



Government of **Western Australia**  
Department of **Treasury**

# Chief Finance Officers' Forum

14 November 2019



# Welcome and Introduction

Audrey Formentin





Public  
Sector  
Reform

# An update on Public Sector Reform

*Changing the way government works*

# Roadmap for Reform

5 Themes

3  
Independent  
reviews  
+  
2  
CEO Working  
Group reports  
↓  
300  
Recommendations



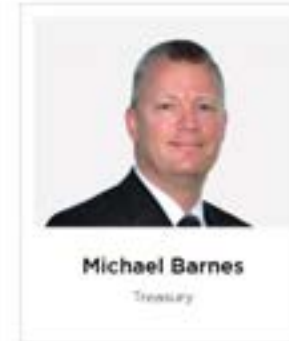
20 Early initiatives  
+ more to come

# Governance Structure

## Ministerial Steering Committee



## CEO Steering Committee



# Changing the way we work

## Curious

We ask questions, define the problem, and assess a range of options to design fit-for-purpose solutions that change behaviour and minimise red tape.

## Open

We share information and seek expertise, evidence and ideas from the sector and beyond.

## Collaborative

We work as one sector, coordinating and aligning our efforts to deliver reform and achieve better results.



## Committed

We are committed to changing the way government works to deliver better outcomes for Western Australia; our people, communities and businesses.

## Responsible

We implement reform sustainably through the responsible use of resources, shifting or adjusting priorities when required.

## Impactful

We continuously engage, evaluate and adjust our approach to ensure our actions drive cultural change and achieve the intended outcomes.

# Initiatives in focus



Our Priorities: Sharing Prosperity

*Working together to address important issues for the community*

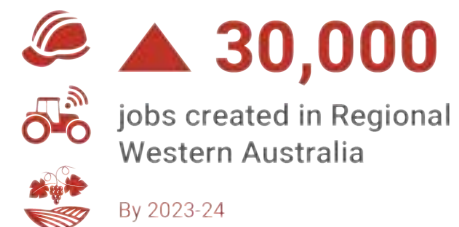
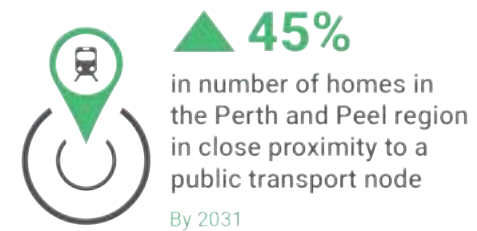
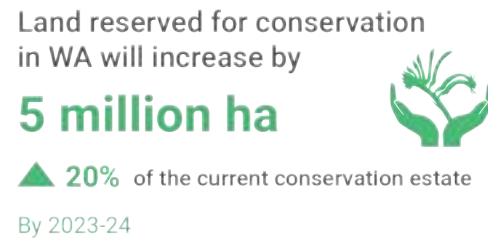
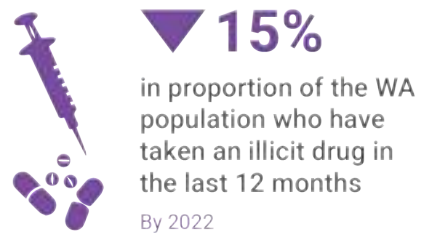
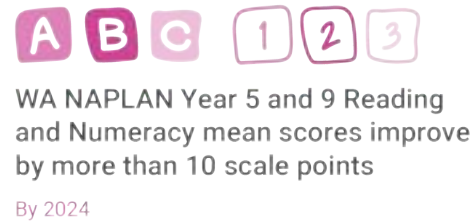
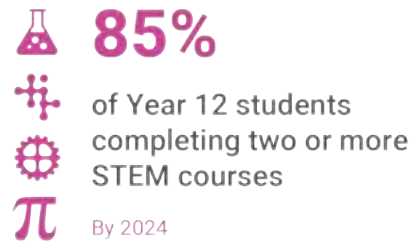
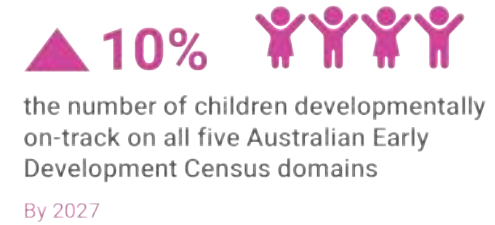
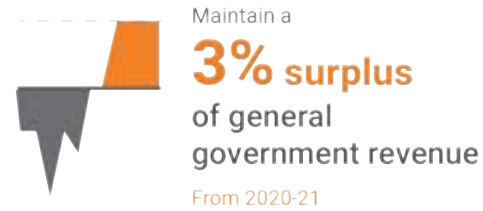
# Our Priorities: Sharing Prosperity

Six outcome areas | 12 targets





## Our Priorities: Targets





## Infrastructure WA

*Better planning to maximise the value of every infrastructure dollar*

Initiatives in focus

**Service WA Pilot Site**  
Face to Face Centre

WA

Metropolitan  
Peel  
South West  
Great Southern

**Bunbury**  
85 Services

 **ServiceWA**

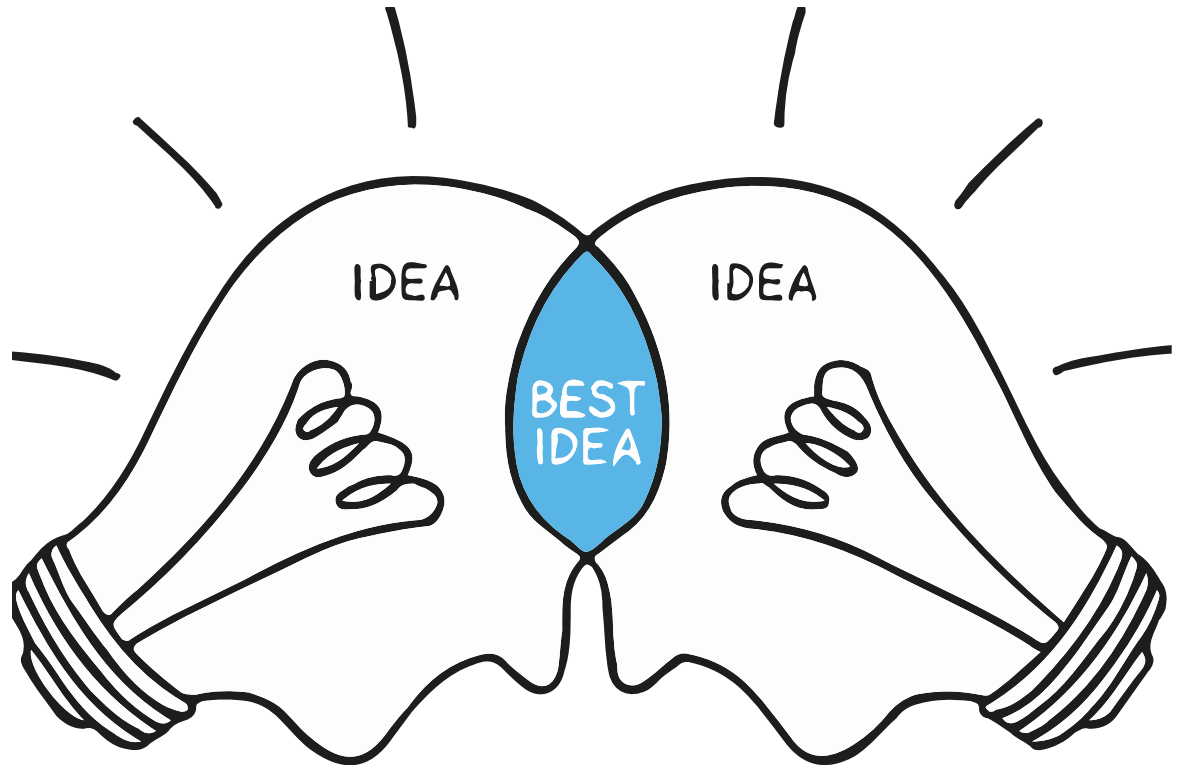
*Making it easier for citizens to transact with government*



