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# The portfolio

Following is an overview of the Finance portfolio and a summary of changes that occurred in 2016–17.

## Portfolio ministers

The following ministers and assistant ministers were responsible for the Finance portfolio and its agencies during 2016–17:

**Senator the Hon Mathias Cormann**

Minister for Finance (from 18 September 2013); Special Minister of State (from 18 February to 19 July 2016)

**Senator the Hon Scott Ryan**

Special Minister of State (from 19 July 2016)

**The Hon Dr Peter Hendy MP**

Assistant Minister for Finance (from 18 February 2016 to 2 July 2016).



## Portfolio structure, 30 June 2017

The portfolio structure at 30 June 2017 was as follows:

### Department of State

#### **Department of Finance**

Secretary: Rosemary Huxtable PSM

### Non-corporate Commonwealth entities

#### **Australian Electoral Commission**

Electoral Commissioner: Tom Rogers

#### **Future Fund Management Agency**

Chair: The Hon Peter Costello AC

Chief Executive Officer: David Neal

### Corporate Commonwealth entity

#### **Commonwealth Superannuation Corporation**

Chair: Patricia Cross

Chief Executive Officer: Peter Carrigy-Ryan

### Commonwealth company

#### **ASC Pty Ltd**

Chair: Bruce Carter

Interim Chief Executive Officer: Stuart Whiley

Chief Executive Officer—ASC: Mark Lamarre

## Changes to the portfolio in 2016–17

On 1 December 2016 certain corporate functions being performed by the then Shared Services Centre (a joint initiative of the Department of Education and Training and the Department of Employment) were transferred to Finance, taking the form of the Service Delivery Office.

On 15 December 2016 Finance transferred certain ICT and other functions to the Digital Transformation Agency.

On 13 January 2017, the government announced the establishment of an Independent Parliamentary Entitlements Authority (IPEA). From 3 April 2017 an interim IPEA was created as an executive agency which performed the functions of IPEA until the permanent agency commenced operations on 1 July 2017.

# Role and functions

As a central agency of the Australian Government, the Department of Finance plays a vital role in helping the government shape and deliver its priorities to ensure that public expenditure programs are sustainable and reflect best value to government and the Australian community.

Finance delivers a range of support and services, including:

- providing policy and financial advice on government expenditure to the Minister for Finance, other senior ministers and Cabinet's Expenditure Review Committee
- supporting the government in its budget preparation, delivery and ongoing management through the budget process
- advising the government on strategic priorities such as advancing public sector reform through the Public Service Modernisation Fund
- fostering leading public sector practice through the public sector resource management, governance and accountability frameworks
- providing advice to the government on optimal arrangements for the management and ownership of public assets—including the sale of assets
- administering the government's general insurance fund, investment funds and superannuation schemes
- managing the government's shareholding in a number of government business enterprises and other public non-financial corporations
- providing a range of facilities and services to parliamentarians, their staff and former senators and members
- delivering whole-of-government information and communication technology services
- developing and maintaining the government's procurement policy framework
- managing the government's special claims, insurance and risk management operations
- administering discretionary compensation mechanisms.

# Purposes

Finance has four purposes:

- budget and financial advice, management and reporting—support the government to deliver its fiscal targets and policy objectives
- governance—foster leading public sector practice
- transformation—innovate and improve public sector operations and reform the management and operations of public assets
- services—manage efficient, cost-effective services to and for the government.

## Values

Underpinning our work and our interactions are the Australian Public Service (APS) Values:

- Impartial
- Committed to service
- Accountable
- Respectful
- Ethical.

## Behaviours

The following behaviours form the cornerstone of our organisational culture, and we strive to uphold them in both language and action. They are an extension of the APS Values and Code of Conduct:

- collaboration, mutual respect and productive working relationships
- courtesy, respect and effective communication
- innovation, creativity and appropriate levels of risk-taking
- a commitment to excellence, professional development and a strategic approach to achieving results
- personal drive and integrity.

## Operating environment

Finance's central role in supporting government decision making, particularly in relation to meeting the government's fiscal policy objectives and broader reform agenda, results in a complex operating environment influenced by a number of factors:

- global and national issues that both drive and impact on government fiscal policy decision making
- rapid economic and social changes in Australia requiring the Australian Public Service to have a modern, responsive and flexible approach
- changing policy frameworks that continue to position the public sector to meet government and community expectations—including a modern public sector that delivers programs and services efficiently and effectively
- a complex legislative and legal environment that affects the design and passage of legislation and the delivery of the government's agenda
- continuing public sector reform within a constrained fiscal environment
- opportunities created by an adaptable and professional workforce, changes in technology, and improved cross-entity and cross-government collaboration.

# Outcomes and programs

Finance's three outcomes, as outlined in the Portfolio Budget Statements 2016–17, provide a strategic statement about our core role and functions. Table 1 shows our outcome and program structure at 30 June 2017.

