



# Our Compliance Report

## ASSET MANAGEMENT

DPAC manages its buildings in accordance with our Strategic Asset Management Plan (SAMP), which was prepared to comply with the Government's Strategic Asset Management Framework. Strategic asset management is the planned alignment of assets with service demand, to achieve the best possible match of assets with service delivery strategies. The SAMP guides strategic acquisition, use and disposal of assets and the related risks and costs over their useful life.

We actively manage our portfolio of leasehold properties to reduce leasehold commitments. DPAC's aim is to consolidate our functions across a reduced leasehold footprint where possible.

With the exception of DSS, DPAC records heritage items and purchases of equipment, furniture and fittings with a value greater than \$10,000 as assets. We record purchases of items valued at less than \$10,000 as expenses. For business purposes, DSS maintains an asset recognition threshold of \$2,000. The financial statements for 2018-19 are reported on an accrual basis, and contain full details of our asset management policies as notes to those statements.

Assets are recognised and valued on an individual basis as follows:

- Non-current physical assets are valued in accordance with AASB 113, fair value measurement and the Treasurer's Instructions. Minor equipment and other non-current assets are valued at cost.
- The written-down book value of assets is determined by depreciating assets over the period of their expected useful economic life, using the straight-line method. The useful economic life is three to 10 years depending on the asset, and the depreciation commencing in the year of acquisition or from the time the asset is ready for use.
- Heritage assets are not depreciated.
- Leasehold improvements are amortised over the lease period of the property.
- The useful economic life of buildings owned by the Department is 50 to 80 years depending on the building.

# CARBON EMISSION REDUCTION PLAN

Table 2.1 Energy use across DPAC sites

Building	Actual 2017-18 kWh	Actual 2018-19 kWh	Decrease (Increase) kWh
Energy Executive Building 15 Murray Street <sup>1</sup>	605,570	575,659	29,911
144 Macquarie Street Building <sup>1</sup>	37,607	36,817	790
Henty House	163,678	120,587	43,091
Salamanca Building <sup>2</sup>	127,033	172,562	(45,529)
St Johns Street	138,530	143,719	(5189)
21 Kirksway Place	61,361	58,525	2,836
<b>Total for all sites</b>	<b>1,133,779</b>	<b>1,107,869</b>	<b>25,910</b>

Notes:

- 1 Data does not include energy use for air conditioning.
2. The increase represents the Salamanca Building being occupied for the entire period.

DPAC participates in initiatives that reduce its carbon emissions, such as:

- educating and engaging with our staff about sustainable work habits to champion change, including computer and printer use, using video-conferencing and taking the stairs;
- participating in National Recycling Week;
- identifying energy saving ideas and opportunities to reduce emissions, such as installing lighting motion sensors in refurbished toilets and change rooms;
- participating in the Tasmanian Government's Smarter Fleets Program to improve vehicle fleet efficiency;
- participating in recycling activities such as the Mobile Muster and Cartridges 4 Planet Ark;
- participating in regular disposal of e-waste to recycling outlets; and
- reviewing and centralising, where possible, our G-plated vehicles to maximise efficiencies.

In November 2018, DPAC participated in National Recycling Week, running a series of events offering staff a mix of informational and hands-on activities. These included a session on how to make bees wax wraps and an informational session from an Education Officer from the Hobart City Council on sorting a collection of recyclables and waste. DPAC also purchased reusable, portable coffee cups, available for staff to purchase as part of its War on Waste campaign.

## Office Accommodation Strategy

During the year, DPAC prepared an Office Accommodation Strategy to co-locate and consolidate the majority of our leased office holdings over future years to 15 Murray Street. When implemented, this initiative will substantially reduce the office footprint and reduce energy consumption. The

reduction in office footprint aligns with the Government's broader Office Accommodation Strategy.

This strategy will result in investment in more energy-efficient lighting installations and improvements in sustainable building products. This will deliver sustained energy savings for DPAC over the lease term. The figures in Table 2.1 reflect some of the work that has already occurred to reduce energy across different sites.

We are constantly working with building owners to identify opportunities to improve the environmental performance of its leased buildings.

