

Part 3: Management and accountability

Corporate governance
External scrutiny
Asset management
The Central
Advertising System
Procurement
Environmental
performance

Corporate governance

This section discusses Finance's support services and governance structures, which provide a framework to promote accountability and overall effectiveness.

Corporate services

The Corporate Services and Information and Communications Technology divisions, under the Department's Business Enabling Services, provide high quality and efficient services to Finance. In addition to delivering these services, in line with compliance requirements and service standards, there is a strong focus on best-practice delivery and strategically looking ahead to ensure services and technology remain fit for purpose for our clients.

Finance's internal transformation agenda provides direction for how the Department can improve service delivery with innovative and forward-looking initiatives.

Specifically, the Corporate Services Division provides strategic advice to the Secretary and Executive Board on corporate governance and departmental administration. The Division connects its operational delivery of corporate services with organisational planning and reporting activities and strategy through the Integrated Business Planning framework (see page 77). The Division provides a range of services to the Department and our ministers including:

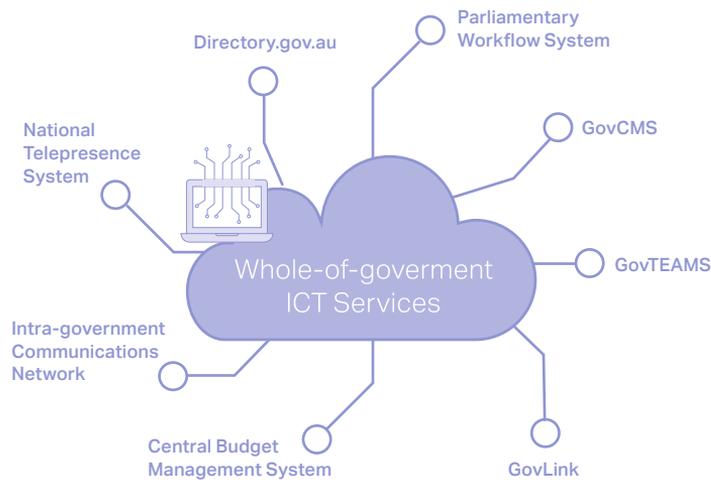
- parliamentary coordination and liaison
- human resource services
- financial advice and support
- in-house legal services
- facilities management and security
- communications and public affairs strategy
- advice and knowledge management.

The Information and Communications Technology Division delivers business services to the Department and other government agencies. The Division supports the Chief Information Officer and Chief Information Security Officer functions of IT security, architecture, service and program delivery, as well as online, technical and government network services.

In 2018–19, the Division provided services to approximately 1,700 users to support Finance's operations. It provided a range of whole-of-government services that enhanced collaboration and connection by government entities. These services:

- provided online workspaces for over 22,000 people, 160 organisations and 3,500 communities
- hosted over 280 government websites
- enabled over 800 meetings via secure video for ministers and senior government officials.

Figure 3: Whole-of-government ICT Services



Governance

Finance's governance framework promotes the principles of good governance and supports our performance in line with government and organisational priorities. This is achieved through engaging with staff on matters of risk management and accountability, transparency of the Executive Board and committee operations, and embedding Integrated Business Planning at all levels. This framework supports the Secretary in discharging her duties under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and the *Public Service Act 1999*.

Figure 4 (see page 75) shows Finance's governance structure at 30 June 2019.

The Executive Board

The Executive Board is the chief advisory and decision-making body in Finance. It supports the Secretary in discharging her duties under the PGPA Act. Members of the Board provide strategic leadership to ensure the Department delivers its programs in keeping with the Government's policy objectives. The Board also monitors performance and maintains accountability.

In addition to its decision-making role, the Board structures its business to ensure that it undertakes key strategic discussions, considers emerging risks and receives regular updates from the chairs of the subcommittees. The Board sets the direction of, and oversees progress made against, the Department's transformation agenda to ensure we are a high-performing, modern, efficient and continuously improving public sector organisation delivering better and more efficient services to government and citizens.

The Secretary chairs the Executive Board, supported by the four Deputy Secretaries of the Department as permanent members. In addition, membership of the Board is offered for a period of nine months on a rotating basis to two senior members of staff—a First Assistant Secretary and an Assistant Secretary from across the Department.