**Table 1: Department of Finance outcome and program structure, 30 June 2017**

Outcome	Programs
1. Support sustainable Australian Government finances through providing high quality policy advice and operational support to the government and Commonwealth entities to maintain effective and efficient use of public resources.	1.1: Budget and Financial Management
2. Support an efficient and high-performing public sector through providing leadership to Commonwealth entities in ongoing improvements to public sector governance, including through systems, frameworks, policy, advice and service delivery.	2.1: Public Sector Governance 2.2: Transforming Government 2.3: Property and Construction 2.4: Insurance and Risk Management 2.5: Procurement Services 2.6: Service Delivery Office 2.7: Public Sector Superannuation 2.8: Australian Government Investment Funds
3. Support for parliamentarians and others as required by the Australian Government through the delivery of, and advice on, entitlements and targeted assistance.	3.1: Ministerial and Parliamentary Services

During the reporting year a number of changes affected Finance's program structure. Table 2 provides details.

**Table 2: Department of Finance changes to programs during 2016–17**

Program number	Program title	Description of change
2.2	Transforming Government	Amendment to program delivery, performance criteria and targets, following transfer of certain ICT and other functions to the Digital Transformation Agency.
2.6	Service Delivery Office	New program established following the transfer of certain 'shared service' functions previously undertaken by the Shared Services Centre.
2.7	Public Sector Superannuation	PBS program reference amended from 2.6.
2.8	Australian Government Investment Funds	PBS program reference amended from 2.7. Amendment to reflect the government's announcement not to proceed with establishment of the Asset Recycling Fund.

## Finance executive

Our department is led by the Secretary, Rosemary Huxtable, supported by four deputy secretaries who each have responsibility for one business area.

### Secretary Rosemary Huxtable PSM

Rosemary Huxtable was appointed Secretary of Finance in February 2017. As Secretary, Rosemary is responsible for all functions and services delivered by the department including supporting the delivery of the Australian Government Budget, overseeing the financial framework of Australian Government agencies, shareholder oversight of government business enterprises, managing the Australian Government's non-Defence domestic property portfolio, key asset sales and aspects of public sector modernisation.



Rosemary joined Finance in June 2013 as Deputy Secretary of Budget and Financial Reporting. Prior to that, Rosemary was a Deputy Secretary in the Department of Health and Ageing and was a key player in significant health reforms, particularly in the areas of Medicare, the Pharmaceutical Benefits Scheme and hospital financing.

Rosemary has worked extensively in the areas of budget management, health, and community services across both public and private sectors, including working in ministerial offices and managing a private consulting business in Western Australia. Rosemary has more than 25 years experience in Commonwealth administration.

In 2005, Rosemary received a Public Service Medal for her work on the Medicare program.



Deputy  
Secretary  
David  
Fredericks

David Fredericks was appointed Deputy Secretary Budget and Financial Reporting in February 2017. He had previously been Deputy Secretary Business Enabling Services, responsible for the department's transformation program, as well as corporate operations and ministerial and parliamentary services. Before moving to Finance, David was a Deputy Secretary at the Attorney-General's Department for more than four years, first in the Civil Justice and Legal Services Group and then as the Chief Operating Officer.

## Budget and Financial Reporting

Budget and Financial Reporting provides policy and financial advice on government expenditure and non-taxation revenue matters to the Minister for Finance, other senior ministers and the Expenditure Review Committee of Cabinet.

Budget and Financial Reporting supports the government in its preparation, delivery and ongoing management of the Budget and assists agencies in meeting their financial management and reporting obligations. It aims to ensure that the analysis, policy advice and costing information provided to government support informed decision making and that economic updates are delivered within required timeframes and meet their legislative requirements.



Deputy  
Secretary  
Stein  
Helgeby

Stein Helgeby was appointed Deputy Secretary Governance and APS Transformation in October 2015. He joined the department in February 2010 as Deputy Secretary of the former Financial Management Group. Before that, he enjoyed a lengthy period in the Victorian Department of Treasury and Finance, where he was responsible for budget and financial management, long-term policy research, taxation, business tax reform and intergovernmental relations.

## Governance and APS Transformation

Governance and APS Transformation develops policy and advises on the resource management and governance frameworks for public sector agencies, accounting policy, the government's investment funds, and superannuation arrangements for members of parliament and Commonwealth employees. It also advises on and coordinates government information and advertising campaigns.

Additionally, Governance and APS Transformation consolidates budget updates, contributes to preparation of the budget statements, and prepares the Commonwealth's monthly and annual consolidated financial statements. It also provides policy and program leadership on initiatives aimed at modernising and increasing the public sector's productivity, including shared and common services for back-office functions and grants administration.



Deputy  
Secretary  
John  
Edge

John Edge was appointed Deputy Secretary Commercial and Government Services in November 2015. He has extensive experience in leading major asset sales—including the Medibank Private initial public offering—and other commercial projects in the Department of Finance and the former Department of Resources, Energy and Tourism. Among other roles for which John has been responsible are budget preparation and advice in the social welfare sector, parliamentary entitlements advice, and management of corporate services.

