A black and white photograph of a hand pointing at a tablet screen, which is the background for the top half of the page. The hand is on the left, and the tablet is in the center. The background is blurred, suggesting an office or meeting environment.

Part 3: Management and accountability

Corporate governance

External scrutiny

Asset management

Administration of the
Central Advertising
System

Procurement

Environmental
performance

Corporate governance

This section discusses the support services and governance structures of the department, which provide a framework to ensure accountability and overall effectiveness.

Corporate services

The Corporate Services and ICT divisions provide high-quality and efficient services to the Department of Finance, enabling us to achieve our objectives.

The Corporate Services division provides strategic advice to the Secretary and Executive Board on corporate governance and departmental administration and provides 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, and advice and knowledge management.

The ICT division delivers information services, IT and 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.

Governance in Finance

Finance's governance framework promotes the principles of good governance through engagement with staff on matters of risk management, transparency of 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 3 shows Finance's governance structure at 30 June 2018.

The Executive Board

The Executive Board provides strategic leadership of the department to ensure program delivery consistent with government policy objectives to an appropriate level of performance. The Board provides leadership and strategic oversight, monitors performance and maintains accountability as the highest advisory and decision-making body in Finance, discharging the Secretary's duties under the PGPA Act.

In addition to its usual 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 Secretary of the Department of Finance chairs the Executive Board, supported by the four deputy secretaries of the department as permanent members. In addition, membership of the board is now offered for a period of nine months on a rotating basis to a first assistant secretary and assistant secretary from across the department.

These arrangements reflect the Executive’s commitment to developing leadership capability, including robust decision-making that incorporates a wide range of perspectives.

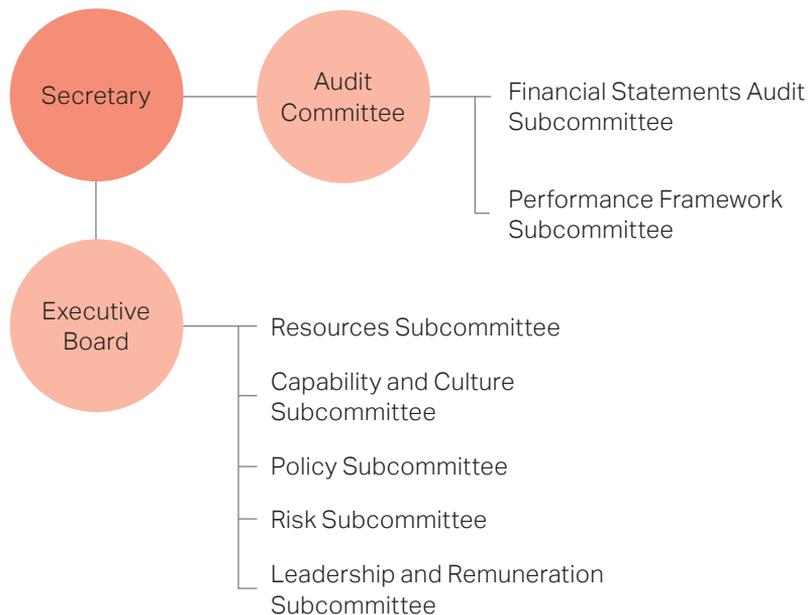
Executive Board subcommittees

During the reporting period, the Executive Board had four subcommittees, each chaired by a deputy secretary:

- Capability and Culture Subcommittee
- Policy Subcommittee
- Resources Subcommittee
- Risk Subcommittee.

In addition, the Leadership and Remuneration Subcommittee of the Executive Board, which is responsible for overseeing and providing advice on people management matters, is chaired by the Secretary and comprises deputy secretary membership.

Figure 3: Finance’s governance structure, at 30 June 2018



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 2017–18, the Audit Committee had four external members (including the independent chair) and two departmental members. It met five times during the year and representatives from the Australian National Audit Office, the chair of the Risk Subcommittee, the head of Internal Audit, the Chief Financial Officer and the department’s internal audit service provider attended as observers.