These arrangements reflect the Executive's commitment to encouraging a wide range of perspectives in Board deliberations and developing leadership capability among the Senior Executive Service (SES), including through exposure to robust decision-making at the highest level within the Department.

Executive Board subcommittees

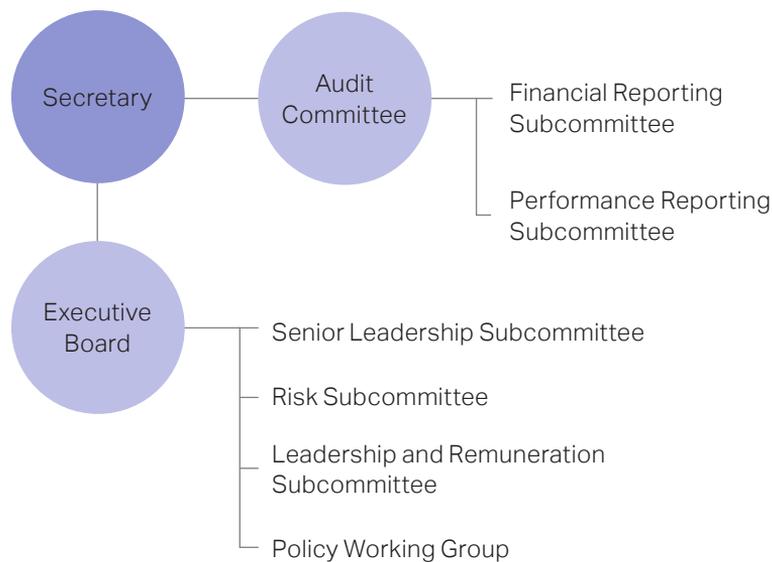
In its ongoing role in reviewing the suitability of the governance arrangements in Finance, the Executive Board agreed in October 2018 to realign its subcommittee structure, reducing the number of subcommittees but broadening the membership engagement of the SES. This was to ensure the wider senior leadership cohort of First Assistant Secretaries in the Department play an active role in shaping operational and strategic departmental issues including, resourcing, people, communication and culture, business improvement and transformation issues.

The membership of the newly formed Senior Leadership Committee (SLC) consists of all Deputy Secretaries, all First Assistant Secretaries and those Assistant Secretaries who have organisational responsibility for human resources, internal budgets and the transformation agenda. The SLC is chaired by the Deputy Secretary of Business Enabling Services. This complements the embedded Strategic Review process and facilitates an ongoing dialogue throughout the year to ensure the Board and subcommittees are operating dynamically to manage risks and priorities.

In 2018–19, the Executive Board had four subcommittees. Three of these are chaired by a Deputy Secretary:

- Senior Leadership Committee
- Risk Subcommittee
- Policy Working Group.

The fourth subcommittee, the Leadership and Remuneration subcommittee, is chaired by the Secretary and includes all the Deputy Secretaries. It is responsible for overseeing and providing advice on people management matters.

Figure 4: Finance's governance structure, at 30 June 2019

Audit Committee

The Audit Committee provides independent advice and assurance to the Secretary on the appropriateness of the Department's accountability and control framework—particularly those aspects concerning performance and financial reporting and systems relating to risk and control. It also provides assurance on the adequacy of the Australian Government's consolidated financial statements production and risk planning process in Finance.

In 2018–19, the Audit Committee had four external members (including the independent chair) and two departmental members. It met five times during the year.

The Audit Committee has two subcommittees, chaired by external members, to support it in performing its functions:

- The Financial Reporting Subcommittee (FRSC) maintains an ongoing review of the process for preparing the Department's annual financial statements. The FRSC met five times in 2018–19.
- The Performance Reporting Subcommittee (PRSC) assists the Audit Committee in meeting its performance reporting responsibilities under the PGPA Act. The PRSC met five times in 2018–19.

The Audit Committee works closely with the Risk Subcommittee on oversight of the Department's risk management framework, with the Audit Committee Chair attending the meetings of that subcommittee as an observer.

