



INDEPENDENT REVIEW OF THE TASMANIAN STATE SERVICE **SUMMARY**

JULY 2021

Author:

Dr Ian Watt AC

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We acknowledge the ancient history of the Tasmanian Aboriginal people as the First People of lutruwita/Tasmania. For over 2,000 generations, the health and wellbeing of Tasmanian Aboriginal peoples has been, and continues to be, based on a deep and continuous connection to family, community and the land, sea and waterways.



“It may safely be asserted that, as matters now stand, the Government of the country could not be carried on without the aid of an efficient body of permanent officers, occupying a position duly subordinate to that of the ministers who are directly responsible to the Crown and to Parliament, yet possessing sufficient independence, character, ability and experience to be able to advise, assist, and to some extent, influence those who are from time to time set over them.”

Report on the Organisation of the Permanent Civil Service, 1853

“The greatest single governing gift of the nineteenth to the twentieth century: a politically disinterested and permanent Civil Service with core values of integrity, propriety, objectivity and appointment on merit, able to transfer its loyalty and expertise from one elected government to the next.”

Professor Peter Hennessy, 1999

“Building [Public Service] capability is not to be a distraction from delivering government priorities – it is the means to achieve them.”

Independent Panel of the Australian Public Service Review, 2019

¹ Stafford H Northcote and C E Trevelyan, On the Organisation of the Permanent Civil Service, 1853, printed in Reports of Committees of Inquiry into Public Offices and Papers Connected Therewith, Great Britain Civil Service Commission, 1859.

² Professor Peter Hennessy, Founder’s Day address, Hawarden Castle 8 July 1999, cited in Whither the Civil Service, Research Paper 03/49, House of Commons Library, May 2003.

³ Commonwealth of Australia, *Our Public Service Our Future. Independent Review of the Australian Public Service*, 2019: <https://www.apsreview.gov.au/> (hereinafter ‘Our Public Service Our Future Report’).

The context

Change in our modern world is both inevitable and all pervasive. The opportunities and challenges it creates grow seemingly faster than ever.

The impacts of the COVID-19 pandemic are reminders of the effects of change and they are almost everywhere we look. COVID 'normal' will be quite different from pre-COVID normal.

The COVID-19 pandemic is far from the only major challenge facing Australia. Shifting geopolitical realities, climate change and its implications, an ageing population and rapidly changing economic indicators are also major issues. Finally, technological change is driving new industries, new opportunities and new ways of working, just as it is diminishing and downgrading old ones.

Governments everywhere are expected to 'do more' to help meet these challenges and to solve these problems. Their role in the economy and society is expanding (at least in the developed world) and thoughts of that role steadily declining at least in the medium term are well gone. The role may change, something very clear from the COVID-19 crisis, but it's certainly not declining. Finally, the problems that government face seem increasingly difficult, the solutions more complex and the periods available ever shorter.

Governments and public services are 'institutions of last resort' – they have to address these challenges and problems facing their jurisdictions regardless. They have no choice even if they wanted one and fortunately none do.

Tasmania, the Tasmanian Government and the Tasmanian State Service (TSS) are very much part of this picture. For the TSS, this picture poses two interrelated issues. The first is responding to the likely increasingly complex and difficult challenges that Tasmania faces, and that will be far from easy. The second is not whether the TSS will need to change over the next decade or so, but rather what the change will be, how it will be managed, and how change can be navigated in the best interests of the Tasmanian community, the Tasmanian Government and the institution itself.

Finally, the impact of change and the pressures of change mean that no matter how well the TSS is performing now, without changing itself its performance will decline.

TSS employees are passionate and committed to delivering better outcomes for Tasmanians. They do the best that they can with the tools and frameworks they have been given, and there are many examples across government of the service delivering great outcomes. Despite being one of the smallest state services, they are expected to deliver the full range of services delivered by larger and better resourced public services elsewhere. They need to be congratulated for the work they do within the constraints they have.