## Workforce diversification

*Strengthening the public sector with a workforce that values and incorporates diversity*

# Reflections



*We're working for  
Western Australia.*

For more information visit  
**[publicsectorreform.wa.gov.au](http://publicsectorreform.wa.gov.au)**



# Financial Management Awareness Training

Audrey Formentin



# Background

“A training program needs to be developed by Treasury to enhance understanding of the provisions of the *Financial Management Act 2006* and its associated regulations” (Special Inquirer, 2017)

- ▶ Awareness raising of financial management framework
- ▶ Intended audience: non-finance officers in general government sector
- ▶ Materials developed: 3 modules and associated case studies
- ▶ Scoping, Design and Development stages completed. Commencing roll-out into the public sector.





Government of **Western Australia**  
Department of **Treasury**

# Strategic Asset Management Framework (SAMF) Refresh

Nicole Eastough  
Manager

Office of the Deputy Under Treasurer

The logo for Public Sector Reform, consisting of a white square with a black border. Inside the square, the text "Public Sector Reform" is written in a black sans-serif font. Below the text, there are five small colored dots: red, yellow, blue, green, and purple.

Public  
Sector  
Reform

# Role of Treasury – Asset Investment

## Whole of Government advice, monitoring and reporting

- ▶ AIP budgeting and reporting
- ▶ Investment decision-making advice to the Expenditure Review Committee
- ▶ Monitoring agency performance (e.g. TI 813)
- ▶ Central agency leadership and engagement
  - ▷ Strategic Asset Management Framework
  - ▷ Business Cases and Strategic Asset Plans
  - ▷ Commonwealth infrastructure funding
  - ▷ Public Sector Reform Program
  - ▷ Works Agency Council
  - ▷ Gateway process
  - ▷ Infrastructure Western Australia

# Strategic Asset Management Framework

**SAMF makes sure investment decisions align with the Government's priorities and support effective service delivery**

- ▶ A high level, comprehensive asset investment and management policy framework
- ▶ Applies to all Government entities (including Government Trading Enterprises)
- ▶ A suite of 20+ modules and documents last updated in 2014



# What's working well

## Governance and Accountability

- ▶ SAMF has been established since 2005 and is well known
- ▶ Larger agencies are familiar with SAMF requirements at a high level
- ▶ SAMF is a useful support tool for agencies in advising Ministers and guiding decision making
- ▶ Advice and support is available from Treasury and Finance

## Areas for improvement

**Poor outcomes can occur when the principles, policies and guidelines under the SAMF are ignored or viewed as a compliance exercise**

- ▶ Preferred solution identified before problem definition
- ▶ Missing or inadequate business cases
- ▶ Variable quality of longer term planning
- ▶ Poor scoping leading to costly variations
- ▶ Project Management/Project Governance
- ▶ Focus on new capacity rather than maintaining and maximising use of existing assets
- ▶ Bottom-up, siloed approach to formulation of the Asset Investment Program

# Proposed SAMF changes

## Ensuring investment in the right assets, at the right time, right location, and right cost

- ▶ Clarity on how SAPs are used in decision making
- ▶ Documentation that is fit for purpose
- ▶ Fewer policies and guidelines
- ▶ Consistency with requirements of Infrastructure Australia, Infrastructure WA and Gateway process for major projects
- ▶ Increased focus on requirements for major agencies and major projects, but scalable to low value, low risk projects
- ▶ Alignment with contemporary approaches (~ Infrastructure Australia, Vic, NSW, UK, NZ)



Government of **Western Australia**  
Department of **Treasury**

# **Government Trading Enterprise (GTE) Reform**

Chelsea Lim

Director – GTE Governance and Oversight

# Background





# Inputs into development



# Framework features

Governance Standards



State Budget

Performance Monitoring



Strengthen GTEs connection with other areas of Western Australian Government

Long term value for the State



Our Priorities targets

# Current focus areas

- ▶ New legislative framework
- ▶ Strategic Planning process
- ▶ Budget Paper disclosures
- ▶ Significant Transactions Thresholds analysis
- ▶ Board governance practices
- ▶ Whole of government policy considerations
- ▶ Establishing GTE Community of Practice

# Thank you



Government of Western Australia  
Department of Treasury

*We're working for  
Western Australia.*

# Welcome to Streamline WA

Making it easier to do business

Andrew Dolling

Director Economic Policy



# What is Streamline WA?



A whole of government approach to  
**make it easier to do business in WA**  
by improving regulation and regulatory practice

# Changing the way Government works



Service Priority Review 2017

Special Inquiry into Government Programs and Projects

Sustainable Health Review

CEO Working Groups



# Our objectives



Make it easier to do business in WA



Encourage investment



Diversify the economy



Create more jobs for Western Australians



# How does Streamline WA work?



Business, industry and community share ideas to improve regulation



Ideas assessed and prioritised



Projects delivered by cross sector working groups

- ✓ Brings industry, business and the community together
- ✓ Aim to improve all aspects of regulation, including administration and legislation

# Key areas of progress



Environmental approvals in the mining sector



Regulatory culture and practice across the sector



Regulatory barriers to establishing tourist attractions



ERA inquiry into business licensing



# Environmental approvals in mining sector



## *9 Reform Proposals*

- ✓ Improve experience and visibility of **user journey**
- ✓ Develop policy for a **risk-based regulatory stance**
- ✓ **Automate** low-risk exploration approvals
- ✓ Define **consistent environmental standards** and frameworks
- ✓ Define secondary approvals and amendments to approval instruments
- ✓ Triage process and mechanisms for risk levels
- ✓ Streamline and **automate regulatory reporting** requirements
- ✓ Consolidate and simplify approvals application guidelines
- ✓ Establish inclusive cross-agency **training**

# Tourist attractions



## Priority areas for further investigation

- Access to protected areas
- Road access
- Fishing licences
- Liquor licensing
- Building laws – heritage and temporary structures
- Jetties – requests for access
- On demand transport – improving guidance materials



# Regulatory practice and culture



## 5 initial focus areas

- Whole of sector regulatory framework
- **Regulators Toolkit**
- Guidance on interacting with regulation
- Regulators 'communities of practice'
- Regulatory officers **capability framework**

# Discussion and questions



Are there reform areas YOU think would benefit from Streamline WA consideration?

