

Ministerial Directives

Treasurer's Instruction 903 (12) requires the Department to disclose information on any ministerial directives relevant to the setting or achievement of desired outcomes or operational objectives, investment activities, and financing activities.

No ministerial directives were received during the financial year.

Other Financial Disclosures

Pricing policies of services provided

The Department's fees and charges were reviewed in 2017-18 in accordance with the State Government's policy. Increases were limited to the Consumer Price Index as advised by the Department of Treasury. Where possible, full cost-recovery was sought pursuant to the Department's policy for fees and charges.

Aside from the Department's retained fees and charges, the Department collects fees and taxes on behalf of a range of State Government and other agencies with costings set by respective agency pricing policies and approval processes.

Capital works

In 2017-18, a total of \$124 million was spent on capital investments by the Department. The key capital projects included in this figure are detailed in the table below:

Project	Expected completion date	Actual expenditure 2017-18 \$000	Actual expenditure 2016-17 \$000	Estimated cost to complete \$000	Estimated total cost \$000
State Fleet Annual Vehicle Acquisition Program	2018	77,924	88,093	-	-
Revenue Systems Consolidation and Enhancement Program	2019	6,881	6,936	9,152	34,158
Decentralisation of Office Accommodation to Joondalup	2019	645	-	18,553	19,198
Master Planning Strategy – Government Office Accommodation	2018	12,234	10,542	1,175	223,442

Employment and industrial relations

Comparative full-time equivalent (FTE) allocation by category

The number of FTE employees has reduced due to internal efficiencies, participation in the Voluntary Targeted Separation Scheme and the transfer of functions resulting from Machinery of Government changes.

Category	2017-18	2016-17
Full-time permanent	728	784
Full-time contract	144	114
Part-time permanent and contract	80	77
Total	952	975

Source Data: 2017-18 HR MOIR data.

Notes:

- Part time = hours less than full time hours of 37.5 per week.
- Employees seconded out of the Department have been excluded from the figures as these officers were not contributing to departmental outputs as they were working for another organisation.
- Approved FTE target for 2017-18 was 1,075.

Industrial relations

The majority of Department of Finance staff are employed under the Public Service Award 1992 and Public Service and Government Officers CSA General Agreement 2017. Five senior officers are employed under the *Salaries and Allowances Tribunal Act 1975*.

The Department also has an Agency Specific Agreement with provisions for a wellness program, motor vehicle allowance for business use and flexible working arrangements.

Workers' compensation

In accordance with Treasurer's Instruction 903 (13), the Department had the following workers' compensation disclosures.

Claims	2017-18	2016-17	2015-16
Workers' compensation	5*	4	6
Lost time injuries	3	2	3

*Liability on three claims included in this calculation had not yet been decided as at 30/06/2018.

Three of the five workers' compensation claims lodged were lost time claims. Two employees returned to work within 13 weeks, both were provided with specialised injury management assistance.

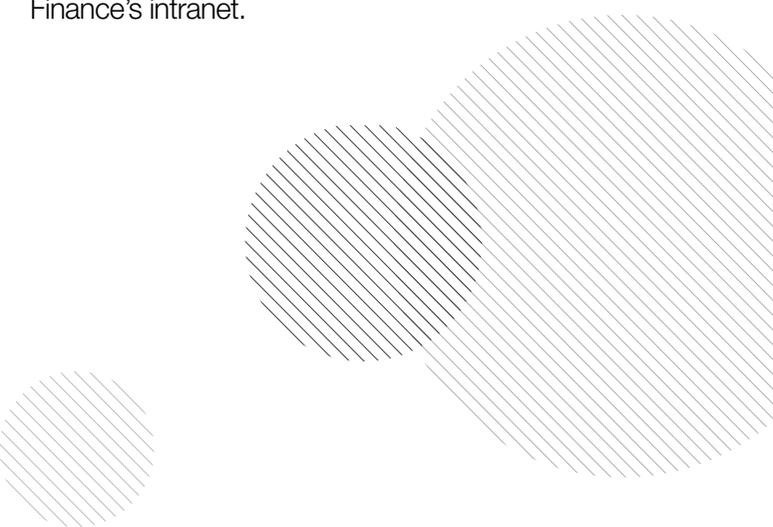
Staff development

The Department's Lifting Organisational Performance Program has been the centrepiece for staff development in 2017-18. Based on the Commonwealth Australian Public Sector model for high performance, the program has changed the focus for how staff are developed and supported in the workplace through their Performance Development Plans (PDPs).