Table 1 shows Audit Committee membership during 2018–19 and the number of meetings attended by each member during the year.

Table 1: Audit Committee membership, 2018–19

| Name and position | Meetings attended in 2018–19 | | Membership details |
|--|------------------------------|-----|---|
| | | | |
| Mr Geoff Knuckey (external member) Chair, Audit Committee Chair, Financial Reporting Subcommittee (FRSC) | Audit Committee | 5/5 | Mr Knuckey joined the Audit Committee in October 2010 and was appointed as the Chair in January 2017. |
| | FRSC | 5/5 | |
| Ms Jennifer Clark (external member) Deputy Chair, Audit Committee Chair, Performance Reporting Subcommittee (PRSC) | Audit Committee | 5/5 | Ms Clark joined the Audit Committee in December 2015 and was appointed as the Deputy Chair in March 2017. |
| | PRSC | 5/5 | |
| Ms Gayle Ginnane (external member) | Audit Committee | 5/5 | Ms Ginnane joined the Audit Committee in January 2017. |
| Mr Ian McPhee AO PSM (external member) | Audit Committee | 5/5 | Mr McPhee joined the Audit Committee in January 2017. |
| | PRSC | 5/5 | He is a member of the PRSC. |
| Dr Stein Helgeby (departmental member) | Audit Committee | 5/5 | Dr Helgeby, Deputy Secretary, Governance and APS Transformation, joined the Audit Committee in July 2012. |
| | PRSC | 5/5 | He is a member of the PRSC. |
| Ms Amanda Lee (departmental member) | Audit Committee | 2/2 | Ms Lee, First Assistant Secretary, Budget Policy and Coordination, joined the Audit Committee in January 2019. |
| | FRSC | 1/2 | She is a member of the FRSC. |
| Ms Stacie Hall (departmental member) | Audit Committee | 1/3 | Ms Hall, First Assistant Secretary, Commercial, was a member of the Audit Committee from May 2016 to December 2018. |
| | FRSC | 0/3 | She was a member of the FRSC. |

Integrated business planning framework

Finance's Integrated Business Planning framework ensures alignment across domains of enterprise decision-making including:

- Strategic Review and prioritisation
- enterprise risk framework
- corporate planning
- divisional business planning
- budgeting
- investment and resource planning.

Strategic reviews

The Strategic Review cycle underpins the Department's transformation focus on Integrated Business Planning. It is the key mechanism to guide prioritisation, resource allocation and identify and manage strategic and operational risks.

Strategic Review occurs three times a year and supports the Executive Board to identify and respond to key focus areas to ensure we deliver for government, particularly in relation to resourcing, risks and opportunities for business improvement. This process enables strategic investment decisions to contribute to Finance's goal to be a high-performing, modern, efficient and continuously improving public sector organisation that delivers government priorities efficiently and effectively.

Over the past 12 months, the Strategic Review cycle has matured significantly to enable more effective business planning with an investment lens, regular scheduled reviews, rolling four-year budgets and greater autonomy for groups and divisions to manage priorities, deliver operational business and engage with opportunity and risk. Strengthening this approach will remain a priority for the Department over the coming year.

In 2018–19, a number of themes were identified through Strategic Review that guided the Department's priorities. These themes focused on enhancing staff capability, knowledge management and Finance's strategic partnerships, and continuing to mature the Integrated Business Planning framework.

Planning and performance reporting framework

Finance has an integrated performance cycle, with its corporate plan as the pre-eminent planning document. This is complemented by performance planning through our portfolio budget statements and annual report, Integrated Business Planning and budgeting and governance processes that direct individual and team work activities to achieve our purpose.

The performance framework provides for the establishment of Finance organisational goals, sets out how these will be delivered and implemented, and ultimately prescribes review processes throughout the year. Departmental performance is held to account through governance, transparent reporting and open external engagement with key stakeholders.

Our performance in achieving our purpose is:

- informed by the operating context and the functions/roles allocated to Finance as a central agency and
- supported by departmental strengths such as governance structures, risk policies, culture and organisational capabilities.

