

Employment Direction No. 17

**SENIOR EXECUTIVE SERVICE AND EQUIVALENT
SPECIALIST OFFICERS - ADMINISTRATIVE
ARRANGEMENTS AND CONDITIONS OF
SERVICE**

State Service Act 2000

EMPLOYMENT DIRECTION

Directive

Pursuant to Section 17 of the *State Service Act 2000*, I hereby direct that the arrangements and requirements, set out in this Employment Direction are to apply.



Issued by authority of the Minister administering the *State Service Act 2000*.

 April 2015

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I. Purpose

To prescribe administrative arrangements and requirements to apply to persons appointed under Section 31 of the *State Service Act 2000* as Senior Executive Service (SES) officers, equivalent specialists and prescribed officeholders, specifically in relation to the following:

- Classification, creation and abolition of offices;
- Appointment, transfer and termination of officers;
- Salary and other conditions of appointment for officers;
- Performance management and associated salary progression of officers; and
- Associated reporting and evaluation requirements.

2. Application

This Employment Direction applies to persons appointed under Section 31 of the *State Service Act 2000* as Senior Executive Service (SES) officers, equivalent specialists and prescribed officeholders, but does not apply to the office of Head of Agency.

This Employment Direction applies to prescribed officeholders to the extent of any inconsistency with the legislation that prescribes the office.

This Employment Direction also applies, where specified, to employees temporarily undertaking the duties of a senior executive or equivalent specialist office.

This Employment Direction replaces and revokes any Ministerial or Employment Direction/s previously issued relating to the same subject matter.

3. Legislation/Award Basis and Related Documents

State Service Act 2000 (the Act)

- Section 7(1)(b) and 7 (2) of the Act provides for employment decisions to be based on merit.
- Section 7(g) of the Act provides that the State Service develops leadership of the highest quality.
- Part 6 of the Act provides for the creation of State Service offices and the appointment, transfer and termination of officers.
- Sections 31(2), 32(2) and 33(3) provide that the Premier may delegate the power to appoint, transfer or terminate a senior executive or equivalent specialist officer.
- Section 15(1) (f) of the Act provides for the Head of the State Service to determine duties to be of a senior executive nature or equivalent specialist nature.
- Section 21 of the Act provides that the Head of the State Service may delegate any of the functions and powers of the Employer (except for the issue of Employment Directions) and/or delegate any of the other functions and powers of the Head of the State Service.

- Section 29(4) of the Act provides for the Head of the State Service to determine duties to be of a senior executive nature or equivalent specialist nature, so that the Premier may create an office for those duties to be performed.
- Section 31(3) provides that all provisions of the Act apply to officers as if they were employees, other than Division 1 of Part 7 and sections 47 and 50(1)(a).
- Section 31(4) provides that an officer holds office in accordance with the terms and conditions specified in his or her Instrument of Appointment.
- Section 34(1)(ga) requires Heads of Agencies to develop and implement performance management and development arrangements for officers.
- Section 51 requires officers to manage their performance.
- Schedule 1 of the *State Service Regulations 2011* prescribes certain offices for the purpose of Section 31(1)(b) of the Act. Appointments to these prescribed offices are to be made in accordance with any relevant legislation that may relate to the office and the *State Service Act 2000*.

Mercer CED Job Evaluation System.

4. Date of Operation

This Employment Direction will take effect from the date of issue and will remain in force until varied, replaced or revoked.

5. Employment Direction

Pursuant to Section 17 of the *State Service Act 2000*, I hereby direct that the arrangements and requirements outlined in Attachment 1, apply to persons appointed under Section 31 of the *State Service Act 2000* as Senior Executive Service (SES) officers, equivalent specialists and prescribed officeholders.

6. Reporting and Monitoring

As per the requirements of Section 13 of Attachment 1.

7. Review

This Employment Direction will be reviewed by 30 April 2018.

8. Attachments

Attachment 1: Administrative arrangements & conditions of service - Senior Executive Service (SES), equivalent specialist officers, and prescribed officeholders.

Attachment 1A: Premier's Instrument of Delegation to Heads of Agencies & the Head of the State Service.

Attachment 1B: Schedule - SES Classifications and Salaries.

Attachment 1C: Schedule – Allowances In Lieu of a Motor Vehicle

Attachment I

Administrative arrangements and conditions of service

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I. Introduction: The Nature of the Senior Executive Service (SES) and equivalent specialist officers

The Government's commitment to an effectively led and efficient Tasmanian State Service is demonstrated by recruiting, developing and retaining a professional leadership cohort of highly skilled senior executives. Members of the Senior Executive Service (SES):

- identify the Government as their employer, not a particular Agency;
- have a particular accountability for the achievement of Agency and Government goals reflected in their statement of duties, instrument of appointment and performance management system;
- furnish high level policy advice and undertake high level responsibilities in and across Agencies to achieve Government objectives;
- are required to develop and apply a broad range of knowledge, skills and abilities across the State Service; and
- are required to display high level leadership and personal attributes that shape strategic thinking and achieve results on an Agency and whole-of-government basis.