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

- The Financial Statements Audit Subcommittee maintains an ongoing review of the process for preparing the department’s annual financial statements.
- The Performance Framework Subcommittee assists the Audit Committee in meeting its responsibilities under the PGPA Act in relation to performance reporting.

The Audit Committee works closely with the Risk Subcommittee in relation to oversight of the department’s risk management framework, with the Audit Committee chair attending the meetings of that subcommittee.

Table 1 shows Audit Committee membership during 2017–18, and the number of meetings attended by each member during the year.

Table 1: Audit Committee membership, 2017–18

Name and position	Meetings attended in 2017–18		Membership details
Mr Geoff Knuckey (external member) Chair, Audit Committee Chair, Financial Statements Audit Subcommittee (FSASC)	Audit Committee	5	Mr Knuckey joined the committee in October 2010 and was appointed as the committee chair in January 2017.
	FSASC	5	He was appointed chair of the FSASC in October 2010.
Ms Jennifer Clark (external member) Deputy Chair, Audit Committee Chair, Performance Framework Subcommittee (PFSC)	Audit Committee	5	Ms Clark joined the committee in December 2015 and was appointed as the PFSC chair and Audit Committee deputy chair in February and March 2017 respectively.
	PFSC	5	
Mr Ian McPhee AO PSM (external member)	Audit Committee	5	Mr McPhee joined the committee in January 2017. He has previously held the position of Auditor-General at the Australian National Audit Office.
	PFSC	5	Mr McPhee is also a member of the PFSC.

Table 1: Audit Committee membership, 2017–18 (continued)

Ms Gayle Ginnane (external member)	Audit Committee	5	Ms Ginnane joined the committee in January 2017.
Dr Stein Helgeby (departmental member)	Audit Committee	4	Dr Helgeby, Deputy Secretary, Governance and APS Transformation, joined the committee in July 2012.
	PFSC	4	He is also a member of the PFSC, a member of the department's Executive Board, and chair of the Resources Subcommittee.
Ms Stacie Hall (departmental member)	Audit Committee	3	Ms Hall, First Assistant Secretary, Commercial, joined the committee in May 2016.
	FSASC	2	She is also a member of the FSASC and a member of the department's Resources Subcommittee.

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

In 2017–18, Finance introduced a biannual strategic review of all divisions, providing the Executive Board with a comprehensive picture of departmental priorities, risks and pressures, enabling us to align funding with priorities and focus on how we achieve efficiencies and work effectively across boundaries. It is an essential element of the department's integrated business planning framework.

The strategic review process engages the broader leadership cohort of the department, with the Senior Executive Service in each division able to provide and receive a comprehensive perspective on the department's risks, priorities and opportunities for improvement and innovation.

The strategic reviews have provided the department with greater visibility of enterprise risks and enabled us to set budgets more effectively and identify areas to build capability and mobilise staff to priority areas. The reviews also facilitate improved measurement of progress in delivering business improvements and efficiency initiatives and innovations.

Planning and performance reporting framework

The premise of the planning and performance reporting framework is that, where there is a shared understanding of the department's purposes and priorities—and resources and activities are properly organised and aligned—we will achieve high standards of performance.

The operating model allows Finance to adjust its activities and resourcing to align with government priorities as expressed in the department's Corporate Plan and measured through the annual performance statements. Figure 4 illustrates Finance's approach to planning and reporting.

Figure 4: Finance's planning and performance reporting cycle



Managing risk in Finance

The Secretary and Executive Board have oversight of the department's risk management framework through the Risk Subcommittee. The framework supports the Secretary to meet her duty under the PGPA Act and complies with the Commonwealth Risk Management Policy.

The framework sets out our risk management policy and guides the identification, management and reporting of risks where they may impact on business at the strategic and operational level. Our ability to manage opportunities and risks directly impacts on how we achieve our purpose.

We are continuing to support a positive risk culture throughout the department and embed systematic risk management into business operations. We are doing this by supporting staff to take a more open and proactive approach to managing risk that considers both opportunities and threats. By increasing risk capability at all levels of the organisation, we empower staff to have the knowledge, judgement and confidence to make more informed risk-based decisions. This also ensures that our people are accountable, understand risk and are supported by their managers in accordance with the department's risk appetite.

