, and Community Services Directorates. It is expected staff will transition to the new building from October 2020.

The Dickson government office building development will accommodate up to 1,300 public servants from the Environment, Planning and Sustainable Development, and Transport Canberra and City Services Directorates, as well as Access Canberra and the Suburban Land Agency. It is expected staff will transition to the new building from late February 2020.

Governance

The Workforce Transformation Group (WTG) comprises Senior Executives from those directorates moving into the new buildings, with additional representation from Shared Services ICT and Property and Venues of Commercial Services and Infrastructure, Treasury. The Chair of the Group is Meredith Whitten, the Deputy Director-General, Workforce Capability and Governance. Ms Michelle Callen is the responsible, Executive Branch Manager, Public Sector Management.

Each Directorate is responsible for internally managing their change program to prepare their employees for the transition to the new buildings, and new ways of working. The Workforce Transformation Group ensures an appropriate level of consistency across these change efforts, as well as providing information resources and support to directorates. It is a decision-making body for issues that impact multiple directorates.

The Workforce Transformation Group meets monthly, and reports to the Strategic Office Accommodation Committee and to the ACT Government Strategic Board.

The Workforce Transformation Group has three subordinate groups across three project areas:

Operations Working Group

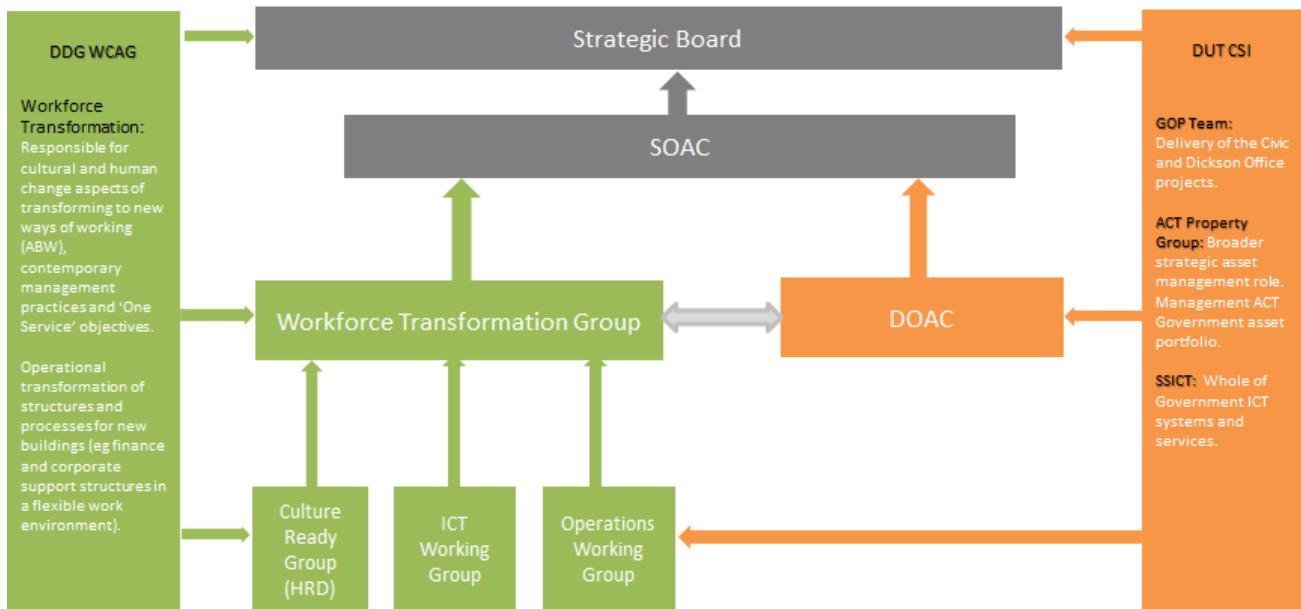
This group is responsible for issues affecting the operations of the buildings. Key project areas for this group include developing and implementing a Building Management and Concierge Service, Security and Emergency Management protocols, as well as the establishment of a central model for managing shared costs across directorates. This group comprises Directorate Chief Operating Officers, as well as representatives from Shared Services ICT and ACT Property Group.

ICT Working Group

This group has responsibility for all matters relating to technology in the new buildings. This includes the identification, sourcing and management of a standard 'kit of parts' for workstations (monitors, docking stations and other peripherals), personal technology (laptops and headsets) as well as collaboration technologies and ICT infrastructure. This group is comprised of Chief Information Officers and Shared Services ICT Executives.