SES officers will possess, or will be developing the capabilities set out in the Tasmanian State Service Senior Executive Leadership Capability Framework - see http://www.dpac.tas.gov.au/divisions/ssmo/learning_and_development/leadership/project_no_1/senior_executive_leadership_capability

Officers classified at the *equivalent of a SES level* will share some of the attributes and capabilities of the SES, however they will generally be more focussed on the service responsibilities of their Agency and their professional speciality. As such, these officers will not usually be as mobile across Agencies as their expertise will not normally be transferrable to SES roles.

There are other equivalent specialist roles which do not align to the Tasmanian State Service Senior Executive Leadership Capability Framework as they are not specifically senior executive in nature but rather require professional specialist skills and knowledge sourced from a highly competitive labour market where award provisions do not adequately meet the market for attraction and retention e.g. highly specialised medical clinicians. Such roles will be rare.

2. Determination, Classification, Creation and Abolition of Senior Executive Service and Equivalent Specialist Offices

Section 15(1)(f) of the Act provides that the Head of the State Service determines duties to be senior executive or equivalent specialist in nature.

Where a Head of Agency forms the view that a senior executive or equivalent specialist office is required to perform duties, he/she is to formally request that the Head of the State Service evaluate those duties to determine whether they are senior executive or equivalent specialist in nature.

Where an office has already been created but the duties have changed due to significant job redesign, the Head of Agency is to request that the Head of the State Service reassess the duties to determine that they continue to be senior executive or equivalent specialist in nature and determine the appropriate classification level for those duties.

The formal request from the Head of Agency is to include:

- Detailed information underpinning the request;
- A current and approved Statement of Duties;
- A comprehensive organisation chart, detailing lines of responsibility and the relationship between the proposed office and other related offices and positions, including their relevant classification levels; and
- A completed Mercer CED job evaluation summary (as outlined in Section 3).

Where the Head of the State Service (or his/her delegate) determines the duties to be senior executive or equivalent specialist in nature, a recommendation will be prepared for the Premier to create an office to perform the duties.

Where the Head of the State Service does not determine the duties to be of a senior executive or equivalent specialist nature or the proposed classification of those duties is at issue, the Head of the State Service will inform the relevant Head of Agency and provide reasons. The Head of Agency may submit further information and request reconsideration by the Head of the State Service.

If proposed equivalent specialist duties cannot practically be evaluated against the Mercer CED job evaluation system (e.g. highly specialised professional roles) the Agency request must include detailed material to allow for an informed assessment of the duties including the reasons that award provisions are deficient for appointment as an employee under an award, the nature of the national labour market for such skills and the rationale for calculation of the proposed remuneration package in accordance with Section 8 of this Employment Direction.

Heads of Agencies are to provide timely advice to the Head of the State Service that an existing office is no longer required (no later than 2 months after vacancy) so that it may be formally abolished by the Premier. Timely advice is also required on changes to the title of an office.

3. Job Evaluation System

The Mercer CED job evaluation system is the prescribed tool for the purpose of evaluating duties.

Agencies must at all times ensure that sufficient staff are trained in the use of the Mercer CED job evaluation system so to allow proposed duties to be internally evaluated before requesting formal evaluation and determination by the Head of the State Service. An Agency may enter into a service level agreement with another Agency to access or share the requisite capability.

The Mercer CED job evaluation system uses the following three (3) primary factors and eight (8) sub factors: -

Expertise – (the required inputs, skills, knowledge and experience to undertake the duties).

- Knowledge and Experience
- Breadth
- Interpersonal Skills

Judgement – (processing components of the duties, complexity of tasks, requirements for resolving problems).

- Job Environment
- Reasoning

Accountability – (the outputs from the duties, impact, influences and independence).

- Independence and Influence
- Impact
- Involvement

The work value and level of the office is determined from the sum of the Mercer points.

The corresponding work value points range for each of the four (4) classification levels in the SES is as follows: -

<u>SES Level</u>	<u>Mercer CED Points</u>
1	700 – 810
2	811 – 980
3	981 – 1220
4	1221 - 1500

The Head of the State Service may appoint individual assessors or establish assessment panels to conduct evaluations for the purpose of determining duties as senior executive in nature. Assessors or panels may request additional information or input from the requesting Agency.

4. Assignment of Classification Level

The Head of Service will consider Mercer CED evaluations for the purpose of assigning an appropriate classification level to duties that have been determined as senior executive in nature or equivalent to senior executive.

To ensure consistency of classification across the State Service and the integrity of the classification structure, the final decision on classification will be made by the Head of the State Service.

Where it is considered appropriate, a prescribed office may also be assigned a SES classification (or its equivalent) using the above process.

5. Re-evaluation of Duties and Re-classification

SES offices should be routinely re-evaluated on vacancy to ensure that the duties remain senior executive in nature and appropriately classified. Re-evaluation options include re-classification as an equivalent specialist where appropriate, or at Band 9 or 10 General Stream or at Band 6 Professional Stream within relevant Awards.

