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**THE LEGISLATIVE ASSEMBLY
FOR THE AUSTRALIAN CAPITAL TERRITORY**

**GOVERNMENT SUBMISSION
TO THE STANDING COMMITTEE ON PUBLIC ACCOUNTS**

**AUDITOR GENERAL'S REPORT NO. 8 OF 2012:
AUSTRALIAN CAPITAL TERRITORY PUBLIC SERVICE
RECRUITMENT PRACTICES**

**Presented by:
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Government Submission – Auditor-General’s Report No. 8 of 2012: Australian Capital Territory Public Service Recruitment Practices

Introduction

Background

The Auditor-General released the *Auditor-General’s Report No. 8 of 2012, Australian Capital Territory Public Service Recruitment Practices* on 25 October 2012. The audit provided an independent opinion of the efficiency and effectiveness of recruitment practices in the ACT Public Service (ACTPS), specifically analysing:

- whether ACTPS recruitment practices comply with the Public Sector Management Act 1994;
- whether recruitment practices demonstrate an open and competitive process with selection based on merit;
- whether the competitive selection process provides for the selection of suitable applicants in a timely manner;
- the efficiency and effectiveness of higher duties (acting) arrangements; and
- the engagement of Shared Services Human Resources, within the Commerce and Works Directorate, in providing centralised and consolidated human resource (and recruitment) administrative services to ACT Public Service agencies.

The recruitment activities of four ACT Government entities were selected for analysis - the Education and Training and Health Directorates (whose workforces comprise approximately fifty percent of the ACT Public Service) and the Canberra Institute of Technology and the Justice and Community Safety Directorate (two entities with diverse workforces and recruitment practices).

Recommendations

The Auditor-General made seven recommendations in the Report. The Government has agreed with all of the recommendations.

Issues

The Government welcomes the Auditor-General’s overall finding that ACTPS recruitment practices are effective and generally comply with the legislative requirements of the employment framework.

The Government notes the opportunity to improve the efficiency and accountability of recruitment practices and the management of higher duties across the Service.

The Government also notes the Auditor-General's reflection that many of the findings of *Report No. 8 of 2012* were similar to issues raised through *Report No. 7 of 2003 - Compliance Performance Audit – Recruitment Processes*. Significant changes in public sector management since 2003 mean that the Government is now better placed to respond to findings requiring cross-Service solutions and implementation. The reorganisation of the ACTPS into a single enterprise in 2011 has changed accountability and reporting structures. The creation of the position of Head of Service, which has oversight of all Director-Generals, and establishment of the Strategic Board promote cross-Service collaboration and ensure coordination and common objectives across all Directorates.

Another essential element of the single enterprise structure has been the development of the Government's Strategic Service Planning Framework. The framework, supported by improved mechanisms for cross-Service collaboration and communication, provides a stronger capacity for strategic workforce planning than existed in the ACTPS previously which will provide leverage towards achieving the goals identified in the audit. A workforce development and management plan will provide the broader strategic framework through which to better align ACTPS recruitment activities.

In mid-2013, a comprehensive review of the Public Sector Management Act will commence with the aim of delivering modern and updated employment legislation. The review will examine current employment practices and conditions, a significant focus being higher duties management and recruitment.

The Government thanks the Auditor-General for bringing these matters to attention and will utilise this framework to ensure an integrated response to the *Auditor General's Report No. 8 of 2012* and ongoing improvement to recruitment practices and management of higher duties.

Government Position on Recommendations/Findings

The Government response to each of the seven recommendations of the Auditor-General's Report is outlined below.

Recommendation 1

The Commissioner for Public Administration should regularly monitor and publically report on whole-of-government recruitment activities and trends and periodically analyse whether these align with whole-of-government workforce strategies. This should specifically include higher duties (acting) arrangements.

ACT Government Position

Agreed

Whole-of-government recruitment data is currently distributed to the ACTPS Strategic Board and the People and Performance Council (PPC), and is publically reported in the annual State of the Service Report. In 2013, the Strategic Board and PPC will guide the development of a workforce management and development plan for the Service as a whole. The Plan will identify the human resource strategies required to maintain a sustainable and

high-performing ACTPS workforce, and provide a meaningful basis for Directorates to align recruitment activities. The Commissioner for Public Administration will report on and provide analysis of recruitment activities against workforce strategies through the State of the Service Report.

Recommendation 2

The Canberra Institute of Technology, Education and Training Directorate, Health Directorate and Justice and Community Safety Directorate should:

- (a) Improve recruitment timelines by reviewing their agencies' processes to identify potential opportunities for efficiencies (this will need to be done in consultation with Shared Services Human Resources)*
- (b) Ensure that reasons for delays in actual recruitment processes are clearly identified and documented; and*
- (c) Improve their records management and documentation of recruitment processes.*

ACT Government Position

Agreed

The Government strongly supports ongoing improvement to the efficiency of ACTPS recruitment activities. Shared Services Human Resources (Commerce and Works Directorate) will continue to provide each Directorate and the Canberra Institute of Technology (CIT) a quarterly report identifying the number of recruitment actions undertaken by the Directorate, and the average time it took to complete each stage of the recruitment process compared to the ACTPS average. This will assist Directorates in identifying delays and inefficiencies in recruitment processes,

The audited Directorates and the CIT have undertaken to improve the monitoring and records management of recruitment processes, and, in consultation with Shared Services Human Resources, identify any opportunities for efficiencies. Better practice examples of these strategies include the Health Directorate's eRecruitment system, and the CIT's centrally-managed recruitment database, utilised to manage and report on organisation-wide recruitment activity.

