



Australian Government
Department of Finance
Australian Public Service Commission

Machinery of Government changes

A guide for entities—November 2021

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1. Executive Summary

Overview

1. Machinery of Government (MoG) changes are to be implemented cooperatively and in a timely manner.
2. The Prime Minister may specify a date by which a MoG change is to be completed (the completion date).
3. However, if the Prime Minister does not specify a completion date, entities are expected to complete MoG changes within 13 weeks from the date of effect (i.e. commencement date) of the MoG change.
4. Agency heads/accountable authorities involved in the MoG change are responsible for meeting this deadline and for implementing MoG changes in accordance with the principles outlined in this Guide and other relevant guidance.
5. The Department of the Prime Minister and Cabinet (PM&C), the Department of Finance (Finance) and the Australian Public Service Commission (APSC) will set milestones for the completion of the MoG change, as appropriate, to assist entities with their planning.
6. Entities and their agency heads/accountable authorities are responsible for managing the completion of MoG changes, and for negotiating and resolving contested issues.
7. It is good practice to complete a thorough due diligence exercise within the first five to ten days to identify complex or contested issues early. See the [Due Diligence and Change Management chapter](#) for more information.
8. Entities are encouraged to appoint an independent advisor early in the process to manage the information exchange process, facilitate negotiations and to help resolve contested issues. An independent advisor must be appointed if milestones are not being met. If it is apparent that a MoG is large, complex, contested or there is likely to be a conflict of interest, an independent advisor should be appointed to identify potentially contentious issues and mediate a resolution.
9. The prompt sharing of all relevant information between entities to inform negotiations and the due diligence process is paramount to a prompt and effective MoG change. Entities shall notify all relevant parties of any delays in information sharing or process steps to maintain high levels of transparency.
10. A risk management approach will be required to avoid letting relatively minor issues delay negotiations.

Dispute resolution

11. It is expected that agency heads/accountable authorities, and where applicable Secretaries of the respective portfolio departments, will step in to reach a decision where entities cannot resolve a matter at the working level.
12. Entities must advise PM&C, Finance and the APSC of any delays in finalising negotiations and if the completion date may not be met. If appropriate, Finance and the APSC may adjust milestones and may

provide information or advice to the appointed independent advisor to assist them in mediation between the affected entities.

13. If a matter remains unresolved and meeting the completion date looks in doubt, a recommended position by the independent advisor on the matter must be escalated to a Committee chaired by the Secretary of PM&C and comprising the Secretary of Finance and the Australian Public Service Commissioner (the Commissioner). In the unlikely event that PM&C, Finance or APSC are parties to the dispute to be resolved, the relevant Secretary or the Commissioner will excuse themselves from the Committee. See the [Dispute resolution process](#) section for more information.

MoG principles

14. Consistent with entities' ongoing obligations under legislation such as the *Public Governance, Performance and Accountability 2013* (PGPA Act) and the *Public Service Act 1999* (PS Act), the following principles apply to implementing MoG changes:

- a. **Continuity of service:**

A MoG change must be implemented in a timely and effective manner, ensuring continuity of Government business.

See also 'Taking a whole-of-government approach' and 'Accountability and compliance with legislation and policy' in the [Operational protocols section](#).

- b. **Effective change management:**

Entities are to work co-operatively, collegially and professionally to implement the change.

See also 'Taking a whole-of-government approach' and 'Constructive and open communication with employees' in the [Operational protocols section](#).

- c. **A responsive APS:**

Entities are to ensure, where practicable, their systems, processes and practices are able to adapt and are responsive to change. Entities should ensure continued accountability and risk management for the transferring functions throughout the transition.

See also 'Taking a whole-of-government approach' and 'Accountability and compliance with legislation and policy' in the [Operational protocols section](#).

Operational protocols

15. Entities are to observe the following operational protocols when implementing MoG changes:
 - a. Taking a whole-of-government approach:
 - i. good faith negotiations
 - ii. open and honest identification of resource implications

- iii. timely and accurate exchange of information.
 - b. Constructive and open communication with employees:
 - i. early advice and assistance to employees
 - ii. consultation – employees will have opportunities to contribute to the implementation process within the boundaries of Government decisions
 - iii. acting with integrity.
 - c. Accountability and compliance with legislation and policy:
 - i. ensure adequate records management
 - ii. follow established procedural frameworks, such as ‘employees follow function’, ‘finances follow function’, and ‘obligations follow function’, whilst taking account of whole-of-government and productivity reforms such as shared services and whole-of-government systems/platforms.
16. These protocols apply to MoG changes irrespective of any historical budget decisions. Employees, resources and appropriations devoted to a function at the point of the MoG change are transferred to the receiving entity. Receiving entities are to accept the obligations connected with the employees, resources and appropriations transferred.

More information

17. For more information about:
 - the Commonwealth Resource Management Framework, please refer to the [Managing Commonwealth Resources section](#) of the Finance website
 - key contacts for queries, see the [Key contacts section](#).

2. What is a Machinery of Government change?

A MoG change occurs when the Government makes a decision to change the way Commonwealth responsibilities are managed. It can involve the movement of functions, resources and people from one entity to another.

MoG changes – overview

18. The authority for a MoG change can be through:
 - a change to the Administrative Arrangements Order (AAO)
 - a decision of the Prime Minister or Cabinet regarding the movement of responsibilities and functions between entities (where this change does not result in a change to the AAO).
19. A MoG change can lead to:
 - the creation of a new government entity
 - the creation of a new portfolio
 - the movement of entities between portfolios
 - a change in an entity's status (for example from a Department to an Executive entity)
 - the closure of an existing government entity
 - the movement of functions and responsibilities from:
 - an Australian Public Service (APS) entity to another APS entity
 - an APS entity to a non-APS Commonwealth entity
 - a non-APS entity to an APS entity.
20. PM&C will inform entities, Finance and the APSC of Government decisions resulting in MoG changes. For advice on when a transfer of administrative functions can be treated as a MoG change, [contact PM&C or Finance](#).