Figure 5: Finance's planning and performance reporting cycle



Managing risk

Finance's risk management framework sets out the Department's risk management policy and guides how we identify, manage and report risks where they may impact the achievement of our purpose. The Secretary and the Executive Board (through the Risk Subcommittee) oversee the framework.

The framework supports the Secretary to meet the duties under section 16 of the PGPA Act and complies with the Commonwealth Risk Management Policy.

In 2018–19, we focused on increasing the risk capability of our people at all levels of the Department. Mr Andrew Jagers, Deputy Secretary, Commercial and Government Services, was appointed as the Chief Risk Officer (CRO), complementing his role as Chair of the Risk Subcommittee. The CRO is an important leadership role that champions risk capability, culture and awareness at the entity level. The CRO engages with the Executive Board and the SLC to ensure strategic discussions are informed by opportunity and risk, particularly where decisions may affect Finance's risk profile. We established an internal risk engagement group, with representatives from each division, to support increased risk capability at the operational level through information sharing, learning and networking.

Risk reporting is embedded into Integrated Business Planning, which enables risk-based decision-making as part of the Strategic Review of our operations. We are continuing to support these processes and encourage behaviours to embed a positive risk culture across the Department.

Business continuity management

Business continuity management is integral to the Department's risk management arrangements. It entails careful planning to enable the continuation or timely resumption of critical functions, and eventual restoration to normal operations following a business interruption.

If a business interruption occurs, a central control team is convened by the Deputy Secretary, Business Enabling Services. The team serves as the central point of communications and coordination for the Department's response and recovery.

Business continuity plans are reviewed and tested annually to ensure that they meet business requirements.

Fraud and risk certification

The Department has zero tolerance for fraud and takes all reasonable measures to deal with fraud matters.

The Department's Fraud Control Framework aligns with the Commonwealth Fraud Control Framework. It includes a fraud control plan, informed by assessments of fraud risk and complies with section 10 of the *Public Governance, Performance and Accountability Rule 2014*.

The Framework meets business needs and establishes the mechanisms for the prevention, detection, monitoring, evaluation and reporting of fraud matters for the Department.

To support the system of internal control, the Department recognises the importance of being vigilant in relation to fraud risk and communicates expectations of fraud awareness and prevention to staff.

Significant noncompliance issues with finance law

In 2018–19, the Department did not report any matters of significant noncompliance with the finance law to the Finance Minister under paragraph 19(1)(e) of the *Public Governance, Performance and Accountability Act 2013*.

External scrutiny

Finance's operations are subject to scrutiny from a number of external bodies, among them the Australian National Audit Office, various parliamentary committees, the courts and administrative tribunals, the Australian Information Commissioner and Privacy Commissioner and the Commonwealth Ombudsman. This section reports on audits, inquiries, reviews and legal actions relevant to Finance in 2018–19.

Judicial and administrative decisions

Commonwealth of Australia v. Davis Samuel Pty Ltd & Ors

This matter relates to civil proceedings to recover \$8.725 million that was fraudulently transferred from the Commonwealth in 1998 and subsequently distributed to several third parties. All criminal proceedings were completed in 2006.

The Commonwealth has been successful in its claims against 13 defendants and has recovered more than \$7.638 million as at 30 June 2019. The Commonwealth is continuing its recovery action against interests in land. Recovery action has been taken against all judgment debtors. The Commonwealth is also defending appeals by four judgment debtors that seeks to have their bankruptcy set aside. The appeals were heard by the Full Federal Court on 12 August 2019. Judgement was reserved. The remaining debtors are under insolvent administration.

Liverpool City Council and Canterbury–Bankstown City Council v. Commonwealth of Australia

On 8 February 2017, Liverpool City Council and Canterbury–Bankstown City Council commenced proceedings in the Supreme Court of New South Wales listing the Commonwealth as the defendant in relation to a dispute involving the Voyager Point footbridge project.

The project concerned the design and construction of a new footbridge across the Georges River from East Hills to Voyager Point to replace the previous footbridge which was closed because of safety issues. On completion, responsibility for the new footbridge was to be transferred to Liverpool City Council and Bankstown City Council. The proceedings were ongoing at the conclusion of the 2018–19 reporting period, however the matter was subsequently resolved in September 2019.