QUESTIONS?

# Got an idea?

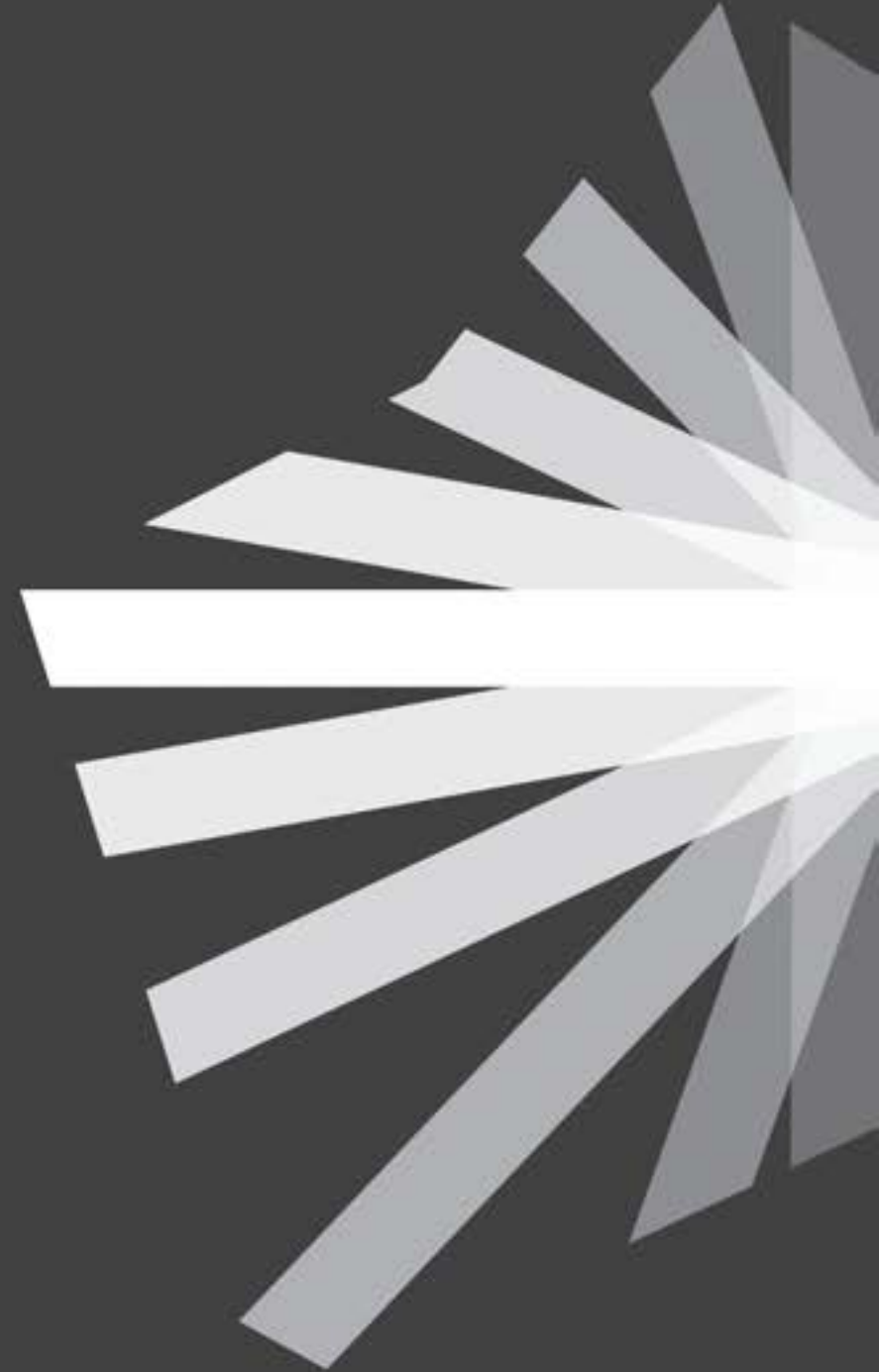


Submit your ideas to improve regulation to:

[Streamlinewa@treasury.wa.gov.au](mailto:Streamlinewa@treasury.wa.gov.au)

**Thank you**

[streamlinewa@treasury.wa.gov.au](mailto:streamlinewa@treasury.wa.gov.au)