6. Merit Selection

The application of merit to the appointment of a person as a senior executive or equivalent specialist requires that:

- an opportunity to apply for the office has been advertised in accordance with this Employment Direction, and
- the appointment is to be made within six months from the date of advertising the office, from within the original field of applicants (including where the successful applicant fails to take up the appointment, or vacates the office within that period), and
- the selection committee be appropriately representative having regard to relevant community, peer, specialist input and senior executive level as appropriate.

7. Appointment, Variation of Duties and Transfer of Senior Executive Service Officers

7.1 Advertising Offices - minimum requirements

Subject to Section 7.2 of this Employment Direction, the Head of Agency is to advertise senior executive or equivalent specialist offices having due regard to the market for such vacancies. Advertising of vacancies may include the following forms:

- www.jobs.tas.gov.au website;
- Tasmanian Government Gazette;
- Professional journals;
- Local, national and/or international print media; or
- Specialist recruiting services (e.g. Executive Search).

Advertising of an office requires posting on the www.jobs.tas.gov.au website as a minimum.

SES or equivalent specialist offices are not to be advertised for appointment until a classification has been determined by the Head of the State Service in accordance with this Employment Direction, or where appropriate, the Head of Service has determined individual remuneration arrangements for an equivalent specialist office in accordance with Section 8 of this Employment Direction.

All SES vacancies are to be referred to the Head of the State Service for assessment and determination under Section 7.2 of this Direction before any advertising action is to commence.

7.2 Appointment, Consecutive Appointment, Mobility and Strategic Staffing Management.

The Act empowers the Premier to appoint persons to senior executive or equivalent specialist offices on behalf of the Crown. This power has been delegated to Heads of Agencies and the Head of the State Service with appropriate limitations as per Attachment IA of this Employment Direction.

The Premier is also required to appoint prescribed officers on behalf of the Crown under the State Service Act – there is no delegation power available to the Premier for the performance of that function. Prescribed office holder appointments also require a further appointment (usually by the Governor) under the relevant legislation.

A Head of Agency is able to appoint a person to a senior executive office classified at SES Level 1 or 2 or to an equivalent specialist office (with specifically determined remuneration) approved in accordance with the provisions of this Employment Direction and attached delegations.

A Head of Agency may also offer a consecutive appointment at SES Level 1 and 2 or to an approved equivalent specialist office in that Agency.

Appointments and consecutive appointments to offices classified at SES Level 3 and 4 are to be made by the Head of the State Service.

A consecutive appointment may be offered by the Head of Agency in another Agency with the agreement of the Head of the State Service as part of the rotation and mobility of SES officers and/or strategic staffing management (vacancy control) arrangements outlined below.

Prior to offering a consecutive appointment the relevant Head of Agency is to examine options in relation to the office and officer. These may include but are not limited to:-

- Job re-design i.e. amend the Statement of Duties to reflect Agency requirements and the SES level of the office; and
- Career and development opportunities including rotation and mobility.

All terms of appointment (including consecutive appointment) are to be in accordance with this Employment Direction and the approved Instrument of Appointment issued by the Department of Premier and Cabinet's State Service Management Office (SSMO) for that purpose. A Head of Agency must not offer terms inconsistent with this Employment Direction or the approved Instrument of Appointment without the approval of the Head of State Service or Premier.

For the purpose of an initial appointment, the Instrument of Appointment must be at the Base Salary Point that applies to the office's SES classification unless there has been prior approval by the Head of the State Service for appointment at another salary point in accordance with Section 8.1 of this Employment Direction.

For the purpose of a consecutive appointment, the officer is to be notified in writing whether it is intended that the officer will, or will not be offered a consecutive appointment to the same office or another office at the same or similar level at least three months but not more than six months prior to the expiry of the period of the appointment. Should the officer be notified of an intention to offer a consecutive appointment, the officer is to be also informed of the terms of that offer and must, within 21 days of the date on which such notification is given, advise the Head of Agency in writing whether or not the officer accepts that offer.

Should the officer be offered a consecutive appointment that overall comprises less salary, allowances or benefits than those that apply to the previous Instrument of Appointment, or the term of appointment is not at least 60% of the previous term, and the officer does not accept the offer, the officer will be entitled to terminate their employment or not accept the offer and be paid a severance benefit in accordance with Section 11.3 of this Employment Direction and his/her Instrument of Appointment.

Before an appointment can be made, Cabinet is to be directly advised by the Head of Agency of the proposed appointment of a senior executive or equivalent specialist (excluding medical specialists) for the purposes of notation. In the case of appointments to prescribed offices, the Head of Agency in which the office is located

will prepare advice for Cabinet even though the appointment is to be made by the Premier on behalf of the Crown.

The relevant Head of Agency will prepare and forward advice to Cabinet certifying that the proposed appointment is in accordance with the requirements of this Employment Direction together with a brief summary supporting the proposed selection decision, the title of the office and the term of the appointment. In exceptional circumstances, the Premier may note the proposed appointment on behalf of Cabinet ahead of it being tabled in order to expedite an appointment.

Consecutive appointments are not required to be notified to Cabinet.

The appointment (or consecutive appointment) of a person as a senior executive service, prescribed, or equivalent specialist officer is to be published by the Agency in the Tasmanian Government Gazette in accordance with Section 52 of the *State Service Act 2000* and State Service Regulation 10(h).

