



Australian Government

Department of the Prime Minister and Cabinet

Annual Report 2021–22



Department of the Prime Minister and Cabinet

Annual Report 2021–22

About this report

This report outlines the operations and performance of the Department of the Prime Minister and Cabinet for the financial year ending 30 June 2022. It has been prepared in accordance with the provisions of section 46 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), the Public Governance, Performance and Accountability Rule 2014 (PGPA Rule) and the Department of Finance Resource Management Guide No 135. The compliance index in Part 5 lists the information required by the PGPA Act and PGPA Rule and the corresponding page number within the printed report. The annual report can be found on the Department's website www.pmc.gov.au and on the [Transparency Portal Publications | Transparency Portal](#).

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Annual Report Team

This report was developed by the annual report team with help from staff throughout the Department. The 2021–22 annual report team comprised Liz Caelli, Fiona McQueenie, Ludovica Celentano, Nicole Germaney, Mel Ochocki, Timo Greenwood and Gabby McGill.

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Australian Government
Department of the Prime Minister and Cabinet

SECRETARY

The Hon Anthony Albanese MP
Prime Minister
Parliament House
CANBERRA ACT 2600

Dear Prime Minister

I am pleased to present the Annual Report of the Department of the Prime Minister and Cabinet for the year ended 30 June 2022.

The report has been prepared in accordance with all applicable obligations of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) including section 46, which requires that you table the report in Parliament. The report reflects the matters dealt with and the legislation administered by the Department as at 30 June 2022.

The annual performance statement in Part 2 of this report is prepared in accordance with paragraph 39(1)(a) of the PGPA Act and accurately presents the Department's performance for the 2021-22 financial year in accordance with subsection 39(2) of the PGPA Act.

The report includes the Department's audited financial statements prepared in accordance with the Public Governance, Performance and Accountability (Financial Reporting) Rule 2015 (PGPA Rule).

I certify that I am satisfied that the Department has in place appropriate fraud control mechanisms that meet our needs and comply with section 10 and subsection 17AG(2) of the PGPA Rule and that all reasonable steps have been taken in relation to fraud control in 2021-22.

Yours

A handwritten signature in black ink, appearing to read 'Glyn Davis'.

Glyn Davis
13 September 2022

Cc Senator the Hon Katy Gallagher, Minister for Women and Minister for the Public Service
The Hon Linda Burney MP, Minister for Indigenous Australians
The Hon Mark Dreyfus QC MP, Cabinet Secretary
The Hon Patrick Gorman MP, Assistant Minister to the Prime Minister
Senator the Hon Malarndirri McCarthy, Assistant Minister for Indigenous Australians

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Part 1



Overview 2021–22

Secretary's review

The scope of this annual report outlines the operations and performance of the Department of the Prime Minister and Cabinet for the 2021–22 financial year. Prior to the Federal Election on Saturday 21 May 2022, this program of work was undertaken to fulfil the strategic priorities of the Government led by former Prime Minister Scott Morrison. The final six weeks of the reporting period relates to the Department's activities following the election of a new Government under Prime Minister Anthony Albanese.

I am grateful to former Secretary Phil Gaetjens for his leadership of the Department from 2019. His breadth of experience in public service and policy was critical to the Department's ability to meet the demands of the Government during a period of enormous challenge and change. Years marked by bushfires, floods and a global pandemic resulted in the Department operating within an increasingly complex environment.

On the Monday after winning the Federal Election on Saturday 21 May 2022, Prime Minister Albanese travelled to Tokyo for Quad talks with leaders from Japan, the United States, and India. On departure, the Prime Minister paid tribute to the Australian Public Service (APS) and thanked the Department of the Prime Minister and Cabinet (PM&C) for its professionalism in enabling the visit

to take place. A week later, on 30 May 2022, I was honoured to be appointed Secretary to the Department and head of the APS.

With the election of a new government, Machinery-of-Government changes have transferred out of the Department functions not directly related to central policy coordination. For the immediate future, the Department's sphere of responsibility will be keenly focused on supporting the Prime Minister, Cabinet and our portfolio ministers to prosecute their policy priorities. Changes to the Department's operating environment have been shaped by the incoming Government's policy priorities. As a consequence, we have farewelled colleagues who have made outstanding contributions to the work of the Department and will, doubtless, continue to work for the benefit of all Australians in the line agencies to which they have transferred.

The Government has also signaled its intention to implement a series of reforms to the APS. To that end, Dr Gordon de Brouwer PSM has been appointed as Secretary for Public Sector Reform, stationed within the Department and supported by the APS Reform Office. Working closely with the Australian Public Service Commissioner, Dr de Brouwer will lead and implement public sector reforms to support the Government to build a stronger public service that delivers better outcomes for the community, acts as a model employer and contributes to building a fairer and more inclusive society. Within this context, the Department renews its commitment to taking a lead role in assuring and developing the capacity and capability of the APS. Based on the achievements and lessons learned of the last 12 months, the Department is well placed to continue in its mission to lead by example and to stand with the whole APS as partners in delivering for government and the Australian people.

The work of the last year confirmed the Department as a keen and agile partner to government in addressing the complexities of rapidly changing local, regional and global environments. In the final 6 weeks of the reporting period, the Department provided exemplary support to the incoming Government to pursue a program of active international engagement. The Quad meeting in Japan was followed by a bilateral visit to Indonesia and the Prime Minister's presence at the NATO Summit in Madrid, concluding with visits to France and Ukraine.

Throughout the reporting period, the Department has worked to manage the impact of the pandemic and to shape Australia's post-COVID-19 recovery. This imperative will continue to influence the Department's activities into

the future. The COVID-19 pandemic has been a stark reminder that an effective and innovative public service is indispensable.

Reflecting on the progress and attainments recorded within this annual report is an opportunity to take stock and to discern our path forward. As a comprehensive review, it will inform the Department's efforts to support and advance the Government's stated policy priorities, including responding to the Uluru Statement from the Heart, introducing legislation for a National Anti-Corruption Commission, taking action on climate change by legislating our emissions reduction targets, improve Commonwealth spending, and deliver secure jobs and better aged and child care services.

In serving the Government and Australia's 31st Prime Minister, PM&C will strive to provide the highest quality advice and implement decisions effectively and efficiently. We will work to pursue even better partnerships, deeper engagement and enhanced commitment to effective public administration for the benefit of all Australians.

The Department

Our mission

Our mission is to improve the lives of all Australians.

Our purposes

In 2021–22 our work to improve the lives of all Australians was guided by 6 purposes:

- Growing our economy, incomes and creating jobs
- Vibrant and resilient regions
- Strengthening families and communities
- Advancing Australia's international interests and national security
- Governing well
- Preparing well to respond to critical issues.

Our role

As the lead agency for the APS, PM&C performs an essential role: we support the Prime Minister and the Cabinet; we coordinate work across the APS to ensure we deliver on the Government's key priorities; and we respond quickly and decisively to emerging issues and identify opportunities to change and create a better future.

We lead the APS by taking a whole-of-nation and a whole-of-government approach, working closely with a diverse range of stakeholders, from our APS colleagues to various communities that represent the diversity of the nation.

To perform this crucial work, we:

- provide informed and impactful advice to the Prime Minister, the Cabinet, portfolio ministers and assistant ministers to assist in the design, development and delivery of key Government policies, strategies and services
- enable a well-functioning Cabinet and good governance by providing effective support processes that also assist agencies to achieve quality outcomes
- foster a high-performing public sector by establishing productive partnerships across the APS and helping our partner agencies to succeed. We combine our good understanding of the Prime Minister's and the Government's priorities with the expertise, the experience and the action required to deliver results while ensuring the work is conducted with the highest standards of professionalism
- engage and collaborate with a diverse range of stakeholders across state, territory and local governments and the private, public, academic, not-for-profit and community sectors to ensure that our advice is developed comprehensively and based on the best available evidence and expertise
- support the Prime Minister's engagement with international leaders and other nations, supporting the government to address major global challenges, advancing Australia's interests and keeping our country safe
- work together with agencies across the APS to respond quickly to crisis situations and national disaster events.

Our structure

PM&C operates in 4 main groups:

- Domestic Policy Group
- National Security and International Policy Group
- Governance and APS Reform Group
- Chief Operating Officer Group.

Domestic Policy Group

In 2021–22, the Domestic Policy Group advised the Prime Minister, the Cabinet and portfolio ministers on a wide range of issues affecting the lives of all Australians – from social, environmental and economic policy, to regulatory reform, our COVID-19 response, the digital economy, and child safety.

The group is separated into the Economy, Industry and G20 Sherpa Group and the Social Policy Group and is led by 2 Deputy Secretaries, who work closely together to support the Government's domestic policy objectives.

Economy, Industry and G20 Sherpa Group

The Economy, Industry and G20 Sherpa Group (EIG) supports the Government's economic policy agenda.

Among other things, EIG provides advice on infrastructure, transport, agriculture, regional development, telecommunications, the Budget, taxation, superannuation, competition, finance, environment, energy, and climate change policy.

Through its central agency role, EIG helps partner agencies deliver government priorities by providing advice, coordination, and oversight on policies and projects as they progress through Cabinet and the Budget process.

In 2021–22, the group also had primary policy responsibility for developing and coordinating whole-of-government supply chain resilience, regulatory reform, and digital technology policy, and it also housed the Office of the National Soils Advocate.

Through the G20 Sherpa and the now concluded Office of the Climate Coordinator, EIG pursued Australia's interests at the G20 and G7 and supported the Prime Minister's engagement in international climate change-related meetings and the UN Climate Change Conference of the Parties (COP26).

EIG was charged with delivering the Sydney Energy Forum in July 2022, which brought together government, business leaders and experts to secure the scale and diversity of trusted clean energy supply chains needed in the Indo-Pacific to achieve emissions reduction goals.

Social Policy Group

The Social Policy Group supports Government priorities in the key areas of health, education, disability, gender equality, aged care, whole-of-government data and digital technology policy, and Indigenous policy. This work includes leading the partnerships between the Commonwealth and state and territory jurisdictions on delivering these services for all Australians, and is informed by our in-house behavioural economic and policy innovation advisory services.

A key priority in 2021–22 was providing continued leadership and coordination across government to manage Australia's response to the COVID-19 pandemic. By working in partnership with key agencies across the Commonwealth we continued to support the health response across the nation, including leading Commonwealth–state engagement on borders, domestic public health controls, quarantine and vaccines.

Supporting efforts to continue to strengthen women's economic security and prevent and respond to violence against women is a core priority of the group, delivered through the Office for Women. These efforts are supported by targeted initiatives to improve women's safety at home, at work and online, delivered through a competitive grants process. Separately, the group has delivered on efforts to enhance child safety through the National Office for Child Safety, working in close partnership with states and territories to implement the National Strategy to Prevent and Respond to Child Sexual Abuse.

National Security and International Policy Group

The National Security and International Policy Group provides advice on Australia's foreign policy and national security interests. Its work covers the Prime Minister's engagement with foreign leaders and multilateral forums; Defence strategic policy, capability and operations; the AUKUS partnership; naval shipbuilding; critical technologies and infrastructure; countering foreign interference; cybersecurity; National Intelligence Community policy; counter-terrorism; law enforcement; border security; and crisis management, including disaster preparedness and response.

The National Security and International Policy Group provided a heightened level of support to the Government in 2021–22 in response to natural disasters. In early 2022, the group adopted a new structure with the establishment of a second Deputy Secretary position and a new area to drive whole-of-government work in support of the Quad, AUKUS and naval shipbuilding.

Governance and APS Reform Group

The Governance and APS Reform Group supports the ongoing business of the Government, by providing support services to the Prime Minister, the Cabinet and Cabinet committees, portfolio ministers and the Governor-General.

Through the Government Division, the group provides advice on parliamentary processes, the administration of the executive branch of government, and Australia's national honours and symbols. It also provides support to the Prime Minister on all matters of legal policy.

Through the Cabinet Division, the group supports the Prime Minister, the Cabinet Secretary and the chairs of Cabinet committees to ensure that Cabinet business is conducted in an effective and timely way, and coordinates and supports all meetings of the Federal Executive Council.

Through the Priorities and Delivery Unit, the group supports the Prime Minister, the Cabinet and PM&C in monitoring the implementation of government initiatives and strategically considering future priorities.

The Governance Group also houses the Jenkins Report Implementation Team, set up to lead implementation of recommendations made in *Set the Standard: Report on the Independent Review into Commonwealth Parliamentary Workplaces* aimed at making Commonwealth parliamentary workplaces safer and more respectful.

The group also includes the APS Reform Office, which oversees the implementation of the Government's APS reform program to build a cohesive and adaptive enterprise that meets the changing needs and expectations of Australians.

Chief Operating Officer Group

The Chief Operating Officer Group delivers internal corporate and broader enabling services provided through the Corporate Division, the Ministerial Support Division and the Technology and Business Services Division.

The group provides a broad range of services to the Department in areas including people; information and communications technology; security (including cybersecurity); finance; and facilities. It also provides shared services to portfolio agencies. It leads the department's risk agenda and planning to create a positive risk culture, and is also responsible for the design, implementation and management of business operations (including business continuity activities) and governance processes to support PM&C.

The group leads on support arrangements to the Prime Minister and our portfolio ministers, and their offices, through communications, ministerial correspondence and support services, along with providing protocol and logistical support for the Prime Minister's program of international engagements and hosting visiting Heads of Government.

It also promotes the leadership and partnership role of the Department across government through active participation in the APS Chief Operating Officers Committee and related networks.

Overall, the group plays a central role in delivering the Prime Minister's priorities and ensuring that strategy is translated into actionable and practical organisation-wide goals.

Our executive

The Accountable Authority for 2021–22

Table 1.1: Details of Accountable Authority during the reporting period (2021–22)

Name	Position Title/ Position held	Date of Commencement	Date of cessation
GAETJENS, Philip	Secretary	1/07/2021	30/05/2022*
DUGGAN, Simon	Secretary	16/08/2021	16/08/2021
		31/07/2021	8/08/2021
		1/09/2021	2/09/2021
		20/09/2021	26/09/2021
		15/10/2021	17/10/2021
FOSTER, Stephanie	Secretary	17/12/2021	17/12/2021
		25/12/2021	10/01/2022
		5/04/2022	5/04/2022
		22/05/2022	5/06/2022
DAVIS, Glyn	Secretary	6/06/2022	30/06/2022

**During this timeframe, Stephanie Foster and Simon Duggan acted in the position of Secretary at various times.*

Table 1.2: PM&C Senior Executive as at 30 June 2022

Secretary	Professor Glyn Davis AC
Deputy Secretary, National Security and International Policy	Ms Michelle Chan
Deputy Secretary, Quad, AUKUS and Naval Shipbuilding	Mr Scott Dewar
Deputy Secretary, Economy, Industry & G20 Sherpa	Mr Simon Duggan
Deputy Secretary, Governance and APS Reform	Ms Stephanie Foster PSM
Deputy Secretary, Social Policy	Ms Alison Frame
Chief Operating Officer	Mr Tomas Gilmartin

The portfolio

As at 30 June 2022, the following entities were part of the portfolio. Each entity has its own purpose and reports on performance in its own annual report.

DEPARTMENT OF STATE

- Department of the Prime Minister and Cabinet

NON-CORPORATE COMMONWEALTH ENTITIES UNDER THE PGPA ACT

- Australian National Audit Office
- Australian Public Service Commission
- Digital Transformation Agency
- National Indigenous Australians Agency
- National Recovery and Resilience Agency
- Office of National Intelligence
- Office of the Official Secretary to the Governor-General
- Workplace Gender Equality Agency

CORPORATE COMMONWEALTH ENTITIES UNDER THE PGPA ACT

- Australian Institute of Aboriginal and Torres Strait Islander Studies
- Indigenous Business Australia
- Indigenous Land and Sea Corporation
- Northern Territory Land Councils
 - Anindilyakwa Land Council
 - Central Land Council
 - Northern Land Council
 - Tiwi Land Council
- Old Parliament House
- Torres Strait Regional Authority
- Wreck Bay Aboriginal Community Council

COMMONWEALTH COMPANIES UNDER THE PGPA ACT

- Aboriginal Hostels Limited
- National Australia Day Council Limited
- Outback Stores Pty Ltd

STATUTORY BODIES

- Defence Force Remuneration Tribunal
- Remuneration Tribunal

OFFICE HOLDERS

- Executive Director of Township Leasing
- Office of the Aboriginal Land Commissioner
- Office of the Merit Protection Commissioner
- Office of the Registrar of Indigenous Corporations

Our organisational structure as at 30 June 2022:

Figure 1: PM&C organisational structure



	Chief of Staff Debbie Arnold	Executive Adviser Edwin Anderson	Executive Assistant Bev Sims PSM
National Security and International Policy		Governance and APS Reform Group	COO Group
NATIONAL SECURITY Deputy Secretary Michelle Chan	QUAD, AUKUS AND NAVAL SHIPBUILDING Deputy Secretary Scott Dewar	Deputy Secretary Stephanie Foster PSM	Chief Operating Officer Tom Gilmartin

INTERNATIONAL
FAS Roderick Brazier

QUAD, AUKUS AND NAVAL SHIPBUILDING
FAS Vacant

GOVERNMENT
FAS John Reid

CORPORATE
FAS Michelle Wicks

GLOBAL INTERESTS AS Ashley Collingburn
ASIA AS Elizabeth McGregor
PACIFIC AS Max Willis

QUAD AND AUKUS POLICY COORDINATION AS Mathew Fox
NUCLEAR-POWERED SUBMARINES AND NATIONAL NAVAL SHIPBUILDING ENTERPRISE AS Matthew Flint

LEGAL POLICY AS Petra Gartmann
PARLIAMENTARY AND GOVERNMENT AS Peter Rush
PLO – SENATE Rachael Clarke*
PLO – HOUSE OF REPRESENTATIVES Alex Philp*

SHARED SERVICES AS Jill Torpy*
FINANCE CFO Michelle Crowther
PEOPLE CPO Melinda Bopping

NATIONAL SECURITY
FAS Lachlan Colquhoun

DEFENCE AND INTELLIGENCE AS Pippa Hendon*
DOMESTIC SECURITY AS Gemma Smyth
DISASTER PREPAREDNESS, PLANS AND INCIDENT MANAGEMENT AS Michael Crawford

**CRITICAL TECHNOLOGIES POLICY
COORDINATION OFFICE**
Coordinator
Carolyn Patteson

Deputy Coordinator Louise Talbot
--

CABINET
FAS Leonie McGregor

CABINET SECRETARIAT AS Paul Hupalo
NATIONAL SECURITY AND CABINET SYSTEMS AS Belinda Salem*
LEGAL INTEGRITY AND NATIONAL CABINET AS Angie McKenzie
PRIORITIES DELIVERY UNIT AS Alistair Campbell

INFORMATION SERVICES CIO Abhishek Tripathi
BUSINESS SERVICES AS Samantha Portelli

MINISTERIAL SUPPORT
FAS Gerard Martin

MINISTERIAL AND PARLIAMENTARY
SUPPORT
AS Callie Zorzi

PROTOCOL AND INTERNATIONAL VISITS
AS Alison Green

COMMUNICATIONS
AS Dana Robertson

APS REFORM
FAS Ali Jenkins

**JENKINS REPORT
IMPLEMENTATION TEAM**
FAS Celeste Moran*

AS Ross Schafer

As at 30 June 2022

**Denotes acting arrangement*

***Denotes job sharing arrangement*

Our Ministers

The Ministers and Assistant Ministers for the Department of the Prime Minister and Cabinet portfolio as at 30 June 2022:



The Hon Anthony Albanese MP

Prime Minister



**Senator the Hon
Katy Gallagher**
Minister for Finance,
Minister for Women,
Minister for the Public Service



The Hon Linda Burney MP
Minister for
Indigenous Australians



**The Hon Mark Dreyfus
KC MP**
Attorney-General,
Cabinet Secretary



**The Hon Patrick Gorman
MP**
Assistant Minister to the
Prime Minister



**Senator the Hon
Malarndirri McCarthy**
Assistant Minister for
Indigenous Australians

Budget outcomes and program structure

In achieving PM&C's purposes for 2021–22, we worked to deliver against the key priorities outlined in the Portfolio Budget Statements 2021–22 (PBS) and Portfolio Additional Estimates Statements 2021–22. Our Corporate Plan 2021–25 articulated how these key priorities would be achieved and how achievement and success would be measured.

Table 1.3: Purposes, outcome and program

Purpose 1	Outcome 1	Program 1.1
Growing our economy, incomes and creating jobs	Provide high quality policy advice and support to the Prime Minister, the Cabinet, Portfolio Ministers and Assistant Ministers including through coordination of government activities, policy development and program delivery.	Prime Minister and Cabinet
Purpose 2 Vibrant and resilient regions		
Purpose 3 Strengthening families and communities		
Purpose 4 Enhancing Australia's international and national security		
Purpose 5 Governing well		
Purpose 6 Preparing well to respond to critical issues		



Part 2





Annual performance statement

Statement of preparation

I, Glyn Davis, as the accountable authority of the Department of the Prime Minister and Cabinet (PM&C), present the 2021–22 annual performance statement of PM&C, as required under paragraph 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and the Public Governance, Performance and Accountability Rule 2014.

In my opinion, the annual performance statement is based on properly maintained records, accurately reflects the performance of the entity, and complies with subsection 39(2) of the PGPA Act.

A handwritten signature in black ink, appearing to read 'Glyn Davis', followed by a flourish.

Secretary

13 September 2022

Performance overview

PM&C achieves its mission of improving the lives of all Australians by delivering effective and timely advice and services to the Prime Minister, the Cabinet, and our portfolio ministers and assistant ministers.

PM&C's performance reporting framework

The 2021–22 annual performance statement is an assessment of PM&C's actual performance against purposes, key activities, performance measures and targets in the 2021–25 Corporate Plan and the Portfolio Budget Statements (PBS) for the 2021–22 financial year.

In 2021, the Department reviewed and revised its framework to better reflect the role of the Department, to provide a clearer read between the performance criteria in the PBS and our performance reporting, and to create a more robust reporting framework that complies with PGPA Rule section 16EA and the Department of Finance Resource Management Guides (RMGs) 131 and 132. This work resulted in a revised performance reporting framework as outlined in the Department's 2021–25 Corporate Plan and introduced 5 key activities against which the Department monitors, assesses and reports its performance.

Results criteria: how we assess our performance against key activities

Over the reporting period, business areas were responsible for monitoring and reporting their performance against their key activities and performance measures. They were required to use the predetermined performance methodology, gather supporting evidence of their performance, assess their performance using the results criteria table below and then assign a result rating for each key activity. Where a performance measure was supported by a target (or targets), reporting against the target(s) was used to demonstrate performance against the measure and the key activity. Evidence and analysis was provided to support claims of achievement against each key activity.

Table 2.1: Results definitions

Achieved	In the 2021–22 reporting period, the Department delivered against the performance measure and/or target.
Partially achieved	In the 2021–22 reporting period, the Department partially achieved against the performance measure and/or target.
On track	The performance measure and/or target is on track to be met over the forward estimates.
Not achieved	In the 2021–22 reporting period, the performance measure and/or target was not met.

Our performance

Overview of results for the 2021–22 reporting period

Overall, PM&C performed well against the purposes, key activities and performance measures set out in the 2021-25 Corporate Plan. Of the 22 performance measures listed in the Corporate Plan, PM&C achieved 21 measures and are on track to achieve 1 of our 22 performance measures over the forward estimates. The following table represents an overview of the results achieved for each performance measure against the 5 key activities using the results criteria above. A detailed analysis supporting each reported result by key activity, performance measures and targets can be found on pages 28–94. For performance measures without targets, the analysis outlines the evidence used to demonstrate achievement. Additional analysis of the survey results can be found on page 96.

Table 2.2: Results summary

Result	Key Activity 1	Key Activity 2	Key Activity 3	Key Activity 4	Key Activity 5	Total
Achieved	3	2	7	3	6	21
On track	-	-	1	-	-	1
Partially achieved	-	-	-	-	-	-
Not achieved	-	-	-	-	-	-
TOTAL	3	2	8	3	6	22

Performance results by Portfolio Budget Statements (PBS) performance criteria and departmental purposes

Reported results in this year's annual performance statement are supported by evidence and grouped under the 5 key activities and 22 performance measures. Reporting against the key activities, performance measures and targets in the 2021–25 Corporate Plan was used to assess achievement against the 6 purposes and the PBS performance criteria for the 2021–22 financial year.

Overview of performance results by PBS performance criteria, purposes and performance measures

As outlined in the PBS, PM&C's role is to provide policy advice and support to the Prime Minister, the Cabinet, portfolio ministers and assistant ministers on matters that are at the forefront of public and government administration.

Analysis of performance results by PBS performance criteria

The Department's performance is measured against the key activities, performance measures and targets. In the 2021–22 reporting period, of the 22 performance measures, PM&C achieved 21 and is on track to achieve 1 over the forward estimates. This demonstrates achievement against both PBS performance criteria:

PBS performance criterion 1: Quality and timely advice, services and support to the Prime Minister, portfolio ministers, the Cabinet and key stakeholders

During 2021–22, PM&C provided effective advice, support and services to our key stakeholders. We leveraged our public sector leadership role to build a responsive and proactive Australian Public Service (APS) enterprise that closely supports the Government's decision-making process in a complex, rapidly changing operating environment.

We provided high-quality support and briefings to the Prime Minister, the Cabinet and portfolio ministers. We effectively collaborated with our stakeholders to support the Government in addressing wide-ranging and significant issues, including strategic, security and geopolitical priorities as the COVID-19 pandemic response and recovery dominated much of the Department's work and focus.

Ministerial stakeholders provided highly positive feedback on the quality of advice we provided.

PM&C achieved all 4 key activities that relate to this criterion.

PBS performance criterion 2: Effective leadership and coordination across the APS enterprise to support the successful implementation and delivery of government decisions, policies, programs and strategic priorities

Throughout 2021–22, PM&C performed well against this performance criterion.

To deliver against this criterion PM&C consulted widely with stakeholders, including the Government, the APS enterprise, the private sector and the Australian community. This included seeking the views of a diverse range of stakeholders to inform well-considered policy advice.

External stakeholders surveyed by ORIMA Research were satisfied overall with PM&C's consultations, collaboration and delivery of timely and high-quality advice and enabling services.

Ministerial stakeholders provided highly positive feedback on the quality of advice we provided.

PM&C achieved all key activities that relate to this criterion.

Analysis of performance results by departmental purposes

Purpose 1: Growing our economy, incomes and creating jobs

PM&C achieved all performance measures under this purpose by supporting the Prime Minister, the Cabinet and key stakeholders to make significant decisions across a range of economic outcomes. We supported Australia's strategy for economic recovery from the COVID-19 pandemic by implementing Government policies to support the jobs of today, driving the Government's deregulation agenda, and working across government to support infrastructure projects such as the transport infrastructure pipeline. PM&C focused on delivering economic outcomes for women through initiatives and projects led by the Office for Women (OFW), including as part of the 2020 Women's Economic Security Statement and the Women's Leadership and Development Program.

We also supported the Prime Minister to enhance workforce participation by implementing Government policies such as affordable childcare and leveraging the role of skilled migration; accelerate Australia's digital economy by supporting a range of initiatives such as the development of the Australian Data Strategy; and improve the reliability, security and affordability of energy networks through major energy reforms and infrastructure.

Purpose 2: Building vibrant and resilient regions

PM&C achieved all performance measures listed under this purpose. We consulted with stakeholders, subject-matter experts and communities to support the delivery of funding initiatives for regional Australia. We continued working towards the Ag2030 goal of growing the agriculture industry to \$100 billion by 2030 through trade diversification, workforce and productivity, improvements in biosecurity, and long-term sustainability through soils and water policy.

We also continued to support the implementation of the National Recovery and Resiliency Agency and the Australian Climate Service to build resilience and better prepare communities for drought, natural disasters and climate change and reduce future risks of disaster events.

In addition, we worked closely with the National Soils Advocate on a range of activities to strengthen policy makers' understanding of soil sustainability and health; and collaborated with the National Waste Taskforce in the Department of Agriculture, Water and the Environment to continue Australia's commitment to reduce waste and increase domestic recycling.

Purpose 3: Strengthening families and communities

PM&C achieved all performance measures listed under Purpose 3. We collaborated with line agencies to provide high-quality and timely advice focused on assisting vulnerable Australians and improving the wellbeing of communities and to quickly identify and resolve emerging issues. This included supporting the Government's health response to COVID-19 and the National Plan to Transition Australia's National COVID-19 Response.

The OFW continued to support the Minister for Women in implementing the Fourth Action Plan of the National Plan to Reduce Violence against Women and their Children 2010–2022, helping drive progress to increase the number of women in leadership positions, and leading Australia's engagement in international forums to promote gender equality. With the Department of Social Services, the OFW also commenced the development of the National Plan to end Violence against Women and Children 2022–2032. This involved extensive consultation, including delivery of the National Summit on Women's Safety in September 2021, a series of targeted roundtables, and public consultation with the Department of Social Services Engage website.

PM&C also delivered the National Strategy to Prevent and Respond to Child Sexual Abuse 2021–2030 and was responsible for implementing 23 of 62 measures. As at 30 June, all 62 measures from the Royal Commission into Institutional Responses to Child Sexual Abuse are on track.

PM&C continued to support mental health and suicide prevention reforms in collaboration with the states and territories, ensuring a comprehensive, coordinated, customer-focused prevention system was delivered to benefit all Australians. We worked with the National Mental Health Commission to consider whole-of-government mental health reform issues and contribute

to the implementation of \$2.3 billion in new mental health funding, and the establishment of the new National Agreement on Mental Health and Suicide Prevention.

During the year, PM&C continued to implement policy and programs to improve the wellbeing of Aboriginal and Torres Strait Islander people. This included the new National Agreement on Closing the Gap, progression and embedding of priority reforms, and options for a voice for Indigenous Australians and constitutional recognition. We have driven greater cross-agency collaboration on issues relating to Indigenous Australians, with a focus on Closing the Gap and leveraging mainstream programs and policies.

Purpose 4: Advancing Australia's international interests and enhancing national security

Under this purpose, PM&C achieved 11 performance measures and are on track to achieve 1 over the forward estimates in a complex and rapidly shifting geopolitical environment. We supported the Prime Minister's international engagement to promote Australia's social, economic and security interests globally and in our region. Travel restrictions continued to affect international travel; however, PM&C continued to provide enabling services and high-quality briefings for the Prime Minister to maintain engagement with foreign counterparts including support for official overseas visits, virtual engagements and Guest of Government visits – in all a total of 32 international engagements were held during 2021–22.

To achieve this, we worked closely with state and territory governments, the Department of Foreign Affairs and Trade, the Department of Home Affairs, the Department of Defence and National Cabinet, to ensure a whole-of-nation approach to national security issues. Additionally, we continued to provide high-quality briefings that balance long-term strategic considerations with immediate issues to support the Secretaries Committee on National Security, and the Cabinet and its committees, including the National Security Committee of Cabinet.

Purpose 5: Governing well

PM&C achieved all performance measures under this purpose by providing support to the Prime Minister, the Cabinet, portfolio ministers, the executive branch of government and the APS enterprise by scrutinising new policy proposals to comply with existing legislation and identify areas of significant risk.

Hand-in-hand with the Secretaries Board, we continued to progress reforms designed to build a cohesive and adaptive enterprise that meets the changing needs and expectations of Australians, while ensuring the enterprise remains fit for purpose.

Purpose 6: Preparing well to respond to critical issues

PM&C achieved all performance measures under this purpose. Purpose 6 was added to the Corporate Plan 2020–24 to highlight PM&C's convening role in supporting the Government and the Australian community during emergency and crisis events. We continued to build on this in the 2021–25 Corporate Plan. In 2021–22 we further enhanced rapid response capabilities by establishing robust governance arrangements and on-call functions to direct resources and drive capability across the APS. This work ensures taskforces and cross-cutting policy teams dealing with specific issues affecting economic prosperity, social cohesion and national security have appropriate architectures and infrastructure in place, comply with governance principles, are fit for purpose and are connected with the right enabling services to get the job done.

During the reporting period, this work supported a shared understanding of the current Australian Government crisis management arrangements, including ministerial roles and responsibilities and key coordination mechanisms. These mechanisms supported preparedness activities, as well as whole-of-government and national coordination (including industry engagement) in response to crises related to COVID-19 supply chain management; freight and food supply; temporary accommodation; AdBlue diesel exhaust fluid; Supermarket Taskforce operations; and severe weather in Queensland and New South Wales.



Performance results by key activity

The following pages present the evidence and data collated to support the Department's record of achievement against the 22 performance measures in the 2021–25 Corporate Plan.

Key activity 1 Informed and impactful advice

Result: Achieved

Rationale

PM&C plays a key role in supporting informed decision making by ensuring the Prime Minister, the Cabinet and our portfolio ministers are provided with timely advice that is supported by data, takes a whole-of-government perspective and incorporates the views of a diverse range of stakeholders. We measure our success by evaluating how well we meet these objectives and meet the needs of our stakeholders.



Intended result 1.1: PM&C provides quality and timely advice to inform the Prime Minister's and the Cabinet's decision-making **Achieved**

Analysis of achievement against the key activity and intended result

PM&C achieved all 3 performance measures under key activity 1 and intended result 1.1 by providing quality and timely advice to inform the Prime Minister's and the Cabinet's decision-making. We delivered influential and impartial advice that improved the lives of all Australians through judgement, excellence and collaboration, and by focusing on the big picture. We supported this advice with data, and provided a whole-of-government perspective that incorporated the views of a diverse range of stakeholders including from the APS enterprise, industry, academia, community groups and foreign counterparts. We worked closely with other agencies to bring together advice that reflected a whole-of-government position and took account of the full range of social, economic and security equities. The quality of the advice and support PM&C provided to the Prime Minister was evidenced by the highly positive response of external stakeholders surveyed. By delivering high-quality and timely advice to stakeholders, PM&C ensured complex policy and advice was developed consultatively and reflected Government priorities and the interests of the Australian people.

Performance measure	Target	Result
1.1.1 Number of ministerial briefs submitted to support decision making	Not applicable	Achieved 2,064 briefs submitted to support decision-making

Analysis of achievement against the performance measure

Providing influential and impartial advice is at the core of what PM&C does. Our advice is informed and timely, leveraging off our networks and a whole-of-government perspective. Our advice is also succinct, clear and practical. To put it simply, our advice supports the Prime Minister, the Cabinet and portfolio ministers to achieve quality outcomes.

We have used the Parliamentary Document Management System (PDMS) data on the number of ministerial briefs prepared to support decision-making during the 2021–22 reporting period. This figure and supporting case studies referenced below further demonstrate that the provision of effective advice is our core business. We have also provided a case study to demonstrate the variety and effectiveness of our ministerial briefs.

For the period 1 July 2021 to 30 June 2022, the Ministerial and Parliamentary Support Branch coordinated and quality assured 2,064 ministerial briefs and submissions. Additionally, the Department used a variety of other briefing mechanisms to provide advice and support decision making. This included live issues briefs, Senate Estimates briefs and committee inquiry briefs.

The case studies below provide some examples of how the quality of our briefings to the Prime Minister, the Cabinet and portfolio ministers supports decision-making.