## Commercial and Government Services

Commercial and Government Services provides advice on the Australian Government's business enterprises and commercial entities, manages the non-Defence domestic property portfolio, and conducts scoping studies and strategic reviews to assess the optimal ownership and management options for a number of government businesses and assets. It is also responsible for the delivery of whole-of-government ICT services, develops and maintains the government's procurement policy framework (including initiating and managing a range of whole-of-government contracts), and manages the government's special claims, insurance and risk management operations.



Deputy  
Secretary  
Kerri  
Hartland

Kerri Hartland was appointed Deputy Secretary Business Enabling Services in February 2017. She brings extensive experience at senior levels, having worked in seven different Commonwealth departments and agencies. This includes the position of Chief Information Officer at the then Department of Industry, Science and Resources; Deputy Secretary of the Department of Human Services, where she led, among other things, Service Delivery Reform; and most recently Deputy Director-General of the Australian Security Intelligence Organisation.

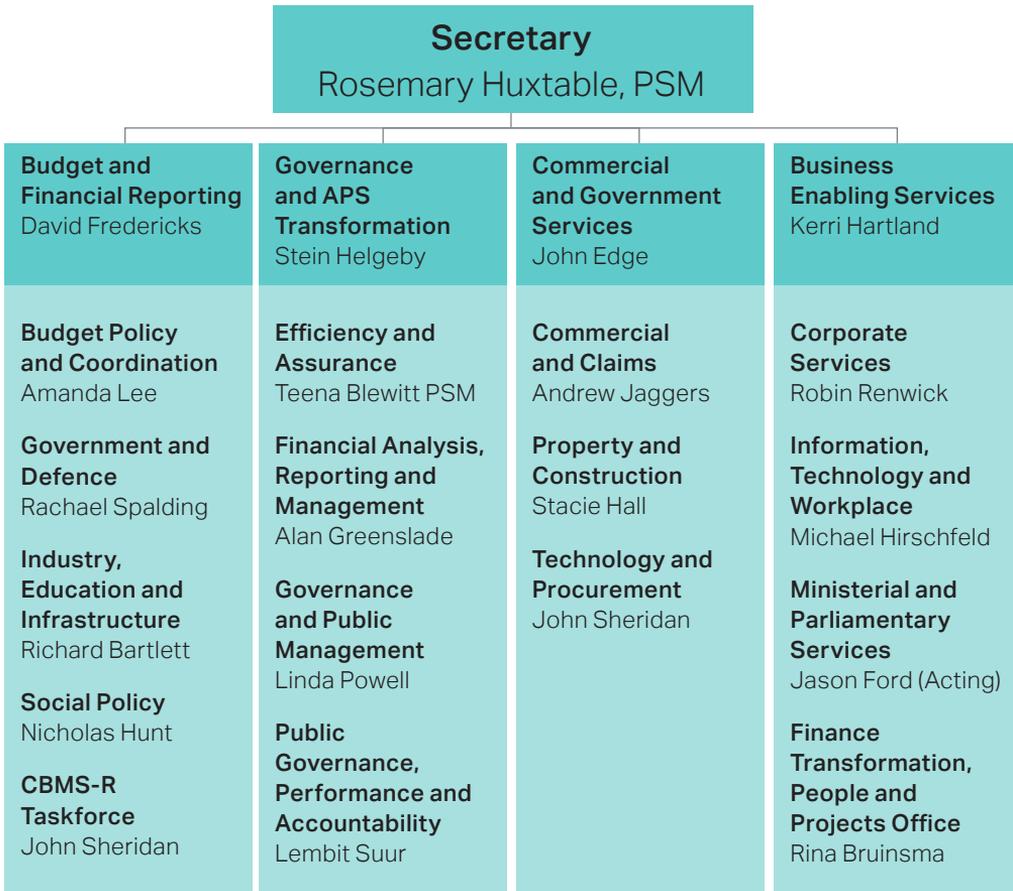
## Business Enabling Services

Business Enabling Services works with the Secretary, the Executive Board and other business groups in the department to enhance, promote and sustain Finance's role as a trusted and professional adviser to government. It provides corporate services and ICT support and is implementing Finance's internal transformation program. Business Enabling Services provides a range of services and support to current parliamentarians and their staff and to former senators and members. Through the Service Delivery Office, it also provides services to client entities, as part of the whole-of-government Shared Services Program.

# Organisational structure

Figure 1 shows the department's organisational structure at 30 June 2017.

**Figure 1: Organisational structure, 30 June 2017**



## Our people

Finance has a highly capable and committed workforce, one that is agile, flexible and able to respond to government priorities. As at 30 June 2017, 1,736 staff were employed on an ongoing, non-ongoing and casual basis. Although the majority of Finance staff are located in Canberra, we are represented in every state and territory. Detailed information on our staff is provided in the 'Management and accountability' section of this report (see Part 4).