The first phase of the Program recognised 'Core Capabilities', common to all roles in the Department to help identify the relevant behaviours necessary to lift departmental performance, build capability and become a more agile organisation. When aligned to work plan outcomes, the behaviours assist managers and staff to develop a common understanding of role expectations as well as provide a starting point for capability assessment and development planning.

The second phase of the Program introduced business specific 'Technical Skills and Knowledge' applicable to particular roles and functional areas that apply over and above the 'Core Capabilities'.

Throughout the change process, managers and staff have been supported through the provision of workshops, online training, a PDP toolkit, team and individual assistance, and online information via Finance's intranet.



Governance Disclosures

Senior officers

In 2017-18, there were no disclosures from senior officers that they held any shares, a requirement under Treasurer's Instruction 903 (14). No senior officers, firms of which senior officers are members, or entities in which senior officers have substantial interests, had any interests in existing or proposed contracts with the Department other than normal contracts of employment of service.

Board and committee remuneration

In 2017-18, the Department of Finance had no board or committee costs and memberships.

Governance committees

Strong governance is the cornerstone of efficient and effective organisational performance and is underpinned by a number of accountability requirements. In accordance with legislative requirements and industry standards, the Department of Finance regularly convenes several governance committees to ensure accountability, integrity and transparency in financial management, technology and information,

people and communications, and audit and risk management.

The Department's governance framework identifies practices that drive and support good governance and encourage performance improvement while meeting our obligations and legislative requirements. This year, Finance enhanced its well-established governance capability by adopting a department-wide approach to technology governance to achieve a more efficient use of resources. Initiatives to enhance processes for making and implementing decisions will be pursued in the coming year.

Corporate Executive

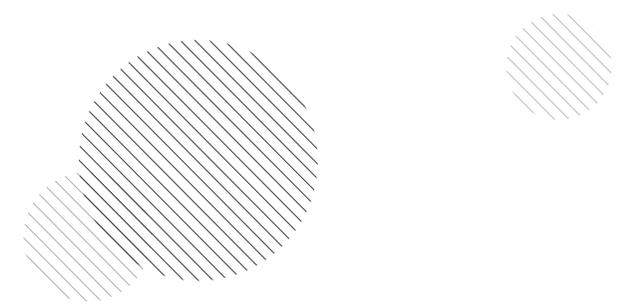
The Department's Corporate Executive provided leadership for and oversight of core business while continuing to drive innovation to enable the sector to better deliver results for the community. Recognising the Department's role as a central agency, the Corporate Executive committed substantial resources to cross-sector Public Sector Reform initiatives and is leading the agency through the implementation of many of these initiatives. Enhancing procurement policy and practice, and the provision of functional leadership in procurement and project management remains a key focus for members.

Finance and Procurement Committee

The Finance and Procurement Committee provides direction and leadership in the management of the Department's financial responsibilities, as well as making recommendations on Finance's own procurement activities. This year the committee made substantial improvements to financial reporting across the agency, introducing an online reporting tool that provides management and business users with access to real-time financial information.

The committee also approved a procurement framework to help departmental purchasing officers choose appropriate procurement channels.

Leveraging off the contract register introduced in 2016-17 in line with Treasurer's Instruction 820, the committee introduced new contract reporting, providing better oversight of contract activity across the Department.



Digital Services and Information Committee

In 2017, the Digital Services and Information Committee (DSIC) was established to replace the existing technology governance regime following a department-wide review of governance arrangements.

The new committee comprises executive members from all business units, relevant technical staff and a representative from the Department of Treasury. The committee is focused on how Finance can better deliver services and improve the quality of advice through better use of information and enabling technologies. These objectives are approached in a manner consistent with the State's Digital WA strategy.