Government of **Western Australia**  
Department of **Treasury**

# Reporting and Financial Policy Update

Mark Hort

# Agenda

**01 Financial Administration  
Bookcase (FAB)**

**02 Reporting Issues for  
31 December 2019**

**03 Financial Policy Issues**

**04 Leases**

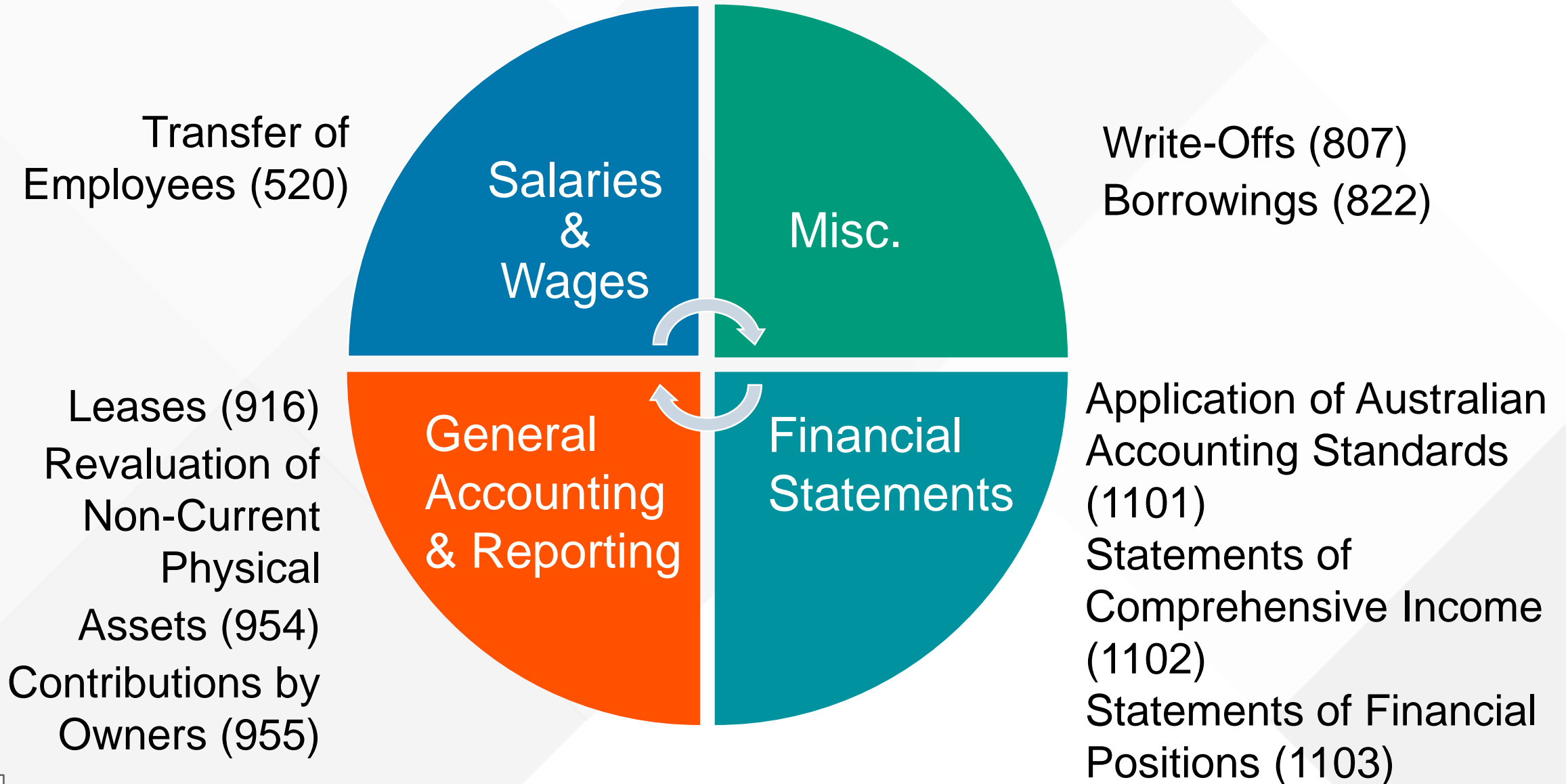


# Financial Administration Bookcase (FAB)

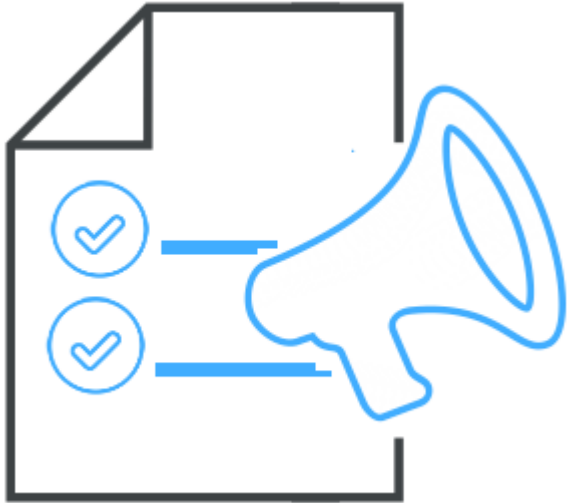
- ▶ Update No 85 Revisions include:
  - ▷ Model Annual Reports – Tier 2 agencies
  - ▷ Treasurer’s instructions
  - ▷ Accounting Policy Guidelines (APGs)
  - ▷ Treasury Circulars



# Treasurer's instructions



# Reporting issues



- ▶ Leases and Revenue
- ▶ Climate-related and other emerging risk disclosures
- ▶ Uncertain tax positions

- ▶ AASB redefinition of NFP



# Financial policy issues

## ▶ On the workbench

- ▷ Financial Legislation Amendment Bill
- ▷ Costing and Pricing Government Services
- ▷ AASB 16 'Leases'
- ▷ AASB 1059 'Service Concession Arrangements: Grantors'
- ▷ TI 304 'Authorisation of Payments'
- ▷ TI 323 'Timely Payment of Accounts'

# Leases

- ▶ WATC Rate (Effective Annual Rate)
- ▶ State Fleet Restructures
- ▶ GovNext
- ▶ Software as a Service (SAAS)
- ▶ Employee Benefits (GROH, State Fleet)
- ▶ Restoration Provisions (Make Good)
- ▶ Exclusions from APG



# Morning Tea & Networking







Government of **Western Australia**  
Department of **Communities**



# Why work towards gender equality?

Chief Finance Officers' Forum  
14 November 2019

# Plan

## Women's Plan

**Vision:** Women and girls in Western Australia live and work safely in a community where diversity is embraced and where access to rights, resources, opportunities and protections is not determined by gender.



# Why a Women's Plan?

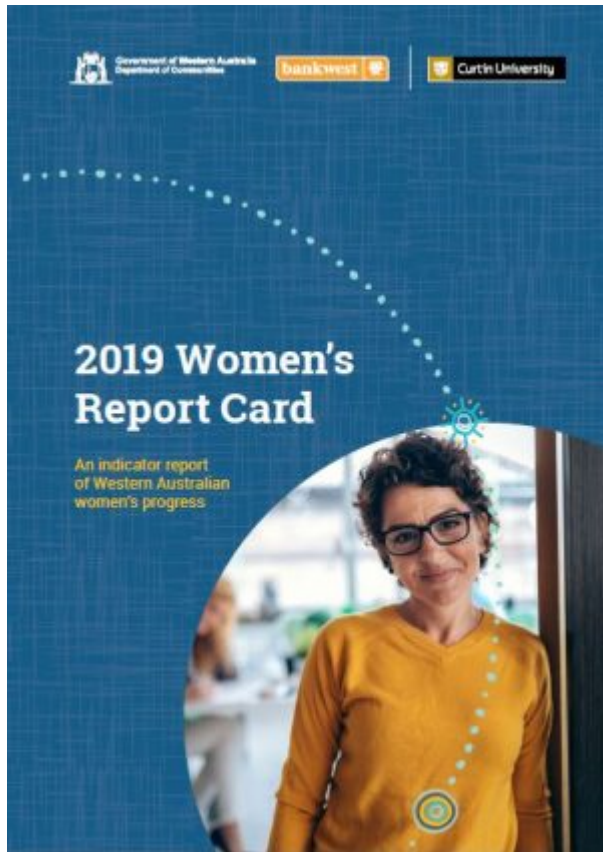


This Photo by Unknown Author is licensed under [CC BY-NC-ND](#)

# The problem

In December 2018, the World Economic Forum calculated that it will take another 108 years to close the global gender gap.

# 2019 Women's Report Card

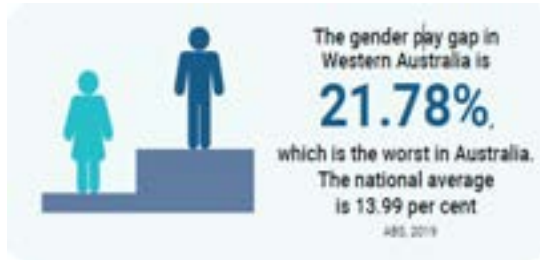


Developed for the Department of Communities by the Bankwest Curtin Economics Centre to show progress towards gender equality in WA.