Targets were not appropriate due to fluctuations in the nature and complexity of briefs in any given year. In order to assess performance and apply a result rating of achieved, performance was assessed by reviewing the reported outcome in conjunction with the analysis and case studies to determine if it met the requirements of the performance measure, intended result and key activity. Taking the totality of the reported outcome and supporting evidence into consideration, a result rating of achieved is appropriate and a fair reflection of the Department's performance against this performance measure and intended result 1.1 for the reporting period.

Responding to the critical shortage of AdBlue (addresses 1.1.1 and 3.1.1)

CASE STUDY

In late 2021 and early 2022, Australia faced a critical shortage of AdBlue – an essential additive for modern diesel vehicles. The shortage would have halted a significant proportion of Australia’s trucking fleet and the transport of essential goods.

To avoid this, the Australian Government, in collaboration with industry, moved quickly to source additional supplies of technical grade urea (TGU), which is an essential input into AdBlue. PM&C’s Office of Supply Chain Resilience quickly established working relationships with Australian AdBlue manufacturers and trucking companies to understand the extent of the shortage in Australia.

As the shortage developed, government and industry effectively worked together to find alternative international supplies, secure short-term domestically manufactured supplies and distribute stock across the country to minimise localised shortages.

PM&C, coordinating with the lead agency, provided regular and effective whole-of-government advice to the Prime Minister and the Cabinet at critical junctures to support decision-making. Our early industry consultation, economic and strategic analysis and cross-government engagement enabled us to provide critical, timely advice on the scale and significance of the TGU shortage, as well as an understanding of domestic supply and demand. This information contributed to the quality and timeliness of advice to inform the Prime Minister’s and the Cabinet’s decision-making.

The Department’s early industry and cross-government engagement informed both government and industry of the scale and impact of the shortage through regular meetings and briefings. Quick and concerted effort by government and industry helped avert a serious crisis, which would have had widespread impacts on the Australian economy and community. For example, a shortage of AdBlue would have halted a large proportion of Australia’s trucking fleet, directly impacting the transportation of critical goods across the country.

Through concerted efforts to respond to the critical shortage of AdBlue, we demonstrated the ability to provide informed and impactful advice (performance measure 1.1.1), and to collaborate, communicate and engage with key stakeholders (performance measure 4.1.3) to provide a whole-of-government response (performance measure 3.1.1).

Supporting the Government to get the nation vaccinated (addresses 1.1.1)

CASE STUDY

During the 2021–22 reporting period, there were global shortages of COVID-19 vaccine supply and slow uptake of vaccines in Australia in the context of extended lockdowns across Victoria, New South Wales and the Australian Capital Territory. PM&C supported the Prime Minister by developing timely advice and providing a whole-of-nation overview of Australia's COVID-19 vaccine rollout, with a focus on prioritising Australians at highest risk.

PM&C collaborated with other Commonwealth departments to ensure Australia's vaccine rollout remained flexible, fit for purpose and highly responsive to the evolving epidemiological environment. We provided regular briefings to support the Prime Minister and sought assurances and commitment on means to encourage COVID-19 vaccine uptake. This ensured high levels of protection and enabled the timely reopening of the country.

As part of this work, PM&C focused on aged care and disability care; First Nations people; culturally and linguistically diverse communities; and Australians in rural and remote areas. Regular engagement with states and territories through forums such as the First Secretaries Group and the First Deputies Group allowed for prompt information sharing, and a nationally consistent vaccine rollout, where possible.

The Prime Minister had access to the most up-to-date information and advice to help inform the rapid decision-making required at the time. PM&C's informed and impactful advice supported the Prime Minister in making critical decisions on COVID-19 vaccines, which have resulted in Australia becoming one of the most highly vaccinated countries in the world, allowing many COVID-19 public health measures to be removed.

Performance measure	Target	Result
1.1.2 Proportion of stakeholders satisfied with quality of advice received	Baseline to be developed	Achieved 83% satisfied

Analysis of achievement against the performance measure

We strive for high levels of stakeholder satisfaction with the quality and timeliness of our advice. The aim is to provide advice that is accurate, succinct and clear. This positions us to assist the Prime Minister, the Cabinet and portfolio ministers, and our APS counterparts with the Government’s most complex and strategic priorities.

PM&C conducts an annual external stakeholder satisfaction survey to assess the level of satisfaction with the quality and timeliness of our advice. The survey assesses the quality (including timeliness as an indicator of quality) of our advice against the key activities and strategic priorities identified in the 2021–25 Corporate Plan. These results are supported with individual interviews with an independently selected sample of respondents.

As the 2021–25 Corporate Plan did not have targets to report against, a satisfaction rating greater than 65 per cent has resulted in an achieved rating against the performance measure. Overall, ministerial stakeholders were very satisfied with the quality of advice and support they had received from PM&C over the past 12 months. Our results showed that PM&C worked to ensure a broad range of stakeholders from across government were included in policy formulation and advice processes.

Most stakeholders felt that our advice continued to be of a high quality; however, the impact of higher than normal turnover of staff following the COVID-19 pandemic – was reflected in stakeholder feedback collected through in-depth interviews.

Performance measure	Target	Result
1.1.3 Critical data sources engaged to underpin advice	Use of data informs effective and fast decision making	Achieved The use of data informed effective and fast decision making

Analysis of achievement against the performance measure and target

It is important that the advice we provide is high quality, evidence based and underpinned by the best available data. When this is combined with expertise and experience, we are able to assess and manage Government priorities, risks and sensitivities and work with stakeholders to deliver the Government’s outcomes.

Case studies have been used to demonstrate achievement against this performance measure. The case studies demonstrate the breadth of our advice, and the different ways we use data and expertise to support the Prime Minister, the Cabinet and portfolio ministers in decision-making.

Critical data sources were used to underpin advice across a range of Government priorities on topics of interest. Our case studies focus on a small selection of the work that we do, which is underpinned by data, and demonstrate our ability to provide real-time reporting to support decisions and inform the public about key matters of interest. This was most notable during the COVID-19 pandemic. They also demonstrate our ability to work with external agencies to access up-to-date data with which we can assess and evaluate various policy topics. The case studies demonstrate that the Department has achieved against this performance measure.

Real-time reporting to the Prime Minister's Office on COVID-19 (addresses 1.1.3)

CASE STUDY

In 2021, the COVID-19 pandemic entered its second year in Australia, which saw severe outbreaks during the Delta wave in particular. Delivering the COVID-19 vaccine was a key Government objective, as easing restrictions under the National Plan to Transition Australia's National COVID-19 Response (the National Plan) relied on hitting critical vaccination coverage thresholds.

PM&C provided real-time data and reporting to the Prime Minister's Office on the state of COVID-19 outbreaks, and the progress of the vaccine rollout. The Department delivered 10+ reports daily to the Prime Minister and his office on the speed and composition of the vaccine rollout and the Delta variant outbreak.

To do this, the Department utilised deep expertise in data analysis and software development practices to ensure its end-to-end workflow was robust, fast and flexible. This work was enabled by access to data obtained through close collaboration between PM&C and other agencies, particularly the Department of Health.

Reporting on the vaccine rollout was fused with information on state and territory health measures, the status of domestic and international borders, and economic activity to provide the Prime Minister, the Cabinet and the Prime Minister's Office with a complete picture of the status and impacts of the COVID-19 pandemic in Australia.

Due to the Department's real-time reporting, the Prime Minister, the Cabinet and the Prime Minister's Office had up-to-the-minute data on the status of the COVID-19 pandemic and the vaccine rollout. This information was critical in preparations for National Cabinet meetings and decision-making with regard to the easing of restrictions, and moving through the phases of the National Plan.

Refer to 'Monitoring implementation of Government initiatives' case study on page 40 (addresses 1.1.3 and 2.1.1).

Refer to 'Automatic Mutual Recognition of Occupational Registrations scheme implementation' case study on page 48 (addresses 1.1.3 and 3.1.1)



Key activity 2

Helping our partner agencies to deliver on Government priorities

Result: Achieved

Rationale

We serve the Prime Minister, who is responsible for the delivery of Government priorities. In support of this, PM&C uses a range of mechanisms to help our partner agencies to succeed and ensure Government policies, programs and decisions are successfully implemented. We established processes to track implementation of Government priorities and report progress to the Prime Minister and his office. We also built strong reciprocal relationships across the APS enterprise, used our convening power to support projects to stay on track and delivered successfully for the Australian community. We measure the success of this activity through stakeholder satisfaction.

Intended result 2.1: PM&C effectively monitors and reports progress on the delivery of Government priorities **Achieved**

Analysis of achievement against the key activity and intended result

PM&C achieved both performance measures under key activity 2 and intended result 2.1 by helping our partner agencies to deliver Government priorities through monitoring and reporting activities. PM&C played a central role in supporting the Prime Minister, who is invested in all areas of policy and delivery as the leader of the Australian Government. We do this by collaborating with and supporting the APS to:

- focus on what is and will become important to Australia
- promote a whole-of-government and whole-of-nation perspective – we join the dots, balance priorities and bring a big-picture perspective
- navigate core government reporting processes
- act quickly to seize opportunities or intervene if things are going off track
- drive change.

Over 2021–22, PM&C undertook work to ensure effective prioritisation and implementation of Government priorities that support short-term and medium-term responses while we continue to build longer-term capabilities and solutions. This work was critical as the APS navigated the caretaker period in the lead-up to the 2022 Federal Election, particularly as agencies prepared for a new or returning government.

Performance measure	Target	Result
2.1.1 Proportion of ministerial stakeholders satisfied with the level of monitoring and reporting on Government priorities	Baseline to be developed	Achieved 75% satisfied

Analysis of achievement against the performance measure

At PM&C, we serve the Prime Minister and the Cabinet, as the focal point of Government decision-making. We do this by understanding the Government’s priorities and focusing on what is and what will become important to Australia. We build strong reciprocal relationships with our partner agencies, which enable us to innovate and act quickly to seize opportunities, intervene if things are going off track, and drive change from the centre when needed. This enables us to provide timely, succinct and practical updates to the Government, so that they remain informed and able to support the Australian community and our national and international partners when called upon to do so.

Our annual stakeholder satisfaction survey is used to measure ministerial stakeholder satisfaction with the Department’s effectiveness in monitoring and reporting Government priorities. Case studies have also been used to demonstrate the nature of the monitoring and reporting activities undertaken by the Department.

In terms of helping our partner agencies to deliver on Government priorities, 75 per cent of ministerial stakeholders surveyed were satisfied with PM&C’s overall performance regarding monitoring and reporting of progress. This suggests that the level of monitoring and reporting activity underway is meeting the needs of the Prime Minister, the Cabinet and portfolio ministers.

As the 2021–25 Corporate Plan did not have targets to report against, a satisfaction rating of 65 per cent or higher has resulted in an achieved rating against the performance measure.

Gender balance on Australian Government boards (addresses 2.1.1)

CASE STUDY

In 2016, the Government committed to a target of women holding 50 per cent of Australian Government board positions overall, and 40 per cent of positions at the individual board level. PM&C's Office for Women supports the Government's efforts to reach its targets for gender diversity on boards, through tracking the number of women on the boards and achieving public accountability through transparent reports.

PM&C worked in collaborative partnership with other departments in December 2021 and in June 2022 to support them in completing their gender balance on Government boards reporting. We used 2020–21 data received from departments to prepare the annual public Gender Balance on Australian Government Boards Report, reporting on the Government's performance against its gender diversity targets.

Research shows that more women in leadership positions leads to better outcomes, partly because boards can draw on a greater range of lived experience and skills in their decision-making. Consistent collection of data on gender balance on government boards allows the Government and individual departments to monitor their progress towards the gender diversity commitment.

The gender balance on Government boards data provides information at a whole-of-government level, and departmental level, allowing us to provide advice to departments and ministers about which portfolios need to accelerate their efforts towards gender-balanced boards.

The gender balance on Government boards reporting has mapped the progress towards the Government's commitment around gender diversity. The Government was able to meet its gender diversity on boards target for the first time in December 2021.

PM&C delivered figures on the gender balance on Government boards to the Minister for Women in a timely fashion after both reporting periods, and published the annual public report on the PM&C website on 3 December 2021.

As at 31 December 2021, women held 50.2 per cent of positions on Government boards, and 40 per cent of chair and deputy chair positions. PM&C is regularly consulted by other departments and within PM&C on board appointments. We use data on gender balance on Government boards to guide our advice.

Monitoring implementation of Government initiatives (addresses 1.1.3 and 2.1.1)

CASE STUDY

Over the past year, PM&C supported the implementation of Government priorities by monitoring and reporting on progress and working with the APS enterprise to ensure implementation of commitments remained on track, identifying and addressing any issues as they were identified. The Department provided regular briefings to the Prime Minister's Office and coordinated input and consultation with external agencies. We supported the Cabinet with written briefing materials, supported by advice from other Government agencies and publicly available data, to inform their understanding of policy implementation issues and risks.

The Department provided strategic oversight of the implementation of Government initiatives and consideration of selected policies to pinpoint implementation blockages or risks. We provided guidance to, and coordinated with, external agencies to ensure that issues and materials considered by the Cabinet were accurate, honest, and up-front about potential risks to implementation and delivery of public commitments, using regularly updated implementation data provided by Government agencies on selected policy topics. These consultations ensured that the Prime Minister and relevant ministers had easy access to accurate information for their decision-making.

The Government benefited from relevant and up-front information articulated around issues and risks requiring the focus and attention of decision-makers. This ultimately benefited the public by helping to ensure the implementation of policies and initiatives.

PM&C's support to the Cabinet on implementation directly aligns with the Department's purpose of supporting the Prime Minister, as the head of the Australian Government, the Cabinet and portfolio ministers. In coordinating and providing advice, PM&C supported the Prime Minister's engagement with the Cabinet and portfolio ministers.

Performance measure	Target	Result
2.1.2 Proportion of APS enterprise stakeholders that perceive a 'value add' resulting from PM&C's monitoring, reporting and understanding of the Prime Minister's priorities	Baseline to be developed	Achieved 65% satisfied

Analysis of achievement against the performance measure

At PM&C our role is to influence what matters and work with the APS enterprise to join the dots, balance priorities and bring a big-picture perspective. Through our monitoring activities and our understanding of Government priorities, we can help our partners respond flexibly to changing demands. At the same time, through our reporting activities we are able to keep the Government informed on the progress of key commitments.

Our annual stakeholder satisfaction survey is used to measure the proportion of APS enterprise stakeholders who perceive that PM&C provided a 'value add' through our monitoring and reporting activities, and our understanding of the Prime Minister's priorities. This is used to demonstrate our effectiveness at monitoring and reporting.

Overall, 65 per cent of APS enterprise stakeholders indicated that PM&C provided additional value through regular monitoring, reporting and providing an understanding of the Prime Minister's priorities. Feedback from some stakeholders indicated monitoring and reporting could be enhanced by simplifying the monitoring and reporting process, and receiving feedback on the reporting to help close the loop.

It should be noted that stakeholder feedback highlighted that the term 'value add' used in the performance measure was not well defined and made it difficult to answer the question. This feedback will be reviewed and, if appropriate, our survey mechanism will be updated for the 2022–23 reporting period.

As the 2021–25 Corporate Plan did not have targets to report against, a satisfaction rating of 65 per cent or higher has resulted in an achieved rating against the performance measure.

Supporting the Government's Indo-Pacific agenda (addresses 2.1.2)

CASE STUDY

Australia's security and prosperity depend on a stable Indo-Pacific. PM&C played a key role in working across agencies to deliver the Government's Indo-Pacific agenda. We worked with the Prime Minister's Office and across government to ensure consistent implementation of the Government's Indo-Pacific agenda, in line with the Prime Minister's priorities.

This included advice and support to the Prime Minister and his office; supporting the Prime Minister's engagements with international counterparts including international travel; and briefing for meetings of the Cabinet and its committees, including the National Security Committee of Cabinet.

The Department maintained close relationships with other APS central and line agencies, particularly the Department of Foreign Affairs and Trade, the Department of Defence and the Treasury, and provided coordinated and authoritative policy advice to government.

We supported the Government as it deepened bilateral relationships in the Pacific and Southeast Asia. During this period the Quad was elevated to its first in-person leader-level meeting in September 2021, and Australia built broader global relationships to support the rules-based order to deliver for the national interest.


For example, in the reporting period, Australia agreed to establish comprehensive strategic partnerships with the Association of Southeast Asian Nations (ASEAN) and the Republic of Korea. We supported the former Prime Minister's travel to the United States for the Quad Leaders' Summit in September 2021, and to attend the G20 and COP26 conference in October–November 2021.

The Department supported the new Prime Minister's highly successful travel to Tokyo for the Quad Leaders' Summit 2 days after the election, then a 2-city visit to Indonesia and a later trip to Spain for the NATO Leaders' Summit in June 2022.

Australia's international relationships have been strengthened, as has the willingness of partners to work with us in pursuit of shared regional and global interests.

The Australian Government is better placed to respond to an increasingly challenging outlook in the Indo-Pacific.





Key activity 3

Coordination and support for national and international agendas

Result: Achieved

Rationale

PM&C plays an important role in driving a whole-of-government and whole-of-nation approach at both a national and international level. In doing so, we collaborate closely with state and territory governments, and foreign counterparts to develop national and international frameworks that enhance Australia's interests. We evaluate this key activity through a collection of measures that describes the deliverables we have supported in pursuit of national and international outcomes and the extent to which our stakeholders are satisfied with our efforts.



Intended result 3.1: PM&C effectively supports, coordinates and develops a national approach to support the delivery of Government priorities

Achieved

Analysis of achievement against the key activity and intended result

PM&C achieved all performance measures under key activity 3 and intended result 3.1 by coordinating and providing support to partner agencies for national and international agendas. This included effectively supporting, coordinating and developing a national approach to the delivery of Government priorities. It also included bringing together experts from across and beyond the Public Service to work on matters of priority for the Prime Minister and the Cabinet, including through taskforces. We do this by:

- helping others succeed and deliver in alignment with Government priorities, by providing guidance on difficult issues and the decision-making environment
 - consulting widely with other agencies, governments, communities, civil society and the private sector
 - using our convening power to ensure relevant input and diverse perspectives are brought into the decision-making process
 - maintaining close, but independent, relationships with the Prime Minister's Office and portfolio ministers' offices.
-

Performance measure	Target	Result
3.1.1 Number of national plans and responses delivered	Not applicable	Achieved 13 national plans and responses delivered

Analysis of achievement against the performance measure

During the reporting period, we supported the government of the day and our partner agencies to develop and implement national plans and responses to the issues that matter. Through this work, we promoted a whole-of-government and whole-of-nation perspective. Through partnership, we built strong reciprocal relationships that enabled us to work with the APS enterprise, state and territory governments, and national and international jurisdictions to progress key Government commitments such as the National Strategy to Prevent and Respond to Child Sexual Abuse 2021–2030, which was launched on 27 October 2021, and the Blueprint for Critical Technologies and its accompanying action plan, which were launched on 17 November 2021.

During the reporting period, PM&C delivered (launched) 13 national plans and responses that we were responsible for leading, in collaboration with our APS, state and territory counterparts. The national plans and responses in scope for this performance measure include:

- the Australian Data Strategy
- the Nationally Consistent Framework for Measuring Progress of Women’s Economic Security
- the National Framework for Managing COVID-19 in Schools and Early Childhood Education and Care
- the National Strategy to Prevent and Respond to Child Sexual Abuse 2021–2030
- the Australian G20 Policy Agenda
- the Western Australian Maritime Issue with regard to COVID-19
- the Digital Economy Strategy 2022 Update
- the Deregulation Agenda including the Automatic Mutual Recognition of Occupational Registrations scheme implementation
- the national response to the critical shortage of AdBlue
- the National Plan to Transition Australia’s National COVID-19 Response
- the Blueprint and Action Plan for Critical Technologies
- the establishment of AUKUS, an enhanced trilateral security partnership with the United Kingdom and the United States
- Quad Leaders’ Summits in Washington DC and Tokyo.

Performance measure	Target	Result
3.1.1 Number of national plans and responses delivered	Not applicable	Achieved 13 national plans and responses delivered

Targets were not appropriate due to fluctuations in the nature and complexity of plans and responses in any given year. In order to assess performance and apply a result rating of achieved, performance was assessed by reviewing the reported outcome in conjunction with the analysis and case studies to determine if it met the requirements of the performance measure, intended result and key activity.

National plans and responses were defined as any plan or response that supported the delivery of a key Government priority that addressed a whole-of-nation or whole-of-government issue, either domestically or internationally. National plans are typically developed and implemented in collaboration with state and territory governments, APS colleagues, relevant stakeholders and/or international partners. PM&C's role included either leading or supporting the development and/or implementation of a national plan or response.

In assessing performance against this measure, divisions were asked to identify and report the total number of national plans within their span of control at the half-year and end-of-year performance reporting points. After identifying the total number of national plans and taking supporting evidence into consideration, a result rating of achieved is an appropriate and fair reflection of the Department's performance against this measure and intended result 3.1 for the reporting period.

Automatic Mutual Recognition of Occupational Registrations scheme implementation (addresses 1.1.3 and 3.1.1)

CASE STUDY

In December 2020, National Cabinet agreed to implement the Automatic Mutual Recognition of Occupational Registrations (AMR) scheme to make it easier for registered and licensed workers to work across state and territory borders. AMR is estimated to lead to an additional \$2.4 billion in economic activity over 10 years because of savings to people and businesses, productivity improvements and extra surge capacity in response to natural disasters. Over 168,000 people are expected to benefit each year from these changes, including 44,000 people who will work interstate and would not otherwise have done so.

Adopting a national approach, PM&C established the AMR Commonwealth-State Steering Group (CSSG), made up of senior officials from all jurisdictions, to support states and territories with adoption and administration of the new arrangements. PM&C reviewed draft state legislation, provided material to support parliamentary processes (including submissions to state parliamentary inquiries), developed a user guide to ensure consistent administration of the scheme, and developed a monitoring and evaluation framework underpinned by a national data collection standard to support continuous improvement.

AMR came into effect on 1 July 2021 and is now in place for a range of occupations in all states and territories except Queensland, making it easier for licensed workers to access job opportunities and fill skills shortages across Australia. The scheme has also enhanced intrastate and interstate regulator engagement, leading to more consistent and efficient administration of mutual recognition within and across states. It has also led some state and territory regulators to review licensing arrangements with a view to further reducing regulatory burden. On 1 July 2022, the scheme was available to around 100 occupations.

In November 2021, drawing on state and territory AMR implementation data, PM&C provided its first AMR implementation report to the Council on Federal Financial Relations (CFFR). CFFR concluded that implementation of the AMR scheme remained on track, and agreed that the CSSG should explore further AMR policy options to support labour mobility, employment and productivity growth. This scheme demonstrates the use of critical data sources to underpin informed and impactful advice – and our ability to effectively coordinate and support a national approach to a key Government priority.

Launch of the National Strategy to Prevent and Respond to Child Sexual Abuse 2021–2030

CASE STUDY

On 27 October 2021, the then Prime Minister launched the National Strategy to Prevent and Respond to Child Sexual Abuse 2021–2030 (the National Strategy). Responsible agencies are now implementing the National Strategy's First National Action Plan and Commonwealth Action Plan.

PM&C worked to deliver the National Strategy within agreed timeframes to the satisfaction of the Prime Minister, the Assistant Minister to the Prime Minister and Cabinet, and key stakeholders.

The National Office for Child Safety continue to lead the implementation of the National Strategy in collaboration with Commonwealth agencies, state and territory governments and non-government stakeholders.

During the period PM&C, through the National Office for Child Safety, established a number of governance and consultation mechanisms to support the implementation of the National Strategy, including:

- the National Strategy Advisory Group
- the National Clinical Reference Group
- Monitoring and Evaluation Framework Co-Design Working Group
- an interjurisdictional Senior Oversight Group
- an interjurisdictional Strategic Management Group
- officer-level interjurisdictional working groups
- a Commonwealth National Strategy Policy Working Group
- a Commonwealth Interdepartmental Executive Group.

The National Strategy was developed in partnership between the Commonwealth, state and territory governments, and in consultation with hundreds of stakeholders. A diverse range of non-government stakeholders were consulted, including victims and survivors of child sexual abuse and their advocates, children and young people, Aboriginal and Torres Strait Islander people, and people with disability and their advocates.

In partnership with the National Office for Child Safety (who as of 1 July 2022 sit within the Attorney-General's Department) and other lead agencies, PM&C will support continued work to progress the implementation of measures under the National Strategy.

National Strategy governance arrangements support stakeholder engagement, as well as whole-of-government alignment and decision-making.

These arrangements strengthen the implementation of measures under the National Strategy's First National Action Plan and Commonwealth Action Plan, and support the development of subsequent action plans.

Refer to 'Supporting the National Cabinet' case study on page 83 (addresses 3.1.1 and 5.2.1)

Performance measure	Target	Result
3.1.2 Proportion of key stakeholders satisfied with the coordination and support provided by PM&C in the delivery of national plans and responses	Baseline to be developed	Achieved 67% satisfied

Analysis of achievement against the performance measure

During the reporting period, PM&C effectively supported and coordinated the delivery of national plans and responses. In doing so, we assist agencies so they do not duplicate effort or focus their efforts in the wrong areas.

The best way to assess the effectiveness of our efforts is through stakeholder satisfaction. Using the Department’s annual external stakeholder satisfaction survey, we assessed external and ministerial stakeholder satisfaction with the coordination and support provided to deliver national plans and responses.

The survey questions were aligned with our 6 purposes and strategic priorities in the 2020–21 Corporate Plan. Across the 6 purposes measured, an average of 67 per cent of external stakeholders felt that PM&C worked effectively to coordinate and support the delivery of national plans and responses.

Overall, our stakeholders were satisfied with PM&C’s support and coordination efforts. General feedback indicated that stakeholders would be interested to receive more progress updates on national plans and responses in relation to their work and the bigger picture.

It should be noted that, feedback from our independent survey provider indicated that the mapping of survey questions to strategic priorities added a layer of complexity to our reporting. It is possible that this has made questions relating to performance measure 3.1.2 difficult for participants to answer and this may have contributed to the lower than anticipated satisfaction rating. We will review this information and, if appropriate, make changes to our survey framework for the 2022–23 reporting period.

As the 2021–25 Corporate Plan did not have targets to report against, a satisfaction rating of 65 per cent or higher has resulted in an achieved rating against the performance measure.

Intended result 3.2: PM&C effectively coordinates and supports the Prime Minister's and portfolio ministers' international engagements to promote Australia's interests

Achieved

Analysis of achievement against the key activity and intended result

PM&C achieved 3 performance measures and are on track to achieve one measure over the forward estimates under key activity 3 and intended result 3.2 by effectively coordinating and supporting the Prime Minister's and portfolio ministers' international engagements to promote Australia's interests and deepen cooperation between Australia and other nations. We achieved this by providing high-quality operational support in the planning, coordination and delivery of the Prime Minister's visits, virtual engagements and state occasions within a complex COVID-19 environment. To accomplish this, risk assessments, COVID-safe practices, comprehensive procedures and multifaceted quarantine arrangements and COVID-19 regimes were created, implemented and managed. This enabled the program to be delivered efficiently and demonstrated logistical proficiency. We also tracked the Prime Minister's commitments to foreign leaders, and supported the Minister for Women to engage with her international counterparts and partners on women's safety, economic security, leadership and other international issues.

Performance measure	Target	Result
3.2.1 Number of Prime Minister's overseas visits, virtual engagements and Guest of Government visits delivered	Not applicable	Achieved 32 overseas visits, virtual engagements and Guest of Government visits delivered

Analysis of achievement against the performance measure

One of our core functions is to serve the Prime Minister by working with the Prime Minister's Office to provide operational support for important overseas visits within required timeframes. These visits enable the Prime Minister to participate in multilateral forums and to further enhance Australia's bilateral relationships.

To measure our performance in this area, we collect data through our international visits and engagements tracker. This tool allows us to track the number of overseas visits, virtual engagements and Guest of Government visits during the reporting period.

In 2021–22, the Prime Minister undertook a number of important overseas visits to participate in multilateral forums to further enhance Australia's bilateral relationships. There continued to be a focus on virtual engagements given that the COVID-19 pandemic restricted international borders and international travel, limiting Guest of Government visits.

To accomplish this, we continued to implement and manage risk assessments, COVID-safe practices and comprehensive procedures. This enabled the program to be delivered efficiently and demonstrated logistical proficiency.

PM&C supported a total of 5 prime ministerial overseas visits to 8 nations over 27 days. We also delivered the incoming Guest of Government program, which included:

- a visit by the President of the Republic of Korea
- ministerial-level visits from the United Kingdom, the Republic of Lithuania, the United States of America, Japan and the Republic of India.

During the reporting period we also managed 18 bilateral or multilateral virtual engagements, including with Heads of Government and Heads of State. The virtual engagements achieved their aim of deepening cooperation between Australia and other nations during a time of travel restrictions. Furthermore, we delivered events for the Prime Minister including:

- a Christmas 2021 reception in Canberra
- a morning tea for Australian of the Year Finalists 2022 in Canberra
- the Queen's Platinum Jubilee beacon lighting in Canberra
- a ceremony marking the renaming of Aspen Island to Queen Elizabeth Island.

Key stakeholders provided positive feedback on the quality of service that the Department delivered in managing these visits, events and virtual engagements. This indicates a high degree of satisfaction with the Department's activities.

Visit to the United States of America for the Quad Leaders' Summit (addresses 3.1.1, 3.2.1 and 3.2.4)

CASE STUDY

Prime Minister Morrison visited the United States from 20 to 26 September 2021. This trip included travelling to New York to meet with the President of the United States and other leaders, and then to Washington for the Quad Leaders' Summit.

PM&C coordinated a whole-of-government effort to deliver visit outcomes and high-quality comprehensive briefings and logistics to support the Prime Minister's visit. The Department led collaboration across key agencies for the planning and logistics for the visit, with a very short lead time. New York was added to the program at short notice before Prime Minister Morrison's departure from Australia.

In New York, Prime Minister Morrison held his first bilateral meeting with the President of the United States, met with other leaders and signed an Arrangement on Strategic Cooperation with Australia.



In Washington, Prime Minister Morrison attended the first in-person Quad Leaders' Summit with Japan, India and the United States; and met separately with the Prime Ministers of Japan, India and the United Kingdom, the Vice President of the United States, senior United States government officials, and United States Congressional leaders. He also participated in a virtual Pacific Islands Forum Leaders' meeting.

The visit was an example of strong collaboration across PM&C and the whole-of-government on policy, planning, logistics and briefing to enable the delivery of a range of high-profile prime ministerial commitments. Comments from the Prime Minister's Office highlighted the Department's work towards the success of the visit.

Through the delivery of high-quality advice and logistics, the Prime Minister was supported to effectively pursue Australia's national security agenda and a strengthened relationship with Quad countries. The visit generated significant media coverage in both Australia and the United States.

Photo: His Excellency Yoshihide Suga, Prime Minister of Japan; the Hon Mr Narendra Modi, Prime Minister of India; the Hon Joseph Biden, President of the United States of America; and the Hon Scott Morrison MP, Prime Minister of Australia – The Quad Leaders' Summit, the White House, 24 September 2021.

Photo credit: Adam Taylor

Refer to 'State Visit by the President of the Republic of Korea' case study on page 60 (addresses 3.2.1, 3.2.2 and 3.2.4)

Performance measure	Target	Result
3.2.2 Proportion of Prime Minister's commitments to foreign leaders implemented or significantly progressed	Baseline to be developed	On track

Analysis of achievement against the performance measure

During the reporting period, PM&C supported the Prime Minister to deliver on key international policy priorities, including announcements and early implementation of agreements and key strategic partnerships over the forward estimates. This included announcement and commencement of cooperation under the AUKUS partnership, and comprehensive strategic partnerships with ASEAN and the Republic of Korea. The Department delivered effective policy and logistic support for the visit of the Republic of Korea's President Moon to Australia – the first Guest of Government visit by a foreign leader since the start of the COVID-19 pandemic.

PM&C also supported the Prime Minister's travel to the United States for the Quad Leaders' Summit in September 2021, and attendance at the G20 and COP26 in October–November 2021, including briefings and outcomes for a range of side meetings to promote Australia's interests and commitments. We also helped the Prime Minister lead on Australia's priorities and commitments in the Pacific, including the PNG–Australia Annual Leaders' Dialogue in December 2021, and ongoing engagement with Solomon Islands Prime Minister Sogavare and other Pacific leaders to coordinate the Pacific family response to unrest in Solomon Islands.

Following the May 2022 election, we supported the new Prime Minister's highly successful travel to Tokyo 2 days after the election for the Quad Leaders' Summit, then a 2-city visit to Indonesia and a later trip to the NATO Leaders' Summit in Spain.

Refer to 'State Visit by the President of the Republic of Korea' case study on page 60 (addresses 3.2.1, 3.2.2 and 3.2.4)

Performance measure	Target	Result
3.2.3 Proportion of key stakeholders satisfied with quality of support provided by PM&C to support the Minister for Women at international forums	Baseline to be developed	Achieved 100% satisfied

Analysis of achievement against the performance measure

During the reporting period we worked with the Minister for Women and her office to promote Australia’s interest and deepen cooperation between Australia and other nations as it pertains to women’s safety, economic security, leadership and other international issues. We did this by providing support for the Minister’s participation in international engagements (virtual and overseas) and forums.

We demonstrated our achievement against this measure by using the Department’s annual external stakeholder satisfaction survey and a pre-selected case study to demonstrate the quality of our support to deliver effective outcomes.

Overall, ministerial stakeholders were satisfied with PM&C’s overall performance regarding the quality of support provided over the past 12 months to the Minister for Women at international forums. The Department worked tirelessly to support the Minister and her office, and it was noted that we were responsive, timely and dependable. PM&C’s passion and desire to make a difference was also remarked upon.

As the 2021–25 Corporate Plan did not have targets to report against, a satisfaction rating of 65 per cent or higher has resulted in an achieved rating against the performance measure.

Global advocacy for gender equality and empowerment of women (addresses 3.2.3)

CASE STUDY

For the 66th session of the Commission on the Status of Women, held in March 2022, PM&C supported the Minister for Women to deliver Australia's national statement virtually, and to open Australia's virtual side event, 'Voices from the Pacific: Highlighting the Powerful Role of Women's Action and Leadership in Disaster Risk Reduction and Climate Change Adaptation and Resilience Building'.

Australia's national statement highlighted priorities on gender equality, and the intersection with climate change and disaster risk reduction. Working alongside Australian officials in New York, Australia's virtual delegation ensured the text negotiated at the Commission reflected continued progress on gender norms.

Australia reinforced its priorities through joining statements by the Pacific Islands Forum, the LGBTI Core Group, the Group of Friends for the Elimination of Violence Against Women and the Mexico–Indonesia–South Korea–Turkey–Australia group, and 2 statements on Ukraine.

Australia's delegation – comprising First Assistant Secretary, Office for Women, Kaylene Zakharoff; Ambassador for Women and Girls, Christine Clarke CSC; Sex Discrimination Commissioner, Kate Jenkins; Director of the Workplace Gender Equality Agency, Mary Wooldridge; and Australia's Ambassador and Permanent Representative to the United Nations, Mitch Fifield – were active across the program of virtual side events. Australia co-hosted and/or spoke at 10 events, reaching a broad audience, including across civil society.