Administrative arrangements order

21. On the advice of the Prime Minister, the Governor-General appoints Ministers, establishes Departments of State and allocates executive responsibility to Ministers through the AAO.
22. The AAO is published in the Commonwealth Gazette and posted on the PM&C website. It describes the principal matters dealt with by each Commonwealth department and the legislation administered by the relevant Minister.
23. Changes to the AAO can happen at any time. Changes are more common following a general election as a new Government puts arrangements in place to implement its priorities and programs.

24. A MoG change within a portfolio, or the movement of some functions between portfolios, may not require changes to the AAO. PM&C's Government Division will work with affected entities on whether a change to the AAO is necessary.
25. Negotiations between affected entities should occur whilst waiting for AAO changes to come into effect or enabling legislation to be passed.

Enabling legislation

26. Legislative change may be needed to implement new administrative arrangements, for example, to create or abolish an entity. Entities are advised to seek legal advice from their internal legal advisors and/or the Australian Government Solicitor (AGS) within three business days of being advised of upcoming AAO changes, to confirm if legislative changes may be necessary. Where legislative change is required, entities should prepare drafting instructions to issue to the Office of Parliamentary Counsel (OPC).

Name and title changes

27. It may be necessary to change the names of departments and entities or the title of responsible Ministers as they appear in Acts or legislative instruments. In some cases, the [Acts Interpretation Act 1901](#) can be used to give the same effect, including through substituted reference orders. Further advice on the impact of a name change can be obtained from the [Attorney-General's Department](#).

MoG change date of effect and completion date

28. The date of effect (commencement date) of a MoG change will be either:
 - the date the change to the AAO was issued
 - the date specified in a decision by the Prime Minister or Cabinet, or
 - the date specified in legislation or a legislative instrument.
29. Where a MoG change is anticipated (as a result of discussions with PM&C and/or ministerial correspondence), affected entities should prepare in advance of the expected date of the MoG change. This includes ensuring delegation instruments are drafted and ready to be signed on the date of effect, to mitigate against potential legislative and financial breaches – see [Delegation of powers](#) section.
30. Please note that the MoG date of effect may be different to the agreed date for the movement of employees under [section 72 of the PS Act](#).
31. Where the Prime Minister has specified a completion date for a MoG change (which may be different to the date of effect of the MoG change), entities must complete the following core activities by the completion date:
 - transfer of legal responsibility for the functions, where the transfer does not require legislative amendment

- transfer of special appropriations, special accounts, assets and liabilities
 - transfer of annual appropriations, subject to minor balance adjustments which may be required as accounts are settled
 - transfer of employees under the PS Act
 - agreed reporting arrangements for the MoG change, including transitional arrangements
 - develop a plan or strategy to resolve remaining matters, such as transfer of the delivery of functions, employee integration and culture, information technology, property, security clearances, and minor appropriation balances.
32. Where the completion date has not been specified, entities must complete the activities set out at paragraph 31 within 13 weeks from the date of effect.

Role of central entities

33. Department of the Prime Minister and Cabinet (PM&C)
- informs entities of and provides advice on the Prime Minister's decisions on MoG changes and AAO changes.
34. Australian Public Service Commission (APSC)
- makes determinations under [section 72 of the PS Act](#) to move or engage employees
 - advises on the PS Act, remuneration policy, terms and conditions of employment and workplace arrangements under the [Australian Government's current public sector workplace relations policy](#).
35. Department of Finance (Finance)
- makes determinations under [section 75 of the PGPA Act](#) to transfer annual appropriation funding
 - advises on special appropriations and special accounts, and makes determinations under [section 78 of the PGPA Act](#) to amend special account determinations
 - advises on outcome statements, governance arrangements, superannuation, accounting and budgeting, reporting, grants, banking, shared services, insurance, property management issues, non-ICT procurements, Australian Government investment funds, government business enterprises, advertising, average staffing levels and the Central Budget Management System (CBMS).
36. National Archives of Australia (NAA)
- permits the transfer of custody or ownership of records outside the Commonwealth where appropriate
 - advises on policy, mechanisms and standards for the transfer of information, records and data between entities.

37. Attorney-General's Department (AGD)

- advises on administrative law issues, including substituted reference orders made under the [Acts Interpretation Act 1901](#) to amend references to Ministers, departments, entities and offices in legislation.

38. Digital Transformation Agency (DTA)

- advises on investments in digital and information and communications technology (ICT).

3. First 72 Hours

Actions undertaken within the first 72 hours of a MoG change being announced will form part of the affected entities' [due diligence and change management activities](#).

Entities are expected to implement the MoG change in a way consistent with the MoG principles and operational protocols outlined in the [Executive Summary](#).

Scope of functions being transferred

39. Affected entities are to clarify the scope of functions and programs to be transferred. Where the scope of the MoG change is unclear, entities should [seek advice from PM&C](#).
40. Transferring entities are to provide background information to receiving entities on the programs/functions to be transferred. This can include soft copies of the most recent portfolio budget statements/portfolio additional estimates statements, annual reports, corporate plans, organisational structures/charts, affected branch and team names, program descriptions, and internal budget allocations.

Identify lead contacts and/or establish a steering committee

41. Consideration and appointment of lead contacts should be completed within 72 hours of the MoG change being announced. These lead contacts will typically be Senior Executive Service (SES) level or appropriate senior officers from the affected entities' corporate or enabling services areas.
42. For large or complex MoG changes, a joint, multi-disciplinary steering committee should be established. The steering committee should be comprised of the lead contacts as well as relevant senior officers from all affected entities, and may be supported by working groups, taskforces and/or a secretariat. The steering committee should establish a list of key operational contacts within all affected entities to assist with implementation, such as contacts from the finance, human resources (HR), information and communications technology (ICT), legal, parliamentary, communications, security, records and relevant program/policy areas. Entities should also identify key contacts in shared services or other providers whose operations may be impacted by the MoG change.