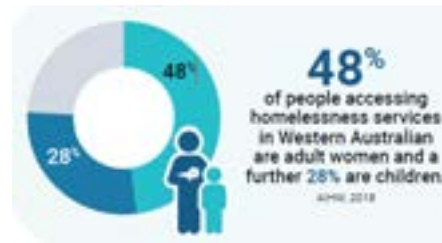
<https://bcec.edu.au/publications/2019-womens-report-card/>

# Gender equality in WA

## Gender pay gap



## Financial vulnerability and homelessness



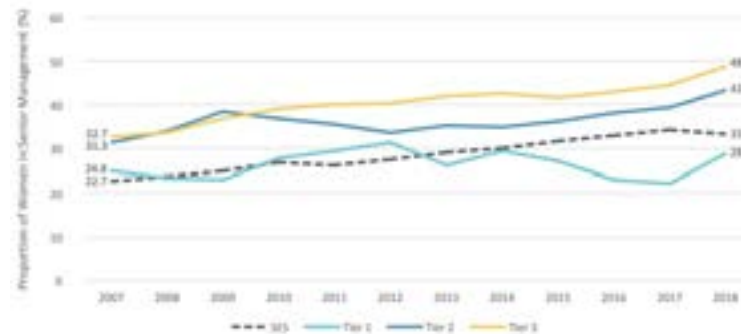
## Violence



## Unpaid work



## Leadership



# Attitudes to gender equality

1 in 7 Australians do not agree that women are as capable as men in politics and in the workplace.

\*

2 in 5 Australians believe many women exaggerate how unequally women are treated in Australia.

\*

A concerning proportion of Australians believe that gender inequality is exaggerated or no longer a problem.

# Economic cost to WA Government

## Ongoing costs of gender inequality

Homelessness  
services

Mental health  
services

Health services

**Intergenerational** – child protection, trauma  
related issues (truancy, drug and alcohol use)

Policing, court and prison  
services – administering  
VROs, incarceration, court  
cases

**FDV services** – refuges, counselling, perpetrator programs



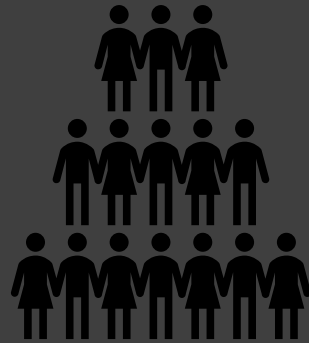
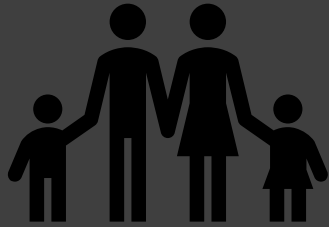
# The opportunity

## **Economic growth**

Increasing women's workforce participation and by 6% would boost the Australian economy by \$25 billion

## **Talent pool**

55-60% of university graduates are women but leadership positions in all sectors are male-dominated.



Everyone benefits from  
gender equality



# Long term gains

**Investment in gender equality now will benefit WA in the future through:**

- sustainable improvements in women's workforce participation
- Improved health and wellbeing
- increased economic independence for women across the life cycle and
- reduced intergenerational trauma and crisis response.

# Community expectations

**We heard from almost 3,000 Western Australians.**

**They told us gender equality in WA means:**

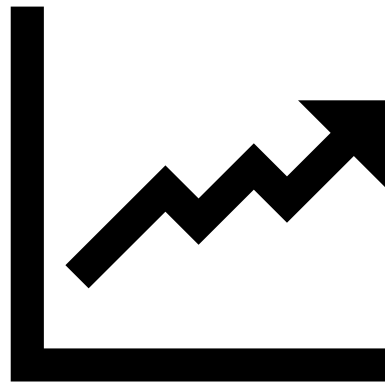
- women and men have the opportunity to share family and income-earning responsibilities and roles would be equally valued;
- flexible working arrangements support better work/life balance;
- improved health, improved family relationships, stronger women and safer communities, homes and workplaces.

# What you can do

**Invest in sustainable, long-term gender equality strategies through:**

- A strategic gender equality audit and targets
- Cultural change programs including normalising parental leave and flexible work for both parents
- Prevent gender based harassment and discrimination
- Awareness-raising programs aimed at reducing bias in recruitment and workplace culture
- Programs that specifically promote and support women's leadership

# Public sector impact



## **Public Sector initiatives contributing to gender equality:**

- Aboriginal ranger program
- Women in sports leadership
- Women in fire management

# Tools for Change

Women's Plan: Building a stronger WA together (draft)

[www.communities.wa.gov.au/haveyoursay/womensplan](http://www.communities.wa.gov.au/haveyoursay/womensplan)

2019 Women's Report Card

[www.wawomen.org.au](http://www.wawomen.org.au)

Public Sector Commission Workforce Diversification Strategy (in development)

[WGEA Gender Strategy Guide and Gender Equality Diagnostic Tool](#)