Australia's national statements and side event highlighted both the disproportionate impact of climate change and disasters on women and girls, and the importance of women's leadership in preparing for and responding to these phenomena. Australia's side event was well attended, and helped to focus discussion on the Indo-Pacific region.

PM&C worked closely with civil society representatives, and used shared knowledge to strengthen Australia's position in text negotiations. Australia's engagement was a success. We supported the Minister for Women and the Australian delegation to demonstrate Australia's leadership on gender equality and women's empowerment, highlight Pacific voices and ensure the final negotiated text reflected Australia's priorities.

Performance measure	Target	Result
3.2.4 Proportion of key stakeholders satisfied with the coordination and support provided by PM&C for the Prime Minister's international engagements	Baseline to be developed	Achieved 90% satisfied*

Analysis of achievement against the performance measure

One of our core functions is to support the Prime Minister's engagement with international stakeholders. We achieved this by working with the Prime Minister's Office to support important overseas visits, deliver on international policy priorities, create announcements and implement agreements and key strategic partnerships. We also supported the Prime Minister's ongoing engagement in multilateral fora, including at the G20, APEC, the Organisation for Economic Co-operation and Development (OECD), the International Monetary Fund, and the G7 when invited. In addition to tracking the number of visits (3.2.1) and the proportion of commitments implemented (3.2.2), we must also understand how effectively we are supporting the Prime Minister to promote Australia's interests, to support Australia's engagement in multilateral institutions and to deepen cooperation between Australia and other nations.

We measure this using the Department's annual external stakeholder satisfaction survey. Our stakeholders' feedback is vital to ensure we are meeting our targets, carrying out our mission and continually improving. We also demonstrate our performance through a selection of case studies which identify the breadth and variety of international engagements and how they supported effective outcomes.

Survey questions relating to performance measure 3.2.4 were provided to both external stakeholders and ministerial-level stakeholders.

*The average result from both stakeholder groups was 90 per cent. This figure was calculated and rounded to the closest whole percentage.

Overall, ministerial and external stakeholders were very satisfied with PM&C's performance in relation to the coordination and support provided for the Prime Minister's international engagements.

As the 2021–25 Corporate Plan did not have targets to report against, a satisfaction rating of 65 per cent or higher has resulted in an achieved rating against the performance measure.

Refer to 'Visit to the United States of America for the Quad Leaders Summit' case study on page 54 (addresses 3.1.1, 3.2.1 and 3.2.4)

State Visit by the President of the Republic of Korea (addresses 3.2.1, 3.2.2 and 3.2.4)

CASE STUDY

His Excellency Moon Jae-in, President of the Republic of Korea, and Mrs Kim Jung-sook, visited Canberra and Sydney from 12 to 15 December 2021. This was the first visit to Australia of the President and the First Lady. PM&C coordinated the State Visit.

PM&C led collaboration across the whole-of-government in the planning and logistics of the State Visit in relation to the activities of the Governor-General and the Prime Minister, as well as supporting the visiting delegation and travelling media. Strict COVID-19 response measures impacted on the program. We worked closely with state and territory governments to ensure the visit was safe and successful.



The Republic of Korea is one of Australia's closest partners in the region, and the visit marked the 60th anniversary of diplomatic relations between the 2 countries. It provided the ideal opportunity to elevate the relationship to a Comprehensive Strategic Partnership and to further deepen the bilateral relationship, supported by a range of agreements and initiatives across government.

We provided high-quality operational and logistical support to deliver the State Visit. This was an example of strong collaboration and coordination across the Department and the Commonwealth, and with state and territory governments for this visit. Messages and formal letters of thanks received from key stakeholders indicated their high level of satisfaction with the Department's work.

The visit, which generated significant media coverage, achieved its aim of deepening cooperation between Australia and Korea.

Photo: Mrs Kim Jung-sook; His Excellency Moon Jae-in, President of the Republic of Korea; His Excellency General the Hon David Hurley AC DSC (Retd), Governor-General of Australia; and Her Excellency Mrs Linda Hurley – Government House, Canberra, 13 December 2021.

Credit: Auspic

Intended result 3.3: PM&C deploys rapid response to critical issues**Achieved**

Analysis of achievement against the key activity and intended result

PM&C achieved all performance measures under key activity 3 and intended result 3.3 by establishing robust governance arrangements and on-call response functions within appropriate resourcing, and driving whole-of-government emergency management response architectures.

Performance measure	Target	Result
3.3.1 Annual review of the Australian Government Crisis Management Framework to ensure it remains fit for purpose, especially ahead of each high risk weather season	Annual review and update	Achieved The Australian Government Crisis Management Framework was reviewed and updated, with version 3.1 released in December 2021

Analysis of achievement against the performance measure and target

During the reporting period PM&C was responsible for consulting on, reviewing and updating the Australian Government Crisis Management Framework to ensure it remains fit for purpose, especially ahead of each high-risk weather season.

We measure this by ensuring we undertake an annual review of the Australian Government Crisis Management Framework in consultation with relevant stakeholders and update it in accordance with all processes and procedures. The Prime Minister also endorses all updates before they are published. We keep track of the number of crises per year that require a coordinated national response.

During the reporting period, the Australian Government Crisis Management Framework was reviewed twice, with version 3.0 released in July 2021 and Version 3.1 released in December 2021. These reviews aligned the framework with machinery-of-government changes and responses to the recommendations from the Royal Commission into National Natural Disaster Arrangements. This was a significant review and ensured the framework supported a shared understanding of the current Australian Government crisis management arrangements, including ministerial roles, responsibilities and key coordination mechanisms.

These mechanisms supported preparedness activities, as well as whole-of-government and national coordination (including industry engagement) in response to crises. We reported 6 crises during the reporting period, relating to:

- COVID-19 related supply chain management issues
 - freight and food supply
 - temporary accommodation
 - AdBlue diesel exhaust fluid
 - Supermarket Taskforce operations
 - severe weather in Queensland and New South Wales.
-

Performance measure	Target	Result
3.3.2 Number of taskforces, bodies and functions stood up	Not applicable	Achieved 8 taskforces, bodies and functions stood up

Analysis of achievement against the performance measure

Taskforces have become a dynamic method of achieving outcomes across the APS, particularly in PM&C. They are regularly established within the Department to meet emerging or high-profile government priorities. Navigating the complexities of setting up a new taskforce can be confusing and time consuming, requiring resources from many areas across government. At PM&C, we established a central coordination function in early 2021 to deliver a consistent and streamlined approach to support incoming taskforce executives and facilitate good governance and compliance with legislative obligations.

We measure this by capturing information on taskforce alerts and support provided in the Department’s taskforce tracker. This information is supplemented by a case study to demonstrate the variety of taskforces, bodies and functions established, stakeholder satisfaction, and how we contributed to effective government outcomes.

Since July 2021, we have assisted with the establishment of 8 taskforces within PM&C. In addition, ongoing support was offered to taskforces that were established prior to this reporting year, or are in the process of winding down. Support includes coordinating workshops with key enabling services to establish a taskforce; embedding corporate officers within taskforces (such as the Clean Energy Supply Chain Taskforce and the Jenkins Report Taskforce); managing on-boarding of staff; providing practical support for crucial procurements; and other collaborative troubleshooting for unanticipated requirements. Stakeholders, including senior executives leading taskforces, have provided informal feedback indicating a high level of satisfaction with the newly established function. Additionally, taskforce establishment scored well in the internal stakeholder survey of corporate and ministerial services, with 82 per cent of responses indicating positive feedback. Refer to performance measure 5.4.1 for more information on the internal stakeholder survey.

Included in the 8 taskforces was the establishment and management of the 2022 MoG Taskforce dealing with machinery-of-government changes, which is currently coordinating the transitioning out of PM&C several specific policy functions identified in the June 2022 Administrative Arrangements Order to 6 receiving agencies.

Taskforce support (addresses 3.3.2)

CASE STUDY

Taskforces, bodies and functions are regularly established within PM&C to meet emerging or high-profile Government priorities. Some are short term (3–6 months) and some longer term (1–3 years), but all require dedicated focus due to varying timescales, business requirements and resourcing. Teams within PM&C, and across the APS more broadly, collaborate closely to provide support to the taskforce during set up and with ongoing operations. The nature of the set-up and closure of taskforces can lead to inefficient and uncoordinated processes and duplication of effort. Centralising the knowledge of the key enabling support functions provided by the Chief Operating Officer Group in PM&C has resulted in a more efficient and effective service to all areas involved.

The Department provides a ‘one stop shop’ for new taskforces, bodies and functions within PM&C to facilitate streamlined access to key enabling services for seamless taskforce ‘start-up’ and ‘wind-down’. The role of this function is also to facilitate good governance practice in line with PM&C policies and to promote compliance with legislative obligations.

During the 2021–22 reporting year, PM&C provided assistance and advice to establish 8 new taskforces. This is in addition to support provided to a number of taskforces in varying stages of start-up and wind-down of operations, a number of which were impacted by post-election machinery-of-government announcements of their transition out of PM&C. We leveraged digital solutions to further refine and simplify taskforce establishment and wind-up, and will continue work on accessible toolkits for future needs.


The function mitigates several strategic and operational risks to PM&C, and is in line with Australian National Audit Office and internal audit health check recommendations that good governance of taskforces is a key requirement for accountability.

Consultation across PM&C enabling services teams has indicated strong support for this central coordination function, as it is anticipated to ease pressure and workload in relation to new taskforce requests.

Taskforces that have received assistance from the centralised function have provided favourable feedback in relation to the benefits of the function. Key benefits have been more efficient, coordinated enabling services provided to PM&C thereby delivering Government priorities through:

- availability of repeatable established processes and templates
- provision of tailored/facilitated guidance through known 'sticking points'
- facilitation of connections between key PM&C enabling and taskforce stakeholders
- secondments of dedicated staff from the function to embed within taskforces for critical tasks.

Informal feedback from stakeholders has been consistently positive, with recognition that this is a much-needed initiative.

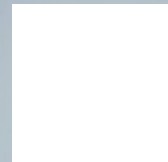


Key activity 4 Collaborate, communicate, engage

Result: Achieved

Rationale

Our measures evaluate the support we provide to the Prime Minister and portfolio ministers to engage with the community. It also captures the key stakeholder engagement activities undertaken as part of our everyday work. Effective collaboration and engagement is an important aspect in delivery against the other four key activities.



Intended result 4.1: PM&C effectively communicates and engages with key stakeholders and the Australian community **Achieved**

Analysis of achievement against the key activity and intended result

PM&C achieved all performance measures under key activity 4 and intended result 4.1 by communicating and engaging effectively with our stakeholders and the Australian community. Communicating and engaging with others requires skill and expertise, as well as a deep understanding of audiences. PM&C helps deliver the Department's priorities through:

- timely provision of responses to ministerial correspondence
 - provision of key messages and speeches to the Australian community
 - strategic communication strategies, advice and insight
 - stakeholder engagement activities.
-



Performance measure	Target	Result
4.1.1 Proportion of incoming ministerial correspondence triaged and assigned for appropriate action within five working days	95%	Achieved 95%

Analysis of achievement against the performance measure and target

The Prime Minister and portfolio ministers place a very high level of importance on correspondence. Correspondence is a key way for ministers to engage with the public, their colleagues and their counterparts. Therefore, it is essential that the Department responds to items of correspondence in a timely manner.

To measure the effectiveness with which we manage ministerial correspondence, we run regular reports in the Parliamentary Document Management System to determine the proportion of incoming correspondence that has been triaged and assigned for appropriate action within 5 business days. This is governed by the Department’s briefing and correspondence guidelines, which include information on triaging, drafting rules, ministerial preferences, clearances and timeframes.

For the period 1 July 2021 to 30 June 2022, 134,970 items of correspondence were received and triaged by the Department. Of these items, 127,780 (95 per cent) were triaged and assigned for appropriate action within the target of 5 working days. The remaining 7,190 (5 per cent) were triaged and assigned for appropriate action after 5 working days.

The target was met despite the surges in correspondence at particular points which aligned with various stages of the COVID-19 pandemic and other matters of public interest. For example, when restrictions were imposed as a result of COVID-19, including by state and territory governments, a surge in correspondence to the Prime Minister ensued. The volume of incoming ministerial correspondence, and the timing of the surges, is entirely unpredictable.

Development of a Power BI tool to undertake a thematic analysis of incoming correspondence (addresses 4.1.1)

CASE STUDY

Power BI (Business Intelligence) is a data visualisation software product. PM&C is currently developing a tool using artificial intelligence (AI) to analyse and report on the themes of incoming ministerial correspondence, which will allow us to enhance our anticipation and rapid response capabilities. We are implementing a Power BI cloud solution and have assigned developers to design the thematic analysis tools. We are also working to design new Power BI reports that leverage the new thematic analysis tools, and to integrate the thematic analysis and AI capability into the existing ministerial product reports.

The primary benefit to the Prime Minister and the Department of this solution, will be more robust and in-depth reporting and analysis on correspondence. This will enable a higher degree of responsiveness and the identification of emerging policy issues. Within the Department, this data will also have the benefit of refining business processes and enabling a more proactive approach to identifying and actioning emerging themes while triaging and managing correspondence.

Throughout the 2021–22 financial year a number of thematic topics emerged including vaccination, COVID-19, climate change, the Ukraine conflict, and the Afghanistan withdrawal.

Once this tool is fully developed and released, the impact of the project will be that the Prime Minister's Office and the Department will have rich, detailed information on correspondence themes, provided through an up-to-date reporting solution that enables and informs decision-making.

This project is currently at the point of a delivered proof of concept, and the AI solution is still being trained to identify themes. The Department is in the process of developing a minimum viable product version of the new reporting solution that integrates the AI solution.

Performance measure	Target	Result
4.1.2 Number of speeches prepared for the Prime Minister that deliver key messages to the Australian community	Not applicable	Achieved 421

Analysis of achievement against the performance measure

PM&C supports the Prime Minister and portfolio ministers through the preparation of speeches and key messages (on request) so that they can effectively communicate and engage with the Australian community. For the Prime Minister’s keynote speeches and other particularly significant speeches, we shape a big-picture narrative, in consultation with the Prime Minister’s Office and other key stakeholders.

We measure our performance against this measure by collecting information on the number of keynote speeches and key messages we prepared on request for the Prime Minister. We have supplemented this figure with a case study that demonstrates the breadth and variety of speeches and subject matter presented at local, state, national and international forums.

During the reporting period, PM&C prepared 160 speeches, 194 written messages and 67 video messages for the Prime Minister that delivered key messages to the Australian community. Commensurate with the reduction in numbers of public engagements and events, there was a reduction in the number of speeches and messages prepared during the period.

Targets were not appropriate due to fluctuations in the nature and complexity of the policy environment in any given year. In order to assess performance and apply a result rating of achieved, performance was assessed by reviewing the number of speeches prepared during the 2021–22 reporting period in conjunction with the analysis and case studies to determine if it met the requirements of the performance measure, intended result and key activity. Taking the totality of the reported outcome and supporting evidence into consideration, a results rating of achieved is appropriate and a fair reflection of the Department’s performance against this measure and intended result 4.1 for the reporting period.

Prime Minister's address to the Special Session of the Organisation for Economic Co-operation and Development (OECD) Council, Paris, 30 June 2022 (addresses 4.1.2)

CASE STUDY

The Prime Minister, the Hon Anthony Albanese MP, gave his first formal address to an international body in Paris, at the Special Session of the OECD Council. The Department was asked to prepare a draft speech with a broad scope of content including economic, foreign, climate and energy policy.

In consultation with the relevant stakeholders, PM&C prepared a draft that aimed to capture the policy intent as well as the rhetorical and personal style of the new Prime Minister. This involved close study of his previous speeches and election commitments, combined with thoughtful interpretation and expression of policy language, facts, and figures provided by the line areas. The final stages of the process were a rigorous fact check, and clearance by the Deputy Secretary.

The Prime Minister's team were provided with a well-informed, well-crafted and carefully reviewed draft which the Prime Minister and his close advisers could then refine and finesse in the approach to the event in Paris. According to media reports, the speech was well received by the OECD audience and by a broader international audience. The Prime Minister gave a clear and persuasive articulation of his agenda, particularly on climate change, that has inspired confidence among Australia's international peers and partners.

In helping to prepare this speech, PM&C supported the Prime Minister, in the very early weeks of his prime ministership, to very directly advance his national and international policy agenda on the world stage. The Prime Minister referred to his participation at the OECD as a 'terrific opportunity'.

Performance measure	Target	Result
4.1.3 Number of stakeholder engagement activities	Not applicable	Achieved 562 stakeholder engagement activities

Analysis of achievement against the performance measure

For PM&C, a central agency that touches every point of public policy, successful stakeholder engagement is critical. Engagement with stakeholders is something we do often; however, to add value it must be strategic and have a clear purpose or outcome for:

- more productive working relationships based on trust and focused on mutual goals and benefits to the community
- better policy advice for the Prime Minister, the Cabinet and portfolio ministers
- sound policy implementation and program delivery giving Government policies the best chance of success
- increased understanding of community issues that assists in developing better partnerships and networks for effective policy and program delivery.

We measure the output of our stakeholder engagement activity by collecting a data snapshot of the numbers and types of stakeholder engagement activities undertaken during the reporting period. We have supplemented this number with several case studies to demonstrate the breadth, variety and effectiveness of our engagement activity and the models of delivery.

During the reporting period we identified some challenges with the definition of stakeholder engagement activities. This made it difficult for us to consistently and completely collect data for this performance measure. Steps are being taken to resolve these challenges ahead of the 2022–26 Corporate Plan.

Targets were not appropriate due to fluctuations in the nature and complexity of the policy environment in any given year. In order to assess performance and apply a result rating of achieved, performance was assessed by reviewing the number of stakeholder engagement activities undertaken during the 2021–22 reporting period in conjunction with the analysis and case studies to determine if it met the requirements of the performance measure, intended result and key activity. Taking the totality of the reported outcome and supporting evidence into consideration, a result rating of achieved is appropriate and a fair reflection of the Department's performance against this measure and intended result 4.1 for the reporting period.

Sharing data safely for public benefit (addresses 4.1.3)

CASE STUDY

The *Data Availability and Transparency Act 2022* came into effect in April 2022. It establishes a new, best practice scheme for sharing Australian Government data, underpinned by strong safeguards and consistent, efficient processes. The Act aims to increase the availability and use of public data to deliver public benefit – better government services, policies and programs, as well as research and innovation.

This world-class, transformative legislation was informed by extensive engagement led by the Office of the National Data Commissioner gathering input from parliamentarians, government agencies, researchers and academics, privacy advocates and others in the community. Our approach was guided by the motto 'listen, learn and adapt'. Commencing in 2018 we:

- consulted publicly on an issues paper, a discussion paper and an exposure draft of the legislation, receiving 275 submissions
- ran 76 roundtables and 2 public webinars.

The legislation was also reviewed by the Senate Scrutiny of Bills Committee, the Parliamentary Joint Committee on Human Rights, and the Senate Finance and Public Administration Legislation Committee.

We adapted the legislation to pick up the ideas we had heard – to further bolster privacy and national security protections, change the role of the National Data Commissioner to include education rather than advocacy, elevate accreditation requirements into the Bill from delegated legislation, focus participation, and introduce a mandatory 3 year review as well as a five year sunset clause.

These amendments strengthened the scheme and paved the way for the passage of the legislation through the Australian Parliament in March 2022 with bipartisan support.

Secretaries' Strategic Security Committee (addresses 4.1.3)

CASE STUDY

Australia is facing its most challenging and complex strategic environment since World War II, with contemporary threats no longer confined to any single domain or policy area. This has elevated the need for a cross-portfolio and whole-of-government response to national security challenges.

In response, PM&C established the Secretaries' Strategic Security Committee (3SC) in July 2021, to raise the profile of national security challenges across government portfolios and foster stronger ties among departmental and agency heads.

As permanent convener, PM&C brings together the members of the 3SC on a quarterly basis. The committee met 4 times in 2021–22. Its members include 14 Commonwealth Secretaries, the Commissioner of the Australian Public Service, the Chief of the Australian Defence Force and leaders from the National Intelligence Community. PM&C provides secretariat support and coordinates across the APS to identify novel security issues for deep examination by the committee.

The 3SC benefits the Australian community by enhancing Government's capacity to understand, manage and develop solutions to wide-ranging national security threats, and has shaped and refined the Government's strategic policy prioritisation through building national security awareness across non-traditional security agencies, while also recognising the economic and social impacts of national security issues from an early stage in policy development.

The 3SC ensures streamlined dissemination of national security information across the Government and integrates intelligence analysis into strategic policy discussions to better mobilise resources. Through the 3SC, PM&C continues to bring together government leaders to consider national security threats in a linked up, cohesive manner, improving the quality of advice provided to the Prime Minister and the Cabinet.

By growing the pool of national security stakeholders across government and fostering strategic national security discussions inclusive of economic and social concerns, PM&C has enhanced Australia's ability to effectively manage its complex security landscape.

Futures thinking with the National Security College (addresses 4.1.3)

CASE STUDY

The Secretaries' Futures Scenario Exercise forum challenges senior Commonwealth policy makers on emerging issues that pose risks to Australia's long-term economic security and social security in the coming decades. Through the forum, PM&C and the National Security College jointly workshop emerging strategic risks and shape these into challenging future complex policy scenarios.

Following a review of the inaugural Secretaries' Futures Scenario Exercise activity in 2020, PM&C established a long-term partnership with the Australian National University's National Security College on multiple scenario development engagements.

We worked in partnership with the National Security College to identify emerging strategic challenges that posed the greatest risks to Australia's prosperity over the longer term. This included multiple engagements with the private and public sectors. A hierarchy of exercises culminating in the Secretaries event was key in rigorously testing the ultimate scenarios.

The benefits of this forum were only partly realised. Due to COVID-19 disruptions, the Secretaries-level exercise could not be held. However, we were able to proceed with the Deputy Secretaries exercise. Nonetheless, the quality of the discussion between Deputy Secretaries, many of whom are potential future Secretaries, combined with their feedback on the scenario – on the topic of the future national workforce – will shape their thinking moving forward and assist in further refinement of the eventual Secretaries event.

This program influenced the thinking of senior APS leaders on priority challenges for government as the decade unfolds. The National Security College's scenario development activities were robust and received good verbal feedback, and will contribute to long-term strategic risk management and policy preparedness.

While we were only able to host the Deputy Secretaries event and had to defer the Secretaries event, we were still able to expose senior APS officials to future risks and, as a result, will be able to present an even stronger Secretaries scenario exercise later in 2022.

National Data Sharing Work Program (addresses 4.1.3)

CASE STUDY

On 9 July, National Cabinet agreed to the Intergovernmental Agreement on Data Sharing (IGA). The IGA was developed by Data and Digital Ministers to support better sharing of data across jurisdictions. PM&C supported Data and Digital Ministers to implement the IGA through the establishment of the National Data Sharing Work Program.

PM&C co-designed the National Data Sharing Work Program with the states and territories to develop priority data sharing projects and deliver reforms to improve cross-jurisdictional data sharing. Working closely with other Commonwealth agencies and the states and territories, PM&C gained national support for data sharing priorities and system reform initiatives.

PM&C guided project delivery groups to scope projects and design outputs, and took action to resolve long-standing data sharing barriers. The Data Sharing Work Program achieved positive data sharing outcomes and built stronger mechanisms for future data sharing. Establishing consistent data sharing enables improved government service delivery and assists in solving complex national policy issues that cannot be addressed when data remains siloed within governments.

PM&C built strong partnerships and networks with data practitioners across all governments, which fostered a transition to sharing data across jurisdictions by default rather than by exception.

A review of the Data Sharing Work Program identified a number of early achievements in data sharing, including a road safety data sharing agreement and data sharing to support service delivery for veterans; and a number of system reforms, including data sharing guidance resources. Opportunities for future data sharing have also been identified, including on family, domestic and sexual violence and to support Closing the Gap.

The Data Sharing Work Program has started to build a culture of and improved processes for data sharing across governments to enable better outcomes for all Australians. It has secured Data and Digital Ministers' agreement on the intended end state for data sharing which can be pursued in future work programs.





Key activity 5 Deliver

Result: Achieved

Rationale

PM&C is directly responsible for delivering a range of Australian Government programs. We also support the Cabinet as the focal point of government decision making and assist our Secretary who has a stewardship role as Head of the APS. We deliver well-coordinated corporate and enabling services that support our business operations and that of our portfolio agencies. In measuring the impact of this activity, we primarily assess stakeholder satisfaction with our efforts and volume of output.



Intended result 5.1: PM&C delivers the Women’s Leadership and Development Program

Achieved

Analysis of achievement against the key activity and intended result

PM&C achieved against key activity 5 and intended result 5.1. The Office for Women successfully delivered the Women’s Leadership and Development Program (WLDP) in 2021–22 by funding a diverse range of projects that support women in Australia and assisting those projects to achieve meaningful outcomes under their grant agreements.

Performance measure	Target	Result
5.1.1 Number of projects funded that support Australian women	Not applicable	Achieved 95 projects funded

Analysis of achievement against the performance measure

We are committed to improving the overall economic security, workforce participation, leadership representation and safety outcomes for women in Australia. Projects include national activities, and activities targeted to particular regions or working with particular groups of women, including Aboriginal and Torres Strait Islander women, culturally and linguistically diverse women, women with disability, and women living in regional, rural and remote areas.

To assess our performance against this measure we refer to data from our grants management system to report on the number of projects funded that support Australian women. We have supplemented this figure with a case study that demonstrates how the projects we fund contribute to effective outcomes.

In 2021–22, there were 95 active grant agreements (including National Women’s Alliances). The majority of projects focus on boosting women’s employment opportunities, particularly in traditionally male-dominated sectors such as construction, science, technology, engineering and mathematics, aviation and coding. A number of projects support women moving into leadership positions, with a strong focus on mentoring and governance training, as well as leadership placements on boards and committees.

During 2021–22, PM&C used open competitive grants processes to establish new grant agreements with 6 National Women’s Alliances and 10 new projects. We also conducted the Lead and Succeed open competitive grant round, seeking projects that deliver intersectional, tailored, culturally appropriate responses addressing the multiple forms of structural and systemic disadvantage and inequality experienced by many women in Australia. Outcomes from the round will be finalised in 2022–23.

Acknowledging the outcomes achieved to date and interest in the project, PM&C varied its grant agreement with the Financial Planning Association of Australia to continue the Scholarships for Women in Finance and Economics program to 2023–24.

The majority of WLDP projects are in early phases of operation and are starting to achieve promising results. Despite challenges due to COVID-19, projects have pivoted well and, with the support of PM&C, achieved positive outcomes for women in Australia.

PM&C will continue to work closely with grantees and partners across government to ensure WLDP delivers meaningful outcomes for women. This includes ensuring all aspects of the program are compliant with the Commonwealth Grant Rules and Guidelines and best practice, as well as supporting grantees to ensure their projects are contributing to the Government’s gender equality priorities.

Targets were not appropriate due to fluctuations in the nature and complexity of projects in any given year. In order to assess performance and apply a result rating of achieved, performance was assessed by reviewing the reported number of WLDP projects approved by Government and funded within the 2021–22 reporting period in conjunction with the analysis and case studies to determine if it met the requirements of the performance measure, intended result and key activity. Taking the totality of the reported outcome and supporting evidence into consideration, a result rating of achieved is appropriate and a fair reflection of the Department’s performance against this measure and intended result 5.1 for the reporting period.

Scholarships for Women in Finance and Economics program (addresses 5.1.1)

CASE STUDY

There is a 29.5 per cent gender pay gap in the financial and insurance services industry – the second largest of all industries. To address this, the 2018 Women's Economic Security Statement committed to encourage more women to study accounting, business, finance and economics, or to renew, upskill or refresh their skills in these areas. In response to this, the Department provided funding from the Women's Leadership and Development Program to a suitably qualified organisation to deliver scholarships to increase women's representation in finance and economics.

The Department conducted a competitive grant round in 2020 and selected the Financial Planning Association of Australia (FPA) to deliver the Scholarships for Women in Finance and Economics program. We have worked in partnership with the Community Grants Hub to support FPA to deliver these grants in line with best practice governance standards. Ministerial approval to increase funding for the program was provided in April 2022, allowing FPA to continue the program to 2023–24, given the significant demand for the program and the outcomes achieved to date.

Increasing women's representation in traditionally male-dominated fields, including finance and economics, has the potential to impact lifetime earnings for women, as well as driving flow-on positive family and social outcomes.

The additional funding will enable more women to receive scholarships to study accounting, business, finance and economics, or to renew, upskill or refresh their skills in these areas. Overall implementation of the project is on track. As at 30 June 2022, 246 women have been awarded scholarships.

An evaluation of the project due on 30 April 2024 will detail its outcomes and achievements.

We have supported FPA's project delivery by providing regular guidance on compliance and performance, to ensure that the project delivers outcomes and value consistent with the objectives of the Women's Leadership and Development Program.

Intended result 5.2: PM&C effectively supports Cabinet and committees **Achieved**

Analysis of achievement against the key activity and intended results

PM&C achieved against key activity 5 and intended result 5.2, by providing high-quality support to the Cabinet and its committees. In 2021–22 we supported the Cabinet, the focal point of government decision-making, by:

- understanding how government works – in particular the Cabinet process, the Budget cycle, the legislative process, machinery-of-government changes, caretaker rules for election periods, and the major structures of intergovernmental relations domestically and internationally
 - negotiating effectively to bring to bear our expertise in government processes and priorities, knowledge of good policy development, and understanding of subject matter to achieve quality outcomes
 - providing timely, succinct and practical advice with clear recommendations and guidance on how to achieve outcomes, mitigate risks and manage sensitivities
 - helping agencies to navigate Cabinet and its committees to achieve quality outcomes.
-

Performance measure	Target	Result
5.2.1 Proportion of stakeholders satisfied with support to the Cabinet and its Committees	Baseline to be developed	Achieved 94% satisfied

Analysis of achievement against the performance measure

To ensure the Cabinet and Cabinet committees are focusing on what matters most to the Government, PM&C works closely with the Cabinet Secretary to manage the Cabinet and Cabinet committee forecast. We also work closely with other departments to ensure items prepared for consideration are of the highest quality and comply with their authority to come forward.

We measure the effectiveness of our support to the Cabinet and its committees using the annual external stakeholder survey, linking the relevant questions to our purposes and strategic priorities.

Overall, ministerial and external stakeholders were extremely satisfied with PM&C's performance in providing support to the Cabinet and its committees. Stakeholders provided a satisfaction rating of 94 per cent and feedback that PM&C provided great support to ministers, and collaborated well with agencies to work through the priorities of the Cabinet and its committees.

As the 2021–25 Corporate Plan did not set targets to report against, a satisfaction rating of 65 per cent or higher has resulted in an achieved rating for this performance measure.

Supporting the National Cabinet (addresses 3.1.1 and 5.2.1)

CASE STUDY

During the 2021–22 reporting period, PM&C supported the Morrison Government to deliver 23 meetings of the National Cabinet and meetings of the National Cabinet Reform Committees, including the Council for Federal Financial Relations. In doing so, we demonstrated achievement against performance measures 3.1.1 and 5.2.1.

We delivered administrative and technological support, strategic advice and coordination of key documents within PM&C, the APS and the National Cabinet. We also enhanced communications with state and territory jurisdictions and key Commonwealth stakeholders through regular bi-lateral telecommunications aimed at understanding and responding to rapidly evolving scenarios and providing up-to-date information. We also developed fit-for-purpose reporting products, which further supported our stakeholders in their own meeting preparations.

These forums provided First Ministers, Treasurers and relevant portfolio ministers from states and territories with an opportunity to receive information on the national picture, and coordinate decision-making across jurisdictions. Our contribution reduced duplication of work and mutually supported the national effort to develop and support Australians through the National Plan to Transition Australia's National COVID-19 Response. During this time, the national response to the COVID-19 pandemic entered a new phase, maintaining health and safety while reopening borders, and addressing issues related to deferred health care.

Enabled by these processes, we were also able to support the National Cabinet to:

- consider ongoing COVID-19 responses (including vaccination boosters)
- agree to the Intergovernmental Agreement on Data Sharing
- agree to a Nationally Consistent Framework for Measuring Progress of Women's Economic Security
- endorse a final package of reforms for the post-2025 National Electricity Market
- endorse the National Mental Health and Suicide Prevention Agreement.

Throughout the reporting period, the frequency of meetings fluctuated to support decision-making and the implementation of measures across the country in response to surges of COVID-19. The Department was agile in its response and supported the additional meetings and requirements of stakeholders.

Intended result 5.3: PM&C contributes to the delivery of Government priorities through high quality policy projects using structured policy analysis, agile methodology and application of behavioural insights

Achieved**Analysis of achievement against the key activity and intended result**

PM&C achieved against key activity 5 and intended result 5.3, by delivering major projects and several other high-quality projects that contributed to a range of policy areas and Government priorities. Across the projects, we have conducted research and provided advice on how people interact with programs and policy issues, and designed and tested evidence-based solutions to complex policy problems.

Performance measure	Target	Result
5.3.1 Number of advisory and evaluation projects completed	Not applicable	Achieved 52 projects completed: <ul style="list-style-type: none">• 22 – behavioural economics• 30 – policy analysis

Analysis of achievement against the performance measure

At PM&C, we advance the wellbeing of Australians through the application and rigorous evaluation of behavioural insights to public policy and administration. In doing so, we build APS capability, provide advice to government, work collaboratively with partner agencies on design and delivery and conduct rigorous trials, and thereby contribute to a culture of evidence-based policy advice. We also provide small consultancy-style services that support APS agencies to deliver policy projects. We use a problem-solving methodology adapted from global management consulting firms to undertake rapid, iterative development of policy solutions.

We assess our performance against this performance measure by counting the number of advisory and evaluation projects completed as recorded in our project tracker. We support this figure with a case study that demonstrates how these projects deliver effective outcomes.

During the period, we supported several stakeholders and delivered 52 advisory and evaluation projects. The stakeholders included the Department of Health; the former Department of Education, Skills and Employment; the Australian Electoral Commission; the Organ and Tissue Authority; the Australian Financial Security Authority; the Australian Energy Regulator; the Department of Home Affairs; and the former Department of Industry, Science and Energy Resources.

We have worked with the Department of Health to improve the retention and completion rates of aged care students; understand the drivers of and barriers to taking up in-home aged care; inform updates to the Life Checks aging program; and improved the transparency of specialist medical services in private health.

Performance measure	Target	Result
5.3.1 Number of advisory and evaluation projects completed	Not applicable	Achieved 52 projects completed: <ul style="list-style-type: none"> • 22 – behavioural economics • 30 – policy analysis

Through our work, we have supported the former Department of Education, Skills and Employment to incentivise and attract high-quality teachers to the profession. We have also helped the Australian Electoral Commission develop effective communication for voters in COVID-19 quarantine; and we have supported the Department of Home Affairs in the design and testing of cyber security labels to help consumers make informed purchasing decisions.

In addition to large, formal advisory and evaluation projects, we conduct small ad hoc responses (such as providing visual policy communication, 1-page summaries for the Prime Minister to share internationally with counterparts, or fast-turnaround advisory work). The figure above does not include items such as small advisory/ad hoc projects (items of that scale number 40-50 a year).