DSIC is supported by the Tactical Information Management and Tactical Technology Operations sub-committees. These sub-committees provide advice to inform decision-making on the best use of information and technology in the Department.

Committee achievements this year included:

- ❖ development of the Department of Finance's Digital Strategy 2018-2022 that articulates the Department's digital vision, customer statement of intent, digital goals and supporting principles;
- ❖ agreement of aspirational targets to transition the majority of the Department's customer-facing services online by 2022;
- ❖ endorsing Information Classification Policy and Guidelines to assign appropriate classification on sensitive material held by the Department;
- ❖ monitoring the implementation of initiatives that form part of the Department's Information Security Management Framework (ISMF); and
- ❖ establishment of a Website Redevelopment Project to respond to changing customer expectations and embrace modern standards.

People and Communications Committee

A key focus of the Committee has been embedding and evaluating the Department's Lifting Organisational Performance Program. This important initiative seeks to support staff in lifting the quality, responsiveness and reliability of the work delivered across the Department.

In addition, the Committee also:

- ❖ realigned membership with the Joint Consultative Committee, enabling continuity across forums, strengthening the Department's focus on people issues;
- ❖ reviewed and consolidated Departmental policies to reduce unnecessary red tape and regulatory burden for staff;
- ❖ facilitated implementation of activity-based working through the review of policies that affected or inhibited its introduction;
- ❖ reviewed the Living Our Values awards process and streamlined the nomination process;
- ❖ identified strategic workforce planning and succession management initiatives; and
- ❖ supported the Reconciliation Committee with the development of a new Reconciliation Action Plan. The achievements of the Reconciliation Committee are outlined on page [114](#).

Audit and Risk Management Committee

The Audit and Risk Management Committee oversees the operation of the Department's internal audit and risk management functions, endorses the annual internal audit plan and monitors its progress.

This year, the Committee enhanced audit and risk management operations by:

- ❖ successfully completing all quarterly meetings and the work plan for 2017-18;
- ❖ significantly improving reporting and monitoring of high-risks across the department;
- ❖ increasing visibility and oversight of risks associated with capital works projects;
- ❖ developing management and staff awareness levels through mandatory requirements to complete the updated online Risk Awareness Learning Module;
- ❖ ensuring the Department's Internal Audit plan covered key emerging risks. Additional actions included:
 - a comprehensive information security review prior to moving into cloud arrangements in line with the GovNext reform;
 - assessment of the risk management function in capital works projects managed by the Building Management and Works business unit;
 - assessment of the operational effectiveness of the "Project Bank Accounts" process, which was designed to speed up the payment process and protect the interests of sub-contractors; and
 - testing the Online Duties Lodgment functionality for the electronic lodgment of dutiable transactions, which is a significant revenue stream to government; and
- ❖ through diligent monitoring, the number of outstanding Auditor General findings reduced by 61 per cent from 2016-17.

Unauthorised use of credit cards

The Department of Finance uses corporate credit cards as a purchasing tool to reduce the cost of invoice payments. There is a strong control framework in place to support the use of purchasing cards across the Department, including supervisor approval of all staff transactions and high-level oversight by the Department's Finance and Procurement Committee.

Processes are in place to ensure the early detection of inadvertent/accidental personal misuse of Department of Finance purchasing cards, and timely repayment of associated costs.

This year, there was minor inadvertent use of credit cards. The Department performed 12,586 credit card transactions, 14 of which were identified as not related to departmental operations. These 14 transactions represent 0.1 per cent of the Department's total credit card transactions completed during the year.

Measure	2017-18
Number of instances a government purchasing card has been used for personal use	14
Aggregate amount of personal use expenditure for the reporting period	\$674.09
Aggregate amount of personal use expenditure settled by the due date (within five working days)	\$293.71
Aggregate amount of personal use expenditure settled after the period (after five working days)	\$380.38
Aggregate amount of personal use expenditure outstanding at balance date	0

Other Legal Requirements

Expenditure on advertising, market research, polling and direct mail

In accordance with section 175ZE of the *Electoral Act 1907*, total advertising related expenditure this year was \$10,061.