Workplace Gender Equality Agency

**What will you do?**





Government of Western Australia  
Department of Finance

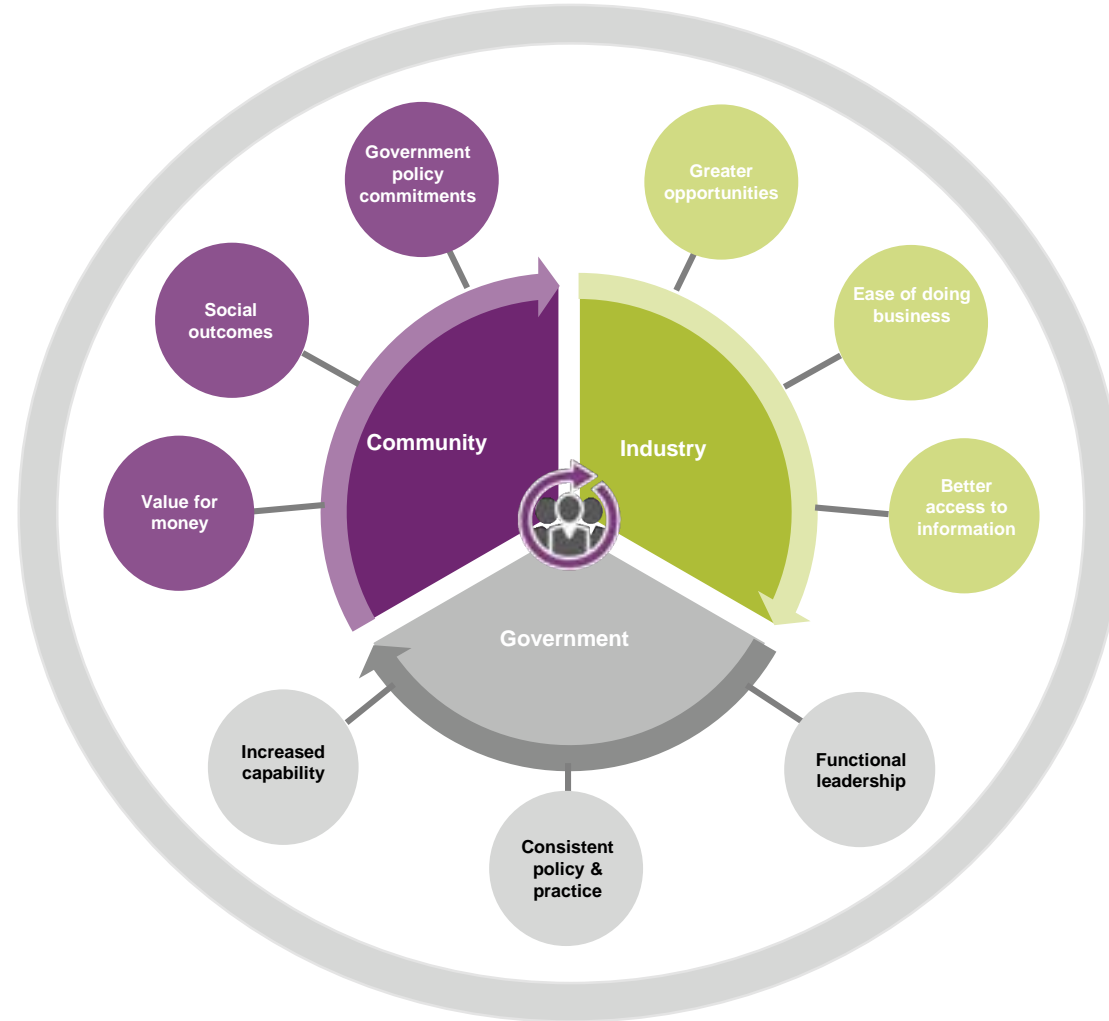
# Procurement Reform Update

**Brendan Achard and Elysia Washer**

# DRIVERS OF REFORM

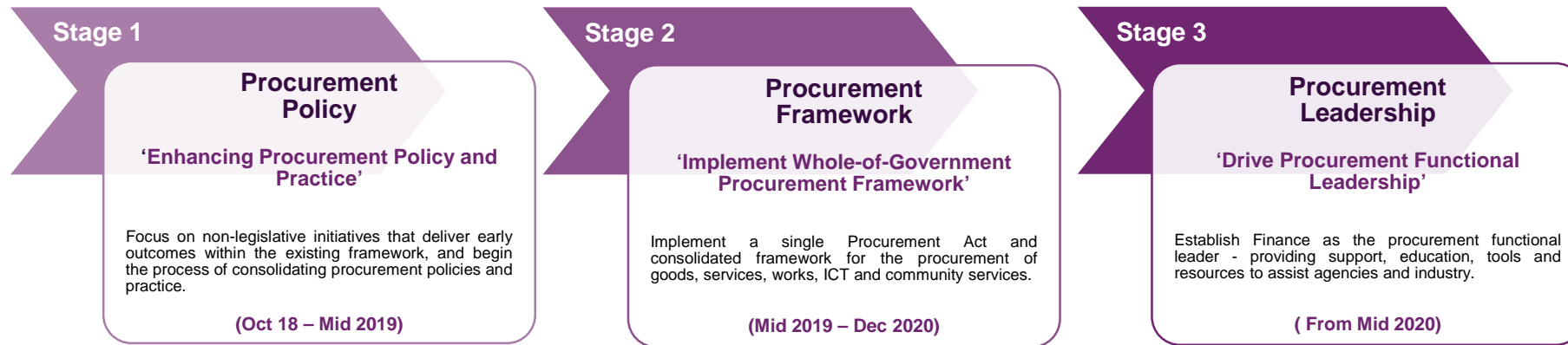


# REFORM PRIORITIES



## THE THREE STAGES

The reform will be delivered over the three stages shown below. We have now progressed into **Stage 2**.



## SUCCESS SO FAR

Some of our successes so far include:



### New procurement legislation and functional leadership

In August, **Cabinet approved** the approach to reform, the drafting of a new procurement Act, and the establishment of Finance as functional leader for all types of procurement.

In addition, a new **consolidated set of procurement rules** (to replace the existing SSC and BMW procurement policies) has been drafted, to be launched with the new framework.



### Established Works Agency Council

The **Works Agency Council** has been established to enable collaboration and information sharing across WA's major works agencies. The Council have been working together since early 2019 together to address sector wide issues in works procurement.



### New online presence for procurement information

Worked with the Website Redevelopment Team for the launch of a **'one stop shop' procurement portal** with information for suppliers and buyers. If you haven't checked it out yet, please have a look [Finance's new procurement pages](#) on wa.gov.au.



### Commenced Ethical Procurement Framework

Work commenced on scoping the Ethical Procurement Framework. A key deliverable was the supplier code of conduct (the **Responsible Supplier Pact**) that describes the State's expectations of suppliers has been drafted in close consultation with key stakeholders.

## STAGE 2 – NEXT STEPS

### Community



- Launch the Responsible Supplier Pact
- Scope a debarment regime
- Develop fraud and corruption prevention training and materials, to support taxpayers dollars being spent wisely

### People



- Enhance capability and development resources for all types of procurement, including exploring opportunities to better support those in regional areas
- Improve contract management, risk management and negotiations capability across Finance and the wider sector

### Transparency and Accountability



- Establish means of conducting procurement related audits and investigations
- Review and enhance procurement review committees
- Enhance forward procurement planning processes

### Leadership



- Define Finance's role in functional leadership
- Implement the whole of government framework (including the new procurement Act and launching new procurement rules)