In 2017–18, the department reviewed the framework and updated the risk appetite statement and key strategic and operational risks. This review not only ensured the framework continues to reflect our dynamic operating environment, but also strengthened the alignment of the framework with our purpose and strategic focus for transformation in the year ahead.

How we manage fraud

The department complies with section 10 of the Public Governance, Performance and Accountability Rule 2014. Our fraud control framework aligns with the Commonwealth Fraud Control Framework and establishes the systems and processes for the prevention, detection, monitoring, evaluation and reporting of fraud matters within the department. The framework includes a fraud control plan informed by fraud risk assessments.

The Risk Subcommittee has oversight of the department's fraud control framework. Within the framework, the head of Internal Audit has responsibility for fraud control and investigation matters. These matters are dealt with in accordance with the Commonwealth Fraud Control Policy, Resource Management Guide No. 201: *Preventing, detecting and dealing with fraud*, and the Australian Government Investigations Standards.

The department maintains a fraud control plan informed by assessments of fraud risk and the implementation of controls and treatment strategies to mitigate fraud risk.

The department has mechanisms to address fraud that are compliant with the Australian Government Investigations Standards and the Commonwealth Fraud Control Framework.

The department has a zero tolerance approach to fraud and has taken reasonable measures to deal with fraud. We recognise the importance of being vigilant in relation to fraud risk and communicate the importance of fraud awareness and prevention to staff.

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.

In the event of a business interruption, a central control team is convened by the Deputy Secretary of 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 they meet business requirements.

Significant noncompliance with the finance law

In 2017–18, 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

The department'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, the Australian Privacy Commissioner and the Commonwealth Ombudsman. This section reports on audits, inquiries, reviews and legal actions relevant to Finance in 2017–18.

Judicial and administrative decisions

Judicial decisions

Commonwealth of Australia v. Davis Samuel Pty Ltd & Ors

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

The Commonwealth was successful in its claims against 13 defendants and the \$4.3 billion counterclaim against the Commonwealth was also dismissed.

On 21 November 2014, final orders were delivered. Judgment against the 13 defendants for amounts up to \$18.63 million was made together with the transfer of certain property and costs orders.

Two appeals were made against the final orders. The remaining appeal was struck out by the ACT Court of Appeal on 30 June 2016 for want of prosecution. All further applications to set aside the judgment and final orders have been dismissed, with the latest application seeking special leave to appeal to the High Court refused on 11 October 2017.

The Commonwealth has recovered in excess of \$7.6 million and is continuing its recovery action against the remaining judgment debtors and interests in land.

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 NSW Supreme Court listing the Commonwealth as the defendant in relation to a dispute involving the Voyager Point footbridge.

The project concerned the design and construction of a new footbridge across the Georges River from East Hills to Voyager Point to replace the previously existing footbridge that was closed due to safety issues. On completion, responsibility for the new footbridge was to be transferred to Liverpool City Council and Bankstown City Council.

The proceeding is ongoing and is being defended by the Commonwealth. Directions have been made for various interlocutory steps.

Wilkie & Ors v. The Commonwealth of Australia & Ors; Australian Marriage Equality Ltd & Anor v. Minister for Finance Mathias Cormann & Anor

On 10 August 2017, Wilkie & Ors and Australian Marriage Equality Ltd & Anor separately brought proceedings against the Commonwealth. These proceedings challenged the validity of the Advance to the Finance Minister Determination (No. 1 of 2017–18) (Cth) (the Determination), which increased the departmental appropriation of the Australian Bureau of Statistics to facilitate the Australian Marriage Law Postal Survey.

On 28 September 2017, the High Court ruled in favour of the Commonwealth and held that the Determination was valid and that section 10 of the *Appropriation Act (No. 1) 2017–2018* (Cth) authorised the Finance Minister to make the Determination. Costs orders were made against the defendants.