The TSS is held back by its current design. It is too siloed and too rigid in structure. It has limited capability in many areas and it finds it difficult to share capability across the service. Like most public services, it is often too risk averse and has compounded process and red tape to attempt to manage risk.

The review

The Tasmanian Government announced an independent Review of the Tasmanian State Service (the Review) in June 2019 to consider whether the governing framework of the State Service is fit-for-purpose for Tasmania today and into the future. The Review set out to identify structural, legislative and administrative improvements that will transform current structures, services and practices to deliver a more efficient and effective public service.

The Review initially commenced in November 2019, with Dr Ian Watt AC appointed as Independent Reviewer. Like so much during 2020 progress of the Review was disrupted by COVID-19 and the Review paused in March 2020 for seven months before consultation and research recommenced for preparation of the Interim Report.

Most of the changes recommended in the Final Report are not new. Many have been tried, tested and successfully implemented in other jurisdictions. Many have also been discussed within the TSS – sometimes formally, often informally – for a long time. The opportunity that this Review presents is to take these ideas and to embed them in the fabric of the service. To take the best of public services around the country and to build them systematically into the way that the Tasmanian State Service operates.

The benefit of being a late adopter is the opportunity to implement the best available ideas. That reduces the risk of making important changes. The real challenge is to build these individual changes into changes to the system as a whole, which is where Tasmania can really shine.

The Review recommends a substantial suite of changes for the TSS that is necessary to address the broad Terms of Reference and the adjustments the TSS needs.

If implemented, the recommendations will:

- strengthen the leadership, making it more accountable for the outcomes that it delivers for government and the community
- assist state agencies to work more effectively together and with others, ensuring that bureaucratic boundaries do not get in the way of achieving outcomes
- pave the way for building a more capable, agile and high performing workforce across the State Service
- importantly, make dealing with government easier and more productive for Tasmanians.

The Reforms

Principles and values

To succeed, the Tasmanian State Service needs to be grounded in, and driven by, strong values and principles that guide everything that it does. It needs to be united on where it is going and committed to measuring progress in getting there. The State Service Principles currently embedded in the Act do not provide an appropriate foundation for the State Service and should be replaced.

Leadership

Leadership is key to continuing to build and maintain the culture and capability that the service needs. The principle of stewardship should be firmly embedded in the service to ensure that it is not just delivering results today, but is investing in the capability that it needs for the future.

Some of the most difficult problems that modern governments face are those that extend across 2 or more portfolios. These issues require the attention of ministers and their agencies individually, but also require them to work together to coordinate and prioritise the response, rather than tackling them on a portfolio by portfolio basis. Identifying whole-of-government or cross-portfolio priorities and establishing clear TSS-wide governance to address them makes finding solutions much more likely.

Heads of agency will be key to the delivery of the priorities, and their function and accountabilities should be broadened to increase the emphasis on collaboration and working across departmental boundaries. COVID-19 highlighted how agencies can join forces and move with agility to solve complex challenges during a time of crisis. The TSS needs to learn from this experience and not return to previous ways of working in relative isolation.

The TSS needs a coordinated whole-of-service investment in leadership development. Senior executives require a more tailored approach to development to identify and address specific skills gaps required for them to undertake more complex and challenging positions in the future and ensure they are ready the next time an opportunity comes up. This includes reinforcing a culture that encourages individuals to move around the TSS to obtain the skills and experiences required of future leaders.

Capability

The TSS needs to have the tools to systematically review, improve and reshape capabilities and ensure they are aligned with challenges and priorities. This includes the regular review of the capability of state agencies, and an increased focus on the systematic review and evaluation of programs across government. This framework should be underpinned by a robust capability to share, link and analyse data.