### Systems and structures

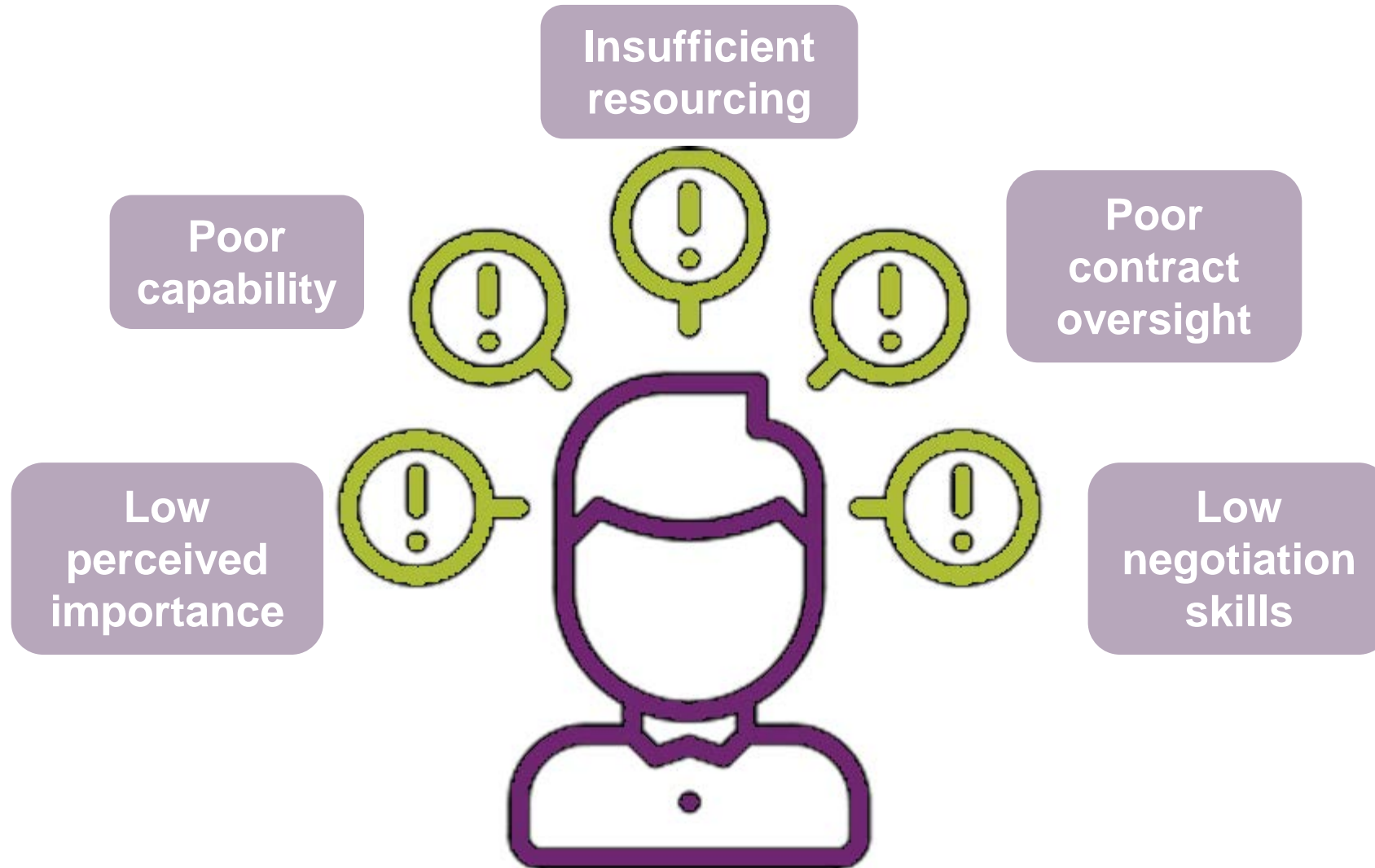


- Develop consistent Request template (tender shell) and Request conditions
- Review systems, data collection and analysis processes, to enable strategic procurement decision making and meet stakeholder needs

## STAGE 2 OUTCOMES

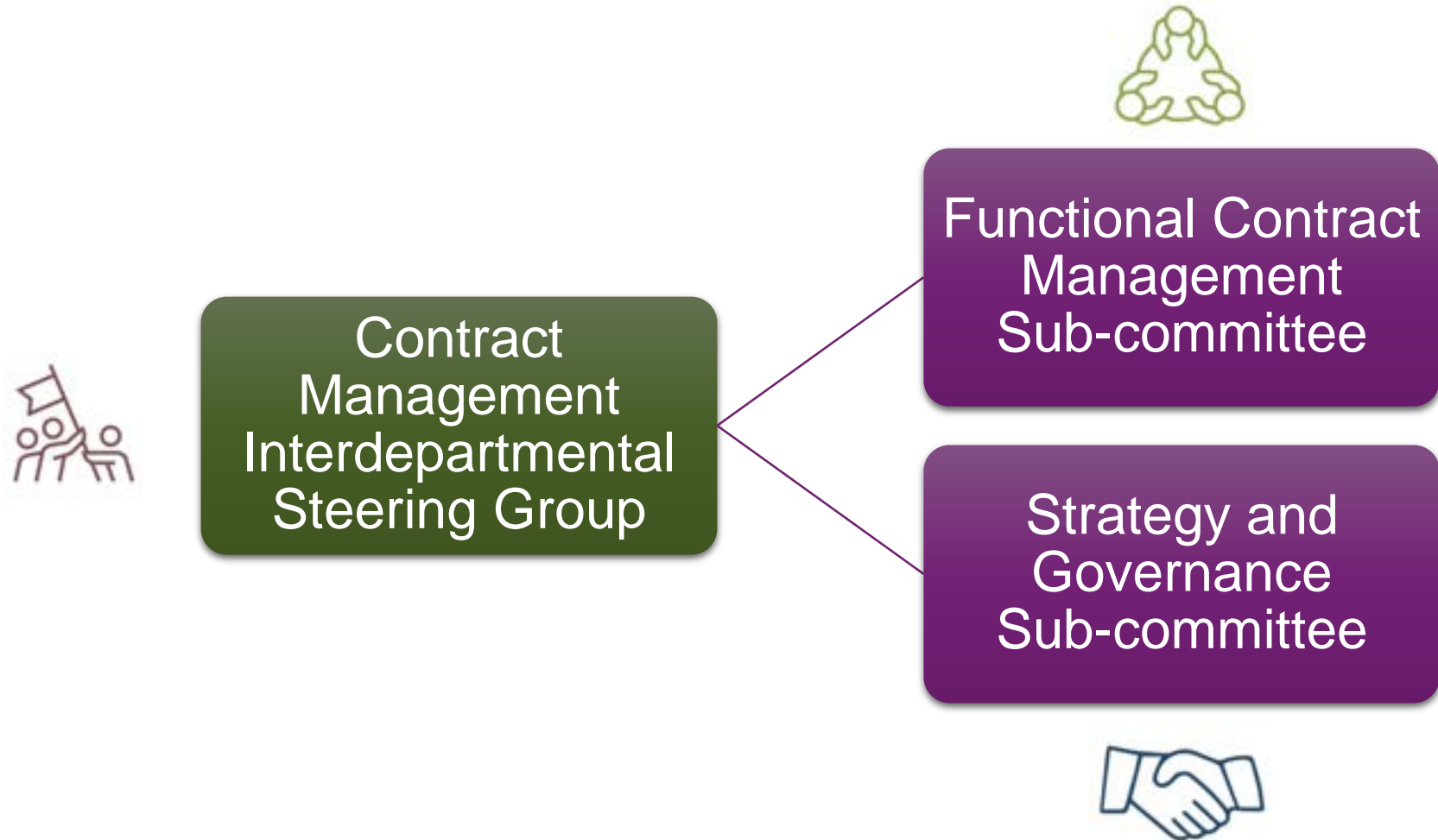
- 1 Finance's role as functional leader is understood and communicated
- 2 The contemporary procurement framework can be implemented
- 3 Government procurement is ethical and transparent
- 4 Agencies are supported to better plan their procurements
- 5 Procurement systems and reporting drive strategic decision making and meet stakeholder needs
- 6 Procurement documentation is streamlined
- 7 Procurement capability development opportunities meet stakeholder needs and support commercial outcomes

