



Mr Terry Moran AO  
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**By email:** [reformgovernment@pmc.gov.au](mailto:reformgovernment@pmc.gov.au)

30 November 2009

Dear Mr Moran

**Re: Submission to the Advisory Group on Reform of Australian Government Administration (the Advisory Group)**

Thank you for the opportunity to provide a submission in response to the Advisory Group's October 2009 discussion paper titled *Reform of Australian Government Administration: building the world's best public service*. The discussion paper provides a comprehensive overview of the Australian Public Service (APS) as it functions today, and raises a number of questions about how it can be improved in the future to deliver on the Prime Minister's aspiration that the APS be the best public service in the world.

Local government has a keen interest in matters affecting the public sector, both because it is a public sector employer in its own right (employing around 172,000 or around 10 per cent, of Australia's total public sector) and because it is a key stakeholder in the decisions taken by each of the other two levels of government in Australia. This is perhaps most evident in the range of Ministerial Councils, working groups and stakeholder groups on which the Australian Local Government Association (ALGA) and its state member associations participate.

ALGA is a member of the Council of Australian Governments (COAG) and thirteen other Ministerial Councils, as well as the working groups that support each of them, and is well-positioned to comment on the APS and its role in serving the government of the day.

Overall, ALGA considers that the APS is a highly professional and dedicated workforce. At the same time we acknowledge that the establishment of the Advisory Group is timely. To respond adequately to the challenges of the 21st century, it is critical that all levels of government and the employees that support them are able to identify and

quickly respond to new and emerging challenges, devise best solutions to the 'wicked policy problems' often detailed by leading APS figures, and obtain a deeper and more practical understanding of approaches taken by other levels of government as well as non-government stakeholders to innovation and problem-solving. This should be supported by an ongoing culture of continuous improvement in the public sector at each level of government.

In this submission, ALGA does not intend to respond to each of the chapter topics and questions presented in the discussion paper, although it is noted that some parts of the paper appear to omit local government (for example, p.6 discusses the need for the APS to excel at working across boundaries, none of which refer to local government). Rather, the purpose of ALGA's submission is to outline three overarching principles that can enhance the way in which the APS determines policies and delivers programs in the interests of local and regional communities across Australia, through partnerships with local government. These principles are consistent with the ALGA President's comments on the Advisory Group's review, which appeared in the weekly 'ALGA News' publication dated 20 November 2009 (copy enclosed).

First, ALGA considers that it is critical to the success of national policies and programs that local government be considered and treated as an integral partner in the smooth functioning of the federation and whole-of-government administration. ALGA welcomes the opportunity to work with, and be consulted by, the APS on national policies and programs that impact on local and regional communities and deliver appropriate results nationally.

ALGA enjoys a very good level of interaction with the APS but experience has shown that local government has not always been consulted on proposed policies and/or measures that have significance for local government and their communities. In many cases this reflects a lack of familiarity with the role of local government and an appreciation of its capacities (and lack of capacities). ALGA therefore suggests that, consistent with the Prime Minister's approach to local government as 'the third arm of the federation,' the APS should seek, where appropriate, to interact with local government on the same basis as it does with state and territory level governments. Such interaction would be more likely to ensure that the citizen-centric services are enabled and properly delivered, with adequate funding in place.

Secondly, the APS must have the capacity to collaborate meaningfully with the other levels of government. This means knowing and understanding their perspectives, and the practical implications of policy decisions and/or program amendments. Such capacity cannot be improved without an APS that actively supports opportunities for officers to 'cross-fertilise' skills and experience through movement between the three levels of government. Over the years, ALGA has engaged officers on leave without pay from the APS. This has resulted in relevant APS officers obtaining an enriched understanding of the role of local government in local and regional communities, and of the many intersections that exist between national and local government.

At the same time, ALGA has directly benefitted from the expertise, networking skills and government experience that APS employees (and former employees) have brought to the organisation. This has included better and more streamlined communications between the two levels of government (for example, through co-ordination of local government programs), the building of more interactive and informative relationships to help drive good policy outcomes (such as through ALGA's work on the Healthy Spaces and Places national planning guide launched in July 2009, which itself was a collaborative project with the National Heart Foundation and the Planning Institute of Australia, with funding assistance of the Department of Health and Ageing) and working together constructively to ensure targeted solutions to specific problems (such as the Roads to Recovery funding).

ALGA notes that there has been a lack of consistency in the administration of discretionary leave entitlements of APS employees within and also between different APS entities. This appears to be the case particularly with the exercise of 'leave without pay in the public interest'. Apart from the intrinsic value of supportive human services infrastructure (that is, portability of entitlements within and between public sector entities at all three levels of government), such inconsistencies over time may challenge principles of equity for employees of the APS, which may affect attraction and retention rates in the APS in the medium to longer terms. It would be unfortunate if APS employees are restricted from taking up genuine opportunities to enhance their skills and knowledge of other levels of government, or indeed of entities which work closely with the Australian Government, such as industry bodies and the third sector. Fostering such opportunities could help ensure new skills and learnings are captured by the APS, enabling it to be more outward-looking, nimble and responsive.