## Monitoring energy use across Government

DPAC, through the Tasmanian Climate Change Office (TCCO), continues to support Tasmanian Government agencies to monitor and report on energy use and associated greenhouse gas emissions from asset, facility and vehicle operations. TCCO has conducted an open tender process to upgrade our whole-of-government energy emissions monitoring and reporting software. TCCO is working with the service providers and Tasmanian Government agencies to collect energy data and implement the new software.

We appointed a panel of energy auditors to support Tasmanian Government agencies to identify energy savings, reduce their stationary energy use and provide facility managers with tailored information on how to improve energy efficiency. As part of *Climate Action 21: Tasmanian Climate Change Action Plan 2017-2021*, TCCO provided funding to support agencies to conduct energy audits of their building and facilities. Energy auditors from the panel provided expert energy efficiency knowledge and the audits were conducted on a number of buildings such as fire stations, laboratories, health facilities, schools and courts.



## GRANTS, CONTRIBUTIONS AND ELECTION COMMITMENTS

During the year we processed 318 grant and contribution payments totalling \$1,633,384. The following table summarises the payments by the Minister and program.

Table 2.2 Grant payments by Minister and program

Program	\$
<b>Premier</b>	
Security and Emergency Management Grants	722,772
Premier's Discretionary Fund	310,727
Other Grants	236,362
Community Participation and Appeal Grants	166,500
Premier's Scholarship Fund	30,000
Tasmanian Bushfire Recovery Grants	15,250
Australia Day Grants	6,917
<b>Minister for Environment</b>	
Climate Change Grants	144,856
<b>TOTAL</b>	<b>1,633,384</b>

Appendix C provides detail of grant recipients.



## INDEPENDENT SCRUTINY (INTERNAL AND EXTERNAL)

We engage in internal and external reviews to measure our performance and seek to improve where we can.

The elements of this independent scrutiny include:

- our Risk and Audit Committee (RAC), which monitors strategic risks identified as the basis for the Internal Audit Plan for the Department;
- our internal audit function;
- the Tasmanian Audit Office (TAO), which undertakes our external financial and performance audits;
- TAO audits of employer functions, as outlined in the *State Service Act 2000*;
- reviews undertaken by other independent bodies such as the Integrity Commission, the Anti-Discrimination Commission, WorkSafe Tasmania and the Office of the Ombudsman; and
- Parliamentary reviews such as the annual budget estimates committees and other Parliamentary committees.

During the year, the following reviews/audits were undertaken that directly involved the Department:

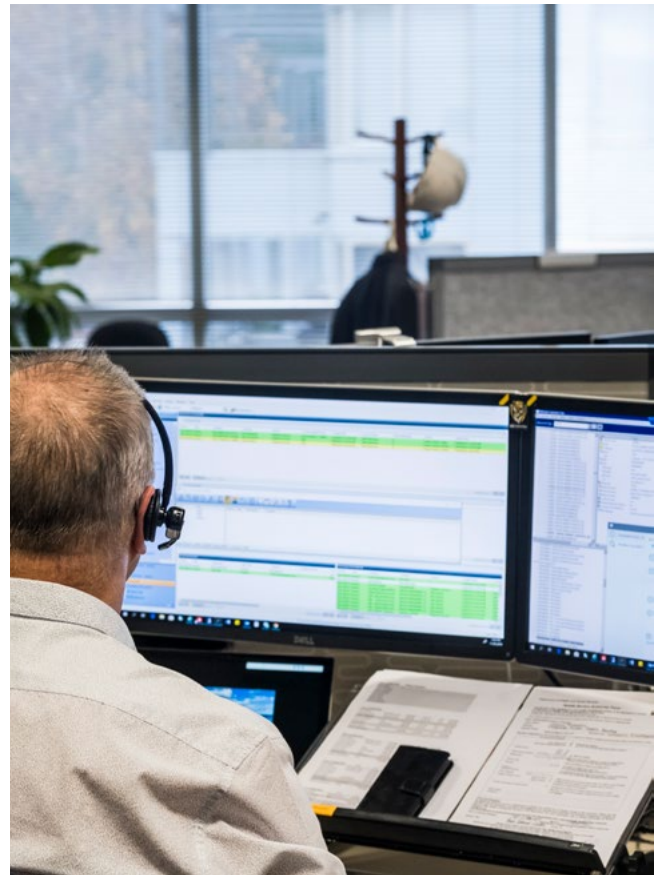
### Internal Audits

- Compliance with Treasurer's Instructions:
  - TI 1112 – Common use/whole-of-government contracts and other arrangements: goods and services;
  - TI 1113 – Engagement and use of contractors: goods and services;
  - TI 1124 – Confidentiality: goods and services; and
  - TI 1128 – Agency Procurement Audit Requirements: goods and services.
- Budget Management and Governance; and
- Human Capital Management – Performance Management.

### External Audits

- Performance management in the Tasmanian State Service: A focus on quality conversations.

The Department is working through the recommendations from these reviews, with the RAC monitoring progress.



## INTEGRITY

The Integrity Commission is an independent body established in accordance with the *Integrity Commission Act 2009 (ICA)*.

The three primary objectives of the Integrity Commission are to:

- improve the standard of conduct, propriety, and ethics in public authorities in Tasmania;
- enhance public confidence that misconduct by public officers will be appropriately investigated and dealt with; and
- enhance the quality of, and commitment to, ethical conduct by adopting a strong, educative, preventative and advisory role.

We are committed to upholding the aims and objectives of the Commission and ensuring our staff meet high standards of conduct and receive ongoing training in relation to ethical conduct under section 32 of the ICA.

In 2018-19, we also developed a Head of Agency Induction Manual in collaboration with the Chief Executive Officer, Integrity Commission Mr Richard Bingham, and otherwise invited Mr Bingham to Heads of Agency meetings to discuss ethical issues.

We continue to work closely with the Integrity Commission on legislative matters and awareness of ethical behaviour.

## INTERNAL AUDIT

Deloitte was contracted to provide DPAC's internal audit function until 31 December 2018. Following a competitive procurement process, KPMG was awarded a contract to provide internal audit services from 1 January 2019 until 31 December 2021.

During the year, Deloitte or KPMG attended the six RAC meetings and undertook a number of internal reviews. These reviews are outlined above in the section headed Independent Scrutiny – Internal Audits.

## LEGISLATION ADMINISTERED

As at 30 June 2019, we administered 56 Acts on behalf of the Premier and our other responsible Ministers. You can find the full list of legislation that we administered in Appendix B. All legislation, including any amending Acts, is available at the Tasmanian Legislation website: [www.legislation.tas.gov.au](http://www.legislation.tas.gov.au).

The breakdown of the number of Acts by ministerial portfolio is:

Premier	50
Minister for Environment	1
Minister for Local Government	5

The Department did not repeal any Acts during the year, but the *Glenorchy City Council (Dismissal of Councillors) Act 2017* expired.

We were responsible for amending three Acts and for creating one new Act. The details are:

### **Burial and Creation Amendment Act 2018**

The Burial and Cremation Amendment Bill 2018 was tabled in the 2018 Spring Session of Parliament and received Royal Assent on 17 December 2018. The Act amended the *Burial and Cremation Act 2002* to clarify and strengthen the Act's regulatory framework and to make changes to the Act in response to the Anglican Church's decision to embark on a significant program to divest itself of various church properties, a number of which contain graveyards. The amendments will ensure the continued protection and maintenance of such graveyards after they cease to be associated with churches.

### **Constitution Amendment Act 2018**

The Constitution Amendment Bill 2018 was tabled in the 2018 Autumn Session of Parliament and received Royal Assent on 28 September 2018. The Act amended the *Constitution Act 1934* so as to ensure that the House of Assembly electoral boundaries and seat names reflect the boundaries and seat names adopted by the Australian Government's House of Representatives. The new seat of Clark was created, by this amending Act, as a State seat in the House of Assembly.