Delegations of powers

43. The accountable authority of a non-corporate Commonwealth entity (NCE) can delegate their powers under the [PGPA Act](#) and the [Public Governance, Performance and Accountability Rule 2014 \(PGPA Rule\)](#) to employees in their entity, and employees of other NCEs, so that they can undertake resource management activities on behalf of the entity.
44. Receiving entities should review their delegation instruments and accountable authority instructions (AAIs) to ensure appropriate arrangements are in place and that they cover all relevant matters and

legislation to be administered by that entity, including where functions are delivered by a third party such as a shared service provider.

45. If a new entity is created, consideration should be given to what delegations, if any, will be required to be in place at the time of establishment. Similarly, employees in an entity that is transferring functions should review their delegations to ensure that they no longer deal with matters that have transferred to another entity.
46. New instruments of delegation and authorisations should be made on the date of effect of a MoG change or as soon as practicable following the date of effect, but may be drafted earlier where MoG changes are known in advance of the date of effect.
47. In addition, if, because of MoG changes, an entity gets a new Minister or accountable authority, it is good practice to provide them with the opportunity to reconsider arrangements for delegated decision-making and issue new instruments of delegation.
48. Employees, board members and other relevant officers (and similar individuals in other entities who are assisting with the transfer of functions) should be advised of relevant delegations of powers. This is important for all employees, board members and other relevant officers, including those that may be based in other states/territories or at Australia's international posts.
49. There can be timing differences between the date of a MoG decision and the date of transfer of employees and appropriations. Depending on the timing of transfers of entity functions and appropriations, entities may need to put in place interim arrangements under the PGPA Act¹ to make adequate provision for transferring functions. For example:
 - the accountable authority of the receiving entity may provide delegations to employees in the transferring entity (or employees in a third entity that is involved in service delivery) to enable them to continue to administer functions, until officials in the receiving entity are ready to take over that role.
 - the transferring entity may seek delegations from the accountable authority of the receiving entity to enable employees to continue to administer functions transferred until appropriations and employees are transferred from the transferring entity.
 - entities may agree that employees in transferring entities continue to undertake transferred activities, using their own delegations and AAs, until appropriations and officials are transferred.
50. It is prudent where a receiving entity is relying on a transferring entity to continue to undertake transferred functions they do so with the authority of the receiving entity for future payments. This could be done via email using words similar to below:

I [name] as accountable authority of [receiving entity] authorise, to the extent that such authority is necessary, including from XX XXXX 201X (date of MoG announcement or date of effect), the

¹ Refer to sections 20A and 110 of the PGPA Act

relevant officials of the [transferring entity/Department of XXX] to continue to make payments, consistent with program obligations and other relevant policy decisions on behalf of the [program or function description] until the transfer of functions between our entities is completed.

51. There may be value in a receiving entity picking up relevant parts of the AAls of the transferring entity in relation to functions that are transferred.
52. Accountable authorities may choose to apply the AAls of a transferring entity until the accountable authority is able to issue AAls specifically for the transferred functions for the entity.
53. Further information on delegations and AAls under the PGPA Act and the current PGPA Delegation from the Minister for Finance to accountable authorities of NCEs can be found on the [Finance website](#), or entities can [contact Finance for advice](#).
54. For further information on AAls, see [RMG 206: Model Accountable Authority Instructions](#).

Establish contact with Finance, APSC and other entities

55. Finance will contact the affected entities' Chief Financial Officers (CFOs) once the MoG changes are announced or known. Finance will organise a meeting with affected entities' CFOs and lead contacts to discuss critical timelines and resource management issues. Subject matter experts will attend where required to address entities' queries and/or concerns.

Assess legal impacts

56. A MoG change may impact entities' duties and responsibilities under legislation. It is important that entities identify all relevant legislation (including those containing appropriations) and associated delegations early, and assess whether such legislation and delegations need to be amended in order to give effect to the MoG change.
57. Where available, transferring entities should provide an extract of their legislation database to receiving entities to assist in the assessment of legal impacts. Affected entities may also be able to request a list of legislation from the OPC.
58. Affected entities may also need to contact the [Attorney-General's Department](#) where they intend to rely on the [Acts Interpretation Act 1901](#) to reflect changes to the names of entities, departments or Ministers in their legislation. See the [Name and title changes section](#).

Outcome statements

59. Affected entities need to review their outcome statements within the first 72 hours of the MoG change being announced to determine if changes are required.
60. Receiving entities may need to seek legal advice where it is unclear whether the outcome statement(s) will support the functions being transferred. For more information, see the [Governance and Financial Management issues section](#).

Secondary and related bodies

61. Transferring entities should provide receiving entities with a list of secondary and related bodies that will be affected by the MoG change. This list of secondary and related bodies can be sourced from the entity's records or the [Australian Government Organisations Register](#). See the [Due Diligence and Change Management](#) and [People Management](#) sections.

Immediate operational matters

62. Entities should identify those areas of operations which may be immediately impacted by a change in the legal status of an entity.
63. For example, these operations could include invoicing arrangements (where the entity's Australian Business Number needs to change), credit cards, financial delegations, funding agreements, travel arrangements, memoranda of understanding (MoUs), service level agreements and contracts.

Sharing of financial information

64. Within 72 hours of the MoG changes being announced, transferring entities will be required to provide a download of their financial management information system (FMIS) to receiving entities for the specific function(s) they are transferring and associated corporate functions. The download should include details of the available estimates and the latest monthly actuals for the functions being transferred at the cost centre/profit centre/fund centre/internal order level, as well as a chart of accounts. Transferring entities should also provide a download of the annual estimates for the outcomes/programs being transferred from CBMS.
65. For MoG changes that transfer functions which are not entire outcomes or programs, it may be difficult for the transferring entity to identify transactions relating to the transferring function and associated corporate functions. While it may be difficult, transferring entities should provide as much information, as soon as possible, caveated where necessary to say that further analysis is required, prior to providing final information.