Culture Ready

The Culture Ready program is a standing item in the monthly Human Resource Directors meeting chaired by Public Sector Management. This project area aims to ensure that managers and staff are appropriately equipped to manage and work effectively within Activity Based Work environments. A key output of this group has been the development and endorsement of a set of resources to embed contemporary management practices.



Flexible Work Arrangements Team

The Flexible Work Arrangements team within Workforce Capability and Governance is broadly responsible for leading the Workforce Transformation Program. This unit delivered the initial pilot programs within CMTEDD and has developed the policy and governance framework through which the program is being delivered.

The Flexible Work Arrangements team works closely with Change and Project Management staff from each Directorate to support their internal programs.

Activity Based Work

Activity Based Work (ABW) is a workplace design philosophy that provides workers with a variety of work settings suitable for a range of tasks, for example, designated quiet areas for focus work, or collaboration hubs and breakout areas where greater staff interaction is required.

ABW as a concept often attracts scrutiny for the lack of allocated seating, as well as a disparate ratio of desks to staff. As such, ABW is often conflated with hot-desking, though there are key differences. Hot-desking environments are typically designed with cost saving as the primary objective, with minimal amenity provided to workers. ABW environments in contrast feature a multitude of meeting spaces, break out areas, quiet zones and collaboration hubs.

ACT Government Implementation of ABW

In December 2015, approximately 135 staff from CMTEDD transitioned from traditional work settings to participate in an ACT Government pilot of ABW. After six months, a post-implementation review was conducted, with the findings broadly supportive of the change.

In October 2016, the pilot was expanded with the completion of the refurbishment of Level 5 of the Canberra Nara Centre. Access Canberra also moved into a purpose designed ABW fit out at the Cosmopolitan Centre in Woden for up to 350 of their staff.

Further evaluation was conducted in 2017, and staff feedback was again positive, with 63% of respondents saying they would respond positively if asked for their views on ABW, with 20% neutral, and 17% negative.

Between 2017 and 2019, additional ABW environments have been established at TransACT House, 255 Canberra Avenue and the Callam Offices, with more than 800 staff now having transitioned to ABW.

The ACT Public Service Strategic Board endorsed Activity Based Working as the presumptive model for new or refurbished office environments for ACT Public Servants. The new Dickson and Civic office buildings have been designed in accordance with these principles.

Connecting with Unions.

Consultation with Unions regarding the move to Activity Based Working remains a priority, with input sought on key policies such as the *Designated Activity Based Work Environment* policy, and the *Flexible Workplace* policy, which articulates the principles by which staff may work from locations other than their primary place of work (e.g home based work).

Further engagement has occurred through briefings provided at Joint Council, and at several face-to-face meetings with the CPSU and other unions.

PORTFOLIO PRIORITIES OVER THE NEXT MONTH

The Workforce Transformation Program is currently tracking the progress of 24 key project areas. As part of the 2019-20 Budget, funding was provided for the following items which are identified as immediate priorities for the next month:

Wayfinding Technology Procurement

The scale of the new office buildings in Civic and Dickson is significantly greater than any single office lease currently occupied by directorates. The new buildings will be Activity Based Work (ABW) environments, and each will accommodate multiple directorates and agencies under the one roof.

As an integral part of ABW, employees do not have allocated desks. Finding a suitable workstation or workspace becomes an informed choice based on the needs of the individual and their task orientation. It is important that employees have access to information to guide that choice.

Whilst wayfinding can mean many things commonly including physical signage, lighting and other visual cues to guide people to a destination, in the context of this procurement, wayfinding refers to software-based technologies that enable an individual to search for and locate asset information (e.g. meeting rooms, unoccupied workstations, co-workers) through joined-up networks of automated information sources (e.g. Wi-Fi and wired ICT networks, motion sensors, Bluetooth, security pass systems, Outlook calendar information).

A draft statement of requirements has been developed in consultation with Directorate stakeholders, and the Flexible Work Arrangements team is working with Major Projects Canberra to commence procurement.

Indigenous Cultural Projects

The Strategic Board is being briefed on a project plan to invite the Traditional Custodians of the ACT (Traditional Custodians) to consider a visual arts and cultural contribution to the new Whole of Government Buildings in Civic and Dickson. The Traditional Custodians are defined in this document as families represented by the United Ngunnawal Elders Council and the four registered Aboriginal organisations representing the Traditional Custodians in the ACT.