The TSS cannot afford to duplicate capabilities across agencies. Sharing capability creates opportunities to invest in better skills, systems and processes that, in turn, deliver better outcomes for the service, the government and the Tasmanian community. Creating shared services is, however, not without risk and should proceed cautiously and deliberately. There may be merit in a shared service for transactional corporate services. Beyond this, the government should appoint functional leaders to set the strategy for developing individual capabilities (e.g. data sharing and linkage, cybersecurity or major capital works) across government. The government should start by appointing functional leaders for a small number of capabilities but commit to expanding the use of functional leadership over time.

Digitalisation is driving change nationally and internationally. It is both a key opportunity of the TSS and a significant risk if not embraced. The TSS needs to take full advantage of a functional leadership approach to align and integrate existing and new core business platforms, and refresh its digital services governance to drive significant improvements in digitalisation across the service.

The TSS is too small to have all the answers and all the capabilities. It must continue to work with other sectors and other organisations to access the best capabilities wherever they may be. The TSS needs to build or renew 'idea' based partnerships with the University of Tasmania, other levels of government, industry and the non-government sector to drive better outcomes for the State.

Workforce

The State Government spends about \$3.5 billion, or more than half of its total budget, on its workforce. Building the employment framework to gain the best value out of this investment must be a priority for the TSS. There is widespread agreement that the current employment arrangements in the TSS need to be redesigned. They are overly prescriptive and there is too much centralised control and decision-making. There needs to be an increased focus on capability development and performance management that rewards good performance and addresses poor performance. It should be built upon a foundation of professional communities of practice and shared learning and development.

COVID-19 has shown the TSS that it can work flexibly and remotely, creating opportunities for rethinking the relationship between workers and the workplace. The TSS needs to capture these lessons and not just slip back into the old ways of working. Employees now expect remote working arrangements – that is part of the package. The TSS should also explore ways that flexible working could allow the service to access skills and capabilities from across the State for jobs that are traditionally based in Hobart.

Service Delivery

Digitalisation is driving a need to rethink the way that governments relate to individuals and families. But it is not just digital technologies that are driving change. Many jurisdictions are looking to integrate services around life events, tailoring services to meet the needs of people, as opposed to reflecting the structure of government agencies. This should be a driving principle for the integration of service delivery across the TSS.

The TSS has a proud history of leading the nation in terms of integrated service delivery through Service Tasmania. It has, however, fallen behind. To rebuild momentum, Service Tasmania needs to be given a clear mandate to create a positive customer experience for individuals and families dealing with government, via a complementary array of digital, phone and face-to-face services. It should be designated as the single agent of digital service delivery in Tasmania, providing access to state government services through a single integrated digital experience. Transactions between the community and government should be managed through a single stream. It should partner with local governments and the Australian Government to improve the future with enhanced shopfront services.

Within a framing around life events, services across the TSS should increasingly focus on the complex needs of people (person-centred) and places (place-based). The factors impacting on the lives of people are complex and interrelated.


Providing support that actually makes a difference in people's lives, therefore, requires interventions that usually extend well beyond the boundaries of any single agency and sometimes cross the boundaries of different tiers of government.

Similarly, place-based approaches show promise in terms of addressing complex and 'wicked problems'.

Finally, given the scale of investment in service delivery outside government, it is imperative that the TSS ensures the Tasmanian community gets value for money and that the right outcomes are achieved – that they represent a worthwhile return on investment. The TSS should appoint a functional leader for system management of outsourced services and develop a whole-of-government population outcomes framework.

Implementation

The Review makes 77 recommendations across a broad range of subjects. The purpose is to assist the government and the TSS to take the necessary steps to reform the service. Care has been taken to find the right balance between providing specific direction for government while maintaining flexibility in terms of how the recommendations are implemented. The Final Report often provides additional guidance in the text, illustrating one of a number of options for consideration.



Implementation of the recommendations of this Review will take time and will need to be guided by a dedicated team in the Department of Premier and Cabinet. The government will need to prioritise the implementation of the recommendations, as trying to do everything at once will very quickly overwhelm the service. The Report provides some guidance on those things that can be achieved quickly or are a priority, and those things that should be developed over a longer period.