During the period, the Department has leveraged our public sector leadership role to deliver high-quality policy projects using structured policy analysis and agile methodologies, while also uplifting the capability of the stakeholders we support. We effectively collaborated with our stakeholders to support the Government in driving action across a variety of policy priorities, including COVID-19, Closing the Gap, supporting the deregulation agenda, simplified trade and improving the wellbeing of Australians. Project stakeholders have provided highly positive feedback on the quality, innovation and timeliness of both the support and advice we provided.

Supporting quality initial teacher education (addresses 5.3.1)

CASE STUDY

Quality teachers help their students excel. In recent years, there has been a decline in the numbers of high-achieving young adults and university-educated mid-career professionals choosing teaching as a career. The Department assisted the Quality Initial Teacher Education Review by exploring what incentivises people to consider teaching.

We designed and ran an online survey containing a discrete choice experiment with 501 young high achievers and 1,432 mid-career professionals. The experiment quantified the relative importance of various incentives related to work and study, as well as teachers' starting and top pay rates. The incentives tested were based on behavioural science, what has been shown to be effective in previous research, and advice provided by the review.

The results from this provided evidence-based insights to the review on how we can incentivise the next generation of teachers. The Department's research contributed to and is featured in the review's final report *Next Steps: Report of the Quality Initial Teacher Education Review* and its recommendations.

We are continuing to support the Department of Education in understanding the challenges in the teaching profession. This work exemplifies PM&C's contribution to the delivery of a key Government priority – getting more quality teachers into classrooms. Our full research report is publicly available on the [PM&C website](#).

Intended result 5.4: PM&C delivers effective corporate and ministerial services to support and advance the work of the Prime Minister, the Cabinet, the Department and shared service stakeholders **Achieved**

Analysis of achievement against the key activity and intended result

PM&C achieved against key activity 5 and intended result 5.4, by delivering effective corporate and ministerial services to support and advance the work of the Prime Minister, the Cabinet and the Department. We did this by:

- recruiting (and developing) the best people, and valuing diverse experiences, perspectives and skills
- delivering exceptional and well-coordinated corporate and enabling services
- fostering an inclusive, flexible and supportive workplace culture that recognises the importance of wellbeing to sustained high performance.

PM&C is currently undertaking a review of our shared services arrangements. Due to this work we were unable to survey shared services stakeholders for this reporting period.

Performance measure	Target	Result
5.4.1 Proportion of stakeholders satisfied with the quality of corporate and ministerial services	Baseline to be developed	Achieved 79% satisfied

Analysis of achievement against the performance measure

At PM&C we support the Secretary who has a stewardship role as Head of the Australian Public Service, and our staff and shared services stakeholders by providing high-quality corporate, enabling and ministerial services.

We measure our performance using an independently run survey of all internal stakeholders to evaluate satisfaction. Due to a review of PM&C shared services arrangements, we were unable to survey shared services stakeholders for this reporting period using this survey. The survey is designed to compare performance across years; due to the state of flux caused by the shared services review, an unbiased comparison could not be achieved using this method. Instead, we have used records from meetings held during the reporting period with our shared services stakeholders as evidence of stakeholders' level of satisfaction. These records were discussed and agreed to by all working group members. At the end of the reporting period, these records indicated that there were no outstanding requests to be resolved and that we were meeting stakeholder expectations.

On average, 79 per cent of internal stakeholders rated the quality of corporate and ministerial services as good, similar to the average quality rating achieved in 2020 of 81 per cent, and up from 71 per cent in 2019. The average quality ratings have remained above the external benchmark of 65 per cent based on similar surveys conducted by the research company for similar APS and state-based organisations.

Of the 54 services measured, 19 had improved since 2020, 24 were broadly unchanged and 5 had declined. Six services were not comparable.

Overall our Ministerial Support Division performed very well, as did a number of People Branch services. The report provides several opportunities for improvement across the corporate and enabling services; however, considering the Department, like many other organisations, has been heavily affected by COVID-19, the overall results are pleasing.

As the 2021–25 Corporate Plan did not set targets to report against, a satisfaction rating of 65 per cent or higher has resulted in an achieved rating against the performance measure.

Intended result 5.5: PM&C drives public sector reform and continuous improvement**Achieved**

Analysis of achievement against the key activity and intended result

At PM&C we take a leading role in driving public sector reform and continuous improvement. We do this in partnership with our colleagues at the Australian Public Service Commission and throughout the broader APS. Through these partnerships, we have provided training opportunities that create a culture and environment where great policy practice can flourish. We have also built capability and implemented the Government's APS reform program to build a cohesive and adaptive enterprise that meets the changing needs and expectations of Australians.

Performance measure	Target	Result
5.5.1 Number of people trained to lift policy capability	Not applicable	Achieved 3,116 people trained to lift policy capability

Analysis of achievement against the performance measure

At PM&C, we are driving policy capability uplift, because just knowing what makes great policy advice is not enough anymore. We need to create an environment where policy practice can flourish. This foundation will support the APS enterprise to deliver great advice on policy, which is becoming increasingly complex and interrelated.

We measure our performance against this performance measure by providing the number of people trained in policy capability within the reporting period. This figure is supplemented by a case study that provides an example of the nature of the Delivering Great Policy training captured in the above results.

PM&C achieved this measure partly in cooperation with the APS Academy, which sits within the Australian Public Service Commission. The APS Academy began delivering policy capability training based on the Delivering Great Policy Advice model in October 2021. This series of training complements other capability modules offered by the APS Academy and is consistent with the APS reform agenda's efforts to improve the APS's ability to deliver Government priorities.

The Delivering Great Policy Advice model comprises 4 pillars: being clear on intent; being well informed; offering solutions that are practical to implement; and providing advice that is influential. The APS Policy Masters course is a pilot based on the Delivering Great Policy model, run in partnership with the APS Academy. It is a professional development program for experienced policy practitioners over a 6-month period involving executive-level staff from across the Public Service. The course helped to develop fundamental skills in evidence-based policy making and robust impact analysis, and targets those currently working on major policy changes.

Performance measure	Target	Result
5.5.1 Number of people trained to lift policy capability	Not applicable	Achieved 3,116 people trained to lift policy capability

Policy capability training was delivered through several different mechanisms, and included training for APS staff with varying policy expertise.

PM&C also focused on improving written and verbal communication; this training was delivered through the PM&C Corporate Training Calendar as part of the Nail the Brief initiative.

PM&C also provided training to more than 1,000 participants across the APS on the development of fundamental skills in evidence-based policy making and robust impact analysis. Training is tailored to policy officers at different experience levels, looking to build capacity in impact analysis and it targets those currently working on major policy changes. All participants in the training were surveyed, recording their satisfaction and views on its quality. Over 99 per cent of attendees said that the training had improved their knowledge of the Australian Government’s Regulatory Impact Analysis Framework, 93 per cent said the training was interactive and engaging and more than 93 per cent said they would recommend this training to others.

We also provided training offerings to build specialist skills within the APS around the use of behavioural insights and structured problem-solving and policy analysis based on individual stakeholder needs and work agendas.

The volume of our training offerings was driven by stakeholder and business need. The transition to working from home arrangements and the ongoing impact of the COVID-19 pandemic significantly affected the volume of work and our ability to deliver face-to-face training and workshops. We adapted accordingly so that we could continue to uplift policy capability and deliver against the performance measure.

Delivering Great Policy

CASE STUDY

The APS Reform Office within PM&C oversees a policy capability program, through designing and delivering a series of policy training offerings for the APS. The training is based on the Delivering Great Policy Advice model, which was developed through an extensive process of co-design.

In response to reviews identifying the need to strengthen APS policy capability, the Department co-designed and piloted a series of policy capability training activities in partnership with the APS Academy and learning and development teams in other agencies.

In 2021–22, we designed and piloted:

- 4 policy modules for early entrants and for staff new to policy
- a one-day program workshopping the barriers to policy advice for experienced policy practitioners
- a 6-month, cross-agency professional development program for around 40 Secretary-nominated policy officers
- a short workshop for policy teams on applying the Delivering Great Policy Advice framework to a policy challenge
- an e-learning training module providing an overview of Delivering Great Policy Advice.

The Department also worked in close partnership with the newly established APS Academy to embed these offerings as core curriculum in the Strategy, Policy and Evaluation Craft, and has worked with learning and development teams across the APS to roll out these offerings.

The Delivering Great Policy Advice program has helped to lift policy advice capability in individuals and teams, to support the delivery of rigorous and robust policy advice to the Government, with a clear line of sight to outcomes for Australians.

Practitioner-led training has contributed to high participant satisfaction rates and delivered strong outcomes for its applicability to participants' work.

PM&C leads on cross-portfolio matters, and supports the delivery of the Prime Minister's ambitious APS reform agenda. A key component of the Government's commitment to public sector reform is a reinvestment in the capacity and capability of the APS.

The Delivering Great Policy Advice program has helped drive policy capability uplift at all levels and in all portfolios across the APS. Its APS-wide footprint has supported greater cross-agency collaboration and sparked renewed emphasis on policy capability in each portfolio.

Since the commencement of program delivery in October 2021, over 385 APS staff across 14 agencies have participated in Delivering Great Policy Advice training. There has been high level of demand for the APS Academy's forward schedule of training sessions including Foundations and Level Up!

Performance measure	Target	Result
5.5.2 Number of APS reform initiatives delivered	There are positive trends for 80% of APS Reform overarching outcomes	Achieved Positive trends in 80% of APS Reform overarching outcomes

Analysis of achievement against the performance measure

APS reform is underway across the Public Service, building on the foundations of the 2019 Independent Review of the APS led by David Thodey AO (the Thodey Review). At PM&C, the APS Reform Office manages the implementation of the APS reform agenda. We work closely with the Secretaries Board, the Australian Public Service Commission, stakeholders and other government agencies to coordinate the APS reform agenda and support the implementation of reform.

We assess our performance against this measure by reporting on the number of APS reform initiatives delivered as identified in the APS Reform Office's internal implementation tracker. It must be noted that there was a misalignment between the wording of the performance measure and wording of the target in the 2021–25 Corporate Plan. Given this we have measured against the positive trends target, not the initiatives target. This will be resolved for the 2022–26 Corporate Plan.

PM&C (through the APS Reform Office) achieved this measure and its target. We collaborated with partners throughout the APS enterprise to progress key reform priorities and projects. These priorities built upon the recommendations of the 'Thodey Review'.

Performance measure	Target	Result
5.5.2 Number of APS reform initiatives delivered	There are positive trends for 80% of APS Reform overarching outcomes	Achieved Positive trends in 80% of APS Reform overarching outcomes

The APS Reform Office, together with the PM&C Secretary and the APS Commissioner, identified 5 outcomes to support an adaptive and iterative APS reform agenda. These outcomes have been used as the basis for reporting on progress against this measure. Through its role in supporting implementation of the APS reform agenda, PM&C assessed positive trends in 4 of the 5 outcomes. They are:

- **Delivering for Australians:** Australians as citizens, in communities and businesses are satisfied, trusting and engaged with our high-performing public services. Examples of contributing activities include applying data insights to improve citizen experience with services and developing new approaches that strengthen the APS's engagement with businesses.
- **Responsive to today's challenges:** The APS is adaptive and responsive in delivering Government priorities. Examples of contributing activities include embedding the APS Surge Reserve and increasing the level of collaboration on cross-portfolio policy challenges.
- **Flexible and capable:** The APS possesses the skills, flexibility and leadership required to deliver outcomes within the enterprise. Examples of contributing activities include the success of the APS Academy and the completion of a review of the APS Hierarchy and Classification.
- **One APS enterprise:** The APS possesses the shared platforms and approaches required to perform as a single enterprise. Examples of contributing activities include improved oversight and coordination of digital investments and more strategic decisions decided at an enterprise-wide (rather than agency-specific) level.

APS reform in 2022–23 and beyond will be organised around a different set of outcomes. However, it is anticipated work will still contribute to the fifth outcome from 2021–22 – Prepared for the future – to improve the APS's ability to prepare for future challenges through data and evidence-based decisions.

APS reform and the Citizenship Experience Survey (addresses 5.5.2)

CASE STUDY

PM&C commenced the Citizen Experience Survey in March 2019, to measure the experiences of people accessing public services. We analyse the survey results to provide a regular view of people's experiences of Australian public services focused around life events.

PM&C runs the survey, with a supplier conducting survey data collection, and the Australian Bureau of Statistics providing advice, additional analysis and quality assurance under a memorandum of understanding. In 2021–22, PM&C maintained the survey as a robust and reliable measure of people's experiences of public services. The APS Reform Office generates analysis and reports on the results, to drive continuous improvement of public services in response to people's feedback. PM&C publishes survey results and raw data annually, to improve public trust and transparency.

The survey provides reliable nationally representative data on what people think about government services. Reliable time series data allows the Government to: identify areas for greater attention; to understand how representative experiences are across services and for different people across Australia; and to monitor changes over time.

In 2021–22, the Citizen Experience Survey showed people's trust and satisfaction with public services was stable. In June 2022, 60 per cent of people trusted public services, and 73 per cent of people were satisfied with the services they received over the past year. It was found that people who access services have higher trust than those who have not accessed any services, but those with complex needs have lower trust and satisfaction with services.

People accessing services digitally were the most satisfied, with 76 per cent reporting satisfaction, while those using mixed channels (both digital and non-digital) were least satisfied, with 70 per cent reporting satisfaction.

The survey and its results influence different activities across the APS and contribute to international understanding of public service measurement. In November 2021 and May 2022, PM&C presented at OECD workshops on measuring and improving public service performance, to share insights internationally.

How we measure our performance

Methodology: how we measure our performance against the key activities

In this reporting period, the Department used a range of quantitative and qualitative mechanisms to measure our performance. This included an independent stakeholder survey and other stakeholder feedback mechanisms including the Corporate and Enabling Services Survey, data sources and statistics, project milestones and evidence-backed case studies.

Where a performance measure was supported by a target (or targets), reporting against the target(s) was used to demonstrate performance against the measure and key activity. All performance measures and targets were weighted equally.

Some performance measures were not supported by a target. In the case of survey measures, we demonstrated performance by considering any satisfaction result greater than 65 per cent as achieved. We have noted in our analysis that the results from this year's survey will be used to establish targets in the 2022–26 Corporate Plan. For all other (non-survey) measures where targets are not appropriate or a baseline is being established, we have taken the reported outcome, and assessed it in conjunction with the analysis and case studies (if applicable) to determine if they meet the requirements of the performance measure, intended result and key activity.

Preparations for this year's reporting cycle commenced with the publication of PM&C's 2021–25 Corporate Plan in August last year. Key activities, performance measures and targets under the Corporate Plan were mapped and assigned to the responsible First Assistant Secretary for monitoring and reporting purposes.

To assess the Department's overall performance against the Corporate Plan, a range of performance measurement methodologies were identified at the beginning of the performance cycle. In line with PGPA Rule section 16EA and the Department of Finance RMG No 131, appropriate performance methodologies were selected to help track, monitor and report performance against each individual key activity.

Accuracy and reliability of data, evidence and methodologies

The Department has processes and controls in place to ensure the data and evidence used to measure and assess performance is reliable, relevant, complete and accurate. This includes attestation from senior executive data owners and use of internal audit.

Where case studies were used, the scope of the case study was predetermined and the performance measurement methodologies were identified in advance, in line with the Department of Finance RMG No 131. All case studies are backed by supporting evidence and are used to help illustrate the Department's performance story.

The Department established a performance moderation panel for the 2020–21 performance reporting cycle to assess the performance results in the annual performance statement. This year, the remit of the moderation panel was expanded to review the annual performance statement implementation plan (including definitions, proposed results criteria and case studies) at the beginning of the performance cycle and to moderate the performance results.

The panel assessed reported results to ensure the results criteria had been applied consistently across the statement and all claims of achievement were supported by appropriate evidence and analysis. The panel's membership consisted of the Chief Operating Officer and 3 First Assistant Secretaries. It was convened by the First Assistant Secretary Corporate Division.

Stakeholder surveys

The Department seeks feedback from external and internal stakeholders to evaluate performance against a number of key activity areas. In 2021–22, the Department conducted 2 surveys:

- an external stakeholder satisfaction survey that assesses the effectiveness of the Department's advice, coordination and support services in order to report against performance measures¹
- an internal stakeholder survey to assess user satisfaction with the Department's corporate and enabling services in order to report against the performance measure².

1 1.1.2, 2.1.1, 2.1.2, 3.1.2, 3.2.3, 3.2.4 and 5.2.1

2 5.4.1

The Department engaged an independent research organisation, ORIMA Research, to conduct both surveys for the 2021–22 reporting period.

External stakeholder survey

Who we surveyed

For the results to be comprehensive and reliable, the survey sought feedback from knowledgeable stakeholders – particularly those who engaged with the Department regularly throughout the reporting period in relation to the various purposes in the 2021–25 Corporate Plan. These stakeholders included:

- ministerial stakeholders – individuals employed in portfolio ministers’ offices
- external stakeholders – staff from other government departments and individuals outside the Australian Public Service who engaged with PM&C as part of policy formulation and coordination during the reporting period.

PM&C prepared a list of 520 knowledgeable stakeholders, as defined above. This was an increase of 242 stakeholders from the 2020–21 period. To avoid bias caused by sampling error, the survey was an attempted census of all key stakeholders. Our response rate has increased by 1 per cent from the previous year.

How the survey was conducted

ORIMA commenced survey fieldwork from 8 March to 12 April 2022. Following the online survey, a sample of the external stakeholders who volunteered to participate in a second-stage qualitative research component, completed an in-depth 30-minute interview with ORIMA. Thirty interviews were conducted.

Reported survey results for each measure were based on responses from knowledgeable stakeholders. The results reflect the responses of stakeholders who had a view on the matter and for whom the questions were applicable. While the total number of respondents to each measure varied, consistent with the sampling design, the reliability and validity of results remain high.

Measuring success over time

The results of this year's survey are not directly comparable to those reported last year due to methodological changes, including the introduction of key activities, changes to the survey questions and moving to proportional measures (a percentage of the whole) from index measures (a measure of changes in a representative group of individual data points). These changes represent methodological improvement and have increased the survey's reliability.

In the previous year's survey, we used average measures, which were reported as index points on a 0 to 100-point scale. For the 2021–22 survey, to aid interpretation of results, proportional measures were used to assess performance. These measures are reported as proportions or percentage satisfied, where satisfied was rated as 4 or 5 on a 5-point scale. The result of this methodological change is that 2020–21 and 2021–22 measures are not comparable, and changes over time cannot be reported. It should be noted that we intend to use the results from the 2021–22 survey to establish targets for 2022–23 so that future results can be compared.

Survey response rate

We received 187 responses to the survey (up from 97 the year before), a response rate of approximately 36 per cent. This response rate is similar to the 2020–21 response rate of 35 per cent. It is also within the usual range of response rates for comparable government stakeholder surveys (20–40 per cent).

While a higher response rate would have reduced the degree of potential non-response measurement error (stemming from the possibility that stakeholders who did not respond held systematically different views to those who did), the achieved response rate is sufficient to provide reliable results.

There are a number of possible reasons to explain the variation between the response rate and non-response rate, including that the survey was deployed during the busy lead-up period to the May Federal Budget, which impacted stakeholders' available time. Additionally non-respondents may have chosen not to respond on the basis that they were not in a position to provide fully informed feedback for the reporting period. Given this, a higher response rate may not have necessarily resulted in more reliable data.

Survey results

Overall, the assessment feedback shows that, on average, both ministerial and external stakeholder groups were satisfied with the performance of PM&C in relation to its key activities. Due to low volumes of relevant stakeholders responding to some measures, large variations in ratings resulted; these have been interpreted with caution. It should also be noted that key activity 4 was not included in the survey evaluation framework and was therefore not assessed through the survey.

Ministerial stakeholders reported the most favourable performance ratings. The average proportions of ministerial stakeholders satisfied with PM&C's performance across its key activities was 86 per cent. This is compared to external stakeholders' satisfaction across key activities, which was 75 per cent.

Key activity	Result
Key activity 1: Informed and impactful advice	83%
Key activity 2: Helping our partner agencies to deliver on Government priorities	70%
Key activity 3: Coordination and support for national and international agendas	87%
Key activity 4: Collaborate, communicate, engage	Not applicable*
Key activity 5: Deliver	94%

**Key activity 4 did not have any performance measures requiring assessment using the independent stakeholder survey.*

The independent survey highlighted a number of areas where the Department had performed well and where there are opportunities for further improvement. We thank stakeholders for their feedback and will incorporate it into the Department's performance monitoring and reporting.

For the 2021–22 reporting period, these measures did not have a target as we were establishing a baseline. We have demonstrated performance by considering any satisfaction result greater than 65 per cent as achieved. We have noted in our analysis that the results from this year's survey will be used to establish targets in the 2022–26 Corporate Plan.

Measuring effectiveness

The survey included questions to measure our effectiveness in conducting our business against each key activity, and largely focused on the Department's expertise and the quality of our relationships with stakeholders. Key activities 3 (Coordination and support for national and international agendas) and 5 (Deliver) achieved the highest satisfaction ratings by a stakeholder group, while key activity 2 (Helping our partner agencies to deliver on Government priorities) received the lowest rating by a stakeholder group.

Measuring efficiency

The Department primarily provides policy advice, monitoring, and reporting services to government. There are challenges to measuring efficiency, defined as the unit cost of an output generated by an activity, of the provision of policy advice, monitoring and reporting services. Accordingly, we use client and stakeholder satisfaction with the timeliness and quality of our advice and monitoring and reporting services as a proxy measure for efficiency. Key activities 3 (Coordination and support for national and international agendas) and 5 (Deliver) achieved the highest satisfaction ratings by a stakeholder group, while key activity 2 (Helping our partner agencies to deliver on Government priorities) received the lowest rating by a stakeholder group. Some stakeholders provided constructive feedback on timeliness, noting the impact of higher than normal turnover of staff following the COVID-19 pandemic.

Internal stakeholder survey

Who we surveyed

An independent survey of internal PM&C stakeholders was undertaken to measure stakeholder satisfaction with corporate enabling and ministerial services. Survey results have been used to report against performance measure 5.4.1.

The survey was an attempted census of all PM&C staff. Requests to participate in an online survey were sent to 1,474, and 461 staff responded, representing a 31 per cent response rate. Although we did not specify the internal survey as a methodology in the 2020–24 Corporate Plan, we did run the survey in 2020 and 2019. In 2020, 426 staff out of 1,261 responded (response rate 34 per cent) and in 2019, 334 of 886 responded

(response rate 27 per cent). As this survey was conducted as an attempted census, the results are not subject to sampling error. They are, however, subject to non-sampling measurement error.

How the survey was conducted

Survey fieldwork ran from 14 to 24 June 2022. Reported percentages are based on the total number of valid responses received. The results reflect the responses of staff who had a view and for whom the questions were applicable.

Survey response rate

We received 461 responses to the survey (up from 426 from the previous survey), a response rate of approximately 31 per cent. This response rate is an improvement against the previous year's response rate of 27 per cent. It is also within the usual range of response rates for comparable government stakeholder surveys (20–40 per cent). While a higher response rate would have reduced the degree of potential non-response measurement error (stemming from the possibility that stakeholders who did not respond held systematically different views to those who did), the achieved response rate is sufficient to provide reliable results.

Survey results

Overall, the assessment feedback shows that, on average, 79 per cent of respondents rated the quality of corporate and ministerial services as good, similar to the average quality rating achieved in 2020 of 81 per cent, and up from 71 per cent in 2019. The average quality ratings have remained above the external benchmark of 65 per cent. Of the 54 services measured, 19 had improved since 2020, 24 were broadly unchanged and 5 had declined. Six services were not comparable. The external benchmarks include a range of APS and state-based agencies that conduct this type of research.

The internal survey highlighted that, despite the fact that the average quality ratings have remained steady, a number of services have shown improvement, and some have opportunities for further improvement. We thank stakeholders for their feedback and will incorporate it into the Department's performance monitoring and reporting.

For the 2021–22 reporting period, this measure did not have a target as we were establishing a baseline. We have demonstrated performance by considering any satisfaction result greater than 65 per cent as achieved. We have noted in our analysis that the results from this year's survey will be used to establish targets in the 2022–26 Corporate Plan.

Part 3





Management and accountability

Corporate governance

PM&C is committed to good governance and the highest standards of accountability, transparency and integrity. Our corporate governance framework guides good governance and sound business practices across all areas of the Department.

Planning and performance reporting framework

Our performance reporting framework provides us a solid basis for planning, measuring and reporting performance against the key activities described in the Corporate Plan. PM&C's performance reporting for 2021–22 aligns with the performance information in the Portfolio Budget Statements 2021–22 and the 2021–25 Corporate Plan.

Our Corporate Plan was developed in accordance with section 35(1)(b) of *the Public Governance, Performance and Accountability Act 2013* (PGPA Act).

Committees

PM&C's 5 governance committees (see Table 3.1) supported the Secretary, the Executive Board and other senior executives to fulfil their corporate and governance responsibilities. The committees provided a range of advice and support on PM&C operations to assist in key decision-making.

Table 3.1: Governance committees and their purpose

COMMITTEE	PURPOSE
Executive Board	Provided governance, senior leadership and strategic direction for the delivery of Government and other departmental priorities and objectives. It supported key decisions and reviewed risks with a primary focus on Government priorities, strategic planning in policy and operational matters, resource allocation, performance monitoring, culture and diversity.
Audit and Risk Committee	Provided independent advice to the Secretary on the appropriateness of PM&C's financial and performance reporting responsibilities, system of risk oversight and management, and system of internal control.
Inclusion and Diversity Committee	Provided a dedicated mechanism for leading, championing and promoting PM&C's inclusion and diversity strategy, action plans and initiatives, aligned to business priorities and APS-wide diversity strategies.
Consultative Committee	Provided a key mechanism for employee consultation on matters and policies relating to the operation of the Department of the Prime Minister and Cabinet Enterprise Agreement 2021–24, such as the development and review of employment policies.
Health, Safety and Wellbeing Committee	Provided a formal mechanism for consultation and cooperation on work health and safety matters that affect workers, including initiating, developing and implementing measures designed to ensure the health, safety and wellbeing of workers. This committee is established under section 75 of the <i>Work Health and Safety Act 2011</i> .

Internal audit

Internal auditing provides independent assurance on the effectiveness of PM&C's risk and internal control frameworks. The internal audit team develops an internal audit work plan each year in consultation with the Audit and Risk Committee and Executive Board to ensure the Department's key risks and priorities are addressed.

Audit and Risk Committee

The PM&C Audit and Risk Committee (ARC) provides independent advice to the Secretary and the Executive on the appropriateness of PM&C's financial and performance reporting, system of risk oversight and management, and system of internal control.

The ARC Charter sets out the committee's role, authority, responsibilities, composition and tenure, reporting, and administrative arrangements. The Charter can be found on the PM&C website at <https://www.pmc.gov.au/pmc/who-we-are/accountability-and-reporting/audit-and-risk-committee>.

Table 3.2 provides details on ARC membership for the period 1 July 2021 to 30 June 2022.

Table 3.2: PM&C Audit and Risk Committee

Member's name	Qualifications, knowledge, skills or experience (formal and informal)	Number of meetings attended / total number of meetings	Total annual remuneration (GST inc.)	Additional information
Carol Lilley	<p>Carol Lilley is an external independent member and the chair of the PM&C Audit and Risk Committee.</p> <p>Ms Lilley's experience and qualifications include:</p> <ul style="list-style-type: none"> Ms Lilley is currently serving on a range of other Commonwealth Government audit committees, including those of the Department of Home Affairs, Services Australia, the Australian Federal Police and Austrade. Ms Lilley is the deputy chair of Icon Water and has had other director roles in the Commonwealth Government and the private sector. A former partner of PricewaterhouseCoopers, Ms Lilley has a background in financial statements, internal audit and risk management, and is now an independent director and audit committee member. Ms Lilley is a Graduate of the Australian Institute of Company Directors, a Fellow of the Institute of Chartered Accountants and a certified internal auditor. 	5/5	\$31,211.00	Chair for entire reporting period

Member's name	Qualifications, knowledge, skills or experience (formal and informal)	Number of meetings attended / total number of meetings	Total annual remuneration (GST inc.)	Additional information
Maria Storti	<p>Maria Storti is an independent member of the PM&C Audit and Risk Committee and the Financial Statements Adviser.</p> <p>Ms Storti's experience and qualifications include:</p> <ul style="list-style-type: none"> • Ms Storti specialises in financial management, governance and risk management. • She serves as a board member and an audit committee member and served in senior executive roles and consultancy for over 3 decades. • She holds a Master of Business Administration and is a Fellow of Chartered Accountants Australia and New Zealand. • She is a Fellow of the Australian Institute of Company Directors and a member of the Institute of Internal Auditors. • Her experience includes positions as performance improvement partner at EY, Deputy CEO at Defence Housing Australia, and Vice-President Governance & Development at the University of Canberra. 	5/5	\$17,473.29	Committee member and Financial Statements Adviser for entire reporting period

Member's name	Qualifications, knowledge, skills or experience (formal and informal)	Number of meetings attended / total number of meetings	Total annual remuneration (GST inc.)	Additional information
Paul Smith	<p>Paul Smith is an independent management consultant and an independent member of PM&C's Audit and Risk Committee.</p> <p>Mr Smith's experience and qualifications include:</p> <ul style="list-style-type: none"> • Mr Smith has operated in executive committee roles across all facets of consulting organisations, including strategy, operations, and compliance. Currently he is an independent management consultant. • Mr Smith has over 35 years' experience in financial management and ICT consulting to public sector, commercial and not-for-profit organisations. • He has 22 years' experience as a partner in consulting firms. • He is a Fellow, CPA Australia; a Senior Certified Professional from the Australian Computer Society; and a Graduate Member of the Australian Institute of Company Directors. • His qualifications include a Bachelor of Commerce (ANU). 	5/5	\$12,500.00	Member for entire reporting period

Risk management

PM&C engages with risk in a dynamic and responsive manner. Our Risk Management Policy and Framework provides guidance to staff on engaging with risk, including risk appetite and tolerance statements that guide the level of risk the Department is willing to accept to achieve our purposes and responsibilities. Our policy and framework aligns with the Commonwealth Risk Management Policy and Framework.

We continued to implement our policy and framework throughout the year, and staff were required to complete and refresh risk training via e-learning.

Climate risk

PM&C is taking active steps to consider its climate risk exposure and promote climate risk policy across the Australian Public Service. In 2022, PM&C participated in the Climate Risk Disclosure Pilot, co-led by the Department of Industry, Science, Energy and Resources and the Department of Agriculture, Water and the Environment. The pilot tested a standardised, voluntary approach to climate risk disclosure. It centred on a framework tailored for government agencies that is closely aligned with leading international practice for climate risk disclosure.

PM&C is committed to increasing the Australian Government's climate risk practice and is an active member of the Australian Government Disaster and Climate Resilience Reference Group, which commissioned the Climate Risk Disclosure Pilot and is developing the Climate Risk Disclosure Framework. PM&C will continue to assess its climate risks in accordance with the obligations established by the PGPA Act and the *Public Service Act 1999*.

Fraud prevention and control

PM&C does not tolerate fraud and corruption and takes all reasonable measures to prevent, detect and respond to fraud. PM&C's fraud and corruption control framework is regularly reviewed and aligns with the Commonwealth Fraud Control Framework 2017.

A key component of the framework is PM&C's [Fraud and Corruption Control Plan](#), which aligns with section 10 of the PGPA Rule 2014. The plan summarises the Department's key fraud risks and the measures taken to address these risks.

In 2021–22 we proactively scanned the environment for emerging fraud risks that may impact PM&C, and all staff were required to complete annual fraud awareness training via e-learning.

PM&C is committed to preventing, detecting and responding to instances of real and suspected fraud. Anyone who believes that a fraudulent activity has occurred within PM&C is encouraged to report it by submitting a fraud contact form on the PM&C website at <https://www.pmc.gov.au/who-we-are/accountability-and-reporting/fraud-control-and-fraud-reporting>.

External scrutiny

External audit

During the reporting period PM&C participated in one performance audit by the Australian National Audit Office:

- *Management of International Travel Restrictions during COVID-19*, tabled on 8 December 2021, cross-entity.

Parliamentary committees

Senate Standing Committees on Finance and Public Administration

The Senate Standing Committees on Finance and Public Administration cover the Prime Minister and Cabinet and Finance portfolios. The work is divided between 2 committees – the Legislation Committee and the References Committee.

PM&C is, from time to time, invited to appear at hearings in other committees covering specific topics.

PM&C supported the parliamentary functions of the National Indigenous Australians Agency and the National Recovery and Resilience Agency under shared services agreements. By arrangement, PM&C also provided support to portfolio agencies through a coordination role for Senate Estimates hearings.

PM&C's submissions, responses to questions taken on notice (written and taken during the hearings) and transcripts of committee hearings are available on the Parliament of Australia website.

Senate Finance and Public Administration Legislation Committee

PM&C representatives appeared before the committee at its Senate Estimates hearings on 25 October 2021, 14 February 2022, 31 March 2022 and 4 April 2022.

On 27 September 2021, PM&C representatives attended a hearing of the inquiry into the Council of Australian Governments (COAG) Legislation Amendment Bill 2021 [Provisions]. The Department also provided a written submission to this inquiry in September 2021.

Other committees

Representatives from PM&C also appeared at hearings for the following inquiries in 2021–22.

- Senate Select Committee on COVID 19: Inquiry into COVID-19 (attended hearings on 30 July 2021 and 2 February 2022)
- Senate Select Committee on Foreign Interference through Social Media: Inquiry into Foreign Interference through Social Media (attended hearing on 30 July 2021).

Judicial decisions and other external scrutiny

PM&C was a respondent in *Patrick and Secretary, Department of Prime Minister and Cabinet (Freedom of Information)* [2021] AATA 2719. A decision in the matter was handed down on 5 August 2021. The Australian Government Solicitor was engaged as PM&C's legal representative. The matter did not result in any payment to the applicant.

PM&C was not a party to any other judicial decisions or decisions of administrative tribunals or any other external body in 2021–22 that had, or may have had, a significant effect on PM&C's operations.

PM&C is subject to the [Freedom of Information Act 1982](#) and complies with the requirements of the Information Publication Scheme to publish a range of information on its website.

PM&C is subject to the [Privacy Act 1988](#) and the Privacy (Australian Government Agencies – Governance) APP Code 2017 and complies with the publication requirements under both the Privacy Act and the Privacy Code.

Our people

In 2021–22 we continued to invest in attracting and developing a diverse and skilled workforce ready and able to respond, mobilise quickly and collaborate to deliver cross-cutting policy advice.

This year we introduced a Workforce Strategy Action Plan to drive forward contemporary workforce initiatives in the longer term, while balancing our immediate and core needs and continuing to foster a safe, inclusive and respectful culture in which people can perform at their best.

The priorities set out in our Workforce Strategy Action Plan align with [Delivering for Tomorrow: APS Workforce Strategy 2025](#) and the ongoing APS reform agenda.