Administrative tribunal decisions

In 2018–19, there were no decisions of an administrative tribunal that had a significant effect on the operations of the Department.

Australian Information Commissioner decisions

In 2018–19, there were no decisions by the Australian Information Commissioner that involved the Department or that had, or might have, a significant impact on the Department's operations.

Australian Privacy Commissioner decisions

In 2018–19, there were no decisions by the Australian Privacy Commissioner that involved the Department or that had, or might have, a significant impact on the Department's operations.

Reports on the operations of the entity

Reports by the Auditor-General

In 2018–19, the Australian National Audit Office tabled in Parliament seven reports that involved the Department—five performance audits and two financial statements audits:

- ANAO Report No. 8—*Management of Commonwealth Leased Office Property*
- ANAO Report No. 9—*Procurement Processes and Management of Probity by the Moorebank Intermodal Company*
- ANAO Report No. 17—*Implementation of the Annual Performance Statements Requirements 2017–18*
- ANAO Report No. 19—*Audits of the Financial Statements of Australian Government Entities for the Period Ended 30 June 2018*
- ANAO Report No. 34—*Effectiveness of Board Governance at Old Parliament House*
- ANAO Report No. 38—*Application of Cost Recovery Principles*
- ANAO Report No. 46—*Interim Report on Key Financial Controls of Major Entities.*

Parliamentary Committees

Senate Standing Committees on Finance and Public Administration

The Senate Standing Committees on Finance and Public Administration covers the Prime Minister and Cabinet and Finance portfolios. The work is divided between two committees—the Legislation Committee and the References Committee.

Legislation Committee

Finance appeared before the Legislation Committee at its Senate Estimates hearings on 23 October 2018, 19 February 2019 and 4 and 9 April 2019.

On 18 January 2019, Finance and the Department of Agriculture and Water Resources provided a joint submission to the inquiry into the Future Drought Fund bills.

References Committee

Finance did not appear at the References Committee in 2018–19.

Joint Committee of Public Accounts and Audit

The *Public Accounts and Audit Committee Act 1951* constitutes the Joint Committee of Public Accounts and Audit (JCPAA). The JCPAA initiates inquiries into public administration matters and can conduct inquiries into matters referred to it by either House of Parliament.

During 2018–19, Finance had a series of engagements with JCPAA as detailed below. Finance provided information to the Committee as part of its ongoing relationship, including responses to questions taken on notice during public hearings and provided in writing:

- On 22 August 2018 and 19 September 2018, Finance attended the inquiry into Commonwealth Financial Statements: Auditor-General's report No. 24 (2017–18), Audits of Financial Statements of Australian Government Entities for Period Ended 30 June 2018.

In addition to the above matters, JCPAA had an interest in the Independent Review into the operation of the *Public Governance, Performance and Accountability Act 2013* and Rule, which is required under section 112 of the Act.

- On 4 April 2019, a government response was provided to the Independent Review.

Other committees

- Senate Foreign Affairs, Defence and Trade References Committee—inquiry into the proposed comprehensive and progressive agreement for Trans-Pacific Partnership (attended 30 July 2018 and 20 August 2018)
- Joint Standing Committee on the National Capital and External Territories—inquiry into Canberra's national institutions (attended 24 August 2018)
- Senate Environment and Communications References Committee—inquiry into the Great Barrier Reef 2050 Partnership Program (attended 21 September 2018)
- Senate Select Committee into the Abbott Government's Commission of Audit:
 - Senate Select Committee into the Abbott Government's Commission of Audit: Interim Report (government response provided 4 October 2018)
 - Senate Select Committee into the Abbott Government's Commission of Audit: Second Interim Report (government response provided 4 October 2018)
 - Senate Select Committee into the Abbott Government's Commission of Audit: Final Report (government response provided 4 October 2018)
- Joint Standing Committee on Electoral Matters—inquiry into the proposed amendments to the Electoral Legislation Amendment (Electoral Funding and Disclosure Reform) Bill 2017 (attended 5 October 2018):
 - advisory report on the Electoral Legislation Amendment (Electoral Funding and Disclosure Reform) Bill 2017 (government response provided 14 November 2018)
 - second advisory report into the Electoral Legislation Amendment (Electoral Funding and Disclosure Reform) Bill 2017 (government response provided 14 November 2018)
- Senate Education and Employment Committee—inquiry into the exploitation of general and specialist cleaners working in retail chains for contracting or subcontracting cleaning companies (attended 18 October 2018)
- Senate Select Committee on Red Tape—inquiry into the policy and process to limit and reduce red tape (submission provided 19 October 2018)
- Joint Standing Committee on Electoral Matters—inquiry into and report on all aspects of the conduct of the 2016 Federal Election and matters related thereto:
 - Second Interim Report on the Inquiry into the Conduct of the 2016 Federal Election: Foreign donations (government response provided 14 November 2018)
- Joint Standing Committee on the National Broadband Network—inquiry into the Business Case for the National Broadband Network (attended 7 December 2018).