## CONTRACT MANAGEMENT INITIATIVE

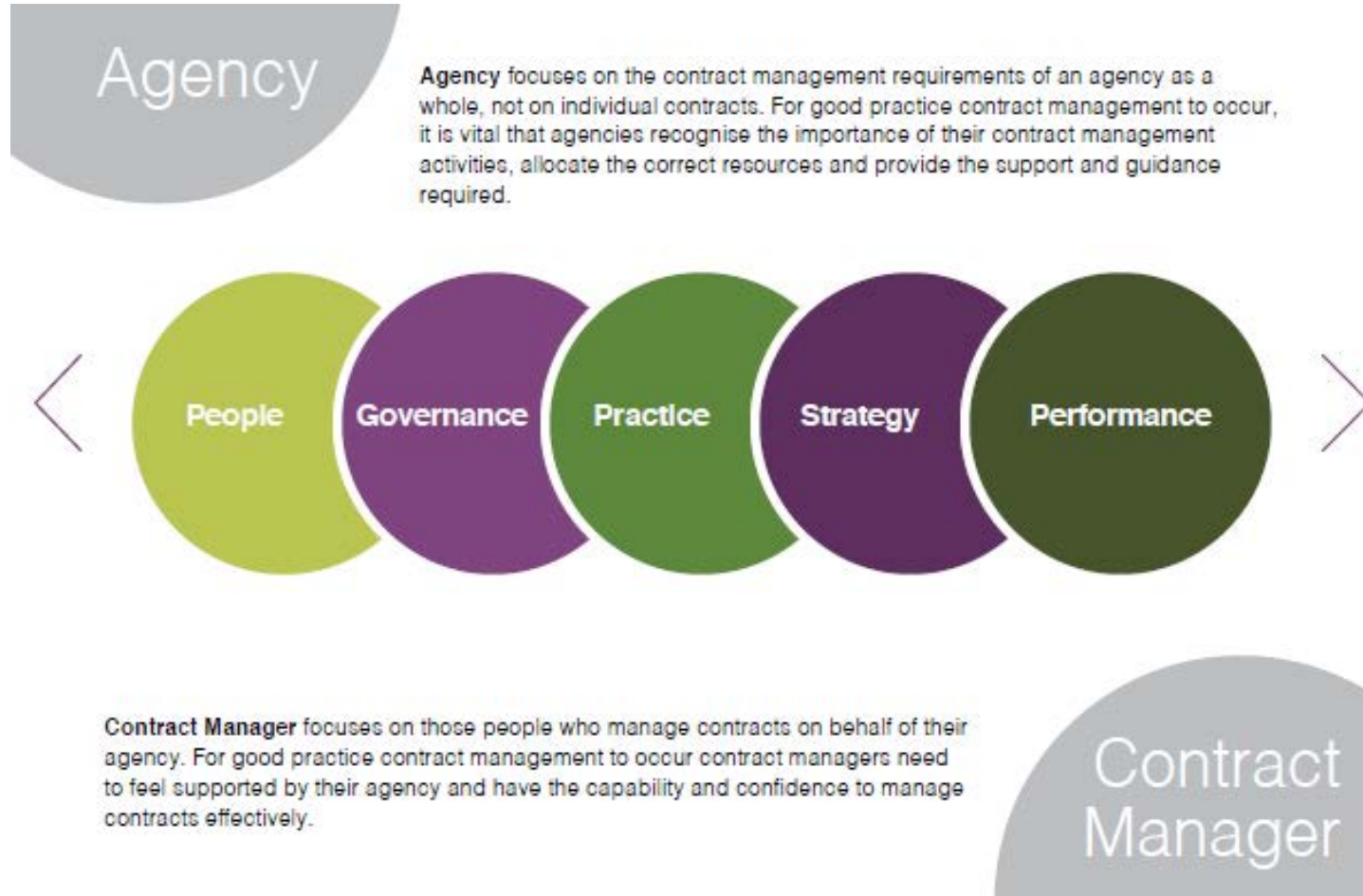




# CONTRACT MANAGEMENT INTERDEPARTMENTAL STEERING GROUP



## WESTERN AUSTRALIAN CONTRACT MANAGEMENT FRAMEWORK PRINCIPLES



## NEXT UP IN THE INITIATIVE





Government of Western Australia  
Department of Finance

**Thank you**  
**Any questions?**



Government of **Western Australia**  
Department of **Treasury**

# **Asset Investment Management Module**

## **CFO Update**

Rick Harding



# Overview

**01** What we are doing

**02** Where we are up to

**03** GTE Reform

**04** Timeline

**05** Key take aways



# What we are doing

- ▶ Replacing IMM with AIM
  - ▷ Discrete system – separate databases
  - ▷ Outdated technology
  - ▷ No longer meeting business requirements
  - ▷ Deficient reporting capabilities
  - ▷ Requires bi-annual reconciliation
- ▶ No changes to BP2 arising from AIM Project
- ▶ Review business processes to facilitate
  - ▷ Improved reporting
    - Funding and Payments at project level
    - Geospatial data
    - Electoral Projects – Project locations
  - ▷ Collection of actuals (quarterly)

# Where we are up to

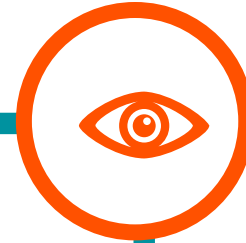
UAT Underway



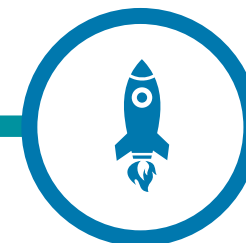
Beta 1  
SANDBOX  
environment  
available



Release 1  
functionality  
developed and  
tested



Developing  
future release  
functionality



Go-Live data  
from Mid-Year  
Review



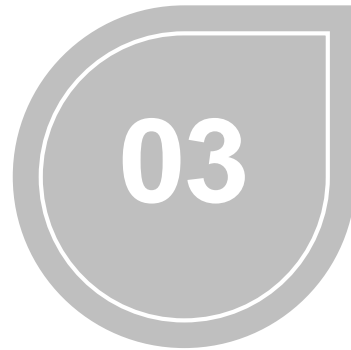
# GTE Reform

**Unit of  
Treasury**



**SIMS project for  
next budget  
(2020/21)**

**GTE reform  
changes to BP2  
will be processed  
by Treasury  
analysts**



**Agencies may be  
required to provide  
a more granular  
level of project  
details in  
conjunction with  
Treasury Analysts**

# Key take aways

- ▶ Project centric design
  - ▷ A Program is a logical grouping of projects
- ▶ Built for best practise
  - ▷ Create projects first
  - ▷ One adjustment per project
  - ▷ Budget and actuals at project level
- ▶ Go live data migration at agency level
  - ▷ Opening budget at project level
  - ▷ Funding at agency level – allocate to projects
- ▶ No need to reconcile at Budget and MYR
- ▶ Business process change considerations
  - ▷ Resourcing for 2020 -21 Budget
- ▶ Electoral Projects – now project locations
- ▶ **GTE Reform reporting changes not automated by SIMS this year**

# Thanks

**Any questions?**