Funding for new entity/department

66. Where a new entity is being established, funding may either be transferred from an existing entity or the new entity may need new funding.
67. The portfolio department of the affected portfolio should [contact Finance](#) for further advice on funding arrangements for the new entity. For further information, see the [MoG Scenarios - New Department/APS Entity section](#).

Initial communications to employees

68. Entities should develop and issue joint, consistent advice to all employees advising them of the MoG change and how it impacts the entities. Care is needed to ensure commitments are not given to employees that cannot be fulfilled.
69. Entities may also consider establishing a dedicated intranet site and email address for queries from employees on the MoG change.

4. Due Diligence and Change Management

It is good practice for entities to start MoG planning as early as possible. As soon as it becomes clear that a MoG change will occur, affected entities are expected to:

- commence planning activities
- establish a cross-entity, multi-disciplinary steering committee to oversee implementation
- consider the appointment of an independent third party to facilitate and advise on the process
- prepare for an immediate and thorough due diligence exercise, and
- develop a communications strategy to keep employees informed.

The extent of these actions will depend on the size and complexity of the MoG change.

After the completion date of the MoG change, entities should also conduct an evaluation to assess how the implementation has progressed to date, and gather lessons learnt for future MoG changes.

Entities are expected to implement the MoG change in a way consistent with the MoG principles and operational protocols outlined in the [Executive Summary](#).

Planning

70. Entities should adopt a project management approach to managing MoG changes. Entities may wish to refer to the Common Tasks Tool for a listing of common tasks and activities associated with implementing MoG changes, available under [Tools and templates on the Finance MoG changes webpage](#).
71. Entities should review their delegation instruments and accountable authority instructions (AAIs) to ensure appropriate arrangements are in place. Where there is a delay between the date of a MoG decision and the date of transfer of employees and appropriations, interim delegations (under the PS Act and PGPA Act for example) and AAIs may need to be put in place.
72. Responsibility for the following transfers to the receiving entity on the MoG date of effect:
 - special appropriations in legislation
 - special accounts established in Acts in accordance with [section 80 of the PGPA Act](#)
 - special accounts established under [section 78 of the PGPA Act](#), where the AAOs clearly transfer responsibility for functions associated with the special accounts to another department
 - revenues and expenses, which are collected or incurred under specific legislation.
73. Where entities are unsure of the date of the effect for the transfer of appropriations, they should [contact Finance for further advice](#).

74. By the completion date (13 weeks after the date of effect or by the date specified by the Prime Minister), the following should have occurred:
- transfer of legal responsibility for the functions, where the transfer does not require legislative amendment
 - transfer of annual appropriations, special appropriations, special accounts, assets and liabilities
 - transfer of annual appropriations, subject to minor balance adjustments which may be required as accounts are settled
 - transfer of employees under the PS Act
 - agreement reached on the reporting arrangements for the MoG change, including transitional arrangements
 - development of a plan or strategy resolve remaining matters, such as transfer of the delivery of functions, employee integration and culture, information technology, property, security clearances, and minor annual appropriation balances.

Steering committee

75. Where the MoG change is large and/or complex, a multi-disciplined, joint steering committee should be established within three to five business days of the announcement of the MoG change to oversee implementation and where required, to support an independent advisor. Such a committee would operate with:
- senior representatives from all affected entities—these may be managers from corporate or enabling services as well as program and policy areas, including at the SES-level
 - clear lines of responsibilities for individuals and groups
 - governance mechanisms and protocols for recording key decisions and tracking progress
 - regular reporting to the executives of all affected entities.
76. The steering committee may be assisted by smaller working groups or taskforces within the entities.

Independent advisor

77. An independent advisor should be appointed by affected entities to manage the MoG process in circumstances where:
- the MoG change is large, sensitive and/or complex
 - the MoG change involves the closure of an entity
 - the affected entities are having difficulty in resolving issues.

Note: Entities may consider appointing an independent advisor in other circumstances, where it would assist in managing the MoG change more efficiently.

78. An independent advisor must be appointed in circumstances where milestones are not being met. Once a MoG change is announced, milestones will be set to ensure the completion date is achieved.
79. The independent advisor's role is to manage the process of information exchange between the transferring and receiving entities. This can involve:
 - managing a detailed examination of all aspects of the function being transferred, including assets and liabilities and statutory, contractual and other arrangements, to identify any issues which may need to be addressed—see also the [Due Diligence section](#)
 - assisting the transferring and receiving entities to resolve outstanding issues.
80. The independent advisor is not a decision maker, but may recommend accountable authorities or delegates of affected entities agree on an equitable and fair transfer of resources to support the transferring functions as well as the functions that remain.
81. If outstanding issues are unable to be resolved, the independent advisor is to determine and recommend a position on the matter for escalation to a committee chaired by the Secretary of PM&C and comprising the Secretary of Finance and the Commissioner—see also [Dispute resolution process](#).
82. Finance can provide affected entities with advice around the appointment of independent advisors.
83. Affected entities should agree on an advisor and arrange their engagement.
84. The costs of engaging the services of an independent advisor are expected to be shared equally between the affected entities.

Due diligence

85. Transferring entities are to provide receiving entities with the following due diligence information within 10 business days of the announcement of the MoG change or being advised of the Prime Minister's decision:
 - the statutory basis of programs and functions, including information on any legislation to be administered by the receiving entity
 - the list of relevant entities from the [Australian Government Organisations Register](#), which contains secondary and related bodies (for example, committees, advisory and expert panels, boards, and statutory branded functions) that may be required to transfer
 - details of funding/grant agreements, partnerships, joint ventures, and associated taxation issues, including [AusTender](#) and [GrantConnect](#) records
 - delegations and authorisations
 - details of assets, liabilities and intellectual property, including information and communications technology (ICT) systems, applications, platforms and licenses associated with the functions being transferred, as well as details of employee access and network requirements
 - records and information management (see [First 72 Hours](#) section), including information on business continuity arrangements and risks registers for the transferring functions

- details of media, social media/communications, internet and intranet sites, design/branding, and parliamentary/ministerial functions, correspondence and records
- contractual arrangements for property, equipment and goods and services, including [AusTender](#) records and details of contractors/consultants associated with the transferring function
- identification of any personal information records which will need to be transferred in accordance with the *Privacy Act 1988* (see [Records Management](#) section)
- outstanding legal action and freedom of information (FOI) requests (see [Records Management](#) section)
- unfinished or in-progress audits or parliamentary inquiries, and details and status of responses to recommendations from completed audits, parliamentary inquiries and parliamentary committees
- resourcing allocated to the function, including average staffing level (ASL) numbers, current and prior year annual appropriations, special appropriations and special accounts, own source revenue, current and forward year estimates and actuals for current year (and prior years as appropriate)
- program reviews in progress and pending program reviews.