Finance's submissions, responses to questions taken on notice (written and taken during hearings) and the transcripts of committee hearings are available on the Parliament of Australia website.

In addition to attending scheduled hearings, Finance also participated in a number of private briefings with parliamentary committees during the reporting period.

Reports by the Commonwealth Ombudsman

In 2018–19, the Commonwealth Ombudsman did not release any reports that involved the Department or that had, or might have, a significant impact on the Department's operations.

Asset management

Non-Defence domestic property portfolio

Finance manages some 70 properties in the Government's non-Defence domestic property portfolio, including office buildings, law courts and other special-purpose facilities, heritage assets, vacant land and contaminated sites, with a value of approximately \$1.9 billion (at 30 June 2019). Finance, with its private sector property services provider, manages these assets strategically to ensure they are efficient and able to meet the Government's needs.

The portfolio is managed in accordance with the legislative framework for environment and heritage matters, including the *Environment Protection and Biodiversity Conservation Act 1999*. Finance considers potential environmental and heritage impacts when making decisions about each property, including maintenance, retention and divestment.

To improve the performance of the portfolio and in accordance with relevant asset management plans, Finance undertakes works in the buildings it manages to improve building and environmental performance and to meet leasing obligations.

As at 30 June 2019, 75 per cent of non-corporate Commonwealth entities have transitioned to the Whole-of-Government Property Services Coordinated Procurement arrangements, representing 94 per cent of the total properties to be transitioned.

In 2018–19, Finance continued the divestment of properties from the non-Defence domestic portfolio, with total sale proceeds of \$52.4 million (exclusive of GST).

The Central Advertising System

Administration of the Central Advertising System

Finance administers the Central Advertising System, which consolidates the Government's buying power to support the proper use of public resources. A total of \$174.1 million was spent across campaign and non-campaign advertising media expenditure through the central advertising system in 2018–19:

- total campaign advertising media expenditure was \$156.0 million, comprising \$140.0 million by non-corporate Commonwealth entities and \$16.0 million by corporate Commonwealth entities, Commonwealth companies and other bodies
- total non-campaign advertising media expenditure was \$18.1 million, comprising \$16.6 million by non-corporate Commonwealth entities and \$1.5 million by corporate Commonwealth entities, Commonwealth companies and other bodies.

Procurement

Performance assessment against the Commonwealth Procurement Rules

The Department's approach to procuring goods and services, including consultancies, is consistent with the principles of the Commonwealth Procurement Rules. These rules are applied to activities through the Department's accountable authority instructions, supporting operational guidelines and procurement framework.

Information on significant procurements expected to be undertaken in 2019–20 is in the Department's annual procurement plan, available on the AusTender website, tenders.gov.au.

Exempt contracts

No contracts in excess of \$10,000 (inclusive of GST) or standing offers were exempted by the Secretary from being published on AusTender on the basis that they would disclose exempt matters under the Freedom of Information Act 1982.

Australian National Audit Office access clauses

No contracts of \$100,000 or more (inclusive of GST) were entered into during 2018–19 that did not provide for the Auditor-General to have access to the contractor's premises.

Initiatives to support small and medium-sized enterprises and Indigenous business

The Department of Finance supports small business participation in the Australian Government procurement market. Small and Medium Enterprises (SMEs) and Small Enterprise participation statistics are available on the Department of Finance website at finance.gov.au/procurement/statistics-on-commonwealth-purchasing-contracts/.