The roadmap provides a more schematic way to understand what this Review is recommending. It organises all of the reform around 5 key domains: Principles and Values; Leadership; Capability; Workforce and Service Delivery. Each domain can be considered individually, but success relies on attention across all 5, because of the complex inter-relationships between the reforms across the domains. Implementing them all is mutually reinforcing and delivers a much greater result and a much more capable TSS than implementing a few.

Finally, like all Australian governments, the Tasmanian Government has a large and important agenda ahead of it. Tasmania's circumstances, like those in the rest of Australia, deserve nothing less. Some may see state service reform as an unnecessary distraction from delivering that agenda. The Reviewer disagrees. It is rather a means to help ensure the agenda of this government, and those that come after it, is much better delivered than it otherwise would have been.

Roadmap for Reform

Principles and values

- Work as a single Tasmanian State Service and promote the concept
- Rewrite the State Service Principles to provide more contemporary, directional and engaging values and principles for the TSS
- Measure progress towards implementing the values

Leadership

- Broaden the functions and accountabilities of heads of agency to include cross-agency policies and programs
- Increase the focus of the TSS on whole-of-government priorities and create the governance to drive them
- Promote the principle of stewardship across the TSS
- Design and implement a talent development program for leadership in the TSS

Capability

- Develop a whole-of-service capability review and improvement framework
- Enhance the State's data sharing and analysis capability
- Prepare the business case for a shared service for transactional corporate services
- Introduce a functional leadership model for capability across the TSS
- Build momentum in the digitalisation of the TSS
- Continue to build intellectual partnerships with others

Workforce

- Delegate all operational employment decisions to heads of agency and increase accountability for decision-making
- Rewrite employment directions to be standards-based directions with supporting guides and policies
- Undertake workforce planning across all agencies and at a whole-of-service level
- Develop a whole-of-service capability framework for the TSS and use it as the foundation for increased capability development and more effective performance management
- Increase the efficiency of recruitment through the increased use of group recruitment

- Develop and promote communities of professional practice across the TSS
- Promote increased mobility in the TSS
- Promote and manage flexible working arrangements, including increasing consistency and facilitating regional employment

Service delivery

- Use life events as an organising principle for services
- Renew Service Tasmania's mandate and enhance services across shopfronts, phone and digital services
- Develop standards for person-centred service delivery in government and a framework for place-based and co-designed initiatives in Tasmania
- Audit existing TSS premises and identify options for improved integration of services and programs and the co-location of TSS employees
- Develop a shared community population outcomes framework and invest in system management capability

Summary of recommendations

Principles and values

Review and refresh the State risk assessment and resilience priorities

Recommendation 1

That the government undertake a full horizon scanning process every 2 years as part of the process of updating the disaster risk assessment.

Promote and work more as a single Tasmanian State Service

Recommendation 2 (adapted from Interim Report Recommendation 1)

Develop and implement the concept of a single state service to help build better capabilities, increase collaboration and deliver improved outcomes for the government and the Tasmanian community.

Rewrite the State Service Principles to provide more contemporary, directional and engaging values and principles for the TSS

Recommendation 3

Amend the State Service Act 2000 to replace the existing State Service Principles with a clear Object, State Service Values and State Service Principles.

That TSS leadership conduct an open process of engaging with stakeholders and TSS employees to help define the shared values of the TSS.

Recommendation 4

That the State Service Management Office develop key indicators to measure progress towards the embedding of values across the TSS and align the State Service Survey to provide data for these indicators.

Leadership

Make functions and accountabilities of heads of agency more contemporary

Recommendation 5 (adapted from Interim Report Recommendation 2)

That the government task some or all heads of agency collectively with addressing a small number of whole-of-government or cross-government priorities that require a collaborative approach to facilitate delivery of better outcomes.

Recommendation 6

Amend the *State Service Act 2000* to broaden the legislative function and powers of heads of agency to include development of capability and delivery of programs across the State Service and collaboration to achieve outcomes with other heads of agency.