86. Receiving entities should also:

- establish measures of success or key performance indicators for the implementation of the MoG change and adherence to the 13-week or specified completion timeframes
- establish measures of success or key performance indicators for the achievement of the MoG purpose
- review any materials prepared during previous MoG changes, particularly tactical materials and lessons learnt, to assist with planning for the implementation of the current MoG changes.

Communication strategy

87. Organisational and workplace change can be challenging, and if not managed well, can affect morale and engagement.
88. [Section 47 of the Work Health and Safety Act 2011](#) requires that a business consults—so far as is reasonably practicable—with employees who are (or are likely to be) directly affected by health and safety matters.
89. Entities should, at a minimum, ensure they meet consultation requirements set out in their industrial instruments and internal policies.
90. During a MoG change, entities should conduct ongoing communication and consultation with employees about their transition to new work arrangements. Transferring entities are also encouraged to provide receiving entities with direct access to all transferring employees, as it is important to communicate with affected employees early in the process to explain:

- **why**—the reasons and objectives for change
 - **what**—the impact of change and what the entity is doing to minimise any adverse impact to employees
 - **what next**—the timetable for specific activities relating to the change
 - **how**—the mechanism for providing input on the implementation.
91. A joint communications strategy should be developed by entities to ensure consistent advice and messaging to employees. Entities may also decide to appoint a Communications Manager in each affected entity.

Meeting milestones

92. By four weeks after the date of the MoG decision, lead contacts and/or entity CFOs must advise PM&C, Finance and the APSC of their progress towards meeting the completion date including:
- progress against any key milestones
 - the status of negotiations, and
 - the existence of any contested issues.

Dispute resolution process

93. If any matters in dispute cannot be resolved at the working level, accountable authorities and Secretaries of the respective portfolio departments are expected to reach a resolution.
94. If at any stage it becomes clear that key milestones are not likely to be met, the entities must:
- advise PM&C, Finance and the APSC
 - appoint an independent advisor to assist in finalising negotiations and resolving contested issues. This process involves:
 - the affected entities providing the independent advisor with information supporting their respective positions
 - the affected entities meeting jointly with the independent advisor to discuss outstanding issues
 - the independent advisor working with the affected entities to reach agreement.
95. After conducting an analysis of the information provided by the affected entities and potentially discussing contentious issues with representatives from the affected entities, the independent advisor may support one of the positions or provide a third position for agreement.
96. If appropriate, Finance may be able to support the independent advisor to assist the affected entities to resolve outstanding issues relating to financial matters. The APSC can provide advice on the requirements of the PS Act and the Government's applicable workplace relations policy.

97. If any matters remain unresolved and meeting the completion date looks in doubt, a recommended position by the independent advisor on the matter must be escalated to a Committee, chaired by the Secretary of PM&C and comprising the Secretary of Finance and the Commissioner, for their consideration and final decision on the matter. In the unlikely event that PM&C, Finance or APSC are parties to the dispute to be resolved, the relevant Secretary or the Commissioner will excuse themselves from the Committee.
98. The Chair of the Committee (the Secretary of PM&C, where PM&C is not a party to the dispute) will advise the relevant accountable authorities and/or portfolio Secretaries of the decision in writing.
99. If necessary, Finance may transfer funds and the Commissioner may transfer employees without the agreement of entities.
100. Where entities have not completed a MoG change by the set completion date, the Secretaries of the respective portfolio departments are to write to the Secretary of PM&C, the Secretary of Finance and the Commissioner to advise them of the reason(s) for the delay and advise of the expected completion date.

Post-implementation evaluation

101. Entities should consider conducting a post-completion evaluation to identify lessons learnt from the implementation process, as well as to identify any outstanding or longer-term implementation challenges.
102. Such an evaluation could include feedback from employees, corporate and enabling services teams and the steering committee.
103. The evaluation should be shared with the senior leadership group of the receiving entity, to help inform strategic planning and form part of the due diligence materials for future MoG changes. The evaluation, or relevant extracts from the evaluation, should also be shared with PM&C, Finance and APSC to enable lessons learnt to be considered in future MoG changes, beyond the affected entities.

5. People Management

The Commissioner authorises the movement of employees from one entity to another following a MoG change.

Entities are expected to implement the MoG change in a way consistent with the MoG principles and operational protocols outlined in the [Executive Summary](#).

Legislative basis

104. [Section 72 of the PS Act](#) gives the Commissioner the authority to move employees following a MoG change. The Commissioner can:
 - move an APS employee to another APS or non-APS Commonwealth entity
 - move an employee from a non-APS Commonwealth entity into an APS entity
 - engage any person as an APS employee in a specified APS entity.
105. The Commissioner makes a written determination based on advice from the affected entities.
 - as early as possible following the confirmed MoG decision, the APSC will provide affected entities with a draft section 72 determination
 - the transferring entity is then responsible for creating the employee list(s) and both entities must agree to the lists before the Commissioner will make the determination
 - the section 72 determination will also provide for any measures necessary for the treatment of employment circumstances and outstanding employment decisions in the receiving entity – see [Outstanding Employment Matters](#) below.
106. The [Public Service Regulations 1999](#) exclude decisions to move employees because of a MoG change from review by the Merit Protection Commissioner.
107. Where possible section 72 determinations should take effect on a public service payday unless otherwise agreed by the affected entities.