### **Brand Tasmania Act 2018**

The Brand Tasmania Bill 2018 was tabled in the 2018 Spring Session of Parliament and received Royal Assent on 17 December 2018. The new Act establishes a new statutory authority that is to be responsible for promoting a consistent marketing message for the purposes of promoting Tasmania and its products and services. Members of the statutory authority were appointed in 2019 and the authority has begun its operations.

### **Local Government Amendment (Miscellaneous) Act 2018**

The Local Government Amendment (Miscellaneous) Bill 2018 was tabled in the 2017 Spring Session of Parliament and received Royal Assent on 10 December 2018. The subsequent Act amended the *Local Government Act 1993* so as to amend provisions relating to the Local Government Code of Conduct, following the conduct of a review into the operation of the provisions, and made other minor amendments to the Act.

## PRICING POLICIES FOR GOODS AND SERVICES

DPAC bases its pricing policy on full-cost recovery.

Full-cost includes direct salaries, employer superannuation contributions, all operating expenditure, rental, fringe benefits tax, provision for annual and long service leave entitlements, and, in some cases, provision for capital reinvestment.

Digital Strategy and Services charges for telecommunications and computing services.

The Tasmanian Training Consortium, incorporated within the State Service Management Office, charges on a full-cost recovery basis for training services.

Service Tasmania receives funding from Tasmanian Government departments, Government Business Enterprises, other external organisations including Marine and Safety Tasmania, local government, Australian Government agencies and the private sector for services delivered through Service Tasmania shops.

## PROCUREMENT

We ensure that procurement activities are undertaken in accordance with the mandatory requirements of the Treasurer's Instructions; including providing Tasmanian businesses with opportunities to compete for agency business. It is DPAC's policy to support Tasmanian businesses whenever they offer best value for money for the Government.

During 2018-19, we undertook 11 procurement processes and awarded 13 contracts valued at \$50,000 or greater (excluding GST). Ten of these contracts were awarded to Tasmanian businesses. Excluding one panel contract arrangement<sup>1</sup>, the total value of contracts awarded was \$4,042,573 (excluding GST and options to extend). The total value of contracts awarded to Tasmanian businesses was \$3,639,573 (excluding GST and options to extend), or approximately 90 per cent of the total value of all contracts awarded.

During 2018-19, DPAC's Digital Strategy and Services (DSS) division completed a tender process for the provision of unified communications interoperability services. Additionally, DPAC's Corporate and Culture Division conducted a tender process for security monitoring and equipment supply and installation services; a tender process for the printing and distribution of the Tasmanian Government Gazette and legislation; and a tender process for media monitoring services. All contracts arising from these processes were awarded to Tasmanian businesses.

Details of individual contracts valued at \$50,000 (excluding GST) or greater and awarded during 2018-19 are set out in Appendix F.

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<sup>1</sup> A panel arrangement for the provision of Telephony and Mobile Data services was established and reported by DPAC in 2017-18. However, the contract with one panel member (Optus Networks Pty Ltd) was executed this financial year.

## PROTECTING PRIVACY

We are committed to protecting each individual's privacy in the way we collect, use or disclose personal information. We also ensure that individuals have some control over their personal information.

When dealing with private information, we do so in accordance with the *Personal Information Protection Act 2004* and the Privacy Protection Principles. There were no requests in 2018-19 under the *Personal Information Protection Act 2004* from people seeking access to, or update of, personal information held by us about them.

## PUBLIC INTEREST DISCLOSURES – PUBLIC ACCESS TO INFORMATION ON OUR DECISIONS

Under the *Public Interest Disclosures Act 2002*, section 86, we are required to report on any disclosures made about improper conduct by our public officers or by the Department.

During 2018-19:

- no disclosures of public interest were made to the Department;
- no public interest disclosures were investigated by the Department;
- no disclosed matters were referred to the Department by the Ombudsman;
- no disclosed matters were referred by the Department to the Ombudsman to investigate;
- no investigations of disclosed matters were taken over by the Ombudsman from the Department;
- there were no disclosed matters that the Department decided not to investigate;
- there were no disclosed matters that were substantiated on investigation as there were no disclosed matters; and
- the Ombudsman made no recommendations under the Act that relate to the Department.