Employment performance

Table 3.3: All ongoing employees current report period (2021–22)*

	Male			Female			Indeterminate			Total
	Full-time	Part-time	Total male	Full-time	Part-time	Total female	Full-time	Part-time	Total indet.	
NSW	-	-	-	-	-	-	-	-	-	-
Qld	-	-	-	-	-	-	-	-	-	-
SA	-	-	-	-	-	-	-	-	-	-
Tas	-	-	-	-	-	-	-	-	-	-
Vic	-	-	-	-	-	-	-	-	-	-
WA	-	-	-	-	-	-	-	-	-	-
ACT	382	16	398	709	124	833	2	-	2	1,233
NT	-	-	-	-	-	-	-	-	-	-
External Territories	-	-	-	-	-	-	-	-	-	-
Overseas	-	-	-	-	-	-	-	-	-	-
TOTAL	382	16	398	709	124	833	2	-	2	1,233

*All roles at PM&C are ACT-based. Employees may have flexible work arrangements in place to work 100% from a location based outside of the ACT (see flexible work on page 126).

Table 3.4: All non-ongoing employees current report period (2021–22)*

	Male			Female			Indeterminate			Total
	Full-time	Part-time	Total male	Full-time	Part-time	Total female	Full-time	Part-time	Total indet.	
NSW	-	-	-	-	-	-	-	-	-	-
Qld	-	-	-	-	-	-	-	-	-	-
SA	-	-	-	-	-	-	-	-	-	-
Tas	-	-	-	-	-	-	-	-	-	-
Vic	-	-	-	-	-	-	-	-	-	-
WA	-	-	-	-	-	-	-	-	-	-
ACT	20	5	25	33	18	51	-	1	1	77
NT	-	-	-	-	-	-	-	-	-	-
External Territories	-	-	-	-	-	-	-	-	-	-
Overseas	-	-	-	-	-	-	-	-	-	-
TOTAL	20	5	25	33	18	51	-	1	1	77

*All roles at PM&C are ACT-based. Employees may have flexible work arrangements in place to work 100% from a location based outside of the ACT (see flexible work on page 126).

Table 3.5: All ongoing employees previous report period (2020–21)*

	Male			Female			Indeterminate			Total
	Full-time	Part-time	Total male	Full-time	Part-time	Total female	Full-time	Part-time	Total indet.	
NSW	-	-	-	-	-	-	-	-	-	-
Qld	-	-	-	-	-	-	-	-	-	-
SA	-	-	-	-	-	-	-	-	-	-
Tas	-	-	-	-	-	-	-	-	-	-
Vic	-	-	-	-	-	-	-	-	-	-
WA	-	-	-	-	-	-	-	-	-	-
ACT	332	13	345	599	111	710	1	-	1	1,056
NT	-	-	-	-	-	-	-	-	-	-
External Territories	-	-	-	-	-	-	-	-	-	-
Overseas	-	-	-	-	-	-	-	-	-	-
TOTAL	332	13	345	599	111	710	1	-	1	1,056

*All roles at PM&C are ACT-based. Employees may have flexible work arrangements in place to work 100% from a location based outside of the ACT (see flexible work on page 126).

Table 3.6: All non-ongoing employees previous report period (2020–21)*

	Male			Female			Indeterminate			Total
	Full-time	Part-time	Total male	Full-time	Part-time	Total female	Full-time	Part-time	Total indet.	
NSW	-	-	-	-	-	-	-	-	-	-
Qld	-	-	-	-	-	-	-	-	-	-
SA	-	-	-	-	-	-	-	-	-	-
Tas	-	-	-	-	-	-	-	-	-	-
Vic	-	-	-	-	-	-	-	-	-	-
WA	-	-	-	-	-	-	-	-	-	-
ACT	16	3	19	25	6	31	-	-	-	50
NT	-	-	-	-	-	-	-	-	-	-
External Territories	-	-	-	-	-	-	-	-	-	-
Overseas	-	-	-	-	-	-	-	-	-	-
TOTAL	16	3	19	25	6	31	-	-	-	50

*All roles at PM&C are ACT-based. Employees may have flexible work arrangements in place to work 100% from a location based outside of the ACT (see flexible work on page 126).

Table 3.7: Australian Public Service Act ongoing employees current report period (2021–22)*

	Male			Female			Indeterminate*			Total
	Full-time	Part-time	Total male	Full-time	Part-time	Total female	Full-time	Part-time	Total indet.	
SES 3	4	-	4	3	-	3	-	-	-	7
SES 2	7	-	7	11	-	11	-	-	-	18
SES 1	23	-	23	26	5	31	-	-	-	54
EL 2	69	4	73	112	23	135	-	-	-	208
EL 1	116	7	123	236	54	290	-	-	-	413
APS 6	98	3	101	167	20	187	-	-	-	288
APS 5	41	-	41	87	17	104	-	-	-	145
APS 4	13	1	14	41	5	46	-	-	-	60
APS 3	11	-	11	23	-	23	-	-	-	34
APS 2	-	-	-	1	-	1	-	-	-	1
APS 1	-	1	1	2	-	2	-	-	-	3
Other	-	-	-	-	-	-	-	-	-	-
TOTAL	382	16	398	709	124	833	-	-	2	1,233

*To avoid unintentional identification, employees of indeterminate gender have not been disaggregated in this table's row data.

Table 3.8: Australian Public Service Act non-ongoing employees current report period (2021–22)*

	Male			Female			Indeterminate			Total
	Full-time	Part-time	Total male	Full-time	Part-time	Total female	Full-time	Part-time	Total indet.	
SES 3	-	-	-	-	-	-	-	-	-	-
SES 2	-	-	-	1	-	1	-	-	-	1
SES 1	-	1	1	-	-	-	-	-	-	1
EL 2	4	-	4	1	-	1	-	-	-	5
EL 1	5	-	5	8	1	9	-	-	-	14
APS 6	3	-	3	7	1	8	-	-	-	11
APS 5	4	-	4	4	2	6	-	-	-	10
APS 4	4	1	5	9	4	13	-	-	-	18
APS 3	-	-	-	1	2	3	-	-	-	3
APS 2	-	3	3	2	7	9	-	-	-	12
APS 1	-	-	-	-	1	1	-	-	-	1
Other	-	-	-	-	-	-	-	-	-	-
TOTAL	20	5	25	33	18	51	-	-	1	77

**To avoid unintentional identification, employees of indeterminate gender have not been disaggregated in this table's row data.*

Table 3.9: Australian Public Service Act ongoing employees previous report period (2020–21)*

	Male			Female			Indeterminate			Total
	Full-time	Part-time	Total male	Full-time	Part-time	Total female	Full-time	Part-time	Total indet.	
SES 3	2	-	2	3	-	3	-	-	-	5
SES 2	5	-	5	10	-	10	-	-	-	15
SES 1	23	1	24	21	5	26	-	-	-	50
EL 2	57	2	59	84	17	101	-	-	-	160
EL 1	109	4	113	197	40	237	-	-	-	350
APS 6	69	5	74	141	26	167	-	-	-	241
APS 5	49	-	49	86	15	101	-	-	-	150
APS 4	10	-	10	42	8	50	-	-	-	60
APS 3	8	-	8	14	-	14	-	-	-	22
APS 2	-	-	-	1	-	1	-	-	-	1
APS 1	-	1	1	-	-	-	-	-	-	1
Other	-	-	-	-	-	-	-	-	-	-
TOTAL	332	13	345	599	111	710	-	-	1	1,056

**To avoid unintentional identification, employees of indeterminate gender have not been disaggregated in this table's row data.*

Table 3.10: Australian Public Service Act non-ongoing employees previous report period (2020–21)

	Male			Female			Indeterminate			Total
	Full-time	Part-time	Total male	Full-time	Part-time	Total female	Full-time	Part-time	Total indet.	
SES 3	-	-	-	-	-	-	-	-	-	-
SES 2	1	-	1	-	-	-	-	-	-	1
SES 1	-	-	-	1	-	1	-	-	-	1
EL 2	2	-	2	2	-	2	-	-	-	4
EL 1	1	-	1	5	-	5	-	-	-	6
APS 6	8	-	8	7	-	7	-	-	-	15
APS 5	1	1	2	2	2	4	-	-	-	6
APS 4	1	-	1	7	2	9	-	-	-	10
APS 3	1	1	2	1	-	1	-	-	-	3
APS 2	1	1	2	-	2	2	-	-	-	4
APS 1	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
TOTAL	16	3	19	25	6	31	-	-	-	50

Table 3.11: Australian Public Service Act employees by full-time and part-time status current report period (2021–22)

	Ongoing			Non-ongoing			Total
	Full-time	Part-time	Total ongoing	Full-time	Part-time	Total non-ongoing	Total
SES 3	7	-	7	-	-	-	7
SES 2	18	-	18	1	-	1	19
SES 1	49	5	54	-	1	1	55
EL 2	181	27	208	5	-	5	213
EL 1	352	61	413	13	1	14	427
APS 6	265	23	288	10	1	11	299
APS 5	129	17	146	8	2	10	156
APS 4	55	6	61	13	5	18	79
APS 3	34	-	34	1	2	3	37
APS 2	1	-	1	2	11	13	14
APS 1	2	1	3	-	1	1	4
Other	-	-	-	-	-	-	-
TOTAL	1,093	140	1,233	53	24	77	1,310

Table 3.12: Australian Public Service Act employees by full-time and part-time status previous report period (2020–21)

	Ongoing			Non-ongoing			Total
	Full-time	Part-time	Total ongoing	Full-time	Part-time	Total non-ongoing	Total
SES 3	5	-	5	-	-	-	5
SES 2	15	-	15	1	-	1	16
SES 1	44	6	50	1	-	1	51
EL 2	141	19	160	4	-	4	164
EL 1	306	44	350	6	-	6	356
APS 6	210	31	241	15	-	15	256
APS 5	135	15	150	3	3	6	156
APS 4	52	8	60	8	2	10	70
APS 3	23	-	23	2	1	3	26
APS 2	1	-	1	1	3	4	5
APS 1	-	1	1	-	-	-	1
Other	-	-	-	-	-	-	-
TOTAL	932	124	1,056	41	9	50	1,106

Table 3.13: Australian Public Service Act employment type by location current report period (2021–22)

	Ongoing	Non-ongoing	Total
NSW	-	-	-
Qld	-	-	-
SA	-	-	-
Tas	-	-	-
Vic	-	-	-
WA	-	-	-
ACT	1,233	77	1,310
NT	-	-	-
External Territories	-	-	-
Overseas	-	-	-
TOTAL	1,233	77	1,310

Table 3.14: Australian Public Service Act employment type by location previous report period (2020–21)

	Ongoing	Non-ongoing	Total
NSW	-	-	-
Qld	-	-	-
SA	-	-	-
Tas	-	-	-
Vic	-	-	-
WA	-	-	-
ACT	1,056	50	1,106
NT	-	-	-
External Territories	-	-	-
Overseas	-	-	-
TOTAL	1,056	50	1,106

Table 3.15: Australian Public Service Act Indigenous employment current report period (2021–22)

	Total
Ongoing	29
Non-ongoing	4
TOTAL	33

Table 3.16: Australian Public Service Act Indigenous employment previous report period (2020–21)

	Total
Ongoing	23
Non-ongoing	-
TOTAL	23

Inclusion and diversity

The Department maintained a strong commitment to strengthening the diversity of our workforce and facilitating an inclusive, safe and respectful culture. Prioritising inclusion and diversity is fundamental to our ability to deliver robust and informed outcomes which represent all Australians.

This was progressed under the leadership of our Inclusion and Diversity Committee and in collaboration with our Inclusion and Diversity Senior Executive Service (SES) Champions and our employee-led networks:

- Ability Network
- Culture and Linguistic Diversity (CALD) Network
- Mara Network
- Pride (LGBTIQA+)
- Reconciliation Action Plan Working Group
- Wellbeing Network
- Women’s Network.



Our Inclusion and Diversity SES Champions and employee-led networks were supported to advocate for, engage on and effect positive change. We actively encourage leaders and employees at all levels to support and promote an inclusive workplace culture. We did this by:

- observing days of significance through a range of activities, such as an inter-agency panel event for World Autism Awareness Day hosted by PM&C in April 2022
- raising awareness and confidence in relation to inclusion and diversity through a range of training, speakers and events and sharing of lived experiences – for example, cultural competency and First Nations language training, disability confidence training, empowered ally training, and promotion of neurodiversity supports in the workplace
- attending key conferences to learn about best practice and leading research in respect of a range of diversity groups, such as the Australian Network on Disability Annual Conference
- ensuring our employment policies embed inclusion
- publicly reporting on diversity workforce data and using APS Employee Census results as evidence for our forward planning
- maintaining our membership of the Australian Network on Disability, the Diversity Council of Australia, and Pride in Diversity.

During World Mental Health Month in October 2021, PM&C held a number of virtual events to reconnect physically isolated staff in lockdown, including MasterMind trivia, scavenger bingo, and wellbeing-focused information sessions and panel events. We also provided opportunities to staff at home to participate in events to build connection to culture.

Aboriginal and Torres Strait Islander peoples

PM&C continues to recognise the importance of and acknowledge Aboriginal and Torres Strait Islander voices and culture in everything that we do. In 2021–22 we made progress on delivering the actions in our Innovate Reconciliation Action Plan 2021–2023 (RAP) and First Nations Action Plan: Culture, Career, Capability. This work is collaboratively led by our People Branch, our SES First Nations and Reconciliation Champions, our RAP Working Group and our Mara Network.

PM&C welcomed its first Indigenous Liaison Officer (ILO) in late 2021. Our ILO progressed First Nations interests at internal and external forums and provided advice on policies to ensure cultural safety and inclusion of First Nations staff.

In March 2022, Mara Network members attended the Indigenous Leadership Summit in Sydney. Participants highly valued the summit; key takeaways included prioritising wellbeing, connecting to culture, truth telling and taking ownership of past actions and attitudes. The Mara Network held a yarning circle in April to share lessons learned from the summit.

National Aborigines and Islanders Day Observance Committee (NAIDOC)

The NAIDOC Week 2021 theme 'Heal Country!' called for stronger measures to recognise, protect and maintain all aspects of Aboriginal and Torres Strait Islander culture and heritage. Due to the ongoing impacts of COVID-19, PM&C celebrated NAIDOC Week with a variety of virtual events and training opportunities. These including celebrating Wear it Blak Wednesday, a campaign encouraging staff to support First Nations owned and run businesses; a First Nations Book Club; screening of the *Living Black* docuseries; and a variety of training offerings including 'Ngunawal Language' with Thunderstone Aboriginal Cultural Services.

National Reconciliation Week (NRW)

The NRW 2022 theme 'Be Brave. Make Change' was a challenge to all Australians (individuals, families, communities, organisations and government) to be brave and tackle the unfinished business of reconciliation so we can make change for the benefit of all Australians.

PM&C observed NRW with a range of events to show our commitment to reconciliation and build cultural capability and safety within our workplace. In 2022, PM&C staff participated in a variety of activities including a performance by the Komet Torres Strait Islander Dance Troupe, the Reconciliation Place Walk, an internal video series with SES Champions, a screening of the film *Mabo*, and various workshops.

Cultural uplift at PM&C

PM&C secondees to the Jawun APS Secondment Program contribute to building the capacity of Indigenous organisations through immersive skill and knowledge transfer. They also bring their Jawun experience back to PM&C, positioning them to help drive cultural change and capability. In 2021–22, PM&C supported 3 secondments for high-performing Executive Level 1 staff members to the inner Sydney, lower River Murray, and West Kimberley regions.

PM&C also supported an Executive Level 2 staff member to undertake an immersive 12-month secondment with the Coalition of Peaks, an organisation that works together with Indigenous communities and organisations and with the Australian Government on Closing the Gap.

Flexible work

At PM&C we recognise the broad benefits of offering flexibility in how, when and where work is performed. We promote and support flexibility to attract and retain a diverse and engaged workforce. Our commitment is to consider flexibility first, from a starting position of 'How can we make this work?' and make genuine attempts to establish mutually beneficial arrangements and suitable alternatives. Feedback from employees supports this position, with 82 per cent of respondents to the 2021 Employee Census reporting they felt confident that if they requested a flexible work arrangement their request would be given reasonable consideration.

In 2021–22, many employees continued to work under flexible working arrangements, including hybrid (working both from the office and from home across the working week). To ensure staff have a safe environment and workstation set-up when working away from the office, a comprehensive Working Remotely or from Home Agreement and Checklist is used. Staff are able to request ergonomic assessments conducted by an allied health professional to ensure they are engaging in healthy practices such as taking regular breaks, changing posture and performing stretches.

PM&C also provided contemporary guidance and training for employees and managers on working flexibly, maintaining contact and communicating regularly. For example, managers were encouraged to undertake Leading Hybrid Teams workshops where they learned techniques to effectively lead productive and harmonious virtual and in-office teams.

Workplace response to domestic and family violence policy

PM&C continues to provide tailored support to employees affected by or at risk of family and domestic violence, including leave, flexible work arrangements and emergency financial assistance.

In May 2022, PM&C published a revised and improved Family and Domestic Violence Policy articulating the Department's commitment to providing maximum support to employees affected by or at risk of experiencing family and domestic violence. The policy was developed in consultation with employees and their representatives and the Office for Women and was supported by training facilitated by a clinical psychologist.

In addition to a range of wellbeing supports available to employees and their immediate family members, a dedicated Family and Domestic Violence Support Service was made available through Benestar, the Department's Employee Assistance Program provider. This service includes a dedicated hotline and access to specialised support clinicians who have completed an accreditation program.

Recruitment

PM&C aims to promote contemporary, efficient, fair and inclusive recruitment practices, allowing us to attract highly-skilled and diverse people to deliver outcomes for the Australian Government and community.

In 2021–22, after employee consultation, we launched a new Recruitment Policy to set clear obligations and expectations in relation to recruitment, including using inclusive practices that are culturally safe, are free from discrimination and minimise bias. We also commenced a longer term recruitment optimisation project to contemporise our recruitment processes and capability.

During the year, we recruited talented staff through a range of recruitment programs including a focus on entry pathways. We ran 2 internal programs and participated in 4 APS-wide entry-level programs:

- PM&C Graduate Program (internal)
- Indigenous Australian Government Development Program
- Indigenous Graduate Pathway

- Domestic Policy Group Summer Intern Program (internal)
- APS Centralised Specialist Streams – Digital; Data; Human Resources; and Science, Technology, Engineering and Mathematics (STEM)
- APS Career Starter Program.

The Australian Association of Graduate Employers ranked PM&C in the top 50 graduate programs in Australia, which includes employers from the public and private sectors, and in the top 4 government graduate programs.

In January 2022, 17 graduates completed the 2021 Graduate Development Program. In February 2022, 24 new graduates commenced, including 5 who identified as having disability and 2 who identified as Indigenous.



Workplace arrangements

PM&C conducted an enterprise bargaining process in 2021 with non-SES employees and their representatives. The Department of the Prime Minister and Cabinet Enterprise Agreement 2021–24 was supported by the majority of non-SES employees and came into effect from 2 August 2021.

The enterprise agreement, in conjunction with internal policies and Commonwealth legislation, defines the terms and conditions of employment for non-SES employees. At times, individual flexibility arrangements are made with non-SES employees where they meet the genuine needs of PM&C and the employee.

Employment conditions for substantive SES employees are provided by individual determinations made under section 24(1) of the *Public Service Act 1999*, relevant policies and Commonwealth legislation.

Data on workplace arrangements for PM&C employees is provided at Table 3.17 and Table 3.18 below.

Table 3.17: Australian Public Service Act employment arrangements current report period (2021–22)

	SES	Non-SES	Total
Enterprise Agreement	-	1,229	1,229
Section 24(1) determination	81	-	81
Individual flexibility arrangement	-	28	28

Table 3.18: Australian Public Service Act employment salary ranges by classification level (minimum/maximum) current report period (2021–22)

	Minimum salary	Maximum salary
SES 3	\$358,069	\$404,621
SES 2	\$268,459	\$297,697
SES 1	\$203,221	\$236,764
EL 2	\$129,786	\$163,581
EL 1	\$111,508	\$135,919
APS 6	\$86,770	\$106,816
APS 5	\$78,450	\$83,870
APS 4	\$71,053	\$75,988
APS 3	\$65,318	\$68,035
APS 2	\$58,490	\$62,328
APS 1	\$49,798	\$54,450
Other	-	-
Minimum/Maximum range	\$49,798	\$404,621

Executive remuneration

Remuneration for SES employees is governed by the Australian Public Service Commission’s Executive Remuneration Management Policy, PM&C’s SES Performance Framework and individual employment arrangements.

The SES Performance Framework sets out the standards of leadership behaviour and performance required of all SES leaders in PM&C. It provides the structure for regular and meaningful feedback and development conversations, and the process for formal performance assessment and salary advancement.

From time to time APS-wide directions may be in effect in relation to SES salaries. For example, increases to SES remuneration, entitlements and allowances were suspended from March 2020 to July 2021. The Government took this position in the context of the challenging economic outlook flowing from the COVID-19 pandemic and community expectations.

SES employees received a general salary increase of 1.7 per cent on 2 August, 2021. Pay point movement occurs annually based on performance outcomes, following decisions by the Executive Board and the Secretary.

Executive Vehicle Allowance is a component of base salary; allowances paid to the SES are minimal and specific to individual circumstances.

Remuneration for the Secretary and statutory office holders is determined by the Remuneration Tribunal. Reporting on remuneration for Key Management Personnel (KMP) and senior executives within PM&C is governed by Part 6 of the *Commonwealth entities executive remuneration reporting guide for annual reports*.

Executive remuneration information is reported on an accrual basis in line with financial statements and differs from actual remuneration, which is prepared on a cash basis. As such, the Secretary's remuneration here differs from the amount disclosed under the Remuneration Tribunal determination.

During the reporting period to 30 June 2022, PM&C had 10 individuals who met the definition of KMP. Their names, length of term as KMP and remuneration details are in Tables 3.19 to 3.21. In addition, aggregated remuneration information for 124 senior executives is shown in Table 3.22. During the period PM&C had no other highly paid staff who met the disclosure threshold for reporting.

Table 3.19: Key Management Personnel details for the reporting period

Name	Position title/ Position held	Date of commencement	Date of cessation
BRAZIER, Roderick	Deputy Secretary	14/10/2021 7/02/2022	25/11/2021 26/05/2022
CHAN, Michelle	Deputy Secretary	23/05/2022	30/06/2022
DAVIS, Glyn	Secretary	6/06/2022	30/06/2022
DEWAR, Scott	Deputy Secretary	29/11/2021	30/06/2022
DUGGAN, Simon J	Deputy Secretary		Full year
FOSTER, Stephanie C	Deputy Secretary		Full year
FRAME, Alison J	Deputy Secretary		Full year
GAETJENS, Philip G	Secretary	1/07/2021	30/05/2022
GILMARTIN, Tomas N	Chief Operating Officer		Full year
MILLAR, Caroline J	Deputy Secretary	1/07/2021	13/10/2021

Table 3.20: Key Management Personnel summary remuneration for the reporting period (\$)

Base salary	2,932,264
Bonuses	-
Other benefits & allowances	39,279
Total short-term benefits	2,971,542
Superannuation contribution	447,751
Total post-employment benefits	447,751
Long service leave	106,438
Other long-term benefits	-
Total other long-term benefits	106,438
Termination benefits	407,940
TOTAL REMUNERATION	3,933,671

Figures have been rounded.

Table 3.21: Information about remuneration for key management personnel

Name	Position title	Short-term benefits				Post-employment benefits	Other long-term benefits	Termination benefits	Total remuneration
		Base salary	Bonuses	Other benefits and allowances	Superannuation contributions				
BRAZIER, Roderick	Deputy Secretary	175,000	-	2,562	23,391	3,414	-	204,367	
CHAN, Michelle	Deputy Secretary	42,336	-	58	-	364	-	42,758	
DAVIS, Glyn	Secretary	67,957	-	-	2,357	589	-	70,902	
DEWAR, Scott	Deputy Secretary	212,753	-	372	31,630	14,818	-	259,573	
DUGGAN, Simon J	Deputy Secretary	381,108	-	653	69,625	15,443	-	466,830	
FOSTER, Stephanie C*	Deputy Secretary	459,748	-	1,047	76,190	17,656	-	554,642	
FRAME, Alison J	Deputy Secretary	393,104	-	30,558	70,773	17,481	-	511,916	
GAETJENS, Philip G	Secretary	729,896	-	1,188	105,301	20,213	407,940	1,264,538	
GILMARTIN, Tomas N	Chief Operating Officer	359,474	-	2,640	52,463	5,629	-	420,206	
MILLAR, Caroline J	Deputy Secretary	110,888	-	201	16,020	10,830	-	137,939	
TOTAL		2,932,264	-	39,279	447,751	106,438	407,940	3,933,671	

*Acting Secretary a total of 36 days across the financial year.

Figures have been rounded.

Table 3.22: Information about remuneration for senior executives

Total remuneration bands	Number of senior executives	Short-term benefits			Post-employment benefits			Other long-term benefits		Termination benefits	Total remuneration
		Average base salary	Average bonuses	Average other benefits and allowances	Average superannuation contributions	Average long service leave	Average other long-term benefits	Average termination benefits	Average total remuneration		
\$0 – \$220,000	62	87,860	-	1,002	14,199	4,277	-	-	-	107,338	
\$220,001 – \$245,000	10	193,481	-	1,187	30,803	3,559	-	-	-	229,030	
\$245,001 – \$270,000	15	210,966	-	1,133	34,854	11,249	-	-	-	258,202	
\$270,001 – \$295,000	16	228,160	-	1,165	40,400	10,649	-	-	-	280,374	
\$295,001 – \$320,000	9	252,318	-	3,221	43,858	7,853	-	-	-	307,249	
\$320,001 – \$345,000	9	272,781	-	2,303	49,778	10,654	-	-	-	335,517	
\$345,001 – \$370,000	1	305,494	-	586	40,025	10,402	-	-	-	356,507	
\$370,001 – \$395,000	1	298,432	-	2,473	52,441	19,297	-	-	-	372,644	
\$395,001 – \$420,000	1	331,870	-	553	54,685	10,688	-	-	-	397,795	
TOTAL	124	160,152	-	1,314	26,996	6,829	-	-	-	195,291	

Figures have been rounded.

Performance pay

PM&C did not offer performance pay or bonuses to employees.

The Department offers a range of additional benefits to employees. This includes access to flexible work arrangements, generous leave entitlements, annual influenza immunisation, studies assistance and a range of learning and development opportunities. Employees are also eligible to participate in salary sacrifice arrangements such as additional superannuation contributions and leased motor vehicles.

Performance Management Framework

The non-SES PM&C Performance Management Framework supports us to sustain a high-performance culture and achieve consistently high-quality outcomes. It adopts a strengths-based approach to performance – we work to our strengths and commit to continuous learning and development. This supports our employees to perform at their best and ensures we draw on their diverse and unique skills and experiences.

Investing in our people's ongoing development equips us with a workforce that is ready for and capable of meeting the changing needs of the Government and the Australian community. In 2021–22 we updated the non-SES Performance Policy, launched a High Performance Tool to assist managers to recognise and reward high performers, refreshed practical guidance and provided regular training to enable employees and managers to confidently understand and apply a strengths-based approach to performance and manage poor or unsatisfactory performance.

Learning and development

In 2021–22, PM&C delivered an enhanced Corporate Training Program with learning offerings aligned to the Department's critical skill needs. The range of courses covered topics such as economics, policy, advanced communication skills, leadership, performance, cultural awareness, mental health awareness and wellbeing. PM&C also actively supported the APS Academy in delivery of the APS Learning and Development Strategy.

PM&C's new Nail the Brief initiative launched in late 2021. Nail the Brief is a dedicated resource centre designed to help employees provide high-quality, practical and influential written and verbal briefings. It is based on 3 briefing principles: accuracy, brevity and clarity. Nail the Brief is a rolling initiative and includes resources, masterclasses, guest speakers and formal learning offerings.

PM&C continued to invest in high-potential employees to develop advanced leadership capabilities and public policy experience through scholarships for exceptional qualifications, including the Sir Roland Wilson PhD Scholarship, the Pat Turner Scholarship and the Executive Master of Public Administration. Following a competitive selection process, several high-performing Executive Level employees participated in the Institute of Public Administration Australia's Future Leaders Program.

PM&C employees at all levels engaged with executive coaching services; undertook formal studies assistance to achieve accredited qualifications; and undertook e-learning via the Learning Management System (Acorn) and LinkedIn Learning, including mandatory learning to ensure all staff are aware of their obligations and responsibilities as public servants.

Work health and safety

In 2021–22, PM&C continued its commitment to embedding, promoting and sustaining a robust safety and wellbeing culture – one that values physical and psychological health, safety and wellbeing and promotes positive, supportive and inclusive working environments.

A key focus was to embed the APS Mental Health Capability Framework, which provides a bespoke and systems-based approach to building mental health and suicide prevention capability within the APS. PM&C was an 'early adopter' and has made excellent progress to date. Initiatives undertaken to support the implementation of the APS Mental Health Capability Framework include:

- completing a maturity scale assessment of PM&C's mental health and wellbeing offerings to identify areas with strong maturity of practice, as well as opportunities for improvement in areas with moderate and/or developing maturity

- revising the Department's WHS Leadership Commitment Statement to incorporate a stronger focus on eliminating psychological hazards at their source and implementing suitable control measures where the potential for harm cannot be fully mitigated
- developing a Mental Health and Wellbeing Initiatives Map which provides a single-page visual representation of the supports and services available to managers and staff across the mental health continuum
- adapting and user-testing 12 learning resources (developed by Services Australia and the Australian Public Service Commission) for the PM&C environment to educate managers and staff on mental health topics including psychological safety, understanding mental health stigma, and vicarious resilience
- working with identified high-risk work areas to review existing psychosocial hazards and mitigation strategies with the aim of further reducing potential risks to health and safety
- delivering targeted health and wellbeing programs to promote staff accountability for their own wellbeing, increasing manager capability in managing staff with a mental health challenge, and strengthening mental health literacy across PM&C
- rolling out the Compassionate Foundations Training Suite, a bespoke whole-of-service approach to building suicide prevention capability including identifying people in distress, improving understanding of the impact of trauma, and supporting staff to respond before a crisis occurs.

The impacts of the COVID-19 pandemic continued to be a workplace health and safety focus during 2021–22. Initiatives included:

- undertaking comprehensive risk assessments to assess the health and safety risks associated with COVID-19 variants and changing public health advice in all workplace settings
- continued implementation of measures to support the physical and mental health of staff during a dynamic and rapidly changing period of time
- implementing the use of rapid antigen tests (RATs) to support staff undertaking work in high-risk settings and those identified as high-risk workplace contacts
- developing resources to support rapid contact tracing following a COVID-19 exposure in the workplace.

Two notifiable incidents were mandatorily notified to Comcare in 2021–22.

Ethical standards

The Department of the Prime Minister and Cabinet expects and maintains the highest standard of behaviour and conduct from our staff. We have policies and procedures in place to ensure that appropriate ethical standards, including the Australian Public Service Code of Conduct and Values, are upheld and promoted in accordance with the *Public Service Act 1999*. New non-ongoing and ongoing employees are required to complete training modules in relation to the APS Values, Code of Conduct and Employment Principles, and integrity. The Department has a network of Workplace Respect Officers to promote and maintain a culture of courtesy, respect, and appropriate behaviour in the workplace. Alleged breaches of the Code of Conduct are taken seriously and managed in a timely and proportionate manner.

Environmental performance

In 2021–22, we continued to mitigate the effects of our impact on the environment by:

- considering environmental sustainability in our purchasing decisions where appropriate
- complying with all relevant Commonwealth, state and territory environment-related legislation, regulations, policies and initiatives
- continuing to increase our use of technology, such as telepresence and desktop videoconferencing, to facilitate meetings where appropriate so we could reduce interstate travel
- encouraging and supporting staff to use environmentally friendly modes of transport through measures such as an e-bike charging facility, bicycle racks and end-of-trip facilities at the Andrew Fisher Building, 1 National Circuit, Barton
- allowing flexible working arrangements where appropriate, which reduces use of natural resources through less use of vehicles and other transport.

We minimised our impacts on the environment in the areas of energy efficiency, waste and water use by:

- attaining a National Australian Built Environment Rating System (NABERS) rating of 4.0 stars for whole-building energy and 4 stars for water at the Andrew Fisher Building
- monitoring energy usage at our properties to identify potential savings
- using motion sensors in office work areas to reduce power usage when areas are not occupied
- operating as a 'paper-light office' by supporting the use of electronic document management and collaboration as well as digital and mobile technology solutions for staff
- using a 75,000-litre rainwater tank to flush toilets and water the gardens at the Andrew Fisher Building
- installing Hydrowise, which uses weather outlooks from the Bureau of Meteorology to prevent the irrigation system operating in periods of predicted rainfall
- using the Department's 99 kW solar power system
- using LED lighting for the 2 basement car park levels in the Andrew Fisher Building to reduce energy consumption
- encouraging recycling by providing recycling bins as well as waste bins
- supporting the café in the Andrew Fisher Building to collect organic waste for composting on the local worm farm and to send cooking oil for recycling for use in biodiesel manufacture and as biodiesel feedstock
- using drought-tolerant plants in gardens at the Andrew Fisher Building
- maintaining an Environmental Management System based on the Australian Standard AS/NZS ISO 14001
- defaulting office printers to black-and-white and 2-sided printing
- using energy saver mode for most office equipment when not in use across Canberra office locations.

Financial management

The department's 2021–22 financial statements are presented on pages 157–204 of this report. The Auditor-General issued an unmodified audit opinion of these statements, noting that PM&C had appropriate and effective financial controls in place.

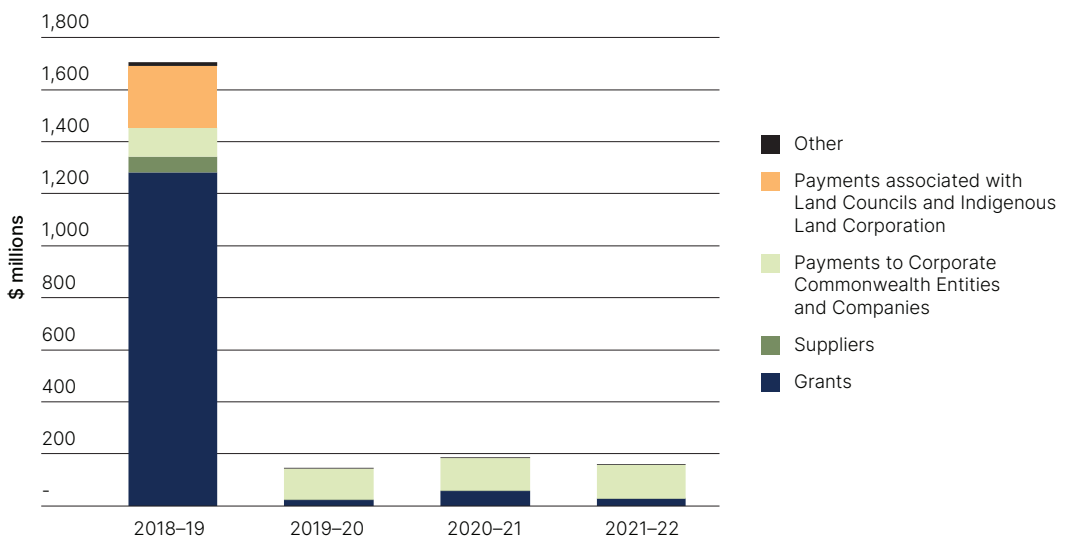
Activities administered on behalf of Government

In 2021–22, PM&C administered one program on behalf of the Government. Administered expenses totalled \$161.5 million and comprised primarily of payments to corporate Commonwealth entities and companies (\$129.4 million, 80.1 per cent of the total), and grant payments (\$26.5 million, 16.4 per cent of the total).