Identifying all employees who will be transferred

108. The established protocol of ‘employees follow function’ will apply and employees will transfer with their function/the business activities. This includes ongoing and non-ongoing APS employees. Entities may agree to a function to be moved without employees. In such cases, vacant average staffing level (ASL) positions attached to the function would move to the receiving entity unless otherwise agreed.
109. While not included in the section 72 determination, any contractors associated with the function/activity being transferred are to be identified.

110. Employees who normally perform work associated with a function that is to be moved are identified by the transferring entity and moved to the receiving entity, including employees who are:
- on paid or unpaid leave—these employees will normally be moved to the receiving entity on the date of the MoG change and start work there when the period of leave ends
 - in receipt of rehabilitation compensation—rehabilitation rights for employees and former employees generally continue with the receiving entity
 - employees performing duties associated with a transferring function, but temporarily performing duties elsewhere in the entity—these employees will transfer to the receiving entity (a temporary transfer back to the transferring entity can be arranged, if appropriate)
 - performing duties at a higher classification—these employees will transfer at their substantive classification. The receiving entity may decide to continue the higher duties arrangement
 - seconded or on temporary transfer² **to a third entity**—these agreements may continue in accordance with the original terms. At the end of a temporary transfer, employees generally return to the entity where their substantive function is located
 - seconded or on temporary transfer **from a third entity**—these employees would normally move with their function and return to their original entity at the end of the transfer period.
111. Once all employees to be transferred have been identified, the transferring entity is to provide the receiving entity with all relevant information of the transferring employees such as payroll data (for example, length of service, salary sacrifice and superannuation contributions).

Corporate employees

112. The movement of corporate employees will be negotiated between entities. This can be particularly challenging— see [Movement of corporate functions and shared services](#).

Work health and safety (WH&S)

113. Comcare has developed tools and guidance to assist entities to reduce the psychosocial risks of workplace change, available from [Comcare's Workplace change webpage](#).
114. The transferring entity should transfer all relevant information to the receiving entity regarding possible WH&S, equipment and procedural instructions attached to the transferring function. Employees with specialist WH&S equipment need to be identified and provided support.

Delegations

115. Affected entities must review their delegations under the PS Act. Delegations and authorisations attached to employees from a transferring entity will cease to have effect in the receiving entity.

² The PS Act uses the term 'temporary movement'.

Induction

116. The receiving entity should provide an appropriate induction for all employees joining the receiving entity. It should also be noted that visible senior sponsorship of the MoG change is important for employee morale.

Leaving an entity

117. In most cases, the transferring entity's policies and procedures in relation to the return of assets and other items will apply.
118. The transferring entity should undertake an appropriate exit or cessation process for employees moving to the receiving entity to ensure the return of assets including credit cards, mobile phones, computers/laptops/tablets and vehicles, transfer of security clearances and entitlements, resolution of any under or overpayments, and changes to system and building access can be finalised.

Classifications and duties

119. APS employees are transferred at their existing substantive classification level and duties.
120. Where there are differences in classification structures between transferring and receiving entities, entities, in consultation with the APSC, should develop a strategy for addressing these differences.
121. If the receiving entity is an APS agency for the purposes of the [PS Act](#), the agency head/accountable authority must allocate an approved classification under the [Public Service Classification Rules 2000](#) and assign duties to all employees who have moved following a MoG change.
122. The receiving entity's agency head/accountable authority can execute a global instrument allocating the same approved classification as previously applied to an employee or a corresponding classification in the same APS classification group.

Employment type

123. Employees can only be transferred at their existing employment status i.e. *ongoing* or *non-ongoing*.
124. Non-ongoing employees do not require a renewed letter of offer and are transferred to the receiving entity:
 - for a period equal to the unexpired part of their existing term of engagement, or
 - for the remainder of the duration of the task, or
 - on an existing irregular or intermittent basis.
125. Where a receiving entity extends the engagement of a non-ongoing employee, the total period of engagement is calculated as if it had all been in the receiving entity.

Conditions of engagement

126. A receiving entity's agency head/accountable authority cannot impose or vary a condition of engagement under [section 22\(6\) of the PS Act](#) for an APS employee who has moved as the result of a MoG change.
127. Generally, a condition of engagement that was in place for an APS employee at the transferring entity will continue to apply after the employee has moved—for example, a probation period. The receiving entity's agency head/accountable authority can decide whether the condition has been met, or if it is no longer required.
128. The Commissioner may make determinations in relation to conditions of engagement—see [Outstanding employment matters](#) below.

Conditions of employment

129. An agency head/accountable authority may impose a continuing condition of employment where it is essential for an employee to meet certain requirements in order to perform a particular set of duties. Such conditions could include: level of fitness for duty or health clearances, attainment or upgrade of a security clearance, a licence or a qualification. The receiving entity is responsible for managing employees who are unable to meet a condition of employment.
130. Where imposition of a new condition of employment on an employee who has moved as the result of a MoG change is proposed and their duties have not changed, the entity should consult the APSC. Obtaining legal advice may also be necessary.
131. The Commissioner may make determinations in relation to maintaining conditions of employment — see [Outstanding employment matters](#) below.
132. For more information on security clearances, see the [Security Clearances](#) section.

Flexible working arrangements

133. Where individual employees have flexible working arrangements in place, such as approval to work remotely or for a non-standard work pattern, these may be reviewed and should, wherever possible, be continued in the receiving entity.

Inclusion

134. Understanding, communicating with and supporting a diverse workforce during a MoG change is critical. A diverse workforce may include employees with the following identity dimension - age, disability, mental ill health, gender, Aboriginal and Torres Strait Islander heritage, culturally and linguistically diverse (CALD) and Lesbian, Gay, Bisexual, Transgender, Intersex and Questioning/Queer + (LGBTIQ+). It is important to understand the impact of change on different groups of people and the support that maybe required when implementing a MoG change to ensure psychological and physical safety.