Agency/Organisation	Total \$	Amount \$
Advertising agencies	10,061	
Adcorp		6,461
Hays		3,600
Market Research Organisations	Nil	
Polling Organisations	Nil	
Direct Mailing Organisations	Nil	
Media Advertising Organisations	Nil	

Disability Access and Inclusion Plan outcomes

The Department is committed to access and inclusion for people with disabilities. Through the Department's Disability Access and Inclusion Plan (DAIP), it seeks to ensure that people with a disability have an equal level of inclusion and access to services and employment.

The Department's DAIP Committee meets quarterly to drive initiatives and review matters affected by the DAIP Plan. New DAIP initiatives implemented in 2017-18 included:

- ✦ the development and endorsement of a five-year DAIP for the Department for 2017-2022;
- ✦ in consultation with the Public Sector Commission, the recruitment of one School Based Trainee and continued employment and development of two other employees with a disability to assimilate into the workforce;
- ✦ the development of a 'Diversity in Finance Employment Plan 2017-22' paper to assist the Department to drive strategies to improve diversity and access and inclusion;
- ✦ the success of the 'Disability Awareness' eLearning online module assisting staff in understanding issues around disability in the workplace and the wider community; and
- ✦ a review and upgrade of the DAIP intranet pages to ensure currency of information and resources for staff.

The Department takes a lead role across the sector by driving the Australian Disability Enterprises (ADE) initiative through Government Procurement, which assists other Western Australian Government agencies to understand the capabilities and benefits of working with ADEs.

Reconciliation Committee

The Department is committed to the sustainable employment of, and positive economic outcomes for, Aboriginal and Torres Strait Islander people and communities.

This year, the Reconciliation Committee has been active with:

- ❖ developing a new Reconciliation Action Plan with the endorsement of Reconciliation Australia;
- ❖ refreshing the terms of reference for the Committee;
- ❖ renaming the Optima Centre's Town Hall to Keirp Nyinalungup (translated as 'the meeting place near water');
- ❖ engaging staff through a number of fundraising events;
- ❖ assisting at the Aboriginal Business Expo organised by Government Procurement to mark the launch of the Aboriginal Procurement Policy;
- ❖ participating in the Run for Reconciliation;
- ❖ volunteering at and joining the Walk for Reconciliation; and
- ❖ coordinating a joint celebration of NAIDOC (originally National Aborigines and Islanders Day Observance Committee) with the Department of Training and Workforce Development at the Optima Centre in Osborne Park. This celebration focused on the theme of *Our Languages Matter*.

Compliance with public sector standards and ethical codes

The Department has maintained its good record complying with public sector standards and the public sector code of ethics, delivering training programs through online and face-to-face sessions, tailored for new and existing employees.

Over the year, the Department continued to provide proactive guidance to managers and staff to ensure that recruitment processes complied with public sector standards. The Department successfully completed 86 recruitment processes this year from which 2,719 applications were received.

Five breach of standard claims were lodged during the year. Four of these claims related to the Employment Standard and one related to the Grievance Resolution Standard. All claims were subsequently resolved. One case of non-compliance with the Code of Conduct was finalised. Three formal grievance cases were completed.

Departmental policies, procedures and guidelines are maintained to satisfy legislative requirements.

One disclosure was received in 2018 under the *Public Interest Disclosure Act 2003*.

The Department's operations are subject to scrutiny from a number of external bodies, among them the Office of the Auditor General (OAG).

In 2017-18, OAG examined various aspects of Finance's policies and practices in relation to

employees declaring offers of gifts or benefits by external entities in the course of undertaking official duties. The benchmarking review rated Finance's performance as achieving the best possible outcomes in all lines of enquiry.

The Department welcomed the findings of OAG's Parliamentary report on its performance and remains committed to ensuring the highest standards of transparency and integrity in the work environment.

Recordkeeping plans

The Department is preparing a revised Recordkeeping Plan for submission to the State Records Office in the latter half of 2018. The new Recordkeeping Plan will ensure the Department continues to meet its recordkeeping obligations under the *State Records Act 2000*. An upgrade to the Department's recordkeeping system is well underway and will be completed by late 2018 enabling improved accessibility using a variety of devices that support the Department's digital strategy.