Administered expenditure included:

- \$129.4 million paid to corporate Commonwealth entities and companies including various land councils and the Indigenous Land Corporation
- \$26.5 million on grants of which \$6.9 million was paid to the National Australia Day Council and \$18.8 million to the Office for Women
- \$2.7 million for supplier expenses.

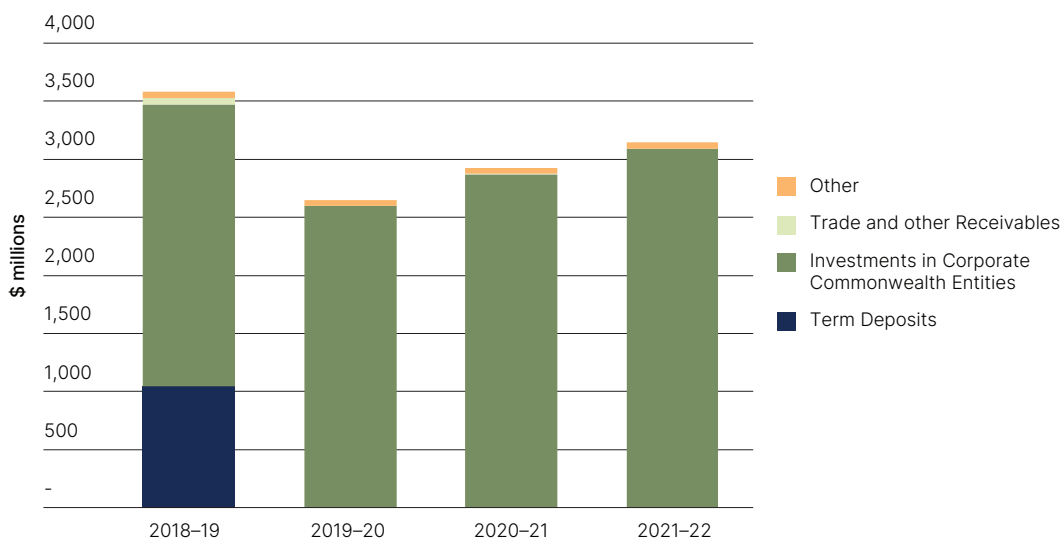
Graph 3.1: Breakdown of administered expenditure



The significant decrease in administered expenditure between 2018–19 and 2019–20 relates to the transfer of Indigenous affairs functions to the National Indigenous Australians Agency (NIAA) on 1 July 2019.

As at 30 June 2022, PM&C’s administered assets totalled \$3,147.2 million. Administered assets decreased from 2019–20 due to the transfer of Indigenous affairs functions to the NIAA.

Graph 3.2: Breakdown of administered assets



As at 30 June 2022, PM&C administered liabilities totalled \$15.4 million. This figure included the provision for future non-cash benefits to be provided to former Governors-General.

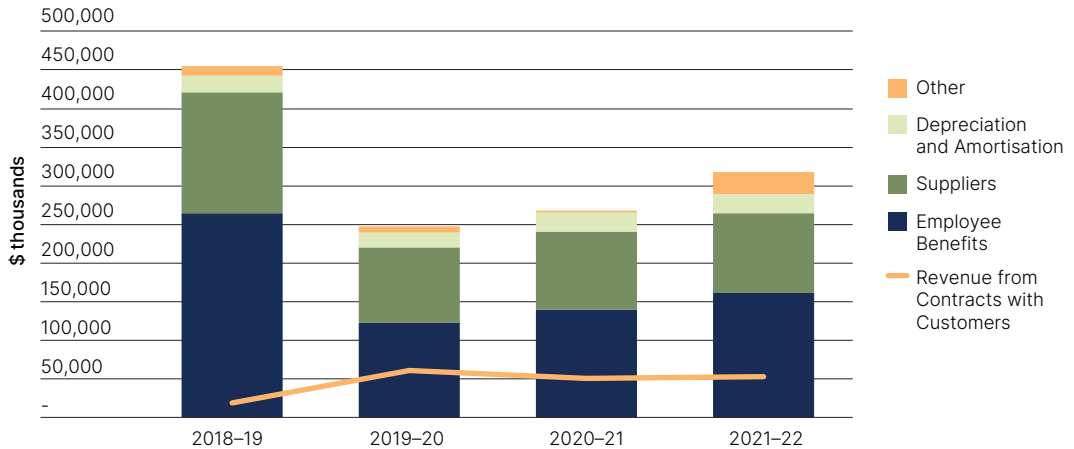
Departmental activities

The department reported an operating deficit of \$37.9 million. After adjusting for unfunded depreciation and amortisation expenses and non-cash asset write-downs and impairments, PM&C recorded an operating deficit of \$21.7 million.

This operating deficit is a technical accounting operating loss which relates to the equity treatment of the unquarantined prior-year appropriation to fund grants for the National Australia Day Council and Sydney Energy Forum.

In 2021–22 departmental expenses totalled \$317.4 million. Departmental revenue totalled \$56.0 million, comprising income from contracts with customers and resources received free of charge.

Graph 3.3: Breakdown of expenses and revenue



The significant decrease in expenditure between 2018–19 and 2019–20 is due to the transfer of the Indigenous affairs functions to the NIAA as at 1 July 2019.

As at 30 June 2022, PM&C had a positive net asset position of \$55.9 million. Assets totalled \$228.7 million and liabilities totalled \$172.8 million as at 30 June 2022.

Graph 3.4: Breakdown of assets

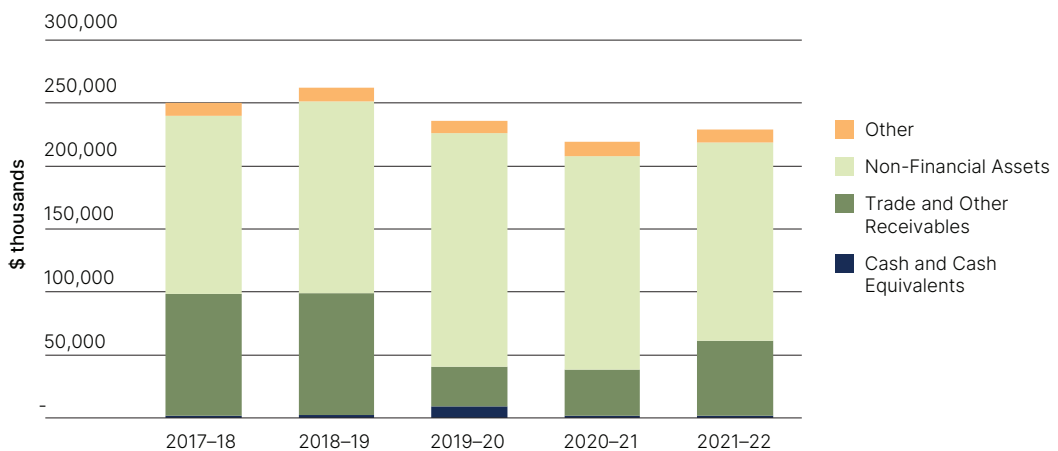


Table 3.23: Resourcing statement

		Actual available appropriation for 2021-22	Payment made 2021-22	Remaining balance 2021-22
		\$'000 (a)	\$'000 (b)	\$'000 (a)-(b)
Departmental appropriation ^{1,2}		418,212	311,126	107,086
Total		418,212	311,126	107,086
Administered expenses³				
Prior year administered appropriation				
Outcome 1: Prime Minister and Cabinet		51,993	32,580	
Payments to corporate Commonwealth entities and companies ⁴		129,356	129,356	
Total		181,349	161,936	
Total ordinary annual services	A	599,561	473,062	
Administered non-operating				
Administered assets and liabilities				
Payments to corporate Commonwealth entities and companies non-operating		84,268	84,268	
Total		84,268	84,268	
Total other services	B	84,268	84,268	
Total available annual appropriations and payments	A+B	683,829	557,330	

		Actual available appropriation for 2021-22	Payment made 2021-22	Remaining balance 2021-22
		\$'000 (a)	\$'000 (b)	\$'000 (a)-(b)
Total special appropriations	C			
Total special accounts⁵	D			
Total resourcing and payments				
A+B+C+D		683,829	557,330	
Less appropriations drawn from annual or special appropriations above and credited to special accounts and/or corporate Commonwealth entities and companies through annual appropriations		-	-	
TOTAL NET RESOURCING AND PAYMENTS FOR PM&C		683,829	557,330	

¹ *Appropriation Act (No. 1) 2021-22 and Appropriation Act (No. 3) 2021-22*. This may also include prior-year departmental appropriation, section 74 retained receipts, permanent quarantine and section 75. For further details refer to Note 5.1 to the financial statements.

² Includes an amount of \$13.593 million in 2021-22 for the departmental capital budget. For accounting purposes, this amount was designated as 'contributions by owners'.

³ Includes an amount of \$1.652 million in 2021-22 for the administered capital budget. For accounting purposes, this amount was designated as 'contributions by owners'.

⁴ Corporate Commonwealth entities are corporate Commonwealth entities and Commonwealth companies as defined under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

⁵ Does not include special relevant money held in accounts like the Services for Other Entities and Trust Moneys Special Account.

Expenses for Outcome 1

Outcome 1: Provide high-quality policy advice and support to the Prime Minister, the Cabinet, portfolio ministers and parliamentary secretaries, including through the coordination of government activities, policy development, and program delivery.

Table 3.24: Expenses for Outcome 1

	Budget*	Actual	Variation
	2021-22	2021-22	2021-22
	\$'000	\$'000	\$'000
	(a)	(b)	(a)-(b)
Program 1.1: Prime Minister and Cabinet			
<i>Administered expenses</i>			
Ordinary annual services (Appropriation Acts Nos 1, 3 and 5)	165,934	160,425	5,509
Special appropriations	10	-	10
Special accounts	-	-	-
Expenses not requiring appropriation in the Budget year ²	352	1,106	(754)
<i>Departmental expenses</i>			
Departmental appropriation ¹	295,905	292,749	3,156
Expenses not requiring appropriation in the Budget year ²	10,008	24,596	(14,588)
Total for Program 1.1	472,209	478,876	(6,667)
Outcome 1: Total by appropriation type			
<i>Administered expenses</i>			
Ordinary annual services (Appropriation Acts Nos 1, 3 and 5)	165,934	160,425	5,509
Special appropriations	10	-	10

	Budget*	Actual	Variation
	2021-22	2021-22	2021-22
	\$'000	\$'000	\$'000
	(a)	(b)	(a)-(b)
Special accounts	-	-	-
Expenses not requiring appropriation in the Budget year ²	352	1,106	(754)
<i>Departmental expenses</i>			
Departmental appropriation ¹	295,905	292,749	3,156
Expenses not requiring appropriation in the Budget year ²	10,008	24,596	(14,588)
Total expenses for Outcome 1	472,209	478,876	(6,667)
	2021-22	2021-22	Variation
	Budget	Actuals	
Average staffing level (number)	1,168	1,089	79

* Full-year budget, including any subsequent adjustment made.

¹ Departmental appropriation combines ordinary annual services (Appropriation Acts Nos 1 and 3) and retained receipts under section 74 of the PGPA Act.

² Expenses not requiring appropriation in the Budget year are made up of depreciation and amortisation expenses, impairment of receivables, audit fees and resources provided free of charge.

Non-compliance with finance law

In 2021-22, the Department had no significant issues under paragraph 19(1)(e) of the *Public Governance, Performance and Accountability Act 2013* relating to non-compliance with the finance law.

Purchasing and procurement

The Department's approach to procuring goods and services, including consultancies, was undertaken in accordance with the *Public Governance, Performance and Accountability Act 2013* and the principles of the Commonwealth Procurement Rules (CPRs).

These rules are applied to activities through the Department's Accountable Authority Instructions and supporting financial management procedures and guidelines.

The Department undertakes competitive, non-discriminatory procurement processes; uses resources efficiently, effectively, economically and ethically; and makes decisions in an accountable manner.

The Department's annual procurement plan is available on the AusTender website (tenders.gov.au).

No contracts in excess of \$10,000 (inclusive of GST) or standing offers were exempted by the Secretary from publishing on AusTender on the basis that publication would disclose exempt matters under the *Freedom of Information Act 1982*.

Reportable consultancy contracts

During 2021–22, 40 new reportable consultancy contracts were entered into with total actual expenditure of \$903,553 (inclusive of GST). In addition, 15 ongoing reportable consultancy contracts were active during the period, with total actual expenditure of \$468,677 (inclusive of GST).

The Department engages consultants when specialist expertise or independent research, review and assessment that assists with agency decision-making is required. Decisions to engage consultants are made in accordance with the PGPA Act and related rules, including the CPRs and relevant internal policies.

Annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable consultancy contracts is available on the AusTender website (tenders.gov.au).

Table 3.25: Reportable consultancy contracts, 2021–22

Reportable consultancy contracts	Number	Expenditure \$
New contracts entered into during the reporting period	40	903,553
Ongoing contracts entered into during a previous reporting period	15	468,677
TOTAL	55	1,372,230

Figures have been rounded.

Table 3.26: Organisations receiving a share of reportable consultancy contract expenditure, 2021–22

Organisations receiving a share of reportable consultancy contract expenditure, 2021–22	Expenditure \$	Proportion of 2021–22 total spend (%)
AlphaBeta Advisors Pty Limited ABN 91 603 412 013	250,690	18
Proximity Advisory Services Pty Ltd ABN 92 147 937 844	216,618	16
Australian Government Solicitor ABN 69 405 937 639	147,720	11
Maddocks ABN 63 478 951 337	119,166	9
Ernst & Young ABN 75 288 172 749	77,330	6
Egon Zehnder International Pty Ltd ABN 67 098 985 409	68,750	5
TOTAL OF THE LARGEST SHARES	880,274	64

Figures have been rounded.

Reportable non-consultancy contracts

During 2021–22, 420 new reportable non-consultancy contracts were entered into with total actual expenditure of \$45,098,922 (inclusive of GST). In addition,

409 ongoing reportable non-consultancy contracts were active during the period, with total actual expenditure of \$66,237,537 (inclusive of GST).

Decisions to engage a supplier were made in accordance with the PGPA Act and related rules, including the CPRs and relevant internal policies.

Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of reportable non-consultancy contracts is available on the AusTender website (tenders.gov.au).

Table 3.27: Reportable non-consultancy contract expenditure, 2021-22

Reportable non-consultancy contracts	Number	Expenditure \$
New contracts entered into during the reporting period	420	45,098,922
Ongoing contracts entered into during a previous reporting period	409	66,237,537
TOTAL	829	111,336,459

Figures have been rounded.

Table 3.28: Organisations receiving a share of reportable non-consultancy contract expenditure, 2021-22

Organisations receiving a share of reportable non-consultancy contract expenditure 2021-22	Expenditure \$	Proportion of 2021-22 total spend (%)
ISPT Pty Ltd ABN 15 421 756 611	11,347,649	10
AcronymIT Pty Limited ABN 68 096 077 422	4,731,788	4
Data#3 Limited ABN 31 010 545 267	4,668,811	4
Jones Lang Lasalle (ACT) Pty Limited ABN 69 008 585 260	3,855,038	3
Telstra Corporation Limited ABN 33 051 775 556	3,264,266	3
TOTAL OF THE LARGEST SHARES	27,867,553	25

Figures have been rounded.

Australian National Audit Office Access Clauses

The following contracts entered into during the reporting period with a value of \$100,000 or greater (inclusive of GST) did not include the standard Auditor-General access clause.

Table 3.29: Australian National Audit Office Access contract details 2021–22

Name of Contractor	Purpose	Total contract value \$ (GST inclusive)	Reason for not including access clauses
Microsoft Pty Ltd	Components for information technology or broadcasting or telecommunications	289,911	Standard industry practice to enter into supplier terms and conditions
EBSCO International Inc	Information services	143,000	Standard industry practice to enter into supplier terms and conditions
Bloomberg Australia Pty Ltd	Online database information retrieval systems	284,771	Standard industry practice to enter into supplier terms and conditions
Microsoft Pty Ltd	Software maintenance and support	104,405	Standard industry practice to enter into supplier terms and conditions
Servicenow Australia Pty Ltd	Software maintenance and support	1,090,863	Standard industry practice to enter into supplier terms and conditions

Procurement initiatives to support small business

The Department supports small business participation in the Commonwealth Government procurement market. Small and medium enterprises (SME) and small enterprise participation statistics are available on the Department of Finance website (finance.gov.au).

The Department encourages staff to consider the disaggregation of large projects to provide more opportunities for SMEs, aligning with the 1 July 2022 amendment to the CPRs. In addition, where appropriate, staff are advised of exemption 17 of the CPRs, relating to the use of SMEs up to \$200,000.

The Department remains committed to ensuring SMEs are able to engage in fair competition and demonstrate this through procurement practices, including use of templates from the Commonwealth Contracting Suite for low-risk procurements valued under \$200,000. Practices also support the use of electronic systems such as e-invoicing and payment cards.

The Department recognises the importance of ensuring small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury website (treasury.gov.au).

Advertising and market research

During 2021–22, the Department conducted an advertising campaign for the new Automatic Mutual Recognition of Occupational Registration (AMR) scheme and commenced the research phase for a national child safety advertising campaign. Non-campaign advertising was also undertaken to promote the National Office for Child Safety 'Keeping Our Kids Safe' resources.

Further information on the campaigns is available in the Australian Government advertising reports on the Department of Finance website (finance.gov.au). The Department did not make any payments to direct mail organisations or polling organisations.

In accordance with section 311A of the *Commonwealth Electoral Act 1918*, the following expenditure of \$14,500 or more (inclusive of GST) for campaign advertising and market research are set out in Table 3.30.

Non-campaign advertising and market research expenditure is set out in Table 3.31.

Table 3.30: Campaign advertising and market research

Organisation	Purpose	Expenditure \$
Kantar Public Australia Pty Ltd	Advertising campaign for the National Child Safety Program	934,744
The Monkeys Pty Limited	Advertising services for the AMR scheme campaign	712,948
Mediabrand Australia Pty Ltd	Media services for the AMR scheme campaign	433,959
Horizon Communication Group Pty Limited	Public relations services for the AMR scheme campaign	277,405
IPSOS Public Affairs Pty Ltd	Market research services for the AMR scheme campaign	236,621
Embrace Society Pty Ltd	Public relations services for the AMR scheme campaign	100,590
The Monkeys Pty Limited	Advertising for the AMR scheme campaign	86,133
Hall & Partners Pty Ltd	Evaluation market research services for the AMR scheme campaign	83,676
Mediabrand Australia Pty Ltd	Campaign awareness advertising relating to 'Keeping Our Kids Safe' resources	50,000
Mediabrand Australia Pty Ltd	Campaign promotion relating to 'Keeping Our Kids Safe' resources	49,911
IPSOS Public Affairs Pty Ltd	Market research services for the AMR scheme campaign	47,340
IPSOS Public Affairs Pty Ltd	Market research services for the AMR scheme campaign	36,904
Cox Inall Ridgeway Pty Ltd	Public relations services for the AMR scheme campaign	36,585

Table 3.31: Non-campaign advertising and market research

Organisation	Purpose	Expenditure \$
IBM Australia Ltd	Scoping and design for digital document execution initiative	585,338
Ernst & Young	Non-campaign research to inform the Working with Children Checks for the National Office for Child Safety	170,500
DBM Consultants Pty Ltd	Community perception research to assist the Office of the National Soils Advocate	168,807
Mediabrand Australia Pty Ltd	Advertising for 2023 Graduate Program	91,065
KPMG	Non-campaign research on Child Safety Risk Management Guide and Tools for the National Office for Child Safety	90,000
National Centre for Action on Child Sexual Abuse Limited	Non-campaign research to develop a public health model for the National Office for Child Safety	65,670
University of South Australia	Non-campaign research to deliver a base line analysis of specialist and community support services for the National Office for Child Safety	50,000
Children and Young People with Disability Australia	Non-campaign resources on National Principles for Child Safety	50,000
Mediabrand Australia Pty Ltd	Media services for the AMR Business Research and Innovation Initiative	39,955
Dynata Global AU Pty Ltd	Recruit and manage a sample of Australian participants for an online study	39,930
Dynata Global AU Pty Ltd	Recruitment of participants for online focus groups and surveys	22,641
Qualtrics, LLC	Recruit and manage a sample of Australian participants for an online study	21,909
The Trustee For Teber Trust	Promote careers within the Department of the Prime Minister and Cabinet and the National Indigenous Australians Agency at various secondary schools across Australia	16,445
Mediabrand Australia Pty Ltd	Newspaper Memorial Notice for the Hon Andrew Sharp Peacock AC GCL	15,114

Grant programs

Information on grants awarded by PM&C during the period 1 July 2021 to 30 June 2022 is published on www.grants.gov.au.

Asset management

The Department's asset management policy is set out in the Secretary's Accountable Authority Instructions and supporting financial management procedures. High-value assets are subject to whole-of-life management, including formal tendering for acquisition, scheduled maintenance, and detailed accounting of disposal or return at the end of the useful life of the asset. The Department's asset management practices are designed to protect the interests of the Australian Government.

Disability reporting

Australia's Disability Strategy 2021–2031 (the Strategy) is the overarching framework for inclusive policies, programs and infrastructure that will support people with disability to participate in all areas of Australian life. The Strategy sets out where practical changes will be made to improve the lives of people with disability in Australia. It acts to ensure the principles underpinning the United Nations Convention on the Rights of Persons with Disabilities are incorporated into Australia's policies and programs that affect people with disability, their families and carers. All levels of government have committed to deliver more comprehensive and visible reporting under the Strategy. A range of reports on progress of the Strategy's actions and outcome areas will be published and available at www.disabilitygateway.gov.au/ads.

In December 2020, the Australian Government released the Australian Public Service Disability Employment Strategy 2020–2025, with the goal of increasing the employment of people with disability across the Australian Public Service to 7 per cent by 2025. Disability reporting is included in the Australian Public Service Commission's State of the Service reports and the APS Statistical Bulletin. These reports are available at www.apsc.gov.au.



Part 4



Financial statements





INDEPENDENT AUDITOR'S REPORT

To the Prime Minister

Opinion

In my opinion, the financial statements of the Department of the Prime Minister and Cabinet (the Entity) for the year ended 30 June 2022:

- (a) comply with Australian Accounting Standards – Simplified Disclosures and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Entity as at 30 June 2022 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2022 and for the year then ended:

- Statement by the Secretary and Chief Financial Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement;
- Administered Schedule of Comprehensive Income;
- Administered Schedule of Assets and Liabilities;
- Administered Reconciliation Schedule;
- Administered Cash Flow Statement; and
- Notes to and forming part of the financial statements, comprising an Overview and summary of significant accounting policies and other explanatory information.

Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

I have determined that there are no key audit matters to communicate in my report.

Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Secretary is responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Simplified Disclosures and the rules made under the Act. The Secretary is also responsible for such internal control as he determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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Phone (02) 6203 7300

In preparing the financial statements, the Secretary is responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result of an administrative restructure or for any other reason. The Secretary is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the assessment indicates that it is not appropriate.

Auditor's responsibilities for the audit of the financial statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Peter Kerr

Executive Director

Delegate of the Auditor-General

Canberra

15 September 2022

DEPARTMENT OF THE PRIME MINISTER AND CABINET

Financial Statements

For the period ended 30 June 2022

**DEPARTMENT OF THE PRIME MINISTER AND CABINET
STATEMENT BY THE SECRETARY AND CHIEF FINANCIAL OFFICER**

In our opinion, the attached financial statements for the year ended 30 June 2022 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Department of the Prime Minister and Cabinet will be able to pay its debts as and when they fall due.



Professor Glyn Davis AC
Secretary

13 September 2022



Sajiv De Silva
A/g Chief Financial Officer

13 September 2022

DEPARTMENT OF THE PRIME MINISTER AND CABINET
STATEMENT OF COMPREHENSIVE INCOME
for the period ended 30 June 2022

	Notes	2022 \$'000	2021 \$'000	Original budget ¹ \$'000
NET COST OF SERVICES				
Expenses				
Employee benefits	1.1A	160,981	139,473	136,267
Suppliers	1.1B	103,618	101,726	94,299
Grants	1.1C	26,764	-	-
Depreciation and amortisation	3.2	24,380	24,628	17,370
Finance costs	1.1D	1,386	1,477	2,611
Impairment loss on financial instruments		-	15	-
Write-down and impairment of other assets	3.2	216	399	-
Total expenses		317,345	267,718	250,547
Own-source income				
Own-source revenue				
Revenue from contracts with customers	1.2A	53,059	50,992	42,677
Resources received free of charge	1.2B	2,972	6,631	-
Total own-source revenue		56,031	57,623	42,677
Gains				
Other gains		1	-	1,775
Total gains		1	-	1,775
Total own-source income		56,032	57,623	44,452
Net cost of services		261,313	210,095	206,095
Revenue from Government - departmental appropriations		223,247	191,630	194,571
(Deficit)		(38,066)	(18,465)	(11,524)
OTHER COMPREHENSIVE INCOME				
Items not subject to subsequent reclassification to net cost of services				
Changes in asset revaluation reserve		185	294	-
Total comprehensive (loss)		(37,881)	(18,171)	(11,524)

¹ For budget commentary, refer to page 7.

The above statement should be read in conjunction with the accompanying notes.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
STATEMENT OF FINANCIAL POSITION
as at 30 June 2022

	Notes	2022 \$'000	2021 \$'000	Original budget ¹ \$'000
ASSETS				
Financial assets				
Cash and cash equivalents		1,862	1,903	1,993
Trade and other receivables	3.1	59,664	36,616	29,713
Accrued revenue		3,229	5,553	4,865
Total financial assets		64,755	44,072	36,571
Non-financial assets				
Property, plant and equipment ²	3.2	146,802	155,715	143,572
Intangibles	3.2	10,043	13,422	30,143
Prepayments		7,060	5,697	4,728
Total non-financial assets		163,905	174,834	178,443
Total assets		228,660	218,906	215,014
LIABILITIES				
Payables				
Trade creditors and accruals		11,153	9,127	1,634
Other payables	3.3	7,927	4,260	3,593
Total payables		19,080	13,387	5,227
Interest bearing liabilities				
Leases	3.4	105,953	112,206	108,411
Total interest bearing liabilities		105,953	112,206	108,411
Provisions				
Employee provisions	6.1A	47,500	42,232	42,862
Makegood provision	3.5	275	-	-
Total provisions		47,775	42,232	42,862
Total liabilities		172,808	167,825	156,500
Net assets		55,852	51,081	58,514
EQUITY				
Contributed equity		216,515	173,863	186,758
Accumulated (deficit)		(164,743)	(126,677)	(131,845)
Asset revaluation reserve		4,080	3,895	3,601
Total equity		55,852	51,081	58,514

¹ For budget commentary, refer to page 7.

² Right-of-use assets are included in the property, plant and equipment line item.

The above statement should be read in conjunction with the accompanying notes.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
STATEMENT OF CHANGES IN EQUITY
for the period ended 30 June 2022

	2022	2021	Original budget ¹
	\$'000	\$'000	\$'000
CONTRIBUTED EQUITY			
Opening balance			
Balance carried forward from previous period	173,863	166,031	173,439
Transactions with owners			
Distributions to owners			
Return of capital:			
Restructuring ²	-	(277)	-
Repealed appropriation	(139)	-	-
Contributions by owners			
Appropriation ³			
Departmental Capital Budget	29,200	-	-
	13,591	8,109	13,319
Total transactions with owners	42,652	7,832	13,319
Closing balance as at 30 June	216,515	173,863	186,758
ACCUMULATED DEFICIT			
Opening balance			
Balance carried forward from previous period	(126,677)	(108,212)	(120,321)
Comprehensive income			
(Deficit) for the period	(38,066)	(18,465)	(11,524)
Total comprehensive income	(38,066)	(18,465)	(11,524)
Closing balance as at 30 June	(164,743)	(126,677)	(131,845)

¹ For budget commentary, refer to page 7.

² In the 2020-21 period, the National Recovery and Resilience Agency (NRRRA) was established on 5 May 2021.
Refer to Note 8.2 Restructuring.

³ The Minister for Finance approved the unquarantining of prior year appropriation (2019-20) to fund grants for the National Australia Day Council (\$26.700 million) and Sydney Energy Forum (\$2.500 million).

The above statement should be read in conjunction with the accompanying notes.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
STATEMENT OF CHANGES IN EQUITY
for the period ended 30 June 2022

	2022 \$'000	2021 \$'000	Original budget ¹ \$'000
ASSET REVALUATION RESERVE			
Opening balance			
Balance carried forward from previous period	3,895	3,601	3,601
Comprehensive income			
Other comprehensive income	185	294	-
Total comprehensive income	185	294	-
Closing balance as at 30 June	4,080	3,895	3,601
TOTAL EQUITY			
Opening balance			
Balance carried forward from previous period	51,081	61,420	56,719
Comprehensive income			
Other comprehensive income	185	294	-
(Deficit) for the period	(38,066)	(18,465)	(11,524)
Total comprehensive income	(37,881)	(18,171)	(11,524)
Transactions with owners			
Distributions to owners			
Return of capital:			
Restructuring ²	-	(277)	-
Repealed appropriation	(139)	-	-
Contributions by owners			
Appropriation ³	29,200	-	-
Departmental Capital Budget	13,591	8,109	13,319
Total transactions with owners	42,652	7,832	13,319
Closing balance as at 30 June	55,852	51,081	58,514

¹ For budget commentary, refer to page 7.

² In the 2020-21 period, the NRRA was established on 5 May 2021. Refer to Note 8.2 Restructuring.

³ The Minister for Finance approved the unquarantining of prior year appropriation (2019-20) to fund grants for the National Australia Day Council (\$26.700 million) and Sydney Energy Forum (\$2.500 million).

Accounting Policy

Equity injections

Amounts appropriated which are designated as equity injections for a year (less any formal reductions) and departmental capital budgets are recognised directly in contributed equity in that year.

Restructuring of administrative arrangements

Net assets received from or relinquished to another government entity under a restructuring of administrative arrangements are adjusted at their book value directly against contributed equity.

Other distributions to owners

The *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR) requires that distributions to owners be debited to contributed equity unless it is in the nature of a dividend.

The above statement should be read in conjunction with the accompanying notes.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
CASH FLOW STATEMENT
for the period ended 30 June 2022

	2022	2021	Original budget ¹
	\$'000	\$'000	\$'000
OPERATING ACTIVITIES			
Cash received			
Sale of goods and rendering of services	54,515	58,371	42,677
GST received (net)	11,679	11,663	-
Appropriations	<u>260,708</u>	<u>237,508</u>	<u>237,248</u>
Total cash received	<u>326,902</u>	<u>307,542</u>	<u>279,925</u>
Cash used			
Employees	154,272	137,251	136,267
Suppliers	109,084	109,471	92,524
Grants	26,764	-	-
Retained receipts transferred to Official Public Account	54,306	58,081	42,677
Interest payments on lease liabilities	<u>1,386</u>	<u>1,477</u>	<u>2,611</u>
Total cash used	<u>345,812</u>	<u>306,280</u>	<u>274,079</u>
Net cash (used by) / from operating activities	<u>(18,910)</u>	<u>1,262</u>	<u>5,846</u>
INVESTING ACTIVITIES			
Cash used			
Purchase of property, plant and equipment	5,872	6,790	13,319
Purchase of intangibles	<u>4,278</u>	<u>1,985</u>	<u>-</u>
Total cash used	<u>10,150</u>	<u>8,775</u>	<u>13,319</u>
Net cash (used by) investing activities	<u>(10,150)</u>	<u>(8,775)</u>	<u>(13,319)</u>
FINANCING ACTIVITIES			
Cash received			
Contributed equity			
Equity injections	29,200	-	-
Departmental Capital Budget	<u>8,041</u>	<u>7,776</u>	<u>13,319</u>
Total cash received	<u>37,241</u>	<u>7,776</u>	<u>13,319</u>
Cash used			
Principal payments of lease liabilities	<u>8,222</u>	<u>7,353</u>	<u>5,846</u>
Total cash used	<u>8,222</u>	<u>7,353</u>	<u>5,846</u>
Net cash from financing activities	<u>29,019</u>	<u>423</u>	<u>7,473</u>
Net (decrease) in cash held	<u>(41)</u>	<u>(7,090)</u>	<u>-</u>
Cash and cash equivalents at the beginning of the reporting period	<u>1,903</u>	<u>8,993</u>	<u>1,993</u>
Cash and cash equivalents at the end of the reporting period	<u>1,862</u>	<u>1,903</u>	<u>1,993</u>

¹ For budget commentary, refer to page 7.

The above statement should be read in conjunction with the accompanying notes.

**DEPARTMENT OF THE PRIME MINISTER AND CABINET
BUDGET COMMENTARY
for the period ended 30 June 2022**

Departmental budget variance	
<p>The below table provides commentary for significant variances between PM&C's original budget estimates, as published in the 2021-22 Portfolio Budget Statements, and the actual expenditure and net asset position for the year.</p>	
Explanation of major variances	Affected line items and statement
<p>Employee benefits: Increase in the number of employees as a result of measures post the 2021-22 Budget and the department engaged staff rather than secondees and contractors.</p>	<p>Employee benefits – Statement of Comprehensive Income Employees – Cash Flow Statement Employee provision – Statement of Financial Position</p>
<p>Suppliers expense: The Department implemented measures post the 2021-22 Budget, such as the Sydney Energy Forum and the National Strategy to Prevent and Respond to Child Sexual Abuse.</p> <p>The ongoing use of taskforces contributed to suppliers expenses and own-source revenue (for seconded employees from other government entities) being higher than budgeted.</p>	<p>Suppliers expense – Statement of Comprehensive Income Trade creditors and accruals - Statement of Financial Position Resources received free of charge – Statement of Comprehensive Income Suppliers – Cash Flow Statement</p>
<p>Grants: Additional funding was received following the 2021-22 original budget for the National Australia Day Council. Funding was received through the unquarantining of prior year appropriations.</p>	<p>Grants – Statement of Comprehensive Income Grants – Cash Flow Statement Equity Injection – Cash Flow Statement</p>
<p>Depreciation and amortisation expense: Newly capitalised projects in 2021-22 contributed to depreciation and amortisation expense being higher than budgeted.</p>	<p>Depreciation and amortisation – Statement of Comprehensive Income Property, plant and equipment – Statement of Financial Position Intangibles – Statements of Financial Position</p>
<p>Revenue from contracts with customers: Revenue for NIAA direct services relating to information and communications technology projects contributed to an increase in revenue that was higher than budgeted.</p>	<p>Revenue from contracts with customers – Statement of Comprehensive Income Sales of goods and rendering of services – Cash Flow Statement</p>
<p>Revenue from Government: Additional budget measures received through <i>Appropriation Act (No.3) 2021-22</i> and <i>Appropriation Act (No.4) 2021-22</i> which were not reflected in the original budget.</p>	<p>Revenue from Government – departmental appropriation – Statement of Comprehensive Income Trade and other receivables – Statement of Financial Position</p>

The above statement should be read in conjunction with the accompanying notes.