All SES vacancies are to be referred to the Head of the State Service and all SES officers who are surplus or potentially surplus will also be referred in the same manner.

The Head of the State Service will circulate the details of referred vacancies and officers to Heads of Agencies for review. The Heads of Agencies as a group, in conjunction with the Head of the State Service, will refer officers and employees to be assessed against the vacancy.

The Head of Agency in which a vacant office occurs if required may arrange an assessment to determine the suitability of surplus officers or employees, or comparative assessment where there is more than one officer or employee referred. The Head of Agency will recommend action and the decision to transfer an officer or employee between agencies will be taken by the Head of the State Service.

Should no suitable officer or employee be found through this process, the Head of the State Service may approve the vacancy to be advertised and filled in accordance with this Employment Direction. No recruitment action may be commenced without the approval of the Head of the State Service.

To facilitate rotation, mobility and vacancy control, offices cleared through the above process are not required to be advertised in the following circumstances:

- It is proposed to offer an existing officer a consecutive appointment to perform the same duties at the same classification level on a new Instrument of Appointment; or
- It is proposed to offer, with the agreement of the Head of the State Service, an existing officer a consecutive appointment in another Agency; or
- It is proposed to assign the duties of a vacant office to another officer classified at the same level from within the Agency, or transfer an officer classified at the same level from another Agency to undertake the duties of a vacant office; or
- It is proposed to assign the duties of a temporarily vacant office to another officer classified at the same level from within the Agency, or transfer an officer classified at the same level from another Agency to undertake those

duties for the unexpired balance of the officer's Instrument of Appointment;
or

- It is proposed to transfer or temporarily require a senior executive officer to undertake the duties of another office at a higher classification for the unexpired balance of the officer's Instrument of Appointment (SES level 3 and 4 vacancies require the approval of the Head of the State Service);
- It is proposed to appoint a surplus employee who is entitled to a salary that is comparable to a SES classification salary range and that employee has been determined by the Head of the State Service to possess SES capabilities; or
- It is proposed to assign the duties to a State Service employee for a maximum period of 12 months provided that for any period beyond six months, the minimum requirement is circulation of an Expression of Interest within the Agency.

The arrangements set out in this section will not fetter the power of a Head of Agency to terminate an officer in accordance with that officer's Instrument of Appointment however, the Head of Agency is to consult the Director, State Service Management Office (SSMO) before doing so.

7.3 Variation of Duties and Transfer

A vacant senior executive office may be filled by the transfer or variation of duties of a senior executive service officer.

The nature of the SES requires mobility between offices and in some cases, Agencies. To that end, a Head of Agency may transfer an officer from one office in that Agency to another vacant office classified at SES levels 1 or 2 in that Agency or may vary the duties of an officer in that Agency under S34(1)(e) of the Act.

The Head of State Service may transfer an officer from one Agency to another Agency under S33(2) of the Act at any classification level.

To maximise the benefits of SES mobility, the Head of the State Service may, where justification is provided, including secondment to Ministerial Officers, approve specific arrangements including changes to terms and conditions to enable the mobility of individual senior executive officers.

An officer who is transferred, or whose duties are varied is to receive a salary not less than the salary level he/she received immediately before the transfer or variation of duties for the balance of the officer's Instrument of Appointment in accordance with S33(4) of the Act.

If the transfer or variation of duties results in the senior executive officer being temporarily required to undertake higher classified duties in a vacant office, the period of that arrangement must not exceed the unexpired balance of the officer's Instrument of Appointment. In the case of a vacant office that is classified at SES level 3 or 4, clearance by the Head of the State Service (or Director, SSMO as delegate) is required as part of managing rotation, mobility and transfers across the State Service. If the higher classified duties are required to be performed beyond the expiration of the officer's Instrument of Appointment, the duties of the office are to be advertised in accordance with the requirements of Section 7.1 of this Employment Direction, unless otherwise determined by the Head of the State Service.

7.4 Temporary Assignment of Senior Executive Duties to Employees

A permanent employee temporarily assigned the duties of a senior executive or equivalent specialist office for a period of five consecutive working days or more, in accordance with the requirements of Section 7.2 of this Employment Direction, is not taken to be appointed as an officer under the Act. Therefore, the employee should be paid by way of a More Responsible Duties Allowance (MRDA) calculated in reference to the work value being undertaken within the relevant SES classification range.

For a period of assignment less than six months, the employee will not usually have access to the use of a private plated motor vehicle or an allowance in lieu payment. For an assignment beyond six months, the Head of Agency may offer a vehicle related arrangement to apply on an individual basis provided that an employee who is a member of the Retirement Benefits Fund (RBF) Defined Benefit Scheme is not to be provided with a choice of vehicle related arrangements - this is to ensure that these vehicle related arrangements are not to count towards salary for defined benefits purposes. Any other remuneration benefits approved specifically for senior executive service or equivalent specialist officers in this Employment Direction will not apply to employees undertaking temporary assignments of those duties unless approved by the Head of the State Service.