In excess of 800,000 documents have been committed to the primary recordkeeping system during this past year representing a 15 per cent increase from the previous year and was the largest volume of documents committed to the system since the inception of the Department.

Finance's induction program provides the pathway for establishing good recordkeeping practices. Recordkeeping guides, and online training for the system provides ongoing support all staff.

Freedom of Information

The *Freedom of Information Act 1992* (FOI Act) requires WA Government agencies to give members of the public access to government information, subject to limitations. More information about how to access departmental information is available on the Department's website.

Statistical information about formal access applications lodged with Finance under the FOI Act is provided in this report and more details can be found as part of the Annual Report of the Office of the Information Commissioner of WA.

Applications made under section 10 of the FOI Act

In 2017-18, Finance received 29 access applications of which two were from individuals requesting their personal information. Finance completed 22 applications for records held by the Office of State Revenue, Building Management and Works, Strategic Projects and Corporate Services. Subject matter related to taxation information and policy, building projects and general correspondence.

In 2017-18, only one application for internal review was received and there were no applications for external review.

Applications	2017-18	2016-17
New applications received during the year	29	28
Decisions made during the year	24 ^(a)	18 ^(b)
Average time to process (days)	40	37

Outcomes	2017-18	2016-17
Full access	15	13
Edited access	5	1
Deferred access	0	0
Section 26 access	2	0
Section 28 access	0	0
Access refused	2	4
Total decisions	24	18
Transferred to other agencies	5	1
Withdrawn	2	2
Total applications finalised	31	21

Reviews	2017-18	2016-17
Internal reviews	1	2
External reviews - complaints	0	0

^(a) Includes eight applications carried over from 2016-17.

^(b) Includes applications carried over from 2015-16.

Government Policy Requirements

Government Building Training Policy

The Government Building Training Policy aims to increase the number of apprentices and trainees in the building and construction industry. It is applied by requiring contractors awarded State Government building, construction and maintenance contracts to commit to meeting a target training rate, through employing construction apprentices and trainees.

The Government Building Training Policy applies to:

- ❖ all State Government building and construction contracts, including civil and engineering contracts, with an estimated labour value of \$2 million and over for the construction component of the contract;
- ❖ all State Government maintenance contracts with an estimated labour component of \$2 million and over for the total contract; and
- ❖ all State Government agencies (as defined in section 3 of the *Public Sector Management Act 1994*) that enter into these contracts.

In 2017-18, all contractors met the target training rate.

Measure - Building, Construction and Maintenance Projects	Number of contracts	
	Building and Construction	Maintenance
Awarded	41	1
Reported		
Commenced reporting	12 ^(a)	0
Continued reporting from previous financial year	26	1
Target training rate		
Met or exceeded	38	1
Did not meet	0	0
Granted a variation	0	0

(a) Three are yet to commence reporting.

Substantive equality

The Department of Finance advocates the provision of services that address the different needs of Western Australia's diverse community and the elimination of systemic bias and discrimination. To ensure equality of opportunity for staff and clients, access, participation and equity needs are considered in the development and delivery of all policies and services.

This year, the Department undertook a detailed analysis of women in management to better understand the barriers that prevent women from attaining senior roles so it could develop strategies to address this. Significant effort was committed to developing an Aboriginal Procurement Policy to improve opportunities for Aboriginal-owned businesses to provide goods and services to government.

The Department continued to promote an inclusive workplace by notifying staff about the International Day against Homophobia, Biphobia, Intersexism, and Transphobia, as well as delivering Aboriginal cultural training to staff responsible for the Aboriginal Procurement Policy.

Occupational safety and health, and injury management

The Department is committed to ensuring the ongoing safety and health of all employees, contractors and visitors in its various work locations and actively promotes a strong health and safety culture. The Occupational Safety and Health (OSH) Policy reiterates this commitment and outlines the responsibilities of management and staff to ensure a safe and healthy work environment.