**DEPARTMENT OF THE PRIME MINISTER AND CABINET
ADMINISTERED SCHEDULE OF COMPREHENSIVE INCOME**
for the period ended 30 June 2022

	Notes	2022 \$'000	2021 \$'000	Original budget ¹ \$'000
NET COST OF SERVICES				
Expenses				
Employee benefits	2.1A	1,732	1,667	1,726
Suppliers	2.1B	2,684	1,842	6,661
Grants	2.1C	26,452	56,159	26,119
Depreciation	4.2	1,043	1,113	649
Finance costs	2.1D	201	136	133
Write-down and impairment of non-financial assets	4.2	63	26	-
Payments to corporate Commonwealth entities and companies	2.1E	129,356	126,283	122,528
Total expenses		161,531	187,226	157,816
Income				
Revenue				
Non-taxation revenue				
Other revenue	2.2	58	10	-
Total non-taxation revenue		58	10	-
Total revenue		58	10	-
Gains				
Other gains		27	-	-
Total gains		27	-	-
Total income		85	10	-
Net cost of services		161,446	187,216	157,816
(Deficit)		(161,446)	(187,216)	(157,816)
OTHER COMPREHENSIVE INCOME				
Items not subject to subsequent reclassification to net cost of services				
Changes in asset revaluation reserve		139,597	177,947	-
Items subject to subsequent reclassification to net cost of services				
Actuarial gain – former Governors-General entitlements	6.1C	1,103	1,635	-
Other		-	118	-
Total other comprehensive income		140,700	179,700	-
Total comprehensive (loss)		(20,746)	(7,516)	-

¹ For budget commentary, refer to page 10.

The above statement should be read in conjunction with the accompanying notes.

**DEPARTMENT OF THE PRIME MINISTER AND CABINET
ADMINISTERED SCHEDULE OF ASSETS AND LIABILITIES
as at 30 June 2022**

	Notes	2022 \$'000	2021 \$'000	Original budget ¹ \$'000
ASSETS				
Financial assets				
Cash	4.1A	-	-	2,684
Trade and other receivables	4.1B	94	2,017	73
Investments in corporate Commonwealth entities	4.1C	3,087,497	2,870,473	2,810,049
Total financial assets		3,087,591	2,872,490	2,812,806
Non-financial assets				
Property, plant and equipment ²	4.2	59,551	53,519	55,286
Prepayments		51	59	174
Total non-financial assets		59,602	53,578	55,460
Total assets administered on behalf of Government		3,147,193	2,926,068	2,868,266
LIABILITIES				
Payables				
Trade creditors and accruals		315	163	148
Other payables	4.3	56	49	437
Total payables		371	212	585
Interest bearing liabilities				
Leases	4.4	599	905	702
Total interest bearing liabilities		599	905	702
Provisions				
Employee provisions	6.1B	681	591	490
Non-cash benefits - former Governors-General	6.1C	13,400	15,330	15,547
Makegood provisions		373	372	-
Total provisions		14,454	16,293	16,037
Total liabilities administered on behalf of Government		15,424	17,410	17,324
Net assets		3,131,769	2,908,658	2,850,942

¹ For budget commentary, refer to page 10.

² Right-of-use assets are included in the property, plant and equipment.

The above statement should be read in conjunction with the accompanying notes.

DEPARTMENT OF THE PRIME MINISTER AND CABINET ADMINISTERED BUDGET COMMENTARY

as at 30 June 2022

Administered budget variance	
<p>The below table provides commentary for significant variances between PM&C's original budget estimates for administered functions, as published in the 2021-22 Portfolio Budget Statements, and the actual expenditure and net asset position for the year.</p>	
Explanation of major variances	Affected line items and statement
<p>Suppliers expense: Delays in the establishment of the Early Stage Social Enterprise Foundation and continued COVID-19 related restrictions resulted in a lower number of official visits, functions and travel than budgeted.</p>	<p>Suppliers expense – Administered Schedule of Comprehensive Income Suppliers – Administered Schedule of Cash Flows</p>
<p>Payments to corporate Commonwealth entities and companies: Additional funding for the Australian Institute of Aboriginal and Torres Strait Islander Studies at Portfolio Additional Estimates Statements.</p>	<p>Payments to corporate Commonwealth entities and companies – Administered Schedule of Comprehensive Income Payments to corporate Commonwealth entities and companies – Administered Schedule of Cash Flows</p>
<p>Former Governor General: Majority of the reduction in the provision is due to increase in discount rate from 1.27% to 3.57% offset by an increase in mortality, cost, inflation and wage assumption compared to budget. The actuarial gain was not budgeted in the administered schedule of comprehensive income.</p>	<p>Actuarial gain – former Governors-General entitlements – Administered Schedule of Comprehensive Income Non-cash benefits – former Governors-General – Administered Schedule of Assets and Liabilities</p>
<p>Changes in asset revaluation reserve: Movement in net asset balance in investments in corporate Commonwealth entities and companies which was not budgeted.</p>	<p>Changes in asset revaluation reserve – Administered Schedule of Comprehensive Income Investments in corporate Commonwealth entities – Administered Schedule of Assets and Liabilities Revaluation transferred to reserves – Administered Reconciliation Schedule</p>

The above statement should be read in conjunction with the accompanying notes.

**DEPARTMENT OF THE PRIME MINISTER AND CABINET
ADMINISTERED RECONCILIATION SCHEDULE
for the period ended 30 June 2022**

	2022 \$'000	2021 \$'000
Opening assets less liabilities as at 1 July	2,908,658	2,629,565
Net cost of services		
Income	85	10
Expenses		
Payments to entities other than corporate Commonwealth entities and companies	(32,175)	(60,943)
Payments to corporate Commonwealth entities and companies	(129,356)	(126,283)
Other comprehensive income		
Revaluations transferred to reserves	139,597	177,947
Actuarial gain through equity	1,103	1,753
Transfers (to)/from the Australian Government		
Appropriation transfers from Official Public Account		
Annual appropriation for administered expenses (non-corporate Commonwealth entities and companies)	34,590	49,959
Annual appropriation for payment to corporate Commonwealth entities and companies	129,356	126,283
Special appropriations (non-corporate Commonwealth entities and companies)	-	14,562
Transfers (to) Official Public Account	(4,356)	(2,315)
Equity injection to corporate Commonwealth entities and companies	84,268	98,120
Closing assets less liabilities as at 30 June	3,131,769	2,908,658

Accounting Policy

Administered cash transfers to and from the Official Public Account

Revenue collected by PM&C for use by the Government rather than for the department is administered revenue. Cash received is transferred to the Official Public Account (OPA), held by the Department of Finance.

Conversely, cash is drawn from the OPA to make payments under appropriation on behalf of Government. These transfers to and from the OPA are adjustments to the cash held by PM&C and reported in the Administered Cash Flow Statement and in the Administered Reconciliation Schedule.

The above statement should be read in conjunction with the accompanying notes.

**DEPARTMENT OF THE PRIME MINISTER AND CABINET
ADMINISTERED CASH FLOW STATEMENT**
for the period ended 30 June 2022

	Notes	2022 \$'000	2021 \$'000
OPERATING ACTIVITIES			
Cash received			
GST received (net)		3,923	718
Other		58	10
Total cash received		<u>3,981</u>	<u>728</u>
Cash used			
Employees		1,634	1,525
Suppliers		3,682	5,773
Grant payments		28,289	56,159
Payments to corporate Commonwealth entities and companies		129,356	126,283
Interest payments on lease liabilities		6	11
Total cash used		<u>162,967</u>	<u>189,751</u>
Net cash (used by) operating activities		<u>(158,986)</u>	<u>(189,023)</u>
INVESTING ACTIVITIES			
Cash used			
Purchase of property, plant and equipment		103	291
Payments to corporate Commonwealth entities and companies		84,268	98,120
Total cash used		<u>84,371</u>	<u>98,411</u>
Net cash (used by) investing activities		<u>(84,371)</u>	<u>(98,411)</u>
FINANCING ACTIVITIES			
Cash used			
Principal payments of lease liabilities		500	517
Total cash used		<u>500</u>	<u>517</u>
Net cash (used by) financing activities		<u>(500)</u>	<u>(517)</u>
Net (decrease) in cash held		<u>(243,857)</u>	<u>(287,951)</u>
Cash and cash equivalents at the beginning of the reporting period		-	1,342
Cash from Official Public Account			
Appropriations		248,213	274,362
Special Appropriations		-	14,562
Total cash from the Official Public Account		<u>248,213</u>	<u>288,924</u>
Cash to Official Public Account			
Appropriations		(4,356)	(2,315)
Total cash to the Official Public Account		<u>(4,356)</u>	<u>(2,315)</u>
Cash and cash equivalents at the end of the reporting period	4.1A	<u>-</u>	<u>-</u>

The above statement should be read in conjunction with the accompanying notes.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2022

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Overview

Objectives of the Department of the Prime Minister and Cabinet

The Department of the Prime Minister and Cabinet (PM&C) is a not-for-profit Australian Government controlled entity for the purposes of preparing the financial statements. The objective of the Department is to provide policy advice and support to the Prime Minister, the Cabinet, Portfolio Ministers and Assistant Ministers on matters that are at the forefront of public and government administration.

The Department administers grants and supports the prime minister's office on behalf of the Government.

The address of the PM&C's registered office and principal place of business is as follows:

Andrew Fisher Building, 1 National Circuit, ACT BARTON 2600.

Basis of preparation of the financial statements

The financial statements are required by section 42 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

The financial statements have been prepared in accordance with:

- *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- Australian Accounting Standards and Interpretations – including simplified disclosures for Tier 2 Entities under AASB 1060 issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except where certain assets and liabilities are recorded at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars, and are rounded to the nearest thousand dollars unless otherwise specified.

Except where stated below, administered items are accounted for on the same basis and using the same policies as for departmental items, including the application of Australian Accounting Standards.

The Department has assessed the impact of COVID-19 pandemic on the balances included in its financial statements. The fair value of its land, buildings and property, plant and equipment and leasehold improvements was assessed due to the valuation uncertainty created by the COVID-19 pandemic. Further information is included in the accounting policy for Note 3.2 Non-financial assets and Note 4.2 Administered – Non-financial assets.

The Department has concluded that COVID-19 has not had a material impact on the fair value of these assets.

COVID-19 had no effect on the carrying value of administered investments. Further information is included in the accounting policy for Note 4.1C Investments in corporate Commonwealth entities and companies.

Taxation

The Department is exempt from all forms of taxation except Fringe Benefits Tax, the Goods and Services Tax and Mining Withholding Tax.

New Australian accounting standards

No new accounting standard has been adopted earlier than the application date as stated in the standard.

Other new standards, revised standards, interpretations and amending standards that were issued prior to the sign-off date and are applicable to the current reporting period did not have material financial impact, and are not expected to have a future material financial impact on the Department.

AASB 1060 applies to annual reporting periods beginning on or after 1 July 2021 and replaces the reduced disclosures requirements (RDR) framework.

The application of AASB 1060 involves some reduction in disclosure compared to the RDR with no impact on the reported financial position, financial performance and cashflows of the Department.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2022
Event after the reporting period

Machinery-of-Government changes

On 23 June 2022, the Governor-General signed the Administrative Arrangements Order (AAO), which will take effect from 1 July 2022.

Below is a summary of the key changes related to the Department:

- The National Soils Advocate will move to the Department of Agriculture, Fisheries and Forestry.
- Whole-of-government deregulation policy coordination will move to the Department of Finance.
- Data and Digital policy including the Digital Transformation Agency and the Office of National Data Commissioner will move to the Department of Finance.
- The Office of Supply Chain Resilience, Digital Technologies Taskforce and Critical Technologies Policy Coordination Office will move to the Department of Industry, Science and Resources.
- The National Office of Child Safety and Open Government Partnership will move to the Attorney-General's Department.
- The Automatic Mutual Recognition of Occupational Registrations grant program will move to the Department of Employment and Workplace Relations.

Portfolio agencies leaving the portfolio include:

- National Recovery and Resilience Agency will move to the Home Affairs portfolio.
- The Museum of Australian Democracy (Old Parliament House) will move to the Department of Infrastructure, Transport, Regional Development, Communications and the Arts portfolio.

Other events after the reporting period

A new corporate Commonwealth entity will be established during 2022-23, the Northern Territory Aboriginal Investment Corporation (NTAIC). The NTAIC will have an Aboriginal-led Board and will be funded from the Aboriginal Benefit Account (ABA). It will establish a new ABA payments program to support the economic, cultural and social aspirations of Aboriginal people in the Northern Territory, and invest in First Nations economic development and in a financial market portfolio. The National Indigenous Australians Agency (NIAA) is assisting the NTAIC in establishing its operations.

For the 2022-23 financial year, the NTAIC will be disclosed as an administered investment in the Department's financial statements.

1. Departmental financial performance

This section analyses the financial performance of the Department of the Prime Minister and Cabinet for the period ended 30 June 2022.

1.1. Expenses

	2022	2021
	\$'000	\$'000
Note 1.1A: Employee benefits		
Wages and salaries	121,616	108,339
Superannuation		
Defined contribution plans	14,533	12,301
Defined benefit plans	6,719	7,104
Leave and other entitlements	16,689	10,485
Separation and redundancies	685	539
Other	739	705
Total employee benefits	160,981	139,473

Accounting Policy

Accounting policies for employee related expenses is contained in the People section.

Note 1.1B: Suppliers

Goods and services

Consultants, legal, contractors and secondees	45,237	56,202
Equipment, repairs and maintenance	1,140	883
General expenses	6,167	5,299
Venue hire	120	86
Advertising and market research	4,294	2,621
Training	3,690	1,013
Office accommodation, facility management and security	4,738	4,290
Information, communication and technology	36,399	29,780
Travel	1,570	1,064
Total goods and services	103,355	101,238

Goods supplied	6,382	4,039
Services rendered	96,973	97,199
Total goods and services supplied and rendered	103,355	101,238

Other suppliers

Short-term leases	52	178
Workers compensation expenses	211	310
Total other supplier expenses	263	488
Total suppliers	103,618	101,726

The above lease disclosures should be read in conjunction with the accompanying notes 1.1D, 3.2 and 3.4.

Accounting Policy

Short-term leases and leases of low-value assets

PM&C has elected not to recognise right-of-use assets and lease liabilities over short-term leases where the lease term is 12 months or less or leases over low-value assets (less than \$10,000). PM&C recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2022

	2022 \$'000	2021 \$'000
<u>Note 1.1C: Grants</u>		
Public sector		
Government entities (related parties) ¹	26,690	-
Private sector		
Non-profit organisations	<u>74</u>	<u>-</u>
Total grants	<u>26,764</u>	<u>-</u>

¹ For variance commentary, refer to page 7.

Accounting Policy

PM&C administers a number of grant schemes. Grant liabilities are recognised to the extent that (i) the services required to be performed by the grantee have been performed or (ii) the grant eligibility criteria have been satisfied, but payments due have not been made. When the Government enters into an agreement to make these grants and services but services have not been performed and criteria satisfied, this is considered a commitment.

Note 1.1D: Finance costs

Interest on lease liabilities	<u>1,386</u>	<u>1,477</u>
Total finance costs	<u>1,386</u>	<u>1,477</u>

The above lease disclosures should be read in conjunction with the accompanying notes 1.1B, 3.2 and 3.4.

1.2. Own-source revenue

	2022 \$'000	2021 \$'000
Note 1.2A: Revenue from contracts with customers		
Revenue from contracts with customers	53,059	50,992
Total revenue from contracts with customers	53,059	50,992
Disaggregation of revenue from contracts with customers		
Delivery of services	51,107	48,049
Cost recovery	1,952	2,943
	53,059	50,992
Type of customer		
Government entities (related parties)	52,191	49,370
Non-government entities	868	1,622
	53,059	50,992
Timing of transfer of goods and services		
Over time	53,059	50,992
	53,059	50,992

Accounting Policy

Revenue from the sale of goods is recognised when control has been transferred to the buyer.

Revenue from agreements between PM&C and other related parties are recognised as per AASB 15 and revenue from appropriations and resources received free of charge are recognised as per AASB1058.

PM&C's principal activity in generating revenue is through the delivery of corporate services to the other Commonwealth agencies. Performance obligations are satisfied over time.

The transaction price is the total amount of consideration to which PM&C expects to be entitled in exchange for transferring promised goods or services to a customer. The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at the end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

Note 1.2B: Resources received free of charge

Seconded staff	2,760	6,139
Volunteer services	-	282
Remuneration of auditors	212	210
Total resources received free of charge	2,972	6,631

Accounting Policy

Resources received free of charge are recognised as revenue when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense. Resources received free of charge are recorded as either revenue or gains depending on their nature.

On the initial recognition of volunteer services as an asset or an expense, PM&C recognises any related amounts in accordance with the relevant standard.

2. Income and expenses administered on behalf of Government

This section analyses the activities that the Department of the Prime Minister and Cabinet does not control but administers on behalf of the Government. Unless otherwise noted, the accounting policies adopted are consistent with those applied for departmental reporting.

2.1. Administered – Expenses

	2022	2021
	\$'000	\$'000
Note 2.1A: Employee benefits		
Wages and salaries	1,374	1,208
Superannuation		
Defined contribution plans	140	148
Defined benefit plans	74	52
Leave and other entitlements	144	253
Separation and redundancies	-	6
Total employee benefits	1,732	1,667
Note 2.1B: Suppliers		
Goods and services		
Outsourced providers, contractors and consultants	138	207
Equipment, repairs and maintenance	601	643
General expenses	596	576
Travel	1,301	316
Information, communication and technology	46	96
Total goods and services	2,682	1,838
Goods supplied	632	363
Services rendered	2,050	1,475
Total goods and services supplied and rendered	2,682	1,838
Other suppliers		
Workers compensation expenses	2	4
Total other supplier expenses	2	4
Total suppliers	2,684	1,842

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2022

	2022	2021
	\$'000	\$'000
<u>Note 2.1C: Grants</u>		
Public sector		
Australian Government entities	7,758	31,020
Private sector		
Non-profit organisations	15,752	20,306
Commercial entities	<u>2,942</u>	<u>4,833</u>
Total grants	<u>26,452</u>	<u>56,159</u>
Program 1.1 - Prime Minister and Cabinet	<u>26,452</u>	<u>56,159</u>
Total grants	<u>26,452</u>	<u>56,159</u>

Accounting Policy

PM&C administers a small number of grants on behalf of the Government. Grant expenses are recognised to the extent that (i) the services required to be performed by the grantee have been performed; or (ii) the grant eligibility criteria have been satisfied, but payments due have not been made.

Settlement is made according to the terms and conditions of each grant. This is usually within 30 days of performance or eligibility criteria being met.

<u>Note 2.1D: Finance costs</u>		
Service costs	195	125
Interest on lease liabilities	<u>6</u>	<u>11</u>
Total finance costs	<u>201</u>	<u>136</u>

The above lease disclosures should be read in conjunction with the accompanying accounting policy note 4.2 and note 4.4.

Note 2.1E: Payments to corporate Commonwealth entities and companies

Aboriginal Hostels Limited	35,731	35,941
Australian Institute of Aboriginal and Torres Strait Islander Studies	26,269	19,437
Indigenous Business Australia	9,452	9,546
Indigenous Land and Sea Corporation	8,276	8,402
Old Parliament House	13,569	16,879
Torres Strait Regional Authority	<u>36,059</u>	<u>36,078</u>
Total payments to corporate Commonwealth entities and companies	<u>129,356</u>	<u>126,283</u>

Accounting Policy

Payments to corporate Commonwealth entities and companies from amounts appropriated for that purpose are classified as administered expenses, equity injections or loans of PM&C. The appropriation to PM&C is disclosed in section 5 Funding.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2022

2.2. Administered – Income

	2022	2021
	\$'000	\$'000
<u>Note 2.2: Other revenue</u>		
Return of grant funding	42	-
Other	16	10
Total other revenue	58	10

Accounting Policy

All administered revenue relates to ordinary activities performed by PM&C on behalf of the Government. As such, administered appropriations are not revenues of the individual entity. PM&C oversees distribution or expenditure of the funds as directed.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2022

3. Departmental financial position

This section analyses the Department of the Prime Minister and Cabinet's assets used to generate financial performance and the operating liabilities incurred as a result. Employee related information is disclosed in the People section.

3.1. Financial assets

	2022	2021
	\$'000	\$'000
Note 3.1: Trade and other receivables		
Goods and services receivables		
Goods and services	3,363	2,389
Total goods and services receivables	3,363	2,389
Appropriation receivables		
Existing programs	54,372	32,114
Total appropriation receivables	54,372	32,114
Other receivables		
Statutory receivables	1,930	2,115
Total other receivables	1,930	2,115
Total trade and other receivables (gross)	59,665	36,618
Less impairment loss allowance		
Goods and services	(1)	(2)
Total impairment loss allowance	(1)	(2)
Total trade and other receivables (net)	59,664	36,616

**DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2022**

3.2. Non-financial assets

Note 3.2: Reconciliation of the opening and closing balances of property, plant and equipment and intangibles

	Buildings \$'000	Leasehold improvements \$'000	Plant and equipment \$'000	Computer software internally developed \$'000	Computer software purchased \$'000	Total
As at 1 July 2021						
Gross book value	-	-	-	35,166	814	35,980
Fair value	129,735	47,283	19,288	-	-	196,306
Work in progress	-	903	7,118	736	120	8,877
Accumulated depreciation/amortisation and impairment	(22,759)	(18,174)	(7,679)	(22,759)	(655)	(72,026)
Total as at 1 July 2021	106,976	30,012	18,727	13,143	279	169,137
Additions						
Purchase	-	2,911	5,354	1,140	81	9,486
Movement in Work In Progress	-	418	(2,772)	3,138	(120)	664
Right-of-use assets	1,963	-	18	-	-	1,981
Revaluations and impairments recognised in other comprehensive income	-	(317)	502	-	-	185
Reclassifications	-	(385)	385	-	-	-
Depreciation and amortisation	-	(2,765)	(4,128)	(7,445)	(52)	(14,390)
Depreciation of right-of-use assets	(9,957)	-	(33)	-	-	(9,990)
Other movements of right-of-use assets	-	-	(12)	-	-	(12)
Write-down and impairments recognised in net cost of services (expense)	-	(29)	(66)	(121)	-	(216)
Total as at 30 June 2022	98,982	29,845	17,975	9,855	188	156,845
Total as at 30 June 2022 represented by						
Gross book value	-	-	-	36,184	627	36,811
Fair value	131,698	46,871	21,877	-	-	200,446
Work in progress	-	1,319	4,345	3,875	-	9,539
Accumulated depreciation, amortisation and impairment	(32,716)	(18,345)	(8,247)	(30,204)	(439)	(89,951)
Total as at 30 June 2022	98,982	29,845	17,975	9,855	188	156,845
Carrying amount of right-of-use assets ¹	98,982	-	24	-	-	99,006

¹ Relates to asset closing balance for right-of-use assets as at 30 June 2022.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
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for the period ended 30 June 2022

Accounting Policy

Asset recognition threshold

Purchases of property, plant and equipment and intangibles are recognised initially at cost in the Statement of Financial Position, except for purchases costing less than \$5,000, which are expensed in the year of acquisition (other than ICT assets where they form part of a net worth of assets which are significant in total).

The initial cost of an asset includes (where relevant) an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to makegood provisions in property leases taken up by PM&C where there exists an obligation to restore the asset to its original condition. These costs are included in the value of PM&C's property, plant and equipment with a corresponding provision for the makegood recognition.

Property, plant and equipment are subsequently measured at fair value.

Leased right-of-use (ROU) assets

Leased ROU assets are capitalised at the commencement date of the lease and comprise of the initial lease liability amount, initial direct costs incurred when entering into the lease less any lease incentives received. These assets are accounted for by Commonwealth lessees as separate asset classes to corresponding assets owned outright, but included in the same column as where the corresponding underlying assets would be presented if they were owned.

On initial adoption of AASB 16 PM&C adjusted the ROU assets at the date of initial application by the amount of any provision for onerous leases recognised immediately before the date of initial application. Following initial application, an impairment review is undertaken for any right-of-use lease asset that shows indicators of impairment and an impairment loss is recognised against any right-of-use lease asset that is impaired.

Revaluations

Following initial recognition at cost, property, plant and equipment (excluding ROU assets) are carried at fair value (or an amount not materially different from fair value). Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially from fair value as at the reporting date. The regularity of independent valuations depends upon volatility of movements in market values for the relevant assets.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/(deficit).

Fair values for each class of asset are determined as shown below:

Asset class	Fair value measurement
Buildings excluding leasehold improvements	Market selling price and depreciated replacement cost
Leasehold improvements	Depreciated replacement cost
Plant and equipment	Market selling price and depreciated replacement cost

Significant accounting judgements and estimates

In 2021-22, PM&C procured the services of independent valuation experts (Jones Lang LaSalle and Opteon) to perform valuation of departmental property, plant and equipment and leasehold improvements as at 30 June 2022.

The experts provided written assurance that the models developed to value assets are in compliance with accounting and valuation standards. However, whilst COVID-19 uncertainty still exists, the valuations also took into consideration that real estate markets and in particular certain niches in the market (unique properties such as those held by PM&C) are less volatile.

The valuation methodologies used (the market approach and the depreciated replacement cost method) have reflected current market conditions and the impact of COVID-19. PM&C will revalue its assets again in 2022-23.

PM&C tests its valuation model via internal management review at least once every 12 months. PM&C has a rolling revaluation plan in place which ensures assets are formally revalued at least once every three years. If a particular asset class experiences significant and volatile changes in fair value (i.e. where indicators suggest that the value of the class has changed materially since the previous reporting period), that class is subject to specific valuation in the reporting period, where practicable, regardless of the timing of the last specific valuation.

**DEPARTMENT OF THE PRIME MINISTER AND CABINET
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Accounting Policy (continued)

Assets that do not transact with enough frequency or transparency to develop objective opinions of value from observable market evidence are measured using the cost (depreciated replacement cost) approach. Professional judgement has been applied in calculating the consumed economic benefit or asset obsolescence relevant to the asset under construction.

All property, plant and equipment assets are valued on a recurring basis except for assets held for sale.

Upon revaluation, any accumulated depreciation is eliminated against the gross carrying amount of the asset and the asset restated to the revalued amount.

Assets held for sale

Assets held for sale are measured at the lesser of their carrying amount and fair value less cost to sell and are valued at a non-recurring basis. PM&C currently has no assets held for sale (2021: \$nil).

Intangibles

PM&C's intangibles comprise internally developed and purchased software for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Impairment

All assets were assessed for impairment during 2021-22.

Where indications of impairment exist, the recoverable amount is estimated and an impairment adjustment loss made if the recoverable amount is less than its carrying amount.

Depreciation and amortisation

Depreciable assets are written-down to estimated residual value over its estimated useful life using, in all cases, the straight-line method of depreciation.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of asset are based on the following total useful lives for the current and prior reporting periods:

Asset class	Useful lives
Buildings excluding leasehold improvements	3 to 50 years (2021: 3 to 50 years)
Leasehold improvements	Lease term (2021: Lease term)
Plant and equipment	1 to 25 years (2021: 1 to 25 years)
Intangibles	1 to 5 years (2021: 1 to 5 years)

The depreciation rates for ROU assets are based on the commencement date, to the earlier of the end of the useful life of the ROU asset or the end of the lease term.

De-recognition

An item of property, plant and equipment is de-recognised upon disposal or when no further future economic benefits to the Department from its use or disposal.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2022

3.3. Payables

	2022	2021
	\$'000	\$'000
Note 3.3: Other payables		
Salaries, wages and superannuation	3,682	2,503
Separation and redundancies payable	272	-
Unearned income	270	376
Other ¹	3,703	1,381
Total other payables	7,927	4,260

¹ Other category consist of paid parental leave, employee leave transfer clearing, fringe benefit accrual and staff creditors.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
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for the period ended 30 June 2022

3.4. Interest bearing liabilities

	2022	2021
	\$'000	\$'000
Note 3.4: Leases		
Lease liabilities		
Buildings	105,931	112,158
Plant and equipment	22	48
Total Lease Liabilities	105,953	112,206

Total cash outflows for leases for the year ended 30 June 2022 was \$9.660 million (2021: \$9.008 million).

Maturity analysis – contractual undiscounted cash flows

Less than 12 months	9,756	9,112
Between one to five years	39,982	38,227
More than five years	63,864	73,890
Total leases	113,602	121,229

PM&C in its capacity as a lessee has a total of nine significant departmental leases split into three property leases and six motor vehicle leases. The details of the significant leases are as follows.

- 1) One National Circuit, Barton, ACT – The lease has a remaining term of 10.64 years. There are no options to extend this lease and the lease expiry date is 16 February 2033.
- 2) Level 2, 10 National Circuit, Barton, ACT – The lease has a remaining term of 2.09 years. There is an option to extend this lease by two years at the lease expiry date of 31 July 2024.
- 3) Level 1, 10 National Circuit, Barton, ACT – The lease commenced on 1 August 2021 and the lease has a remaining term of 4.09 years. It contains two options to extend, each for an additional two year period at the lease expiry date of 31 July 2026.

The above lease disclosures should be read in conjunction with the accompanying notes 1.1B, 1.1D and 3.2.

Accounting Policy

For all new contracts entered into, PM&C considers whether the contract is, or contains a lease. A lease is defined as “a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration”.

Once it has been determined that a contract is, or contains a lease, the lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease, if that rate is readily determinable, or the department’s incremental borrowing rate.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification to the lease. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset or profit and loss depending on the nature of the re-assessment or modification.

3.5. Makegood provision

	\$'000	Total \$'000
As at 1 July 2021		
Additional provisions made	275	275
Amount used	-	-
Total as at 30 June 2022	275	275

DEPARTMENT OF THE PRIME MINISTER AND CABINET
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for the period ended 30 June 2022

4. Assets and liabilities administered on behalf of Government

This section analyses assets used to generate financial performance and the operating liabilities incurred as a result which the Department of the Prime Minister and Cabinet does not control, but administers on behalf of the Government. Unless otherwise noted, the accounting policies adopted are consistent with those applied for departmental reporting.

4.1. Administered – Financial assets

	2022	2021
	\$'000	\$'000
Note 4.1A: Cash and cash equivalents		
Cash	-	-
Total cash and cash equivalents	-	-
Note 4.1B: Trade and other receivables		
Other receivables		
Statutory receivables	93	2,017
Other	1	-
Total other receivables	94	2,017
Total trade and other receivables (gross)	94	2,017
Less impairment loss allowance		
Goods and services receivables	-	-
Total impairment loss allowance	-	-
Total trade and other receivables (net)	94	2,017
Note 4.1C: Investments in corporate Commonwealth entities and companies		
Equity interest in		
Aboriginal Hostels Limited	150,938	145,115
Anindilyakwa Land Council	15,982	19,890
Australian Institute of Aboriginal and Torres Strait Islander Studies	50,112	44,715
Central Land Council	93,272	74,525
Indigenous Land and Sea Corporation	436,921	459,716
Indigenous Business Australia	1,941,485	1,739,656
National Australia Day Council Limited	1,251	1,105
Northern Land Council	61,179	56,633
Outback Stores Pty Ltd	35,980	40,907
Tiwi Land Council	15,704	11,583
Torres Strait Regional Authority	96,959	88,710
Wreck Bay Aboriginal Community Council	70,556	70,629
Old Parliament House	117,158	117,289
Total investments in corporate Commonwealth entities and companies	3,087,497	2,870,473

All investments in corporate Commonwealth entities and companies are expected to be recoverable in more than 12 months.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
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for the period ended 30 June 2022

Investment in corporate Commonwealth entities and companies

The Australian Government holds a 100% equity interest in the following administered investments.

Aboriginal Hostels Limited

Provides temporary accommodation to Aboriginal and Torres Strait Islander people through a national network of accommodation facilities.

Australian Institute of Aboriginal and Torres Strait Islander Studies

The Australian Institute of Aboriginal and Torres Strait Islander Studies (AIATSIS) is a world renowned research, collections and publishing organisation and occupies a unique place at the nexus between the academic and cultural sectors, government, Indigenous communities, and the broader Australian public.

Land Councils

The Land Councils include:

- Anindilyakwa Land Council
- Central Land Council
- Northern Land Council
- Tiwi Land Council; and
- Wreck Bay Aboriginal Community Council

The Land Councils represent the Aboriginal people living in the area of the Land Council in the management of Aboriginal land in the area, and in relation to legislation concerning that land. The Land Councils also consult and protect the interests of traditional owners and take measures to assist in the protection of sacred sites in the area of the Land Council. Wreck Bay Aboriginal Community Council holds title to land and provides services to the Aboriginal community of Jervis Bay.

Indigenous Land and Sea Corporation

The Indigenous Land and Sea Corporation provides economic, environmental, social and cultural benefits for Aboriginal persons and Torres Strait Islanders by assisting in the acquisition and management of land and water related rights.

Indigenous Business Australia

Indigenous Business Australia assists and enhances Aboriginal and Torres Strait Islander self-management and economic self-sufficiency, and aims to advance the commercial and economic interests of Aboriginal and Torres Strait Islander people by accumulating and using a substantial capital base for their benefit.

National Australia Day Council Limited

Promotes national pride, active citizenship and the observance and celebration of Australia Day; administration of the Australian of the Year awards, which includes awards for the Young Australian of the Year, the Senior Australian of the Year and Australia's Local Hero; distribution of grants to State and Territory Australia Day Councils; and provision of recommendations and advice to the Australian Government on all matters relating to year-round national pride activities.

Old Parliament House

The Old Parliament House promotes an enhanced appreciation and understanding of the political and social heritage of Australia for members of the public through activities including the conservation and upkeep of, and the provision of access to, Old Parliament House and the development of its collection, exhibitions and educational programs.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
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Investment in Commonwealth entities (continued)

Outback Stores Pty Ltd

Outback Stores Pty Ltd improves access to affordable, healthy food for Indigenous communities, particularly in remote areas, through providing food supply and store management and support services.

Torres Strait Regional Authority

The Torres Strait Regional Authority formulates, implements and monitors the effectiveness of programs for Aboriginal and Torres Strait Islander people living in the Torres Strait and Northern Peninsula Area.

Accounting Policy

Administered investments in subsidiaries are not consolidated because their consolidation is relevant only at the whole-of-government level.

Administered investments are classified through other comprehensive income and are measured at fair value as at 30 June 2022. Fair value has been taken to be the Government's proportional interest in the net assets as advised by the entities as at the end of the reporting period, recorded in the latest management accounts or unaudited financial statements provided.

**DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2022**

4.2. Administered – Non-financial assets

Note 4.2: Reconciliation of the opening and closing balances of plant and equipment

	Land \$'000	Buildings \$'000	Leasehold improvements \$'000	Plant and equipment \$'000	Total \$'000
As at 1 July 2021					
Fair value	45,550	7,831	711	1,321	55,413
Work in progress	-	39	80	59	178
Accumulated depreciation and impairment	-	(1,153)	(147)	(772)	(2,072)
Total as at 1 July 2021	45,550	6,717	644	608	53,519
Additions					
Purchases	-	-	-	152	152
Movement in Work in Progress	-	86	(80)	(55)	(49)
Right-of-use assets	-	169	-	26	195
Revaluations recognised in other comprehensive income	6,540	234	30	36	6,840
Depreciation expense	-	(244)	(188)	(152)	(584)
Depreciation on right-of-use assets	-	(408)	-	(51)	(459)
Write-down and impairments	-	(45)	(18)	-	(63)
Total as at 30 June 2022	52,090	6,509	388	564	59,551
Total as at 30 June 2022 represented by					
Fair value	52,090	7,734	534	1,398	61,756
Work in progress	-	126	-	3	129
Accumulated depreciation and impairment	-	(1,351)	(146)	(837)	(2,334)
Total as at 30 June 2022	52,090	6,509	388	564	59,551
Carrying amount of right-of-use assets ¹					
	-	544	-	29	573

¹ Relates to asset closing balance for right-of-use assets as at 30 June 2022.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
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Accounting Policy

Revaluation

In 2021-22, PM&C procured the services of independent valuation experts (Jones Lang LaSalle and Opteon) to perform physical inspection valuation of administered land, buildings and property, plant and equipment and leasehold improvements assets as at 30 June 2022.

The experts provided written assurance that the models developed to value assets are in compliance with accounting and valuation standards. However, while COVID-19 uncertainty still exists, the valuations also took into consideration that real estate markets and in particular certain niches in the market (unique properties such as those held by PM&C) are less volatile.

The valuation methodologies used (the market approach and the depreciated replacement cost method) have reflected current market conditions and the impact of COVID-19.

Depreciation

Depreciation rates applying to each class of depreciable asset are based on the following useful lives for the current and prior reporting periods.

Asset class	Useful lives
Buildings excluding leasehold improvements	22 to 30 years (2021: 22 to 30 years)
Leasehold improvements	Lease term (2021: Lease term)
Plant and equipment	5 to 114 years (2021: 5 to 114 years)

DEPARTMENT OF THE PRIME MINISTER AND CABINET
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4.3. Administered – Payables

	2022	2021
	\$'000	\$'000
Note 4.3: Other payables		
Salaries, wages and superannuation	41	33
Other	15	16
Total other payables	56	49

4.4. Administered – Interest bearing liabilities

Note 4.4: Leases		
Lease liabilities		
Buildings	570	851
Plant and equipment	29	54
Total finance leases	599	905
Maturity analysis - contractual undiscounted cash flows		
Less than 12 months	356	463
Between one to five years	280	452
More than five years	-	-
Total leases	636	915

Total cash outflows for leases for the year ended 30 June 2022 was \$0.506 million (2021: \$0.528 million).

PM&C in its capacity as a lessee has a total of three properties leases and four motor vehicle leases. The details of significant property leases are as follows.

- 1) 2 George Street Brisbane QLD – The lease has a remaining term of 1.75 years. There are no options to extend this lease and the lease expiry date is 31 March 2024.
- 2) Suite 1 Level 13, 139 Macquarie Street Sydney NSW – The lease has a remaining term of 1.92 years. There are no options to extend this lease and the lease expiry date is 31 May 2024.
- 3) Waterfront Place Brisbane QLD (Building and Car park) – The lease has a remaining term of 1.59 years. There are no options to extend this lease and the lease expiry date is 31 January 2024.

The above lease disclosures should be read in conjunction with the accompanying notes 2.1D and 4.2.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2022

5. Funding

This section identifies the Department of the Prime Minister and Cabinet funding structure.

5.1. Appropriations

Note 5.1A: Departmental annual and unspent appropriations ('recoverable GST exclusive')

	2022	2021
	\$'000	\$'000
Ordinary annual services		
Annual Appropriation		
Operating	223,247	197,801
Capital budget	13,593	8,209
Section 74 receipts	67,441	86,315 ⁴
Section 75 transfers	-	(6,271)
Total available appropriation	304,281	286,054
Appropriation applied (current and prior years)	(311,126)	(280,607) ⁴
Variance	(6,845)	5,447
Opening unspent appropriation balance	117,930	126,446
Repeal of <i>Appropriation Acts 2017-18</i>	-	(13,963)
Repeal of <i>Appropriation Acts 2018-19</i>	(4,000)	-
Closing unspent appropriation balance	107,085	117,930
Balance comprises appropriations as follows:		
<i>Appropriation Act (No. 1) 2018-19</i>	-	4,000
<i>Appropriation Act (No. 1) 2019-20</i> ^{1, 2}	44,141	73,341
<i>Appropriation Act (No. 1) 2019-20 – Capital Budget (DCB) – Non Operating</i> ¹	6,710	6,710
<i>Appropriation Act (No. 1) 2019-20 cash held by the department</i>	-	-
<i>Appropriation Act (No. 1) 2020-21</i>	2,500	28,734
<i>Appropriation Act (No. 1) 2020-21 – Capital Budget (DCB) – Non Operating</i>	2,310	2,310
<i>Appropriation Act (No. 3) 2020-21</i>	-	932
<i>Appropriation Act (No. 1) 2020-21 cash held by the department</i> ³	-	1,903
<i>Appropriation Act (No. 1) 2021-22</i>	15,334	-
<i>Appropriation Act (No. 1) 2021-22 – Capital Budget (DCB) – Non Operating</i>	4,578	-
<i>Appropriation Act (No. 3) 2021-22</i>	28,676	-
<i>Appropriation Act (No. 3) 2021-22 – Capital Budget (DCB) – Non Operating</i>	974	-
<i>Appropriation Act (No. 1) 2021-22 cash held by the department</i> ³	1,862	-
Total unspent appropriation - ordinary annual services	107,085	117,930
Other services		
Opening unspent appropriation balance	139	139
Repeal of <i>Appropriation Act (No. 2) 2018-19 – Non Operating – Equity Injection</i>	(139)	-
Closing unspent appropriation balance	-	139
<i>Appropriation Act (No. 2) 2018-19 – Non Operating – Equity Injection</i>	-	139
Total unspent appropriation – other services	-	139
Total unspent appropriation	107,085	118,069

¹ The unspent annual appropriation is shown inclusive of Section 51 permanent quarantines against *Appropriation Act (No. 1) 2019-2020* of \$73.341 million and *Appropriation Act (No. 1) 2019-2020 – Capital Budget – Non Operating* of \$6.710 million. Quarantine amounts relates to the 2019-2020 NIAA restructure with appropriation permanently quarantined rather than a reduction via s75 of the *PGPA Act*.

² Amount of \$29.200 million was released from quarantine against *Appropriation Act (No. 1) 2019-2020* to fund the National Australia Day measure and the Sydney Energy Forum. This is read in conjunction with footnote 1 above.

³ Cash held by the department. Refer to 'Cash and cash equivalents'.

⁴ A prior period error has occurred involving section 74 receipts and appropriation line items above. In accordance with section 43(2)(b) of the Financial Reporting Rule, the department has corrected the error by increasing these line items by \$28.234 million in the prior year, resulting in no net change to the totals of the note. The adjustment is necessary to ensure the correct disclosure of s74 receipt less GST refunds. No other parts of the financial statements are affected as the department's accounting policy is to offset the relevant income and expenditure transactions, in accordance with AASB 101, for the purpose of the Statement of Comprehensive Income and Statement of Cashflows.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
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Note 5.1B: Administered annual and unspent appropriations ('recoverable GST exclusive')		
	2022	2021
	\$'000	\$'000
Ordinary annual services		
Annual Appropriation		
Operating	40,623	52,364
Capital budget	1,652	1,529
Payments to corporate Commonwealth entities/companies	129,356	126,283
Total available appropriation	171,631	180,176
Appropriation applied (current and prior years)	(161,936)	(173,584) ¹
Variance	9,695	6,592
Opening unspent appropriation balance	12,585	7,230
Repeal of <i>Annual Appropriation Acts 2017-2018</i>	-	(1,237)
Repeal of <i>Annual Appropriation Acts 2018-2019</i>	(2,869)	-
Closing unspent appropriation balance	19,411	12,585 ¹
Balance comprises appropriations as follows: ¹		
<i>Appropriation Act (No. 1) 2018-2019</i>	-	106
<i>Appropriation Act (No. 1) 2018-2019 – Capital Budget (DCB) – Non Operating</i>	-	862
<i>Appropriation Act (No. 3) 2018-2019</i>	-	1,709
<i>Appropriation Act (No. 1) 2018-2019 – Capital Budget (DCB) – Non Operating</i>	-	190
<i>Appropriation Act (No. 1) 2019-2020 – Capital Budget (DCB) – Non Operating</i>	407	407
<i>Supply Act (No. 1) 2019-2020 – Capital Budget (DCB) – Non Operating</i>	514	514
<i>Appropriation Act (No. 3) 2019-2020</i>	2,203	2,203
<i>Appropriation Act (No. 1) 2020-2021</i>	88	88
<i>Appropriation Act (No. 1) 2020-2021 – Capital Budget (DCB) – Non Operating</i>	637	637
<i>Appropriation Act (No. 3) 2020-2021</i>	5,151	5,151
<i>Supply Act (No. 1) 2020-2021 – Capital Budget (DCB) – Non Operating</i>	718	718
<i>Appropriation Act (No. 1) 2021-2022</i>	3,797	-
<i>Appropriation Act (No. 1) 2021-2022 – Capital Budget (DCB) – Non Operating</i>	1,542	-
<i>Appropriation Act (No. 3) 2021-2022</i>	4,354	-
Total unspent appropriation - ordinary annual services	19,411	12,585 ¹
Other services		
Annual Appropriation		
Payments to corporate Commonwealth entities/companies	84,268	98,120
Total available appropriation	84,268	98,120
Appropriation applied (current and prior years)	(84,268)	(98,120)
Variance	-	-
Total unspent appropriation	19,411	12,585 ¹

¹ A prior period error has occurred involving appropriation applied and unspent appropriation balance line items above. The department has corrected the error by adjusting the line items by \$0.029 million in the prior year. The adjustment is necessary to ensure the correct disclosure of the opening unspent appropriation balance. No other parts of the financial statements are affected.

Accounting Policy

Revenue from Government – departmental

Amounts appropriated for departmental appropriations for the year (adjusted for any formal additions and reductions) are recognised as revenue from Government when PM&C gains control of the appropriation, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned. Appropriations receivable are recognised at their nominal amounts.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2022

5.2. Special Accounts

For the year ending 30 June 2022 and 30 June 2021, the Services for Other Entities and Trust Moneys ¹ account had a nil balance and there were no transactions debited or credited during either year.

¹ *Appropriation: Public Governance, Performance and Accountability Act 2013; section 78*

Establishing Instrument: PGPA Act Determination (SOETM Special Account 2018).

Purpose: This account was created to disburse amounts held on trust or otherwise for the benefit of a person other than the Commonwealth.

This account is non-interest bearing.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2022

6. People

This section describes a range of employment and post-employment benefits provided to our people.

6.1. Employee provisions

	2022	2021
	\$'000	\$'000
Note 6.1A: Employee provisions		
Annual leave	20,412	16,426
Long service leave	27,088	25,806
Total employee provisions	47,500	42,232

Accounting policy and significant accounting judgements

Employee benefits

Liabilities for short-term employee benefits and termination benefits due within 12 months of the end of the reporting period are measured at their nominal amounts.

Leave

The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of PM&C is estimated to be less than the annual entitlement for sick leave.

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including PM&C's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The liability for long service leave has been determined by reference to the work of an actuary. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

Separation and redundancy

A liability is made for separation and redundancy benefit payments. PM&C recognises a liability for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations. Once an employee accepts a redundancy and is terminated by the COO (delegate) under section 29 of the *Public Service Act 1999* on the grounds that they are excess to requirements, the employee is entitled to two weeks salary for each completed year of continuous service, plus pro-rata payment for completed months of service since the last completed year of service. The minimum amount payable is four weeks and the maximum is 48 weeks salary.

Superannuation

PM&C staff are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), the PSS accumulation plan (PSSap) or another fund of their choice.

The CSS and PSS are defined benefit schemes for the Commonwealth. The PSSap is a defined contribution scheme.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes.

PM&C makes employer contributions to the employees' superannuation scheme. For Commonwealth defined benefits schemes, these rates are determined by an actuary to be sufficient to meet the current cost to the Government. PM&C accounts for the contributions as if they were contributions to defined contribution plans.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2022

	2022	2021
	\$'000	\$'000
<u>Note 6.1B: Administered employee provisions</u>		
Annual leave	268	218
Long service leave	413	373
Total employee provisions	681	591

Accounting Policy

The expense and liabilities for services rendered by staff employed in the Prime Minister's Official Establishments and in support of former Governors-General are recognised as administered items.

Note 6.1C: Non-cash benefits - former Governors-General benefits

Non-cash benefits - former Governors-General	13,400	15,330
Total non-cash benefits - former Governors-General benefits	13,400	15,330

Changes in the value of the defined benefit obligations are as follows:

Net liability at 1 July 2021	15,330	18,008
Finance costs	195	125
Actuarial (gains)	(1,103)	(1,634)
Benefits paid	(1,022)	(1,169)
Net liability at 30 June 2022	13,400	15,330

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

Discount rate at 30 June 2022	3.57%	1.27%
Future salary increases	3.60%	3.00%
Inflation rate	2.70%	2.20%
Rate of expenditure slow down over time	2.00%	1.50%

Accounting Policy

Former Governors-General benefits

PM&C has responsibility for the administration of non-cash benefits provided to former Governors-General. These entitlements are regarded as post-employment benefits and represent the provision of office facilities, administrative support and transport.

The liability for these benefits is calculated annually as the present value of future benefit obligations. Actuarial gains or losses are recognised in equity in the year in which they occur. Interest on the liability is recognised in the surplus/(deficit).

Significant accounting judgements and estimates

The provision for non-cash former Governors-General entitlements relate to post-employment benefits such as office facilities, administrative support and transport. The future liability for these benefits is based on the actuarial assessment determined by the Australian Government Actuary, which is performed annually.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2022

6.2. Key management personnel remuneration

	2022	2021
	\$'000	\$'000
Short-term employee benefits	2,972	2,706
Post-employment benefits	448	434
Other long-term employee benefits	106	64
Termination benefits	408	-
Total key management personnel remuneration expenses¹	3,934	3,204

Key management personnel (KMP) are those persons having authority and responsibility for planning, directing and controlling the activities of the Department. The Department have determined the KMP to be members of the Executive Board which includes the Secretary and Deputy Secretaries.

The total number of key management personnel included in the above table is 10 (2021: six).
The number of KMP roles is seven (2021: six)

The department had a movement in deputy secretaries throughout the year in acting arrangements and internal restructure resulted in one additional senior executive position.

Key management personnel on acting arrangements are included where the length of the arrangement is longer than two months.

¹ Excludes remuneration and other benefits of the Portfolio Ministers as these are set by the Remuneration Tribunal and are not paid by PM&C.

6.3. Related party disclosures

PM&C is an Australian Government controlled entity. Related parties to PM&C are key management personnel including the Portfolio Ministers, and Cabinet Ministers.

Significant transactions with related parties can include:

- the payments of grants or loans
- purchases of goods and services
- asset purchases, sales transfers or leases
- debts forgiven, and
- guarantees.

Transactions with related parties

During the financial year, PM&C purchased services from the following related parties:

Indo-Pacific Strategic Advisory Services, in which one of the KMP's spouse is a principal, provided policy review support services to the value of \$134,567.50 (excluding GST) for the period August 2021 – January 2022. There is no balance outstanding at the end of the financial year. The transaction was done at arm's length.

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2022

7. Managing uncertainties

This section analyses how the Department of the Prime Minister and Cabinet manages financial risks within its operating environment.

7.1. Contingent assets and liabilities

Note 7.1A: Contingent assets and liabilities

Quantifiable contingencies

The department holds no legal quantifiable contingent assets or liabilities as at 30 June 2022 (2021: nil).

Unquantifiable contingencies

As at 30 June 2022, the department had contingent gains likely to be received that are not quantifiable. There are four open legal matters relating to a range of legal issues with varying probabilities of success (2021: five). It is not possible to estimate the amounts and any eventual receipts or payments that may be received or made in relation to these claims.

Accounting Policy

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the relevant schedules and notes. They may arise from uncertainty as to the existence of a liability or asset, or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when the probability of settlement is greater than remote.

Note 7.1B: Administered contingent assets and liabilities

PM&C is not aware of any material administered quantifiable or unquantifiable contingent assets or liabilities as at 30 June 2022.

7.2. Financial instruments

	2022	2021
	\$'000	\$'000

Note 7.2A: Categories of financial instruments

Financial assets at amortised cost

Cash and cash equivalents	1,862	1,903
Goods and services receivables (net)	2,297	1,158
Accrued revenue	<u>3,229</u>	<u>5,553</u>

Total financial assets at amortised cost	<u>7,388</u>	<u>8,614</u>
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Total financial assets	<u>7,388</u>	<u>8,614</u>
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Financial liabilities

Financial liabilities measured at amortised cost

Trade creditors and accruals	<u>11,153</u>	<u>9,127</u>
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Total financial liabilities measured at amortised cost	<u>11,153</u>	<u>9,127</u>
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Total financial liabilities	<u>11,153</u>	<u>9,127</u>
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Note 7.2B: Net gains or losses on financial assets

Financial assets at amortised cost

Impairment	-	(15)
Reversal of impairment	<u>1</u>	<u>-</u>

Net (losses)/gains on financial assets at amortised cost	<u>1</u>	<u>(15)</u>
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Net (loss)/gain on financial assets	<u>1</u>	<u>(15)</u>
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DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2022

Accounting Policy

Impairment of financial assets

Financial assets are assessed for impairment at the end of each reporting period based on expected credit losses. Using the general approach, the loss allowance is based on an amount equal to lifetime expected credit losses where risk has significantly increased, or an amount equal to 12-month expected credit losses if risk has not increased. The simplified approach for trade and contract receivables is used. This approach always measures the loss allowance as the amount equal to the lifetime expected credit losses.

Financial liabilities

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

Financial liabilities are recognised and derecognised upon trade date.

Settlement of supplier payables is usually made within 30 days.

The relevant government bond rate has been used to discount non-current liabilities.

7.3. Administered – Financial instruments

	2022 \$'000	2021 \$'000
Note 7.3A: Categories of financial instruments		
Financial assets at amortised cost		
Cash	-	-
Goods and services receivable (net)	-	-
Total financial assets at amortised cost	-	-
Financial assets at fair value through other comprehensive income		
Investments in corporate Commonwealth entities	3,087,497	2,870,473
Total financial assets at fair value through other comprehensive income	3,087,497	2,870,473
Total financial assets	3,087,497	2,870,473
Financial liabilities		
Financial liabilities measured at amortised cost		
Trade creditors and accruals	315	163
Total financial liabilities measured at amortised cost	315	163
Total financial liabilities	315	163
Note 7.3B: Net gains or losses on financial instruments		
Investment in equity instruments at fair value through other comprehensive income		
Changes in investments in corporate Commonwealth entities	132,756	175,255
Net gain on investments in equity instruments at fair value through other comprehensive income	132,756	175,255

DEPARTMENT OF THE PRIME MINISTER AND CABINET
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the period ended 30 June 2022

8. Other information

8.1. Current/non-current distinction for assets and liabilities

	2022	2021
	\$'000	\$'000
Note 8.1A: Current/non-current distinction for assets and liabilities		
Assets expected to be recovered in:		
No more than 12 months		
Cash and cash equivalents	1,862	1,903
Trade and other receivables	59,664	36,616
Prepayments	5,565	4,736
Accrued revenue	3,229	5,553
Total no more than 12 months	70,320	48,808
More than 12 months		
Leasehold improvements	29,845	30,012
Buildings	98,982	106,976
Plant and equipment	17,975	18,727
Intangibles	10,043	13,422
Prepayments	1,495	961
Total more than 12 months	158,340	170,098
Total assets	228,660	218,906
Liabilities expected to be settled in:		
No more than 12 months		
Suppliers	11,153	9,127
Other payables	7,927	4,260
Leases	8,470	7,729
Employee leave	14,173	15,493
Total no more than 12 months	41,723	36,609
More than 12 months		
Leases	97,483	104,477
Employee leave	33,327	26,739
Makegood provision	275	-
Total more than 12 months	131,085	131,216
Total liabilities	172,808	167,825

DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2022

	2022	2021
	\$'000	\$'000
<u>Note 8.1B: Administered – Current/non-current distinction for assets and liabilities</u>		
Assets expected to be recovered in:		
No more than 12 months		
Cash	-	-
Trade and other receivables	94	2,017
Prepayments	51	59
Total no more than 12 months	145	2,076
More than 12 months		
Property, plant and equipment	59,551	53,519
Investments in corporate Commonwealth entities	3,087,497	2,870,473
Total more than 12 months	3,147,048	2,923,992
Total assets	3,147,193	2,926,068
Liabilities expected to be settled in:		
No more than 12 months		
Trade creditors and accruals	315	163
Other payables	56	49
Leases	332	457
Employee provisions	191	209
Total no more than 12 months	894	878
More than 12 months		
Leases	267	448
Employee provisions	490	382
Non-cash benefits - former Governors-General	13,400	15,330
Makegood provisions	373	372
Total more than 12 months	14,530	16,532
Total liabilities	15,424	17,410

**DEPARTMENT OF THE PRIME MINISTER AND CABINET
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

for the period ended 30 June 2022

8.2. Restructuring

	FUNCTION RELINQUISHED	
	2022 ¹	2021 ²
	\$'000	\$'000
		National Recovery and Resilience Agency
FUNCTION RELINQUISHED		
Assets relinquished		
Property, plant and equipment	-	116
Intangibles	-	404
Total assets relinquished	-	520
Liabilities relinquished		
Employee provisions	-	225
Makegood provisions	-	18
Total liabilities relinquished	-	243
Net assets relinquished	-	277

¹ For event after reporting period, refer page 15.

² The National Recovery and Resilience Agency (NRRA) was established as a new agency on 5 May 2021. The NRRA functions were relinquished by the department and transferred to NRRA as at that date.



Part 5





Glossary and indexes



Compliance index

PGPA Rule Reference	Part of Report	Description	Requirement
17AD(g)	Letter of transmittal		
17AI	iii	A copy of the letter of transmittal signed and dated by accountable authority on date final text approved, with statement that the report has been prepared in accordance with section 46 of the Act and any enabling legislation that specifies additional requirements in relation to the annual report.	Mandatory
17AD(h)	Aids to access		
17AJ(a)	iv	Table of contents (print only).	Mandatory
17AJ(b)	221–228	Alphabetical index (print only).	Mandatory
17AJ(c)	218–220	Glossary of abbreviations and acronyms.	Mandatory
17AJ(d)	208–217	List of requirements.	Mandatory
17AJ(e)	ii	Details of contact officer.	Mandatory
17AJ(f)	ii	Entity's website address.	Mandatory
17AJ(g)	ii	Electronic address of report.	Mandatory
17AD(a)	Review by accountable authority		
17AD(a)	1–3	A review by the accountable authority of the entity.	Mandatory
17AD(b)	Overview of the entity		
17AE(1)(a)(i)	3–4	A description of the role and functions of the entity.	Mandatory
17AE(1)(a)(ii)	5–8 12–13	A description of the organisational structure of the entity.	Mandatory
17AE(1)(a)(iii)	16	A description of the outcomes and programmes administered by the entity.	Mandatory
17AE(1)(a)(iv)	3	A description of the purposes of the entity as included in corporate plan.	Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17AE(1)(aa)(i)	9	Name of the accountable authority or each member of the accountable authority	Mandatory
17AE(1)(aa)(ii)	9	Position title of the accountable authority or each member of the accountable authority	Mandatory
17AE(1)(aa)(iii)	9	Period as the accountable authority or member of the accountable authority within the reporting period	Mandatory
17AE(1)(b)	10	An outline of the structure of the portfolio of the entity.	Portfolio departments – Mandatory
17AE(2)	N/A	Where the outcomes and programs administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, include details of variation and reasons for change.	If applicable, Mandatory
17AD(c)	Report on the Performance of the entity		
	<i>Annual performance Statements</i>		
17AD(c)(i); 16F	19–101	Annual performance statement in accordance with paragraph 39(1)(b) of the Act and section 16F of the Rule.	Mandatory
17AD(c)(ii)	Report on Financial Performance		
17AF(1)(a)	140–154	A discussion and analysis of the entity's financial performance.	Mandatory
17AF(1)(b)	143–146	A table summarising the total resources and total payments of the entity.	Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17AF(2)	N/A	If there may be significant changes in the financial results during or after the previous or current reporting period, information on those changes, including: the cause of any operating loss of the entity; how the entity has responded to the loss and the actions that have been taken in relation to the loss; and any matter or circumstances that it can reasonably be anticipated will have a significant impact on the entity's future operation or financial results.	If applicable, Mandatory
17AD(d)	Management and Accountability		
	<i>Corporate Governance</i>		
17AG(2)(a)	iii, 109–110	Information on compliance with section 10 (fraud systems)	Mandatory
17AG(2)(b)(i)	iii	A certification by accountable authority that fraud risk assessments and fraud control plans have been prepared.	Mandatory
17AG(2)(b)(ii)	iii	A certification by accountable authority that appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud that meet the specific needs of the entity are in place.	Mandatory
17AG(2)(b)(iii)	iii	A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud relating to the entity.	Mandatory
17AG(2)(c)	103	An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance.	Mandatory
17AG(2)(d) – (e)	146	A statement of significant issues reported to Minister under paragraph 19(1)(e) of the Act that relates to non-compliance with Finance law and action taken to remedy non-compliance.	If applicable, Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
<i>Audit Committee</i>			
17AG(2A)(a)	105	A direct electronic address of the charter determining the functions of the entity's audit committee.	Mandatory
17AG(2A)(b)	106–108	The name of each member of the entity's audit committee.	Mandatory
17AG(2A)(c)	106–108	The qualifications, knowledge, skills or experience of each member of the entity's audit committee.	Mandatory
17AG(2A)(d)	106–108	Information about the attendance of each member of the entity's audit committee at committee meetings.	Mandatory
17AG(2A)(e)	106–108	The remuneration of each member of the entity's audit committee.	Mandatory
<i>External Scrutiny</i>			
17AG(3)	110	Information on the most significant developments in external scrutiny and the entity's response to the scrutiny.	Mandatory
17AG(3)(a)	111	Information on judicial decisions and decisions of administrative tribunals and by the Australian Information Commissioner that may have a significant effect on the operations of the entity.	If applicable, Mandatory
17AG(3)(b)	110	Information on any reports on operations of the entity by the Auditor-General (other than report under section 43 of the Act), a Parliamentary Committee, or the Commonwealth Ombudsman.	If applicable, Mandatory
17AG(3)(c)	N/A	Information on any capability reviews on the entity that were released during the period.	If applicable, Mandatory
<i>Management of Human Resources</i>			
17AG(4)(a)	112	An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives.	Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17AG(4)(aa)	112–113	<p>Statistics on the entity's employees on an ongoing and non-ongoing basis, including the following:</p> <ul style="list-style-type: none"> (a) statistics on full-time employees; (b) statistics on part-time employees; (c) statistics on gender (d) statistics on staff location 	Mandatory
17AG(4)(b)	115–122	<p>Statistics on the entity's APS employees on an ongoing and non-ongoing basis; including the following:</p> <ul style="list-style-type: none"> • Statistics on staffing classification level; • Statistics on full-time employees; • Statistics on part-time employees; • Statistics on gender; • Statistics on staff location; • Statistics on employees who identify as Indigenous. 	Mandatory
17AG(4)(c)	129	Information on any enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the <i>Public Service Act 1999</i> .	Mandatory
17AG(4)(c)(i)	129	Information on the number of SES and non-SES employees covered by agreements etc identified in paragraph 17AG(4)(c).	Mandatory
17AG(4)(c)(ii)	130	The salary ranges available for APS employees by classification level.	Mandatory
17AG(4)(c)(iii)	135	A description of non-salary benefits provided to employees.	Mandatory
17AG(4)(d)(i)	N/A	Information on the number of employees at each classification level who received performance pay.	If applicable, Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17AG(4)(d)(ii)	N/A	Information on aggregate amounts of performance pay at each classification level.	If applicable, Mandatory
17AG(4)(d)(iii)	N/A	Information on the average amount of performance payment, and range of such payments, at each classification level.	If applicable, Mandatory
17AG(4)(d)(iv)	N/A	Information on aggregate amount of performance payments.	If applicable, Mandatory
Assets Management			
17AG(5)	154	An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities	If applicable, mandatory
Purchasing			
17AG(6)	147	An assessment of entity performance against the <i>Commonwealth Procurement Rules</i> .	Mandatory
Reportable consultancy contracts			
17AG(7)(a)	147	A summary statement detailing the number of new reportable consultancy contracts entered into during the period; the total actual expenditure on all such contracts (inclusive of GST); the number of ongoing reportable consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST).	Mandatory
17AG(7)(b)	147	A statement that “ <i>During [reporting period], [specified number] new reportable consultancy contracts were entered into involving total actual expenditure of \$[specified million]. In addition, [specified number] ongoing reportable consultancy contracts were active during the period, involving total actual expenditure of \$[specified million]</i> ”.	Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17AG(7)(c)	147	A summary of the policies and procedures for selecting and engaging consultants and the main categories of purposes for which consultants were selected and engaged.	Mandatory
17AG(7)(d)	147	A statement that <i>“Annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable consultancy contracts is available on the AusTender website.”</i>	Mandatory
Reportable non-consultancy contracts			
17AG(7A)(a)	148	A summary statement detailing the number of new reportable non-consultancy contracts entered into during the period; the total actual expenditure on such contracts (inclusive of GST); the number of ongoing reportable non-consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST).	Mandatory
17AG(7A)(b)	148	A statement that <i>“Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of reportable non-consultancy contracts is available on the AusTender website.”</i>	Mandatory
17AD(daa)	Additional information about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts		
17AGA	148–149	Additional information, in accordance with section 17AGA, about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts.	Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
Australian National Audit Office Access Clauses			
17AG(8)	150	If an entity entered into a contract with a value of more than \$100 000 (inclusive of GST) and the contract did not provide the Auditor-General with access to the contractor's premises, the report must include the name of the contractor, purpose and value of the contract, and the reason why a clause allowing access was not included in the contract.	If applicable, Mandatory
Exempt contracts			
17AG(9)	147	If an entity entered into a contract or there is a standing offer with a value greater than \$10 000 (inclusive of GST) which has been exempted from being published in AusTender because it would disclose exempt matters under the FOI Act, the annual report must include a statement that the contract or standing offer has been exempted, and the value of the contract or standing offer, to the extent that doing so does not disclose the exempt matters.	If applicable, Mandatory
Small business			
17AG(10)(a)	151	A statement that <i>"[Name of entity] supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance's website."</i>	Mandatory
17AG(10)(b)	151	An outline of the ways in which the procurement practices of the entity support small and medium enterprises.	Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17AG(10)(c)	151	If the entity is considered by the Department administered by the Finance Minister as material in nature—a statement that <i>“[Name of entity] recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury’s website.”</i>	If applicable, Mandatory
Financial Statements			
17AD(e)	157–204	Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act.	Mandatory
Executive Remuneration			
17AD(da)	130–134	Information about executive remuneration in accordance with Subdivision C of Division 3A of Part 2-3 of the Rule.	Mandatory
17AD(f) Other Mandatory Information			
17AH(1)(a)(i)	151	If the entity conducted advertising campaigns, a statement that <i>“During [reporting period], the [name of entity] conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available at [address of entity’s website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance’s website.”</i>	If applicable, Mandatory
17AH(1)(a)(ii)	N/A	If the entity did not conduct advertising campaigns, a statement to that effect.	If applicable, Mandatory
17AH(1)(b)	154	A statement that <i>“Information on grants awarded by [name of entity] during [reporting period] is available at [address of entity’s website].”</i>	If applicable, Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17AH(1)(c)	154	Outline of mechanisms of disability reporting, including reference to website for further information.	Mandatory
17AH(1)(d)	111	Website reference to where the entity's Information Publication Scheme statement pursuant to Part II of FOI Act can be found.	Mandatory
17AH(1)(e)	N/A	Correction of material errors in previous annual report.	If applicable, mandatory
17AH(2)	N/A	Information required by other legislation.	Mandatory

List of abbreviations

3SC	Secretaries' Strategic Security Committee
AMR	Automatic Mutual Recognition of Occupational Registrations scheme
APEC	Asia-Pacific Economic Cooperation
APS	Australian Public Service
APSC	Australian Public Service Commission
ARC	Audit and Risk Committee
ASEAN	Association of Southeast Asian Nations
BETA	Behavioural Economics Team of the Australian Government
CFFR	Council on Federal Financial Relations
COP26	UN Climate Change Conference of the Parties
CPRs	Commonwealth Procurement Rules
CSSG	Commonwealth-State Steering Group
EL	Executive Level
EIG	Economy, Industry and G20 Sherpa Group
FPA	Financial Planning Association of Australia
G20	Group of Twenty
G7	Group of Seven
GST	Goods and Services Tax
KMP	Key Management Personnel
MP	Member of Parliament
N/A	not applicable

NAIDOC	National Aborigines and Islanders Day Observance Committee
NRW	National Reconciliation Week
OFW	Office for Women
PBS	Portfolio Budget Statements
PDMS	Parliamentary Document Management System
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i>
PGPA	Rule Public Governance, Performance and Accountability Rule 2014
PM&C	Department of the Prime Minister and Cabinet
PPTO	Policy Projects and Taskforce Office
RAP	Reconciliation Action Plan 2021–2023
RMG	Resource Management Guide (Department of Finance)
SES	Senior Executive Service
SMEs	small and medium enterprises
TGU	technical grade area
WLDP	Women’s Leadership and Development Program

Glossary of terms

Agency – A Department of State, Department of Parliament or prescribed agency under the *Public Governance, Performance and Accountability Act 2013*.

APS enterprise – The Australian Public Service as a single entity, running as a single enterprise.

AUKUS – A trilateral security partnership between Australia, the United Kingdom and the United States.

Budget – Sets out the fiscal and economic outlook for Australia for a financial year. It includes expenditure and revenue estimates for the current financial year, the Budget year and the 3 forward financial years.

Closing the Gap – A commitment by all Australian governments to improving the lives of Aboriginal and Torres Strait Islander people. A national integrated Closing the Gap strategy has been agreed by the Commonwealth, state and territory governments.

Enterprise agreement – An agreement about the terms and conditions of employment, made under the *Fair Work Act 2009*.

National Cabinet – The peak forum, established on 13 March 2020, for the Prime Minister, premiers and chief ministers to meet and work collaboratively. It is chaired by the Prime Minister.

Portfolio Budget Statements (PBS) – Statements that explain where appropriated funds are to be spent for the portfolio.

Quad – A diplomatic network comprising Australia, India, Japan and the United States.

Secretaries Board – The APS's principal service-wide governance body. It includes each departmental Secretary, the Australian Public Service Commissioner and the Director-General, National intelligence.

Secretary's Instructions – Instructions and guidance provided for accountability requirements under the PGPA Act.

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