Recommendation 3

The Health Directorate should provide time-to-hire information to the Commissioner for Public Administration to assist with the preparation of the annual ACT Public Service Workforce Profile.

ACT Government Position

Agreed

The Health Directorate will review data captured by its new e-recruitment system in order to identify appropriate time-to-hire information. This information will be provided to the Commissioner for Public Administration for the 2013 State of the Service Report.

Recommendation 4

The Chief Minister and Treasury Directorate should review and revise the Recruitment in the ACT Public Service guidance document to ensure that it reflects current ACT Public Service administrative practices and requirements.

ACT Government Position

Agreed

CMTD has commenced reviewing and revising the guidance document – *Recruitment in the ACT Public Service* to ensure that it reflects the contemporary ACTPS employment framework and best practice recruitment methods. It is anticipated that a draft document will be ready for circulation to Directorates for comment in the first half of 2013.

Recommendation 5

The Chief Minister and Treasury Directorate should develop a mechanism or process:

- (a) To improve ACT Government agencies' selection committee skills. This may involve the provision of whole-of-government training opportunities and additional support and advice;*
- (b) To share information on better recruitment initiatives across the ACT Public Service and foster their broader adoption and implementation, taking into account practical issues such as workforce requirements, cost implications and new human resource systems and practices to be implemented by Shared Services Human Resources.*

ACT Government Position

Agreed

The Government agrees that selection committee members should have sufficient knowledge and training to fulfil their legislative responsibilities in relation to recruitment and selection. The Government also recognises that certain ACT Government Directorates, such as Education and Training and Health, already coordinate recruitment and selection training that reflects their Directorate's specific business context.

CMTD will examine existing selection committee training programs and explore ways to share best practice elements across the ACTPS. CTMD, in liaison with Shared Services

Human Resources, will also examine the availability and efficacy of existing whole-of-government recruitment and selection training courses presently provided by CIT Solutions.

Broadly, the ACTPS Strategic Board and HR Directors forums will be engaged to support cross-Directorate planning and information sharing relating to ACTPS recruitment activities and practices. As articulated at Recommendation 4, the revised guidance document *Recruitment in the ACTPS* will provide a further degree of consistent support and advice on best practice recruitment methods.

Recommendation 6

Shared Services Human Resources (Commerce and Works Directorate) should:

- (a) Develop a checklist to guide agencies' use of documentation of higher (acting) arrangements;*
- (b) Implement procedures to:*
 - i. Monitor higher duties arrangements and inform the Head of Service, Directors-General and heads of agencies when these are due to expire;*
 - ii. Annually provide information on the overall number of acting arrangements, including when there has been an extension beyond six months, to Directors-General, head of agencies and the Commissioner for Public Administration; and*
- (c) Modify the standard Temporary Transfer/Higher Duties Form to include information that demonstrates the reasons for a vacancy and explains why a decision was made that a higher duties (acting) arrangement was appropriate.*

ACT Government Position

Agreed

Shared Services Human Resources will develop a checklist, building on the existing Factsheet on Higher Duties Allowances (HDA) arrangements to improve the guidance provided to Directorates. Consultation with Directorates will occur to determine the most appropriate ways in which the Temporary Transfer/HDA Form can be enhanced.

To support monitoring and analysis of the use of HDA, Shared Services Human Resources already produces monthly reports that are disseminated to respective Directorate Strategic HR officers. To improve the monitoring of HDA use, Shared Services Human Resources will develop a whole-of-government report for the information of the Head of Service, and an annual report (summarising key information on HDA including extension beyond six months), for Directors-General, heads of Agencies and the Commissioner for Public Administration.

Recommendation 7

The Chief Minister and Treasury Directorate should:

- (a) Review ACT Public Service higher duties (acting) practices and implement procedures to ensure that higher duties (acting) arrangements beyond a six month period are merit based; and*
- (b) Provide guidance to agencies on when higher duties (acting) arrangements for five or fewer days are appropriate and what are alternative options.*

ACT Government Position

Agreed

CMTD, in liaison with Shared Services Human Resources, will explore ways to improve the whole-of-government guidance provided to Directorate delegates concerning the approval of Higher Duties Allowances (HDA). This will include a *Higher Duties Checklist* as proposed at Recommendation 6a, and workforce planning advice contained in the revised guidance document *Recruitment in the ACTPS*.

The revised *Temporary Transfer/Higher Duties Form*, as proposed at Recommendation 6c, will also improve the availability of documentary evidence concerning the approval of HDA.

Conclusion

The Government is committed to efficient and effective practices and welcomes opportunities for continuous improvement. It welcomes the overall finding that ACTPS recruitment practices are effective and comply with the legislative employment framework.

The Government notes the opportunities identified by the *Auditor-General's Report No. 8 of 2012* to improve the efficiency and accountability of ACTPS recruitment practices and ensure they are more reflective of current best practice. The Auditor-General's Report gives a valuable independent perspective in this regard. It provides useful guidance and supports ongoing initiatives to improve the operation of the ACTPS employment framework.