8. Remuneration

8.1 Remuneration for the Senior Executive Service

The Premier will, from time to time, determine and approve salary increases to apply to the SES classification structure - see Attachment 1B: Schedule - SES Classifications and Salaries.

The Premier may issue revised Schedules to apply to this Employment Direction without the need to re-issue or vary the Employment Direction in full.

The Schedule details the four SES classification levels which each have a Base Salary Point and a further five Salary Progression Points for SES Levels 1 to 3, and six Salary Progression Points for SES Level 4. Salary progression will occur in accordance with the performance arrangements established in Section 9 of this Employment Direction.

All initial appointments must be at the Base Salary Point unless the Head of the State Service has approved otherwise having consideration to any submission a Head of Agency may provide detailing the necessity and benefit of appointing an individual above the Base Salary Point.

In making a consecutive appointment, the officer's relevant Salary Progression Point at the time of re-appointment is to be used for that purpose.

The four SES levels also provides for a Special Salary Point which is only accessible in exceptional circumstances with the approval of the Head of the State Service.

Submissions to access salary above the final Salary Progression Point for the officer's classification up to, and including the Special Salary Point will require a submission from the Head of Agency to the Head of the State Service for approval. The submission must fully address the following criteria and distinguish whether the case relates to "Market Factors" or "Outstanding Performance" or both: -

- Highly specialised skills; and

- Scarce skills; and
- Critical impact of the responsibilities and duties undertaken; and
- Evidence of a high paying market for the particular role, skill set and/or qualifications; and
- Evidence of demonstrated Agency efforts and associated difficulties experienced in attracting and retaining employees in the area of speciality; and/or
- Where appropriate, evidence of demonstrated outstanding (exceptional) performance by the candidate/officer including justification of the proposed Special Salary Point quantum.

Approval of Special Salary arrangements will only apply to the individual appointed (or proposed to be appointed) to the office and may not apply to any other individual who undertakes those duties temporarily or is appointed to undertake those duties subsequently without a new approval from the Head of the State Service. SES vacancies are not to be advertised with a salary range above the final Salary Progression Point for the relevant SES classification without the pre-approval of the Head of the State Service.

8.2 Remuneration for Equivalent Specialist Officers

Remuneration and terms and conditions for equivalent specialist officers will be determined at either an equivalent Senior Executive classification level (as per Section 3 of this Employment Direction) or if not relevant, will be individually determined using the above criteria (Section 8.1). If the latter, a Head of Agency, is to request the Head of the State Service's approval for determination of an individual equivalent specialist remuneration package including all associated conditions of employment.

Except where an alternative is approved by the Head of the State Service (e.g. medical specialist indexation in accordance with an Award/Agreement), individually determined remuneration will be indexed at the same quantum and will be effective from the same date as SES salary movements as determined by the Premier from time to time.

9. SES Performance Management System and Salary Progression

The Head of the State Service is to establish a performance management system framework for SES and SES equivalent officers.

The application of the SES Performance Management system in an Agency may be modified by the Head of Agency to align with specific Agency requirements, however, to ensure consistency and alignment of Performance Management Plans (PMP) with the following elements must be included:

- Agency's Business/Strategic Plans and Priorities;
- Whole-of-government policy priorities;
- Agency Values and Behaviour objectives; and
- Tasmanian State Service Senior Executive Capability Framework

Consistent with the above system, a PMP is to be developed for each SES and SES equivalent officer. The plan must document the performance requirements and development needs for the officer and is to be assessed and reviewed annually for salary

progression. The Head of Agency and/or Agency executive are to moderate and oversee approval for salary progression to ensure consistency within the Agency.

For the purpose of salary progression for a new appointment, the first performance assessment will occur no earlier than 12 months after initial appointment as a senior executive with future assessment to occur on the 12 month anniversary thereafter from the date of the salary progression.

The assessment must be based on the following factors at a minimum:

- Fully satisfactory performance by the officer;
- Ongoing performance improvement as the officer progresses within the salary range of their SES level;
- The requirements in the officer's PMP have been met; and
- Demonstrated progression to achievement of leadership capabilities as set in in the Tasmanian State Service Senior Executive Leadership Capability Framework;

Subject to meeting the above requirements, an officer will be moved to the next Salary Progression Point in the SES salary progression structure. Where there is a delay in finalising a performance assessment, the movement to the next Salary Progression Point may apply retrospectively from the actual anniversary date or date determined by the Head of Agency but no earlier than the anniversary date.

The Head of the State Service is to develop procedures for moderation of assessment and salary progression by Heads of Agencies as a group, commencing with SES Levels 3 and 4.

If a Head of Agency considers an officer's performance to be outstanding, that Head may provide a submission under Clause 8.1 of this Employment Direction to the Head of the State Service for approval of salary progression beyond one Salary Progression Point, provided that it does not exceed the final Salary Progression Point for the officer's classification.

Salary progression payments made in accordance with this Employment Direction are to be included for superannuation purposes.

Agencies are required to maintain records of performance assessments for each officer for evaluation and review purposes.