ALGA also continues to promote the experience and skills of its own officers to the APS, both in terms of future employment of those officers but also in determining membership of official working groups and other Australian Government bodies. There has been a very positive history of policy officers from ALGA moving into the APS and this has undoubtedly had benefits within the APS on fostering a greater understanding of local government.

Thirdly, to achieve the vision of an APS that is the best of public service in the world, sufficient training (both on and off the job) must be provided to APS employees. This includes training support in the APS values and APS Code. Whilst the discussion paper suggests there may be merit in condensing the current APS values and identifying 'whether we might be able to better articulate and communicate them', the APS values could become meaningless without active and ongoing training that enables every APS employee to know, recognise and understand the values in real, practical situations.

In addition, there may be merit in examining whether further opportunities can be made available at the national level to foster training of local government employees with the APS. This may be particularly so where the Commonwealth is already supporting non-agency specific APS training for its employees. For example, middle to senior level employees of local government could enhance their understanding of national

government policy philosophies and approaches by taking advantage of APS Senior Executive Service (SES) Leadership capability training, and public policy courses delivered by the Australian New Zealand School of Government (ANZSOG). It is noted that ANZSOG appears to be moving in this direction through Partnership Programs run with the Victorian and South Australian Governments. Such courses could canvass aspects of local government processes and administration for APS employees, and the exchange of collaborative case studies, to promote greater harnessing of the two levels of government.

Thank you for the opportunity to contribute a submission and I would welcome the opportunity to elaborate further on relevant points, should that be of assistance to the Advisory Group.

Yours sincerely



Adrian Beresford-Wylie  
**Chief Executive**

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November 20, 2009

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President's column

## From the President



This week, I would like to reflect on a speech made recently by the head of the Australian Public Service (APS), Terry Moran AO, on the importance of the Commonwealth working with the community sector to deliver sound national policies and effective programs. This is because many of the reasons identified by Terry Moran to promote stronger collaboration between the APS and the third sector equally apply in my view to the reasons why the APS should also work more closely with local government.

In his speech to the Commonwealth Association of Public Administration and Management 2009 Annual Conference on 28 October 2009, Terry Moran examined the question 'can government respond and meet expectations?' His presentation focused on government at the national level.

Terry Moran refers to the strength of government being in the design of standard entitlements that are universal in their application and delivering programs. He indicates that the Commonwealth APS could learn a lot from the community sector in these areas, and that a strong relationship with the community sector is essential to achieving its objectives.

Of course, the underlying principle of the message also has relevance to the other levels of government in Australia. Local government for one, has already recognised the value of actively engaging the community sector in local public policy and administration. In my view, all three levels of government should welcome the opportunity to work with and consult community organisations to achieve better outcomes for all Australians, no matter where they live.

There is much in Terry Moran's speech that local government can identify with. Referring to the relative advantages of the community sector compared to those of the Commonwealth government and the APS that serves it, Terry Moran comments that the community sector is characterised by 'passion for the cause' which 'put[s] the citizen at the centre of [its] work' and which 'has an exceptional capacity to be flexible, innovative and to develop strong relationships that give citizens a sense of ownership'.

The community sector plays a vital role in the lives of many Australians, especially those who are vulnerable and at risk. I support moves by all levels of government to foster closer ties with the community sector to deliver sensible and well-targeted programs that meet the needs of communities. But local government shares the same characteristics as those nominated by Terry

Moran of the community sector, and surely merits similar recognition.

Being uniquely positioned at the heart of local communities, local government continuously strives to improve its performance and achieve real outcomes for the local and regional communities it serves. In recent years, local government has lobbied hard, through ALGA, for: dedicated Roads to Recovery funding from the Commonwealth to help save lives and boost local productivity, adequate funding to assist local councils to reinvest in much-valued local community infrastructure that forms the backbone of local communities everywhere and for a more certain position in our nation's federation through advocating reforms to Australia's constitution.

Unrepresentative local governments inevitably fail in Australia because they do not deliver effectively for their local constituents. It is therefore a constant imperative on every elected member of local government to, and be seen to be, consultative, transparent and accountable.

The similarities that can be drawn between local government and the community sector's characteristics as presented by Terry Moran come at a timely point. The Prime Minister has assured us that local government matters to him and to his government and he is clearly concerned to ensure a stronger working partnership is struck with our sector. Local government would like to see even more consultation between the Commonwealth and local government and would welcome the opportunity to strengthen the relationship with the APS through, for example, allowing APS employees to be seconded to local government to gain an experience in our sector.

It will be interesting to see the extent to which local government features in the forthcoming recommendations that Terry Moran's Advisory Group on Reform of Australian Government Administration will make to the Prime Minister, to help deliver on his vision of the APS as 'the best public sector anywhere in the world'. Submissions on its discussion paper are due by the end of November 2009 and ALGA will be maintaining a strong interest in developments. Further information on the review and discussion paper is available [here](#).

**Cr Geoff Lake**  
**ALGA President**