These organisations are Buru Ngunnawal Aboriginal Corporation, King Brown Tribal Group, Mirrabee (formerly known as - Little Gudgenby River Tribal Council) and Ngarigu Currawong Clan. It is anticipated that this consultation group should cover most Traditional Custodian families in the ACT. However, should other stakeholders emerge from the consultation process they will also be included.

Pending project endorsement by the Strategic Board, artsACT will lead meetings with the Traditional custodians to seek their approval of and input to the project and the proposed project approach.

Portfolio financial overview

	Total Cost	FTE
	2019-20 Budget Initiatives (\$'000)	2019-20 Forecast
Workplace Health and Safety (WHS) Assessments	300	Managed within existing human resources
Indigenous Cultural Projects	300	Managed within existing human resources
Provision and installation of wayfinding technology	2,900	Managed within existing human resources
Managing cultural and business process change (funding to directorates)	1,200	15 (non-ongoing)

LEGISLATIVE RESPONSIBILITIES

N/A

KEY APPOINTMENTS

N/A

MINISTERIAL COUNCILS AND CONSULTATIVE BODIES

N/A



PORTFOLIO BRIEF FOR INCOMING MINISTER

Minister for Government Services and Procurement

PUBLIC SECTOR WORKPLACE RELATIONS PORTFOLIO
BRIEF FOR INCOMING MINISTER SUZANNE ORR MLA
23 AUGUST 2019

SENSITIVE - CABINET



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ACT
Government

SENSITIVE - CABINET

GOVERNMENT SERVICES AND PROCUREMENT: PUBLIC
SECTOR WORKPLACE RELATIONS PORTFOLIO BRIEF
– AUGUST 2019

PORTFOLIO OVERVIEW

Public Sector Industrial Relations

The Public Sector Workplace Relations ('PSWR') Group sits as one of three groups within the Workforce Capability and Governance Division ('WCAG') of CMTEDD. The functions of WCAG include:

- providing strategic advice to the ACT Government on public sector employment and workplace relations;
- supporting good governance in the public sector by developing effective policy, legislative and industrial frameworks; provides workforce planning and strategic support to public sector agencies; and
- providing support to the Head of Service, the Strategic Board and its sub-committees.

The other two groups within WCAG are:

- Public Sector Management – which has responsibility for administration of the *Public Sector Management Act 1994*, administration of executive employment and various Service-Wide HR programs and policy functions; and
- Secure Local Jobs (the subject of a separate portfolio brief).

Further information about Workforce Capability and Governance is available at <https://www.cmtedd.act.gov.au/industrial-relations-and-public-sector-management>

The PSWR Group provides advice to Government and directorates on Whole of Government Workplace Relations matters, which includes:

- advising the Government on ACTPS wages policy and enterprise agreement negotiation strategies;
- negotiating the common terms and conditions aspects of all (18) ACTPS enterprise agreements;
- oversight and advising the Government on the overall bargaining process;
- implementation and interpretation of the agreements through the development and maintenance of a policy and procedure framework;
- maintenance of the technical industrial base underpinning the agreements;
- facilitating misconduct and promotion appeals carried out under the agreements;
- assisting directorates in settling industrial disputes when they arise;
- management of the Service-Wide Attraction and Retention Incentive Framework;
- oversight of the Reportable Conduct framework for the ACTPS as an employing entity;
- providing policy advice on superannuation matters; and
- supporting the ACTPS and Unions' Joint Council.

PORTFOLIO PRIORITIES OVER THE NEXT MONTH

The priorities for PSWR over the next month are set out below.

- Advance the remaining agreements:
 - Corrections;
 - Legal Officers;
 - Fire and Rescue;
 - Ambulance; and
 - Medical Practitioners.

- Settling the Nurse-Patient Ratios Framework and commencing negotiations on the replacement Nursing and Midwifery Agreement which will expire on 31 December 2019.

- Complete Stage 1 directorate assessments of temporary and casual work for the Insecure Work Taskforce and finalise the Conversion Policy. The next meeting of the Taskforce is to be held on 30 August 2019. The terms of reference for the Taskforce are included at [Attachment A](#).

- Release underpinning policy on ARIns, Medical Redeployment, Misconduct and Appeals.

- Commence work on the Service-Wide Classification Review.