The Department's measures to support SMEs include:

- complying with the Commonwealth Procurement Framework
- using standardised contracts for low-risk procurements valued under \$200,000
- implementing the Indigenous Procurement Policy, noting that many Indigenous businesses are also SMEs
- using the Australian Industry Participation policies and programs to encourage SME engagement opportunities
- using credit cards for procurements valued below \$10,000
- complying with the Government's Supplier Pay-on-Time or Pay Interest Policy.

The Department supports SME business participation in the Commonwealth Government procurement market. The SME participation statistics published on the Finance website estimate that, in 2017–18, 85 per cent of government suppliers were SMEs.

The Department recognises the importance of ensuring that small businesses are paid on time. The results of the Government Pay On-Time survey, which are available on the Department of Employment, Skills, Small and Family Business website, employment.gov.au/pay-time-survey-results, show that Finance paid 96.1 per cent of invoices for contracts valued under \$1,000,000 within 30 days in 2017–18.

The Department supports the goals of the Indigenous Procurement Policy (IPP). This is reflected in the IPP procurement statistics, which show Finance exceeded its 2018–19 IPP target by 200 per cent. Further details are available on the National Indigenous Australians Agency website niaa.gov.au.

Consultancies

Consultancy summary statement

The Department engages consultants when it requires specialist expertise or when independent research, review or assessment is required. Decisions to engage consultants during 2018–19 were made in accordance with the PGPA Act and related regulations including the Commonwealth Procurement Rules and relevant internal policies. Finance uses consultants to manage discrete one-off projects when specialist expertise is required for a limited time.

During 2018–19, 173 new consultancy contracts were entered into and 75 contracts were ongoing from prior years. The total spend on consultancies in 2018–19 was \$14.5 million.

Environmental performance

This section describes the Department's environmental performance, its management of the non-Defence domestic portfolio in line with environmental legislation, and other cross-government environmental activities.

Departmental activities

During 2018–19, Finance undertook environmental initiatives in areas such as office energy use, transport, resource efficiency and waste management. Table 2 summarises the Department's environmental performance in 2018–19 as compared with 2017–18.

Office energy use

The Department reduces its consumption of office energy wherever possible, including by using automated light switching and the power management features of ICT equipment. In the Department's primary tenancy, One Canberra Avenue, Finance uses 10 per cent GreenPower, which is sourced through a cooperative government arrangement.

Transport

Finance employees are authorised to travel only when there is a demonstrated business need and when alternative communication tools, such as teleconferencing and videoconferencing, are an ineffective option. The Finance vehicle fleet is made up of departmental pool vehicles and executive vehicles. A subscription to Greenfleet offsets the associated vehicle emissions.

Resource efficiency and waste

Finance provides a number of recycling streams (including co-mingled, cardboard and paper) in all of its tenancies.

Organic waste bins were introduced to Finance's ACT tenancies in November 2016. This initiative has diverted more than twelve and half tonnes of general waste from landfill. The organic waste is collected by a worm-farming company to be recycled into organic fertiliser.

The Finance printing system is designed to purge print jobs that are not completed within a set timeframe. Print jobs totalling more than 304,000 pages of paper were automatically purged in 2018–19. The printer fleet's default settings automatically print in grayscale on both sides of the page and all spent printer cartridges are recycled.

Depending on site requirements, Finance uses a mix of different types of flow restriction and water-efficient dual-flush toilets to minimise water use across its tenancies.

Cross-government activities

Finance contributes to environmental outcomes in a number of additional areas in line with government policy and relevant legislation. This includes managing the COMCAR vehicle fleet and providing electorate office accommodation for parliamentarians. These activities are additional to those listed in Table 2.

COMCAR

In 2018–19, COMCAR continued to deliver on its strategy of ensuring an environmentally responsible fleet of vehicles. As at 30 June 2019, COMCAR had 135 petrol-powered sedans, 12 LPG sedans and eight diesel-powered people movers in its fleet of 155 vehicles.