Recommendation 7 (Interim Report Recommendation 4)

That the Secretary of the Department of Premier and Cabinet, in full consultation with relevant portfolio ministers and the Premier, develop and undertake departmental secretaries' annual performance agreements and assessments.

Recommendation 8 (Interim Report Recommendation 5)

That the Premier undertake the annual performance agreement and assessment of the Secretary of the Department of Premier and Cabinet, informed by discussions with ministers (as the Premier sees appropriate) and consolidated advice from other departmental secretaries.

Recommendation 9 (adapted from Interim Report Recommendation 3)

Consider heads of agency contributions to developing the TSS as a genuinely single state service, including the delivery of cross-portfolio outcomes (such as whole-of-government priorities) and whole-of-government capability development, in agency heads' performance assessments.

Greater focus on whole-of-government priorities and the governance to drive them

Recommendation 10

That the government task heads of agency as a group to drive the capability review and improvement framework, functional leadership, digitalisation and some or all of the cross-government priorities.

Provide a small amount of additional resourcing to the Department of Premier and Cabinet to support the heads of agency work and associated follow-ups.

Recommendation 11

That heads of agency advise the government, within 3 months, on the appropriate organisation and structure of heads of agency meetings and the arrangements to support oversight of the delivery of whole-of-government priorities and the broader requirements of the Report.

Promote the principle of stewardship across the TSS

Recommendation 12

That the government endorse stewardship as a key principle for the TSS by inclusion in the amended *State Service Act 2000*.

Recommendation 13

Update the TSS Senior Executive Leadership Capability Framework to include an explicit recognition of stewardship and to align with the broader capability framework proposed for the TSS.

Introduce a talent development program

Recommendation 14 (Interim Report Recommendation 7)

That the government establish and fund a talent development and management program to identify and develop future leaders of the TSS and future senior executives. The State Service Management Office should manage the program.

Recommendation 15

That the TSS establish a network of former Tasmanians who are currently filling public sector leadership roles elsewhere in Australia and draw on them for informal ideas and advice.

Capability

Develop a whole-of-service capability review and improvement framework

Recommendation 16

Develop an agency capability review and improvement framework for government and undertake an initial 3-year cycle of agency capability reviews based on that framework. Develop a simplified version for small agencies. Fund a small unit in the Department of Premier and Cabinet to develop the framework and help manage the reviews and their outcomes.

Recommendation 17 (Interim Report Recommendation 8)

Establish a small review and evaluation unit with additional resourcing in the Department of Premier and Cabinet, managed by the Department of Premier and Cabinet and the Department of Treasury and Finance and overseen by a cross-portfolio steering committee of heads of agency, to annually review a small number of program or groups of programs considered high risk or critical.

Recommendation 18

That the Review and Evaluation Unit (see Recommendation 17) develop a whole-of-government review and evaluation framework for government consideration.

Enhance the data sharing and analysis capability

Recommendation 19

That the government develop and fund a stronger whole-of-government capability for sharing, linking and analysing data and assign a functional leader to deliver services to, or build capability across, all agencies.

Prepare the business case for a shared service for transactional corporate services

Recommendation 20

That the government fund the Department of Treasury and Finance to review the potential scope, costs and benefits of consolidating transactional services in government into a shared service.

Introduce a functional leadership model for capability across the TSS

Recommendation 21

That the government implement and fund a functional leadership model to develop capability across the TSS.

That heads of agency lead the development of a functional leadership program for key whole-of-government capabilities, including clear governance for identifying capabilities for functional leadership, for empowering functional leaders and for holding them to account.

Recommendation 22

That the government, through the heads of agency, develop a platform-based functional leadership model for the ongoing development and integration of consistent core business systems across all agencies.

Recommendation 23

That the government agree on a set of capabilities to form the first stage of implementation of a functional leadership model for capability development.

Recommendation 24

That the TSS incorporate platform-based functional leadership into the digital services governance framework and replace the Digital Services Board with heads of agency meetings.