PORTFOLIO FINANCIAL OVERVIEW

	Total Cost	FTE
	2019-20 Budget Initiatives (\$'000)	2019-20 Forecast
Service-Wide Classification Review	\$471,000	1

LEGISLATIVE RESPONSIBILITIES

None.

KEY APPOINTMENTS

Statutory Appointments

None

MINISTERIAL COUNCILS AND CONSULTATIVE BODIES

ACTPS Joint Council

The ACTPS Joint Council is the peak union-management consultative forum to consult on Service-wide issues affecting staff.

The Terms of Reference are a Notifiable Instrument (accessible [here](#)) and are included at Attachment B.

Terms of Reference

ACTPS Insecure Work and Outsourcing Taskforce

The ACT Government is committed to the proper resourcing of the ACT Public Service (ACTPS) to deliver services to the Canberra community and to promoting permanent employment and job security for ACTPS employees. The Government is also committed to reviewing and assessing outsourced services with the ambition of returning these to direct ACT Government provision where possible, with a view to improved security of employment and a beneficial outcome to the community.

Following on from the report to the Inquiry into the Extent, Nature and Consequence of Insecure Work in the ACT, and the most recent employment figures in the ACTPS around the use of casual and temporary employees, the ACT Government has established the ACTPS Insecure Work and Outsourcing Taskforce to ensure that the Government meets its commitments.

These commitments are also supported by provisions in enterprise agreements which commit the Government to minimising the use of consultants, contractors, sub-contractors and labour-hire.

Role of the Taskforce

The role of the Taskforce is to:

1. Address the use of casual and temporary employment to achieve the Government's policy commitment by:
 - urgently reviewing the existing use of temporary and casual employment in the ACTPS;
 - identifying factors that lead to the current instances of use of temporary and casual employment;
 - identifying immediate measures to reduce temporary and casual employment and increase permanent employment, including through possible conversion; and
 - recommending policy and practice changes necessary to minimise the use of temporary, casual and contract employment and promote permanent employment on an ongoing basis.
2. Address the use of labour-hire to achieve the Government's policy commitment by:
 - urgently reviewing the existing use of labour-hire in the ACTPS;
 - identifying factors leading to the use of labour-hire;
 - identifying immediate measures to reduce the use of labour hire in favour of direct employment; and
 - recommending policy and practice changes necessary to minimise the use of labour-hire and promote permanent employment on an ongoing basis.



3. Address the use of outsourced services to achieve the Government's policy commitment by:
 - reviewing existing arrangements and identifying arrangements that relate to providing services;
 - identifying factors leading to the use of these outsourcing arrangements; and
 - recommending policy and practice changes necessary to ensure consideration of services being returned to or retained in direct government provision, including opportunities to review individual service contracts and tender evaluation practices.
4. Establish mechanisms for ongoing reporting and monitoring

Membership

The membership of the Taskforce will be:

- 5 representatives from ACTPS unions and
- 5 ACT Government representatives, as nominated by the head of service.

Other participants may be invited to attend the meetings where they can assist the Taskforce with its work.

Chair/Convenor

The Taskforce will be co-chaired by:

- one chair selected from and by the ACTPS union representatives and
- one chair selected by the head of service from the ACT Government representatives.

Frequency of meetings

The Taskforce will meet as agreed by the Taskforce co-chairs.

Agenda, Minutes and Papers

The ACT Government will provide secretarial support to the Taskforce. The co-chairs will call for agenda items in preparation for meetings, and the secretariat will distribute these and associated papers prior to the meetings.

Resourcing

The ACT Government will provide necessary resources and support for the Taskforce to complete its role.

Reporting

The Taskforce will report as necessary to the Head of Service and ACTPS unions.

Timeframes

It is envisaged the Taskforce will complete its work within 6 months of commencement, and will set their priorities in relation to the various bodies of work within that timeframe.

The first meeting of the Taskforce will be convened no later than four weeks after these Terms of Reference have been finalised.



The Taskforce will establish a project plan for each of items 1, 2 and 3 identified in its role, including timeframes.

Prior to the first meeting, the Taskforce will be provided with the most up-to-date figures on the use of casual and temporary employment in the ACTPS.

Joint Council Terms of Reference

Committee Type

1. The ACT Public Service Joint Council (the Joint Council) is a Standing Committee established under the Public Sector Management Act 1994, section 28.