The DPAC Public Interest Disclosures Procedures manual, has been approved by the Ombudsman. These procedures, which include information on how a person may make a disclosure, are available on the DPAC website at [www.dpac.tas.gov.au/public\\_interest\\_disclosures](http://www.dpac.tas.gov.au/public_interest_disclosures).





## PUBLICATIONS

In 2018-19, DPAC business units produced 23 publications. These publications are available on our website: [www.dpac.tas.gov.au](http://www.dpac.tas.gov.au), or by contacting:

Corporate and Culture Division  
 Level 6, 15 Murray Street  
 Hobart Tasmania 7000  
 Telephone: (03) 6270 5667  
 Email: [commsandprotocol@dpac.tas.gov.au](mailto:commsandprotocol@dpac.tas.gov.au)

You can find a complete list of our publications in Appendix E – Publications and Websites.

## RELATED TRUSTS AND BOARDS

We report matters about the Local Government Board in Output 6.1 Local Government Division.

Various sections within this Report covering financial or human resources include information from Ministerial and Parliamentary offices. Unless otherwise noted, all other information is only about the Department of Premier and Cabinet.

## RIGHT TO INFORMATION

We are committed to ensuring we meet our legal obligations to respond to requests for information under the *Right to Information Act 2009*.

The Act gives the public, the media and members of Parliament the right to access information we hold, unless the information is exempt from release.

During 2018-19, 22 applications for assessed disclosure were received, compared with 36 in 2017-18.

Of the 22 applications received, we assessed 15 for disclosure, following two applications being withdrawn by applicants, and the transfer in full of four applications to another public authority, and one application being refused.

Of the 15 applications received and subject to assessment in 2018-19:

- information was provided in full for one application;
- partial information was provided for 10 applications;
- one application was exempted in full;
- two applications were received for which the information requested was not held by DPAC; and
- the assessment of one application received in the 2018-19 period was not fully completed by 30 June 2019.

Additionally, three applications received late in the 2017-18 period were determined in the 2018-19 period. Of these applications, two were released in part, and DPAC did not hold any information for the remaining application.

Further details on reasons for refusal, exemptions, timeliness, internal and external reviews can be found in Appendix D.

Some DPAC Right to Information (RTI) Officers are also delegated officers under the Act for the Premier and other Ministers, and undertake assessments. Of the 22 applications received, five were directed to a Minister, one of which was also separately directed to the Department.

For further information on RTI, visit the website of the Office of the Ombudsman ([www.ombudsman.tas.gov.au](http://www.ombudsman.tas.gov.au)).

## RISK AND AUDIT COMMITTEE

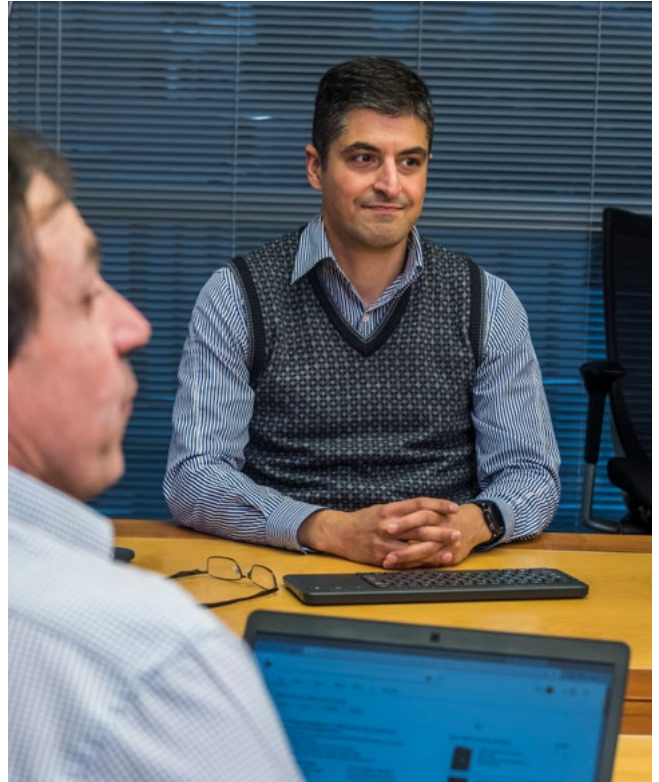
During 2018-19, membership of the RAC was:

- Mr David Hudson (Independent Chair)
- Mr Kane Salter (Independent Member from April 2018)
- Ms Kim Enkelaar (Department Representative from October 2017).