Build momentum in the digitalisation of the TSS

Recommendation 25

Amend the terms of reference of the Deputy Secretaries Digital Services Committee to include the Chief Information Officer as a member.

Recommendation 26

That the TSS progressively eliminate 'manual only' business processes, and that the government fund a small, centrally funded resource to drive the digitalisation of existing business processes.

Continue to build intellectual partnerships with others

Recommendation 27 (adapted from Interim Report Recommendation 6)

That the Department of Premier and Cabinet develop an overarching 'ideas' partnership agreement with the University of Tasmania focused on areas of mutual benefit and with the broad objectives of improving outcomes for Tasmanians.

That under the auspices of the new partnership, the TSS and UTAS explore opportunities, including to:

- build a shared capability to link and analyse administrative data
- work together on whole-of-service workforce planning
- consider the TSS's potential 'surge' capacity needs and the UTAS faculty structure required.

Recommendation 28

That the Tasmanian Chamber of Commerce and Industry and the Department of State Growth work together on the design and delivery of a program of short-term secondments of TSS employees into industry and vice versa.

Recommendation 29

That the Department of Communities Tasmania work with TasCOSS to design and deliver a program of short-term secondments of TSS employees into the community sector and vice versa.

Recommendation 30

Extend the existing graduate program for relevant agencies to include a placement in TasCOSS or another community sector organisation.

Recommendation 31

That the TSS review the current reference groups between government and the community sector to ensure they support the community sector population outcomes framework (see Recommendation 73) and establish an annual forum of government, relevant community sector organisations and peak bodies to refresh the coverage and membership of these reference groups.

Recommendation 32

That the Department of Premier and Cabinet work with the Australian Public Service Commission to design and deliver a program of short-term secondments between the Commonwealth and State.

Recommendation 33

That the State Service Management Office play an overall coordination and advice role in the secondment agreements proposed and developed. A small amount of funding should also be provided to support the initiative.

Workforce

Define business requirements for a whole-of-service human resources information system

Recommendation 34

That the Department of Health continue to develop the Human Resource Information System (HRIS) to provide the foundation for a whole-of-government system, with clear whole-of-government business requirements for accurate and timely reporting to heads of agency, the Head of the State Service, the Employer and Parliament.

Greater power for head of agency decision-making and clearer accountability within the TSS employment framework

Recommendation 35

That operational employment-related decisions be delegated to heads of agency unless centralised decision-making can be justified in terms of high risk to the government or the service. That the Head of the State Service provide advice to the Employer on decisions that should be made centrally and the risks that this approach is seeking to manage.

That the Head of the State Service develop and implement a reporting framework to ensure that heads of agency are accountable for complying with directions and policies established by the Employer.

Recommendation 36

Complete and implement a review of the capability and role of the State Service Management Office as a priority.

Transition superfluous employment directions to whole-of-service guides and rewrite employment directions as standards-based directions, with increased flexibility for agency-based decision-making and process design

Recommendation 37

That the Employer progressively revoke all superfluous employment directions with necessary material translated into TSS practice guides or other suitable instruments.

That the SSMO, in consultation with state government agencies, rewrite remaining employment directions as standards-based directions, with increased flexibility for agency decision-making and process design.

Undertake workforce planning across all agencies and at a whole-of-service level

Recommendation 38

That the TSS develop a whole-of-government framework for recording, reporting and analysing workforce data to inform workforce planning.

Recommendation 39

That all state government agencies ensure they have workforce plans in place by the start of 2023, which will be refreshed every 12 months thereafter and reviewed every 3 years.

Recommendation 40 (adapted from Interim Report Recommendation 9)

Develop centrally a whole-of-TSS workforce plan by the end of 2023 that targets identified workforce challenges and supports whole-of-government priorities. Whole-of-service workforce plans should be refreshed every 12 months and renewed every 3 years.