Stirling v. Minister for Finance

On 7 July 2016, a delegate of the Minister for Finance made a decision to decline an application made by Dr Stirling for a waiver of debt under section 63(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (Cth). Dr Stirling made an application to review the delegate's decision under the *Administrative Decisions (Judicial Review) Act 1977* (Cth).

On 4 August 2017, the Federal Court of Australia ordered that the application be granted, the decision of the Finance Minister's delegate be set aside, the matter be remitted to the respondent for further consideration and determination in accordance with law, and that the respondent pay the applicant's costs of the proceeding.

Administrative tribunal decisions

In 2017–18, there were no decisions of an administrative tribunal that had a significant effect on the operations of the department.

Australian Information Commissioner decisions

In 2017–18, 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 2017–18, 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 by the Auditor-General

In 2017–18, the Australian National Audit Office tabled 12 reports in the parliament, covering nine performance audits, two financial statements audits and one information report involving the department:

- ANAO Report No. 6 – *The Management of Risk by Public Sector Entities*
- ANAO Report No. 7 – *Efficiency of the Australia Council's Administration of Grants*
- ANAO Report No. 11 – *Australia Post's Efficiency of Delivering Reserved Letter Services*
- ANAO Report No. 16 – *Administration of the National Broadband Network Satellite Support Scheme*
- ANAO Report No. 19 – *Australian Government Procurement Contract Reporting*
- ANAO Report No. 23 – *Delivery of the Moorebank Intermodal Terminal*
- ANAO Report No. 24 – *Audits of the Financial Statements of Australian Government Entities for the Period Ended 30 June 2017*
- ANAO Report No. 33 – *Implementation of the Annual Performance Statements Requirements 2016–17*
- ANAO Report No. 35 – *Management of Special Appropriations*
- ANAO Report No. 36 – *Corporate Planning in the Australian Public Sector 2017–18*
- ANAO Report No. 41 – *Efficiency through Contestability Programme*
- ANAO Report No. 47 – *Interim Report on Key Financial Controls of Major Entities*

Details of these reports, including the department's response to audit reports, are available on the Australian National Audit Office website.

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 24 October 2017, 27 February 2018 and 23–24 May 2018.

References Committee

In January 2018, Finance presented a submission to the inquiry into the arrangements for the Australian Marriage Law Postal Survey. It attended the hearing on 7 September 2017. Finance subsequently tabled the government response on 26 June 2018.

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 Committee initiates inquiries into public administration matters and can conduct inquiries into matters referred to it by either house of parliament. During 2017–18, Finance had a series of engagements with the committee as detailed below. Finance has also provided information to the committee as part of its ongoing relationship, including providing responses to questions taken on notice during public hearings and provided in writing.

- On 16 August 2017, the JCPAA released Report 463: *Commonwealth Financial Statements: Inquiry based on Auditor-General's report 33 (2016–17)*. Finance provided an initial response to the JCPAA report's recommendations on 9 March 2018 and a supplementary response on 14 May 2018.
- 31 January 2018—Finance presented a submission to the Commonwealth Procurement Inquiry, based on the Auditor-General's Report No. 9 (2017–18). The department attended the hearing on 16 February 2018.
- 8 and 16 February 2018—Finance presented submissions to the inquiry into Australian Government contract reporting, based on the Auditor-General's Report No. 19 (2017–18). The department attended hearings on 16 February 2018 and 23 March 2018.
- 14 March 2018—Finance responded to recommendations included in the JCPAA's Report 465: *Commonwealth Procurement*.
- 4 June 2018—Finance responded to recommendations included in the JCPAA's Report 469: *Commonwealth Performance Framework: Inquiry based on Auditor-General's reports 31 (2015–16), 6 and 58 (2016–17)*. Finance also presented a submission to the inquiry on 21 August 2017 and attended the hearing on 6 September 2017.

In addition to the above matters, the Committee has had an ongoing interest in the independent review of the *Public Governance, Performance and Accountability Act 2013* and Rule required under section 112 of the Act.