10. Provision of Motor Vehicles, Allowances in Lieu and Novated Leasing

10.1 Fully maintained motor vehicles

SES officers (including those that have an equivalent SES classification level) are to be provided with a fully maintained private-plated vehicle for the purpose of their own official and private use. The range of vehicles from which officers can choose will be determined by the Government from time to time.

Certain equivalent specialist officers whose remuneration package is individually determined may also be provided with an appropriate private-plated vehicle where it is specifically determined by the Head of the State Service as a component of their remuneration package.

The Head of Agency is to determine whether part-time SES officers or equivalent specialists provided with fully maintained vehicles are required to reimburse a proportionate amount of the total cost of a vehicle and, if so, the proportion that should be reimbursed.

10.2 Use of fully maintained motor vehicles

Use of the fully maintained private-plated vehicle is to be in accordance with the Government's "*Policy and Guidelines for the Allocation and Use of Tasmanian Government Motor Vehicles*" (see http://www.dpac.tas.gov.au/divisions/executive/gov_vehicles_policy). The Policy and Guidelines, in so far as they relate to the use of private-plated vehicles under an officer's contract of employment, form part of this Employment Direction.

10.3 Allowances in lieu

Subject to the offer of an election being made by the Head of Agency for an annual allowance in lieu of the provision of a fully maintained private plated motor vehicle, officers, other than those that are members of the Retirement Benefits Fund (RBF) Defined Benefit Scheme, may elect to receive that annual allowance in lieu of the motor vehicle to be paid fortnightly.

The allowances are set out in Attachment 1C and may be varied by the Premier from time to time without the need to re-issue or vary this Employment Direction. Allowances will apply to part time appointments on a pro rata basis.

Heads of Agencies that have a high level of vehicle business use by officers will have the right to not offer an allowance in lieu to an eligible officer.

Heads of Agencies are not in any circumstances to offer an allowance in lieu of a vehicle to an officer who is a member of the Retirement Benefits Fund (RBF) Defined Benefit Scheme.

10.4 Salary sacrifice for novated leasing of a motor vehicle

Eligible officers who elect for an allowance in lieu of a motor vehicle will also be able to salary sacrifice the sum of that allowance together with any additional gross salary required for the purpose of novated leasing of a motor vehicle provided that the salary sacrifice arrangement is made through the Government's contracted provider and that all associated administrative costs, fringe benefits or any other tax liabilities will be the sole responsibility of the officer.

10.5 Transition arrangements between options

A standard clause will be issued to Agencies for the purpose of amending existing Instruments of Appointment to provide the allowance and salary sacrifice option to eligible officers who wish to elect that option. An election to receive an allowance in lieu is to be made in writing to the relevant Head of Agency at least four months before the scheduled replacement date of the vehicle. Early termination of existing vehicle leases are not to be approved including situations where an officer's driver's licence has been suspended.

11. Termination and Severance Arrangements

Heads of Agencies are required to consult with the Director, SSMO in the Department of Premier and Cabinet prior to terminating the appointment of an officer which would result in that officer being eligible for a severance benefit under this Employment Direction. The consultation is for the purpose of determining whether the termination is appropriate or whether the officer's services may be required in another Agency.

11.1 Documentation requirements

In the interests of transparency, State Service Agencies are to document termination processes and severance benefits involving SES or equivalent specialist officers. To that end, Heads of Agencies are required to maintain documentation on the

termination including which party initiated the termination. Where the termination has not been specifically instigated by either party but has been mutually agreed out of negotiations, the process of negotiation and agreement is to be documented.

Severance benefits and the basis for the calculation payments arising from the termination should also be fully documented. A Deed of Release prepared in consultation with the SSMO and the Office of the Crown Solicitor is to be executed by the Head of Agency on behalf of the Crown before any payment is made. The Deed will require the officer, in consideration of the payment of the severance benefit, to release the crown from any claim or liability arising out of the officer's appointment excluding worker's compensation or the like.

The original Deed is to be retained by the Agency for audit purposes and a copy of the Deed is to be provided to the Director, SSMO.

11.2 Exclusions

The benefits below do not apply where termination of the appointment is initiated by the officer, e.g. resignation, retirement or is for a cause specified in the officer's Instrument of Appointment that excludes payment of a severance benefit, e.g. serious and willful misconduct, a breach of the Code of Conduct, failure to maintain a satisfactory level of performance etc.

Severance benefits do not apply where the officer was offered a consecutive appointment that comprised no less annual remuneration and a term of consecutive appointment not less than 60% of the previous term of appointment, and that offer was not accepted.

Severance benefits will not apply where the Head of Agency offers, and the officer accepts a consecutive appointment for a term less than 60% of the previous term on the basis that the offer is mutually suitable to both parties.

11.3 Standard Severance Benefits

Subject to the documentation requirements in Clause 11.1, where an officer is terminated prior to the expiry of the period of appointment, or a consecutive appointment is not made, the following severance benefit provisions are applicable: -

a. Where the officer was a permanent State Service employee before being appointed as an officer, and undertakes in writing not to exercise their right to re-appointment as a permanent employee in accordance Section 31(11) of the *State Service Act 2000*, the officer will receive a payment based on the greater of the following:

- (i) One week's salary for every six weeks of the unexpired period of the Instrument of Appointment. Payment is to be calculated at the relevant SES salary rate. In addition, the officer will receive one week of the employer superannuation contribution arising from the provisions for superannuation in the Instrument of Appointment for each six weeks of the unexpired period of the Instrument of Appointment.