Focus on diversity in the TSS

Recommendation 41 (Interim Report Recommendation 10)

Increase the number of placements available in the graduate, cadet and traineeship programs to create more employment opportunities for young people in the TSS.

Promote the use of group recruitment across the TSS

Recommendation 42

That the SSMO work with agencies to develop and facilitate a consistent approach to group recruitment, allowing for the appointment of suitable candidates over time to positions in the TSS.

Reinforce the current nature of permanency for classifications in the TSS rather than permanency of duties or positions

Recommendation 43

Amend the *State Service Act 2000* to include the power to make, in regulations, the timeframe for an employee to notify their intention to apply for a review under section 50(1) of the Act.

Make a regulation prescribing a timeframe for lodging a notice of intention to seek a selection review.

Recommendation 44

Split the current Statement of Duties for TSS employees into a Statement of Classification and a Statement of Duties.

Recommendation 45

That the Department of Premier and Cabinet and the Department of Treasury and Finance develop options for reducing the impact of establishment controls on the efficient recruitment to positions in the TSS.

Recommendation 46

That the Head of the State Service and heads of agency develop a standard approach to the management of fixed-term transfers across the TSS.

Develop and promote communities of professional practice across the TSS

Recommendation 47

That the SSMO work with human resource directors or equivalents from all agencies to develop communities of professional practice across the TSS.

Allow for the appointment of TSS employees for a limited time, in limited circumstances without a process

Recommendation 48

Amend the *State Service Act 2000* and any associated employment directions, policies, practices and standards to allow for the appointment of an employee into the TSS for a limited period where a head of agency considers that:

- it is necessary to respond to an emergency
- the required task must be completed in a timeframe that precludes the appointment through the usual recruitment process or
- it supports the agency to partner with an external organisation.

Promote increased mobility in the TSS

Recommendation 49

That the SSMO continue to explore options for the creation of an internal mobility register with relevant unions.

Develop a whole-of-service capability framework for the TSS and use it as the foundation for capability development and performance management

Recommendation 50

That the SSMO lead the development and implementation of a whole-of-service TSS employee capability framework.

Recommendation 51

That the TSS develop tools, including an employee self-assessment tool, to support the embedding of the employee capability framework (see Recommendation 46) into capability development across the TSS.

That the TSS reorganise existing training and professional development programs where appropriate to align with the employee capability framework.

Recommendation 52

Remove the term 'Performance Management Plan' from the *State Service Act 2000* and rewrite Employment Direction 26 to include essential elements of agency-based performance management systems.

Recommendation 53

That the SSMO work with agencies to create an ongoing whole-of-service community of practice to support the implementation of performance management systems across government.

That the embedding of performance management systems in agencies be included in the performance assessment of heads of agencies and this be required in performance management assessments for all relevant managers.

That the Head of the State Service audit the implementation of agency performance management systems 2 years after the introduction of the new employment direction on performance management.

Recommendation 54 (Interim Report Recommendation 11)

That all agencies, in collaboration as appropriate, implement the Auditor-General's recommendations on the management of underperformance concurrent with a centrally led review of Employment Direction 26 and related processes.

Create a 3-tiered approach to the investigation and management of breaches of the Code of Conduct

Recommendation 55

Amend Employment Direction 5 to be standards based, allowing the relevant head of agency to tailor an investigative process based on the circumstances surrounding an alleged breach.

Recommendation 56

Rewrite Employment Direction 5 to allow for a simple, local process to be used where the facts are clear and not disputed and the agency seeks to impose a low-level sanction (i.e. reprimand or that the employee engages in counselling for their behaviour).

Recommendation 57

Amend regulation 29 of the State Service Regulations to include dismissal of an employee for reasons of serious misconduct as specified in the Fair Work regulations.

Recommendation 58

That the government create a shared capability for the investigation of Code of Conduct breaches.