COMCAR petrol-powered vehicles employ variable cylinder technology, further reducing fuel consumption by using fuel more efficiently, improving fuel consumption and contributing to reductions in CO₂ output. COMCAR uses E10 fuel for its petrol-powered sedans, where available. COMCAR's diesel-powered people movers provide significant improvements in fuel economy and reduced CO₂ output in comparison to the petrol variants.

More than 60 per cent of the COMCAR fleet is regularly washed using harvested rainwater, which helps to minimise potable water use.

Table 2: Environmental performance summary, 2017–18 and 2018–19

| Indicator | 2017–18 | 2018–19 |
|--|------------|------------|
| Office energy use^a | | |
| Total office tenant light and power energy consumption (kWh) | 1,949,465 | 1,879,110 |
| Total office tenant light and power energy consumption (MJ) | 7,018,074 | 6,764,796 |
| Office tenant light and power energy use per full-time equivalent (MJ/FTE) | 4,780 | 4,741 |
| Office tenant light and power use per square metre (MJ/m ²) | 289 | 286 |
| Base/central building energy consumption (MJ) | 45,304,551 | 37,915,018 |
| Base/central building energy consumption per square metre (MJ/m ²) | 446 | 464 |
| Greenhouse emissions attributed to office tenant light and power and base/central building energy use (tonnes CO ₂ -e) | 8,709 | 7,749 |
| GreenPower purchased (kWh) | 851,123 | 674,709 |
| Non-office energy use | | |
| Greenhouse emissions attributed to non-office energy use (computer centres, other properties and uses) (tonnes CO ₂ -e) | 970 | 907 |
| Vehicle fleet^{b, c} | | |
| Total number of fleet vehicles | 21 | 20 |
| Total fuel purchased (litres) | 17,701 | 19,477 |
| Total distance travelled (kilometres) | 156,387 | 184,052 |
| Average fuel consumption of fleet vehicles (litres/100 kilometres) | 11.32 | 10.58 |

Table 2: Environmental performance summary, 2017–18 and 2018–19 (continued)

| Indicator | 2017–18 | 2018–19 |
|---|-----------|-----------|
| Total direct greenhouse emissions of fleet (tonnes CO ₂ -e) | 41.42 | 46.41 |
| Greenhouse emissions | | |
| Total greenhouse emissions (tonnes CO ₂ -e) | 9,736 | 8,703 |
| Total greenhouse emissions per full-time equivalent (tonnes CO ₂ -e/FTE) | 6.6 | 6.1 |
| Air travel^c | | |
| Total number of flights | 3,431 | 3,690 |
| Total distance of flights (kilometres) | 3,431,781 | 4,404,806 |
| Potable water consumption^d | | |
| Total potable water use (kilolitres) | 11,290 | 11,729 |
| Potable water use per full-time equivalent (kilolitres/FTE) | 7.69 | 8.10 |
| Potable water use per square metre (kilolitres/m ²) | 0.44 | 0.49 |
| Resource efficiency and waste | | |
| Total office paper purchased per full-time equivalent (A4 reams/FTE) | 6.3 | 5.48 |
| Percentage of office paper purchased with recycled content (%) | 98% | 96% |
| Office paper recycled (tonnes) | 43.29 | 38.68 |
| Total waste produced (tonnes) | 163.09 | 177.05 |
| Total waste produced per full-time equivalent (kilograms/FTE) | 111.16 | 124.10 |
| Percentage of waste diverted from landfill (%) | 50.0% | 45.8% |

kWh = kilowatt hour; MJ = megajoule; CO₂-e = carbon dioxide equivalent.

- a In 2018–19 Finance further consolidated its property footprint, reducing its sites from seven at the start of 2017–18 to three by the end of 2018–19. During 2018–19, where Finance had a sub-tenant, that sub-tenant's energy usage was excluded from the figures above.
- b The fleet and air travel data are for the period 1 April to 31 March in each year.
- c Finance vehicle fleet only (excludes the COMCAR fleet).
- d The water consumption reported applies to Finance-occupied office buildings only. Tenancy-specific water metering is not available in shared buildings, resulting in the use of estimates based on pro rata calculations. The water data is adjusted on a pro rata basis to account for the unavailable information.