Or

- (ii) A payment of four weeks salary plus two weeks salary for every completed year of continuous service as a State Service employee or officer (including pro rata for the final year of service) up to a maximum of 48 weeks. The payment is to be calculated using the relevant SES salary rate.

b. Where the officer was a permanent State Service employee immediately before being appointed as an officer, and elects to be re-appointed as a permanent employee under Section 31(11) of the *State Service Act 2000*, the officer will receive a payment based on the greater of the following:

- (i) For every six whole weeks of the unexpired term of the appointment, a sum equal to the difference between the weekly salary calculated at the relevant SES salary rate and the weekly salary payable to the officer immediately upon being reappointed as a permanent employee in the State Service.

Or

- (ii) A salary maintenance allowance being the difference between the salary payable to the officer immediately upon being reappointed and the relevant SES salary rate from the date of re-appointment as a permanent according to the number of continuous years of service as an officer as follows:
 - o up to five years three months
 - o five years to ten years six months
 - o greater than ten years nine months

c. Where the officer was not a permanent employee before being appointed as an officer, the officer will receive a payment based on the greater of the following:

- (i) One week's salary for every six weeks of the unexpired period of the Instrument of Appointment. Payment is to be calculated at the relevant SES salary rate. In addition, the officer will receive one week of the employer superannuation contribution arising from the provisions for superannuation in the Instrument of Appointment for each six weeks of the unexpired period of the Instrument of Appointment.

Or

- (ii) A payment of four weeks salary plus two weeks salary for every completed year of continuous service as a State Service employee or officer (including pro rata for the final year of service) up to a maximum of 48 weeks. The payment is to be calculated using the relevant SES salary rate.

The relevant SES salary rate for the purpose of these provisions and the Instrument of Appointment is the approved SES salary being paid to the officer at the time of termination, and does not include employer contributions made on behalf of the officer for superannuation, any amount calculated by reference to an allowance paid in lieu of a motor vehicle during an eligible officer's appointment, or any other component in lieu of future remuneration foregone.

Any severance payment negotiated above those detailed in this Employment Direction or the officer's Instrument of Appointment must be pre-approved by the Head of the State Service or the Premier based on a detailed submission by the Head of Agency setting out the reasons to warrant such an increase in the severance benefit. In such cases, payment of the severance benefit will be strictly subject to the execution of a Deed of Release which is to include an exclusion period from re-appointment to the State Service to be determined by the Head of the State Service.

11.4 Notice Arrangements

Officers will be given at least three months written notice (but no more than six months written notice) before the expiry of their appointment, of the intention to offer, or not offer a consecutive appointment.

Where an officer is not offered a consecutive appointment and that officer has no right to re-appointment to the State Service under S31(11) of the *State Service Act 2000*, agreement may be reached between the Head of Agency and the officer for payment in lieu of all or part of the notice period up to a maximum of three months.

Officers with a right to re-appointment as a permanent employee under S31 (11) of the *State Service Act 2000* will not be considered for a payment in lieu of notice (as specified above) unless the officer undertakes not to exercise their right to re-appointment in writing.

11.5 Superannuation

For officers under the Retirement Benefits Fund, superannuation benefits on severance will be as prescribed under the provisions of the *Retirement Benefits Act 1993*, the *Public Sector Superannuation Reform Act 1999* and the Retirement Benefits Fund Tasmanian Accumulation Scheme Trust Deed. Individuals should seek advice concerning their employee benefits from the advisory section of the Retirement Benefits Fund Board or their relevant superannuation fund.

12. Conditions of Employment

The following additional standards as contained in the approved Instrument of Appointment issued by the SSMO will also apply to conditions of employment for Senior Executives and officers with an SES equivalent classification unless otherwise specifically determined by the Premier:

- Term of Appointment will not exceed five years – Heads of Agencies may offer Instruments of Appointment of shorter duration than five years with due consideration of the consecutive appointment provisions in Section 7.2 of this Employment Direction.
- Employer-funded superannuation made in accordance with relevant legislative requirement, provided that any officer who at the date of issue of this Employment Direction was receiving a higher rate of employer-funded superannuation will continue to receive that rate under their current appointment and any consecutive appointment/s that may be made. Any officer who was contributing to the Retirement Benefits Fund Contributory Scheme before appointment may continue that superannuation arrangement.
- Option to salary sacrifice for contributory superannuation (where applicable) and additional superannuation contributions.
- Reasonable Relocation Expenses to be determined by Head of Agency.
- Sale and Purchase of Property Reimbursement on appointment – Head of Agency may negotiate expenses in line with State Service Regulation No. 19 and Employment Direction No. 21.
- Special Accommodation Allowance – reasonable actual costs determined by Head of Agency.
- Reimbursement of travel-related expenses incurred on official business in accordance with the Tasmanian State Service Award.