Develop differentiated processes for inability arising from mental and physical health, from inability due to a loss of qualification or accreditation

Recommendation 59

Rewrite Employment Direction 6 to:

- separate the processes for managing employees who have lost essential qualifications or accreditation from the process for assessing employees who are unable to perform the duties of their position for other reasons
- create a relatively simple process for the loss of qualification/ accreditation
- prescribe the minimum standards to be met by agencies when otherwise assessing the ability of an employee to perform their duties.

Recommendation 60

Amend the *State Service Act 2000* and/or the *Industrial Relations Act 1984* to prevent the use of review powers under both Acts to consider the same employment-related decision.

Promote and manage flexible working arrangements, including increasing consistency and facilitating regional employment

Recommendation 61 (adapted from Interim Report Recommendation 12)

That the SSMO develop a short set of principles for TSS employees to work away from the office, drawing extensively on existing arrangements and resources and taking into consideration benefits and cautions to provide a consistent, underlying basis for individual agency policies.

Recommendation 62 (Interim Report Recommendation 13)

That the Department of Premier and Cabinet prepare a business case for developing regional office hubs in consultation with the Department of Treasury and Finance as a priority, including consideration of potential regional locations.

Recommendation 63

Heads of agency provide advice on possible targets for the number of added appointments to be made to the TSS outside Hobart.

Service delivery

Use life events as an organising principle for services

Recommendation 64

That the government adopt a life events framework as the basis for the integration of services across agencies.

Renew Service Tasmania's mandate and enhance services across shopfronts, phone and digital services

Recommendation 65

Designate and fund Service Tasmania as the agent for the delivery of a specified range of transactional services for the TSS, including a renewed and extended clear mandate to:

- partner with others to improve the customer experience and enhance sustainability of the service network
- be the single digital service delivery agent for the TSS, requiring all digital services to be either developed on, or integrated with, a single platform to be built and maintained by Service Tasmania.

Recommendation 66

That Service Tasmania accelerate the current actions under its Strategic Plan 2020-25 to enhance service delivery partnerships with the Commonwealth, local government and, where appropriate, the private sector.

Recommendation 67

Formally capture the lessons learnt from establishing and expanding call centre capabilities in response to COVID-19 and develop a business case for the possible consolidation of call centres into a unified capability for the State.

Recommendation 68

That Service Tasmania develop a robust costing model apportioning all costs to an internal or external service delivery function and the Department of Treasury and Finance regularly review and assess the reasonableness of the model's assumptions and results.

Recommendation 69

Establish Service Tasmania as a state agency supported by an advisory board, following the development of a new costing model and governance.

Develop standards for person-centred service delivery in government

Recommendation 70

Develop standards for person-centred service delivery for use in the TSS.

Develop a framework for place-based and co-designed initiatives in Tasmania

Recommendation 71

That the TSS capture the learnings from successful place-based initiatives and develop a framework for place-based and co-designed initiatives in Tasmania.

Audit existing TSS premises and identify options for improved integration of services and programs and the co-location of TSS employees.

Recommendation 72

That the Department of Treasury and Finance undertake an audit to map the premises that are owned or leased by the TSS and identify options for improved integration of services and programs and the co-location of TSS employees over time.

Develop a shared community population outcomes framework and invest in system management capability

Recommendation 73

That the TSS work with TasCOSS to develop a shared community sector population outcomes framework.

Recommendation 74

That the government designate a functional leader for system management of externally provided services and establish an expert panel to support the development and delivery of contemporary outcomes-based purchasing models.

Invest in implementation of the Review

Recommendation 75

That the Head of the State Service chair a small subcommittee of heads of agency that oversees the implementation of recommendations and informs and advises heads of agency as a whole, and provides regular updates to the Premier and Cabinet.

Recommendation 76

That the Government provide funding for the Department of Premier and Cabinet to establish a designated unit to monitor and support the implementation of recommendations across the TSS over a 3-year period.

Recommendation 77

Implementation should be largely complete within 3 years and fully complete within 5 years.

A short independent review of progress should be undertaken after 2 years and again after 4 years.