Other committees

Finance attended hearings or provided submissions to the following other parliamentary committees during 2017–18:

- Joint Standing Committee on the National Capital and External Territories—inquiry into Australia’s Antarctic Territory (attended 15 February 2018)
- Joint Standing Committee on the National Broadband Network (NBN)—on 6 April 2018, Finance presented its submissions, prepared jointly with the Department of Communications and the Arts, to the inquiry into the business case for the NBN and the inquiry into the rollout of the NBN in rural and regional areas (attended 14 June 2018)
- Senate Economics Legislation Committee—inquiry into Medicare Levy Amendment (National Disability Insurance Scheme Funding) Bill 2017 and 10 related bills [provisions] (attended 29 September 2017)
- Senate Economics References Committee—inquiry into the future of Australia’s naval shipbuilding industry (attended 8 September 2017 and 7 June 2018)
- Senate Foreign Affairs, Defence and Trade References Committee—inquiry into the impact of Defence training activities and facilities on rural and regional communities (attended 21 March 2018)
- Joint Select Committee on Government Procurement—in November 2017, Finance tabled the Australian Government response to the report *Buying into Our Future: Review of amendments to the Commonwealth Procurement Rules* (attended 8 May 2017)
- Joint Committee on Intelligence and Security—in August 2017, Finance tabled the Australian Government response to the Review of Administration and Expenditure No. 14 (2014–2015)
- Senate Education and Employment Legislation Committee—submission to the inquiry into the Public Governance, Performance and Accountability Amendment (Executive Remuneration) Bill 2017 (provided 1 February 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

The Commonwealth Ombudsman did not release any reports during 2017–18 that involved the department or that had, or might have, a significant impact on the department’s operations.

Asset management

Finance manages the government's non-Defence domestic property portfolio of some 90 properties, including office buildings, law courts and other special-purpose facilities, heritage assets, vacant land and contaminated sites, with a value of approximately \$1.7 billion (at 30 June 2018). Finance, with its private sector property services provider, manages these assets strategically to ensure that they are efficient and able to meet the government's needs.

In 2017–18, investment in major buildings was focused on improving the quality and amenity of the buildings in line with modern workforce standards. This follows the agreement of new long-term leases, increasing whole-of-government efficiency through full utilisation of major assets.

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 \$198.8 million was spent on media through the system in 2017–18:

- Total campaign advertising media expenditure was \$179.7 million, comprising \$157.0 million by non-corporate Commonwealth entities and \$22.7 million by corporate Commonwealth entities, Commonwealth companies and other bodies.
- Total non-campaign advertising media expenditure was \$19.1 million, comprising \$14.5 million by non-corporate Commonwealth entities and \$4.6 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, and reflects 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 2018–19 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 let during 2017–18 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

Results of pay-on-time survey

The Department of Finance 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 Treasury website, treasury.gov.au, show that Finance paid 95.4 per cent of contracts valued under \$1,000,000 within 30 days in 2016–17.

The Department of Finance supports small and medium-sized business participation in the Commonwealth Government procurement market. The small and medium-sized enterprise (SME) participation statistics published on the Department of Finance's website (finance.gov.au) estimate that in 2016–17, 56 per cent of contracts were awarded to SMEs.

The department's support for SMEs includes using the Commonwealth Contracting Suite, where appropriate, for procurements valued under \$1,000,000.

The department supports the goals of the Indigenous Procurement Policy and achieved its 2017–18 target, as reflected on the Department of the Prime Minister and Cabinet website, pmc.gov.au.

Consultants

The department engages consultants when it requires specialist expertise or when independent research, review or assessment is required. Decisions to engage consultants during 2017–18 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 2017–18, 171 new consultancy contracts were entered into involving total actual expenditure of \$9.4 million. In addition, 100 ongoing consultancy contracts were active during the period, involving total actual expenditure of \$8.9 million (see Table 2).

Table 2: Expenditure on consultancy contracts, 2015–16 to 2017–18

	2015–16 \$ million	2016–17 \$ million	2017–18 \$ million
Total actual consultancy expenditure	30.9	26.2	18.4

Annual reports contain information about actual expenditure on contracts for consultants. Information on the value of contracts and consultancies is available on the AusTender website (tenders.gov.au).