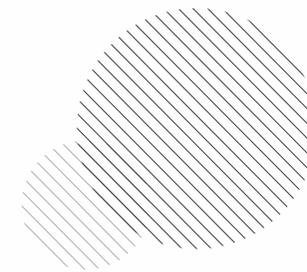
The Department works closely with OSH Representatives across its different work locations, who form an important part of the formal consultation mechanism. First Aiders were also appointed within the different work locations of the Department during 2018. All OSH Representatives and First Aiders are provided with accredited training.

Health and safety related policies and procedures are reviewed and developed in consultation with Finance's OSH Committee. The OSH Committee met quarterly to discuss health and safety initiatives in the Department.

The Department's OSH and injury management approach is a core element of the induction process for all new employees. Staff are made aware of:

- ❖ the provision of online OSH training for all staff;
- ❖ specific OSH training for managers and supervisors through half day face-to-face training sessions; and
- ❖ the availability of early intervention injury management assistance for all employees, on an ongoing basis, to help them to either return to or remain at work after an injury or illness, whether this be work or non-work related.

Training completion rates are reported to the Corporate Executive to help ensure all employees and managers/supervisors are aware of health and safety issues in the workplace.



The Department also provides information, education and services to encourage employees to maintain a healthy lifestyle and deal effectively with everyday work and life stress. Health, safety and wellbeing information is regularly communicated through the Department's intranet and through the online news and announcements pages.

During the year employees were provided with many opportunities including:

- ❖ free wellness assessments, which provided individuals with the opportunity to assess their own physical and mental health through a personal consultation with a qualified health consultant;
- ❖ training and assistance to help employees understand the principles of ergonomics and enable them to correctly set up their workstations based on individual requirements;
- ❖ flu vaccination clinics during April and May 2018 attended by 265 employees; and
- ❖ skin cancer checks during May and June 2018.

The Department celebrated Mental Health Week in October 2017, an annual national event that aims to improve community awareness and interest in mental health and wellbeing.



Public Sector Commissioner's Occupational Safety and Health performance requirements 2017-18

Indicator	2015-16 ³	2017-18*	Target	Comment on result
Number of fatalities	0	0	0	Achieved
Lost time injury and/or disease incidence rate	0.28	0.32	0 or 10% reduction ⁴ on the previous 3 years	Not achieved
Lost time injury and/or disease severity rate	33%	33%	0 or 10% reduction ² on the previous 3 years	Not achieved
Percentage of injured workers returned to work within 13 weeks	67%	33%	Greater than or equal to 80%	One of three long term injured claimants returned to full pre-injured duties within 13 weeks
Percentage of injured workers returned to work within 26 weeks	67%	67%		Not achieved due to complexity of injury claim
Percentage of managers trained in occupational safety, health and injury management responsibilities	64%	30%	Greater than or equal to 80%	The decline in trained managers is a result of recent staff departures and OSH resources being focussed on supporting the safe transition of large numbers of staff to activity-based working. The implementation of a new online OSH training module, which will be used in conjunction with face-to-face training, is expected to increase the percentage of managers trained in occupational safety, health and injury management responsibilities over the next 12 months.

* Liability on three claims included in this calculation had not yet been decided as at 30 June 2018.

³ This indicator examines a three-year trend and as such the comparison base is two years prior to the current reporting year i.e. 2015-16.

⁴ The reduction is calculated over a three-year period.

Legislation Administered

MINISTER FOR FINANCE

State Revenue

Commonwealth Places (Mirror Taxes Administration) Act 1999

Duties Act 2008

First Home Owner Grant Act 2000

First Home Owner Grant Amendment Act 2003

Land Tax Act 2002

Land Tax Assessment Act 2002

Pay-roll Tax Act 2002

Pay-roll Tax Assessment Act 2002

Pay-roll Tax Rebate Act 2010

Pay-roll Tax (Indigenous Wages) Rebate Act 2012

Pay-roll Tax Rebate Act 2012

Rates and Charges (Rebates and Deferments) Act 1992

Stamp Act 1921

Stamp Amendment (Assessment) Act 2005

Stamp Amendment (Budget) Act 2002

Taxation Administration (Consequential Provisions) Act 2002

Taxation Administration Act 2003

Government Procurement

State Supply Commission Act 1991

Building Management and Works

Public Works Act 1902

Sunset Reserve Transformation Act 2014