The RAC met six times during the year to oversight risk management, and internal and external audit activities. The RAC reviewed and endorsed the financial statements, and undertook other activities providing the Secretary with confidence that the Department is operating with good governance and risk management practices.

In his annual report to the Secretary, Mr Hudson noted the work RAC undertook during the year:

- Financial Reporting
  - Reviewed the Department's Financial Statements and the Management Representation Letter for the year ended 30 June 2018, finding the statements were consistent with the public sector's best practice accounting standards and appropriately represented the Department's financial position.
  - Monitored TAO's audit of the financial statements noting that the Auditor-General concluded there were no significant issues identified or outstanding, and issued an unqualified audit report.
  - Endorsed the Annual Report as correctly representing the 2017-18 audited financial statements.
- Risk Performance Reporting
  - Noted that the Department undertook a review of the Strategic Risk Register with the Department Executive further reviewing and refining the risks into headline risks.
- Systems of Risk Oversight and Management
  - Noted the RAC, in accordance with its Charter, continued to provide independent assurance to the Secretary on the Department's financial and performance reporting responsibilities, risk oversight and management, and system of internal control.
- System of Internal Control
  - Endorsed the Internal Audit Plan and considered the reports from the Department's Internal Auditors.
  - The RAC is satisfied with the management of, and responses to, those risks identified by internal audit activities.
  - The RAC is satisfied that the Department is committed to ethical and lawful conduct, and is ensuring such a culture is being encouraged.



- Other Functions
  - Advised the Secretary on the adequacy of internal audit resources, or budget, to carry out its responsibilities, including completion of the approved Internal Audit Work Plan.
  - Coordinated the works program of internal audit and other assurance functions.
  - Annually reviewed the performance of internal audit, and reported the results to the Secretary.

The Chair also noted that the RAC was pleased with the progress made during the year.

## RISK MANAGEMENT

The Department of Premier and Cabinet is continuing work to reach a desired risk maturity level. During 2017-18, we evaluated all draft operational risk registers along with the draft Strategic Risk Register. This resulted in the Executive refining the risks into five headline risks.

In early May 2019, DPAC's internal risk auditors conducted five risk workshops to draft a risk record for each headline risk. Once the risk registers are finalised, responsibility for management of the risks will be assigned.





## STATUTORY OFFICE HOLDERS

Under the *Local Government Act 1993* (the Act) the Governor may appoint a State Service officer or State Service employee to be Director of Local Government and that officer or employee may hold the office of Director of Local Government in conjunction with State Service employment.

The Director has the following functions:

- a. To undertake the general administration of this Act subject to the direction of the Minister.
- b. To undertake any other function the Minister may determine.

The Director has power to do anything necessary or convenient to perform any function under this or any other Act.

While there is no statutory obligation to do so, to align with section 72(1)(cd), requiring publication of the total remuneration paid to employees who hold positions designated by councils as being senior positions, the total remuneration paid to the Director, Local Government is:

2018	Salary* \$'000	Other Benefits \$'000	Superannuation \$'000	Total \$'000
Alex Tay, Director, Local Government Division	\$159	\$13	\$15	\$187

\*Salary includes an allowance for acting in the role of Deputy Secretary from 19 April 2019 to 1 May 2019.

## WEBSITES

As at 30 June 2019, we managed 34 websites for the Department of Premier and Cabinet (DPAC), Department of Communities Tasmania, Department of Police, Fire and Emergency Management and the Premier's Office.

During 2018-19, we archived one website: [www.bushfirerecovery.tas.gov.au](http://www.bushfirerecovery.tas.gov.au)

You can find a complete list of the websites we manage in Appendix E – Publications and Websites.