As examples:

- consider and address the potential impact of the change on each employee cohort. This may include reviewing the receiving entity's conditions of employment to ensure they do not adversely affect any employee cohorts
- consult with employee networks about barriers and issues that may affect transition to the receiving entity and potential changes in workplace location (such as changes that may impact on Aboriginal and Torres Strait Islander employees' connection to Country), any additional distance to travel, access to parking conditions, or in office layouts (closed versus open)
- consider the impact of merging different entity cultures
- ensure workplace or reasonable adjustments are available following the MoG change (this includes access to buildings, availability of accessibility technology, assistive equipment and flexible working arrangements, access to quiet spaces, or low light spaces, availability of adjustable desks)
- consider the mental health support required for each individual and team (including the provision of additional support such as Employee Assistance Programs).

Outstanding employment matters

135. Transferring entities may choose to finalise performance appraisals and arrange payment of pro-rata performance bonuses, where these apply.
136. [Section 72\(5A\) of the PS Act](#) provides the Commissioner with the discretion to determine how certain outstanding employment-related matters for APS employees will be handled, including:
 - conditions of engagement
 - conditions of employment
 - APS Code of Conduct investigations and resultant sanctions
 - suspension for a suspected breach of the APS Code of Conduct
 - processes relating to performance management, fitness for duty, loss of an essential qualification and excess employees.

For example, the Commissioner may determine to extend an individual's probation period.

137. An application for a Review of Action under [section 33 of the PS Act](#) cannot transfer between entities.
138. In some cases, it may be in the interests of all parties that an employee not transfer until an outstanding employment matter is resolved.
139. Suggested clauses for dealing with some matters are included in the draft section 72 determination. Entities should engage with the APSC as soon as possible if these matters may apply to transferring employees.

Management of excess employees

140. Generally, excess employees remain in the transferring entity unless the transfer of function means they would no longer be excess to requirements at the receiving entity.
141. This is not possible where the transferring entity is to be abolished. In this case, all employees must be moved and section 72(5A) provisions should be included in the determination that detail how their situation is to be managed. For example, whether previous processes continue or cease to apply.

Unfinished recruitment actions

142. Unfinished recruitment actions are not included in the section 72 determinations.
143. Transferring entities are responsible for advising the receiving entity of any outstanding recruitment relating to positions in the function transferring as soon as possible.

Where a decision to engage or promote an individual has been made by the transferring entity but not yet come into effect

144. Where an engagement or promotion decision has not taken effect prior to a MoG change, the decision will lapse when the MoG change comes into effect.
145. The receiving entity's agency head/accountable authority may choose to fill a vacancy using a recruitment process undertaken by the transferring entity where that vacancy relates to the affected function. This is provided for on the basis that the vacancy is a 'similar vacancy' as defined in the [Commissioner's Directions](#), so long as the duties continue to meet the other criteria of a similar vacancy within the receiving entity. In this case, an engagement or promotion decision is finalised and approved by the new agency head/accountable authority.
146. Where the receiving entity will proceed with the engagement or promotion, the individual should be notified as soon as possible that the position is now with another entity, which may have different terms and conditions of employment.
147. Where the receiving entity does not wish to proceed, then the transferring entity must notify the candidate that the engagement or promotion decision will not take effect.

Where a decision to engage or promote has not yet been made

148. The receiving entity's agency head/accountable authority may choose to proceed with the recruitment process based on the process undertaken by the transferring entity. This is provided for on the basis that the vacancy is a 'similar vacancy' as defined in the [Commissioner's Directions](#). In this case, engagement or promotion decisions would be made by the receiving entity's agency head/accountable authority.

Reassignment of duties under section 26 of the PS Act (permanent or temporary)

149. In instances where a section 26 transfer (either temporary or permanent) for an employee, who is subject to a MoG change to move to a third entity, has been agreed by the transferring entity but not yet taken effect, a new agreement between the parties will need to be reached.
150. This could be achieved through:
 - an amended commencement date, allowing the employee to move directly from the transferring entity to the third entity before the MoG change takes effect, or
 - including the employee in the MoG transfer then facilitating a new reassignment of duties agreement between the receiving and third entities.
151. Where an employee was to move via section 26 transfer to a MoG affected function in the transferring entity from a third entity, a new reassignment of duties arrangement will need to be negotiated between the receiving and third entities.
152. A pragmatic approach should be taken in these circumstances to negotiate a solution which represents a balance of the best interests of all parties involved.

Merit pools

153. Merit pools or lists created by transferring entities may continue to be used to fill similar vacancies within 12 months from the original date of notification of the vacancy in the [Public Service Gazette](#), except where the transferring entity has been abolished.
154. Any decisions using these merit pools or lists must still be consistent with the usual legislative requirements.

Senior Executive Service (SES) cap

155. Where a MoG change results in the affected entities agreeing to the movement of SES position(s), the SES cap for both entities will be adjusted. The APSC will provide an SES cap transferring agreement to affected entities, if required.
156. Newly created entities must seek approval to establish an SES cap from the Minister for the Public Service. Requests are processed through the APSC.
157. Where a receiving entity seeks additional SES positions, the increase in the SES cap must be separately approved by the Assistant Minister to the Minister for the Public Service. The receiving entity should contact the APSC as soon as practicable, where additional SES cap positions will be sought.
158. Where a MoG change results in the engagement of non-APS persons as APS employees, any non-APS SES-equivalent positions will not be counted in the receiving entity's SES cap. The receiving entity will be required to seek approval for any associated increase in its SES cap from the Assistant Minister to the Minister for the Public Service via the APSC.