Composition of the Joint Council

Chair and Deputy Chair

2. The Chair of the Joint Council is the Deputy Director-General, Workforce Capability and Governance in the Chief Minister, Treasury and Economic Development Directorate. The Deputy Chair is a member of the Joint Council nominated by UnionsACT.
3. The Chair presides at all meetings of the Joint Council at which the Chair is present, unless alternative arrangements are agreed. In the absence of the Chair, the Deputy Chair will preside at meetings of the Joint Council.

Members

4. The Joint Council will comprise nineteen (19) members:
 - a. the Chair; and
 - b. nine (9) persons nominated by the Chair from relevant directorates or agencies; and
 - c. nine (9) persons nominated by UnionsACT from relevant staff organisations.
5. The above membership may be varied from time to time by agreement between the Chair and Deputy Chair, and may be augmented by observers.

The Role and Function of the Joint Council

6. The role of the Joint Council is consultative and representational. The Joint Council is not a decision making body.
7. The function of the Joint Council is to:
 - a. provide a forum for the consideration and the open two-way exchange of information on matters of strategic interest in relation to the management of the ACT Public Service; and
 - b. identify whole of government matters of concern to ACT Government employees, relevant staff organisations, and management and to collegiately work to address these matters.
8. Matters of strategic interest in relation to the management of the ACT Public Service, can be any significant issue that has, or might have, a multi-directorate impact upon the employment relationship of ACT Government employees. These matters may include, but are not limited to:
 - a. Enterprise bargaining arrangements at a whole of government level.
 - b. Significant Whole of Government industrial relations issues.



- c. Significant Whole of Government human resource issues.
- d. Significant administrative and communication issues.
9. Such matters may be referred, through the Chair, for consideration by the Joint Council, by:
 - a. the Chair or the Deputy Chair;
 - b. the Chief Minister or the Minister for Workplace Safety and Industrial Relations;
 - c. a relevant staff organisation; or
 - d. an officer of the ACT Public Service.

Operation of the Joint Council

10. The Chair will determine the procedures of the Joint Council in consultation with its members.

Meetings

11. The Joint Council shall meet twice a year, noting that the Chair in consultation with the Deputy Chair, having regard to the nature and volume of business to be considered by the Joint Council, may either convene additional meetings or defer the six monthly meeting.
12. For an official meeting of the Joint Council a quorum will constitute eleven (11) members, being the Chair or Deputy Chair, plus five (5) persons nominated by the Chair, and five (5) persons nominated by UnionsACT.
13. Matters requiring urgent consideration by the Joint Council may be dealt with out-of-session, via email.

Committees

14. The Joint Council may establish sub-committees to consider specific issues or the needs of particular occupational groups in the ACT Public Service.

Secretariat Support

15. The Workforce Capability and Governance Division of the Chief Minister, Treasury and Economic Development Directorate will provide secretariat support for the Joint Council, including the coordination and distribution of agenda and papers for meetings, and the minuting of meetings.
16. Wherever possible, agenda and papers for meetings of the Joint Council will be circulated at least one week prior to each meeting.
17. Draft minutes of meetings, recording discussion and actions arising, will be circulated as soon as practicable following each meeting, and tabled at the following meeting.

Reporting

18. The Joint Council is responsible to the Minister for Employment and Workplace Safety.
19. Reports on matters of significance arising from the Joint Council will be provided to the Minister for Employment and Workplace Safety and to the Strategic Board, as required.



PORTFOLIO BRIEF FOR INCOMING MINISTER

Minister for Government Services and Procurement

SECURE LOCAL JOBS CODE PORTFOLIO BRIEF FOR
INCOMING MINISTER SUZANNE ORR MLA
23 AUGUST 2019

SENSITIVE - CABINET



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PORTFOLIO OVERVIEW

Secure Local Jobs Code

Secure Local Jobs Code amendments to the *Government Procurement Act 2001* strengthens the ACT Government's procurement practices so Territory contracts are awarded to businesses that meet the highest ethical and labour standards and do the right thing by their workers. The Act is available at

<https://www.legislation.act.gov.au/View/a/2001-28/current/PDF/2001-28.PDF>

Under the Secure Local Jobs Code, each business tendering for ACT Government work in construction, cleaning, security and traffic management since 15 January 2019 has been required to hold a Secure Local Jobs Code Certificate to confirm they meet specific workplace standards.

The Secure Local Job Code Registrar is a statutory appointment and the team forms part of the Workforce Capability and Governance Division in the Chief Minister's stream of Chief Minister, Treasury and Economic Development Directorate (CMTEDD).