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

Non-defence domestic property portfolio

Finance manages a diverse portfolio of some 90 non-Defence Commonwealth-owned properties in Australia. This portfolio is managed in accordance with the legislative framework for environment and heritage matters, including the *Environment Protection and Biodiversity Conservation Act 1999*. Management is in accordance with the principles of environmentally sustainable development, and Finance considers potential environmental and heritage impacts when making decisions about each property, including maintenance, retention and divestment.

To improve the environmental performance of the portfolio and in accordance with relevant asset management plans, Finance targets energy efficiency works in the buildings it manages. We carry out works to improve environmental performance, including upgrades to heating, ventilation and air-conditioning systems, building management systems, and lighting controls in various buildings.

Departmental activities

During 2017–18, Finance undertook environmental initiatives in areas such as office energy use, transport, resource efficiency and waste management. Table 3 summarises the department's environmental performance in 2017–18 as compared with 2016–17.

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 eight 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 300,000 pages of paper were automatically purged in 2017–18. 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 3.

COMCAR

In 2017–18, COMCAR continued to deliver on its strategy of ensuring an environmentally responsible fleet of vehicles. As at 30 June 2018, COMCAR had 139 petrol-powered sedans, 12 LPG sedans and eight diesel-powered people movers in its fleet of 159 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 3: Environmental performance summary, 2016–17 and 2017–18

Indicator	2016–17	2017–18
Office energy use^a		
Total office tenant light and power energy consumption (kWh)	1,527,860	1,949,465
Total office tenant light and power energy consumption (MJ)	5,500,294	7,018,074
Office tenant light and power energy use per full-time equivalent (MJ/FTE)	3,521	4,780
Office tenant light and power use per square metre (MJ/m ²)	236	289
Base/central building energy consumption (MJ)	45,567,809	45,304,551
Base/central building energy consumption per square metre (MJ/m ²)	449	446
Greenhouse emissions attributed to office tenant light and power and base/central building energy use (tonnes CO ₂ -e)	9,240	8,709
GreenPower purchased (kWh)	837,186	851,123
Non-office energy use		
Greenhouse emissions attributed to non-office energy use (computer centres, other properties and uses) (tonnes CO ₂ -e)	1,411	970
Vehicle fleet^{b, c}		
Total number of fleet vehicles	29	21
Total fuel purchased (litres)	24,283	17,701
Total distance travelled (kilometres)	236,226	156,387
Average fuel consumption of fleet vehicles (litres/100 kilometres)	10.3	11.32
Total direct greenhouse emissions of fleet (tonnes CO ₂ -e)	57.3	41.42
Greenhouse emissions		
Total greenhouse emissions (tonnes CO ₂ -e)	10,708	9,736
Total greenhouse emissions per full-time equivalent (tonnes CO ₂ -e/FTE)	6.9	6.6
Air travel^c		
Total number of flights	4,157	3,431
Total distance of flights (kilometres)	4,112,248	3,431,781
Potable water consumption^d		
Total potable water use (kilolitres)	12,068	11,290
Potable water use per full-time equivalent (kilolitres/FTE)	7.73	7.69
Potable water use per square metre (kilolitres/m ²)	0.49	0.44

Table 3: Environmental performance summary, 2016–17 and 2017–18 (continued)

Indicator	2016–17	2017–18
Resource efficiency and waste		
Total office paper purchased by full-time equivalent (A4 reams/FTE)	8.7	6.3
Percentage of office paper purchased with recycled content	83.6%	97.8%
Office paper recycled (tonnes)	38.7	43.29
Total waste produced (tonnes)	166.91	163.09
Total waste produced per full-time equivalent (kilograms/FTE)	106.9	111.16
Percentage of waste diverted from landfill	49.5%	50.0%

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

a In 2017–18 Finance further consolidated its property footprint, reducing our sites from seven at the start of 2016–17 to three by the end of 2017–18. During 2016–17, we operated under a number of sub-lease arrangements for which Finance’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.