- Travel on official business in accordance with relevant government policy.
- Personal leave of 20 days per annum (pro rata for part time) on commencement of appointment and annually thereafter. Up to half of this annual entitlement may be used for the purpose of caring for members of an officer's family. Personal leave may also be used to attend to matters related to family violence consistent with Employment Direction No. 28. Any officer who was employed as a permanent employee immediately before their initial appointment as an officer may continue to be eligible for the personal leave arrangements to he/she was previously entitled. Certification requirements will be in accordance with Tasmanian State Service Award.
- Recreation leave of 20 days per annum accruing on a fortnightly basis up to a maximum of a 2 year entitlement, with an option to cash out 50% of each annual entitlement.
- Long service leave in accordance with *Long Service Leave (State Employees) Act 1994*.
- Parental Leave in accordance with the Tasmanian State Service Award.
- Bereavement Leave in accordance with the Tasmanian State Service Award.
- Holidays with pay in accordance with the Tasmanian State Service Award.
- Any other paid or unpaid leave as may be determined by the Head of Agency in line with State Service Regulation No. 24 of the *State Service Regulations 2011*.

In accordance with Section 8.2 of this Employment Direction, conditions of appointment for Equivalent Specialists will be individually determined and contained in an Instrument of Appointment approved by the SSMO.

13. Reporting and Monitoring

SSMO will maintain a consolidated register of all senior executive service and equivalent specialist offices.

A copy of each Agency's records extracted from the SSMO register will be provided to Agencies on 1 August each year for the purpose of compiling a reconciliation report. The Head of Agency is to provide the reconciliation report to SSMO by 30 September each year.

The reconciliation report will include: -

- The current title of each office;
- The current approved classification of each office;
- The unique numerical identifier for each office;
- Where relevant, details of all remuneration (i.e. market) arrangements paid above the Maximum Performance Salary Point for each office; and
- Complete details (e.g. period/s, amount/s) of More Responsible Duties Allowances (MRDA) paid to employees who have undertaken senior executive or equivalent specialist duties within the reporting period.

Agencies are also required to maintain records of performance assessments for each officer including associated salary progression payments for evaluation purposes as may be determined by the Head of the State Service from time to time.

ATTACHMENT IA

STATE SERVICE ACT 2000
INSTRUMENT OF DELEGATION

I, William Hodgman being the Premier in respect of Part 6 of the *State Service Act 2000* (the Act), and pursuant to Section 31(2), 32(2) and 33(3) of the Act, delegate my powers in respect of the following functions to the holders for the time being of the office of:

Head of State Service Agencies specified in Schedule I of the *State Service Act 2000*.

Part 6 of the *State Service Act 2000*:

- 31(1)(a) Appoint a person to a senior executive office (at level 1 or 2), or to an equivalent specialist office within the Head's Agency.

Limited to:

- initial appointment at the Base Salary Point;
- consecutive appointment at the appropriate Salary Progression Point;
- approval of salary progression in accordance with Employment Direction No. 17 and approved Instrument of Appointment.

- 32(1) Terminate the appointment of a senior executive or equivalent specialist within the Head's Agency in accordance with the provisions in that officer's Instrument of Appointment.

Limited by:

- the requirement that the Head of Agency consult with the Director, State Service Management Office in the Department of Premier and Cabinet prior to exercising this power.

- 33(2) Transfer a senior executive or equivalent specialist from one office to another office in the Head's Agency.

Limited to:

- transfer at the same classification level (SES levels 1 and 2 only);
- with approval of the Head of State Service, transfer to a vacant office for the unexpired period of the officer's Instrument of Appointment at the time of transfer.

Head of the State Service

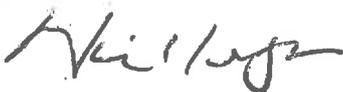
Part 6 of the State Service Act 2000:

- 31(1)(a) Appoint a person to a senior executive, or equivalent specialist office within the State Service.
- 31(1)(a) Approve terms and conditions for the appointment of a person to a senior executive, or equivalent specialist office, including:
 - approval of remuneration for individual equivalent specialist officers;
 - approval of an incentive payment for officers undertaking the duties of another office at the same level for a specified period;
 - approval of salary up to and beyond the relevant Special Salary Point;
 - approval of individual severance benefits beyond those specified in an officer's Instrument of Appointment;
 - approval of the appointment of State Service employees to offices without advertising consistent with Section 7.2 of this Employment Direction.
 - approval of specific term and conditions to maximise mobility of officers in the State Service, including secondment to Ministerial Offices,
- 33(2) Transfer a senior executive or equivalent specialist from one office to another office within the State Service at any SES classification level.
- 32(1) Terminate the appointment of a senior executive, or equivalent specialist officer in the State Service, in accordance with the provisions in that officer's Instrument of Appointment.

This delegation must be exercised subject to any general or specific limitation there mentioned and in accordance with Employment Direction No. 17.

This delegation is effective from the date of issue.

Dated this *28th* day of *April* 2015



William Hodgman MP
Premier