At Thursday 22 August 2019:

- 1,037 Code Certified Entities (1,061 applications);
- 9 completed renewal requests (9 renewal applications);
- 0 exemptions granted (51 requests);
- 28 Approved Auditors;
- 1 current active investigation; and
- 11 completed investigations (1 with infringement points imposed, 10 no further action).



PORTFOLIO PRIORITIES OVER THE NEXT MONTH

The ACT Government is expanding the Secure Local Jobs Code to more industries.

- From 7 November 2019, businesses tendering for an ACT Government contract worth over \$200,000 where the primary input is labour will also have to hold a Secure Local Jobs Certificate.
- This will include a range of industry sectors, including the community sector. For example, this will cover contracts for rubbish and recycling collection, social services and transport.
- The change management strategy and communications plan are in place. Key messages are being refined from the implementation of stage 1.
- Policy work for this change is being undertaken by Workplace Safety and Industrial Relations Division in CMTEDD.
- An addition to the excluded services definition was agreed by Minister Gordon Ramsay MLA and approval was given to communicate this change to stakeholders. A draft regulation has been prepared to make this change. A brief seeking your agreement to making the regulation will soon be sent to you for your consideration.



PORTFOLIO FINANCIAL OVERVIEW

	Total Cost	FTE
	2019-20 Budget Initiatives (\$'000)	2019-20 Forecast
Secure Local Jobs	\$769,000	5

LEGISLATIVE RESPONSIBILITIES

Secure Local Jobs: Part 2B of *Government Procurement Act 2001* at

<https://www.legislation.act.gov.au/View/a/2001-28/current/PDF/2001-28.PDF>

22W Functions of registrar

- (1) The registrar has the following functions:
 - (a) to promote an understanding and acceptance of, and compliance with, this part;
 - (b) to undertake research, and develop educational and other programs, for the purpose of enabling holders of secure local jobs code certificates to comply with the code;
 - (c) to advise the Minister on any matter relevant to the operation of this part;
 - (d) to provide secretariat support to the council;
 - (e) any other function given to the registrar under this Act or another territory law.
- Note* A provision of a law that gives an entity (including a person) a function also gives the entity powers necessary and convenient to exercise the function (see [Legislation Act](#), s 196 and dict, pt 1, def *entity*).
- (2) In exercising the registrar's functions, the registrar is not subject to direction by the director-general.

22X Ministerial directions to registrar

- (1) The Minister may give written directions to the registrar in relation to the exercise of the registrar's functions.
- (2) The registrar must comply with a direction given under subsection (1).
- (3) The Minister must present a copy of any direction to the Legislative Assembly within 5 sitting days after the day the direction is given to the registrar.

KEY APPOINTMENTS

Statutory Appointments

- Secure Local Jobs Code Register <https://www.legislation.act.gov.au/ni/2019-374/>
 - The registrar is Mr Andrew Parkinson, who can be contacted on 0478 301 085.
- Chair and five members of Secure Local Jobs Code Advisory Council:
<https://www.legislation.act.gov.au/a/2001-28/>
 - The chair is Ms Meredith Whitten (Deputy Director-General, Workforce Capability and Governance, CMTEDD). Ms Whitten can be contacted on 0419 426 308.
- The council members are appointed by the Minister in two categories:
 - Mr Alex White, Ms Lyndal Ryan and Mr Zach Smith represent the interest of employees.
 - Dr Michael Schaper, Ms Menka Zarzour and Ms Meredith Whitten have appropriate qualifications or experience to assist the council to exercise its functions.

MINISTERIAL COUNCILS AND CONSULTATIVE BODIES

- Secure Local Jobs Code Advisory Council <https://www.legislation.act.gov.au/a/2001-28/>

22ZA Functions of council

The council has the following functions:

- (a) to advise the Minister about—
 - (i) matters relating to the operation of this part; and
 - (ii) anything else in relation to local jobs and procurement by territory entities requested by the Minister;
- (b) any other function given to the council under this Act.

22ZD Review of pt 2B

- (1) The council must review the operation of this part before the end of its 2nd year of operation.
- (2) In the review, the council must consider—
 - (a) compliance with the code and other requirements; and
 - (b) the coverage of the provisions including the procurements subject to the provisions; and
 - (c) complaints and disputes.



- (3) The council must present a report of the review to the Minister within 6 months after the day the review was started.