Movement of state or territory employees

159. There is no power under the PS Act to compel state or territory employees to move into the APS, or for APS employees to move to state or territory public services.
160. Where the Commonwealth takes responsibility for state or territory functions, the Commissioner has the authority to engage a person as an APS employee under [section 72\(1\)\(d\) of the PS Act](#). This is not a compulsory transfer. It allows the engagement of a person as an APS employee outside of the usual merit requirements.
161. Employees who are not offered an APS position, or who do not accept such an offer, will remain the responsibility of the state or territory.

Movement of statutory office holders

162. There is no power under the PS Act to compel a statutory office holder to move to the transferring entity as the result of a MoG change. The Commissioner has the authority to engage a person as an APS employee under [section 72\(1\)\(d\) of the PS Act](#) if this is appropriate in the circumstances.

Independent Selection Advisory Committees (ISAC)

163. Where an ISAC had been established to assist with recruitment processes in the transferring entity:
 - if no recommendations have been made, the receiving entity is unable to use the ISAC for employment opportunities that exist in the receiving entity
 - if recommendations have been made, the transferring entity may choose to use the recommendations for employment opportunities that still exist in the transferring entity.

Movement of workers' compensation claims

164. MoG changes can affect arrangements with Comcare. Changes may result in:
 - an entity's premium rate and amount increasing or reducing with the reassignment of employees to different entities
 - a change to the rehabilitation authority for employees with workers' compensation claims
 - changes in administrative details such as contact information.
165. Further information is available on the [Comcare website](#). Any ongoing employee health issues, whether or not they are compensable, should continue to be managed by the receiving entity.

6. Pay and Conditions

Arrangements for terms and conditions for employees who transfer as the result of a MoG change are described in the [PS Act](#) and the [Public Service Regulations 1999](#).

Entities should discuss any issues relating to terms and conditions of employment with the APSC early in implementing a MoG change.

Entities are expected to implement the MoG change in a way consistent with the MoG principles and operational protocols outlined in the [Executive Summary](#).

Legislative basis

166. [Section 72 of the PS Act](#) gives the Commissioner the authority to move employees in and out of the APS following a MoG change. See [People Management](#) for more information.
167. [Section 24\(1\) of the PS Act](#) gives agency heads/accountable authorities the authority to vary the terms and conditions of employment for entity employees.
168. In exceptional circumstances, the Minister for the Public Service can determine conditions of employment for APS employees under [section 24\(3\) of the PS Act](#).

Pay and conditions

169. Where an employee from an APS entity moves to another APS entity:
 - annual salary will be the greater of the salary that applied immediately before the move and the salary that would apply after the move ([Regulation 8.1\(2\) of the Public Service Regulations 1999](#))
 - other terms and conditions may be varied following consultation ([Regulation 8.1\(3\) of the Public Service Regulations 1999](#))
 - most commonly, terms and conditions, other than salary for employees who transferred, will be those that apply in the receiving entity.
170. Where an employee from an APS entity moves to a non-APS Commonwealth entity:
 - the employee is entitled to have their pay and conditions maintained until the next amendment to the relevant industrial award or instrument ([section 72\(3\) of the PS Act](#)).
171. Where an employee from a non-APS Commonwealth entity moves to an APS entity:
 - terms and conditions may be varied following consultation ([Regulation 8.2\(2\) of the Public Service Regulations 1999](#))
 - entities must consult with the APSC on any implications for the application of the [Government's current workplace relations policy](#).

Annual salary

172. In most cases affected employees are moved to the nearest equivalent, or greater, pay point in the receiving entity's [industrial instrument](#), relevant to the employee's classification. Some industrial instruments also provide for salary matching within a salary span or pay points on movement. Where the employee's salary exceeds the highest pay point available at the relevant classification, then salary maintenance applies. Salary protection continues until the salary in the receiving entity's industrial instrument catches up with the employee's salary as it was before the move. Any relevant provisions in the receiving entity's industrial instrument need to be considered.
173. For non-ongoing APS employees who transfer to another APS entity, salary maintenance will apply for the duration of an existing contract. Relevant provisions of the receiving entity's industrial instrument would also apply.
174. Annual salary is the employee's salary set out in an industrial instrument. It does not include such things as higher duties allowance, travel and other expenses or bonuses. Any individual flexibility arrangement should be considered on a case-by-case basis. Entities are encouraged to contact the APSC for more advice.
175. Salary maintenance does not apply to new employment contracts, including new non-ongoing contracts.
176. There is no entitlement to future salary increases based on the transferring entity's industrial instrument. Following a move, the receiving entity's industrial instrument governs pay increases for an employee.

Industrial instruments

177. An industrial instrument can include an enterprise agreement, a determination made under sections 24(1) or 24(3) of the PS Act, a Fair Work Commission determination, or an award.
178. In most cases, the receiving entity's industrial instrument will apply to non-SES employees who have moved to that entity as the result of a MoG change.
179. Exceptions include where:
 - there is no industrial instrument in place at the receiving entity
 - the receiving entity's industrial instrument does not include provisions essential for the operation of the transferred functions
 - transfer of business arrangements apply
 - there are relevant provisions in enabling legislation
 - instruments in the transferring entity expressly preserve terms and conditions after a MoG change
 - there are specific provisions in the National Employment Standards or in an award that apply
 - an employee moves to or from a non-APS Commonwealth entity
 - a determination is made by the Minister for the Public Service under [section 24\(3\) of the PS Act](#).

180. Entities should contact the APSC for advice in relation to these or any other exceptions.

Section 24 determinations

181. A determination under [section 24 of the PS Act](#) is the industrial instrument that provides terms and conditions for non-SES employees who have transferred as the result of a MoG change, where these terms and conditions are not covered by an existing industrial instrument.
182. The receiving entity's agency head/accountable authority may establish terms and conditions for affected employees by making a determination under [section 24\(1\) of the PS Act](#) at any time, including where:
- there is no industrial instrument in place in the receiving entity, for example in a new entity. See [New Department/APS Entity section](#)
 - the receiving entity's industrial instrument does not include provisions essential for the operation of the transferred functions, for example, shift work or remote locality provisions
 - it is agreed to vary terms and conditions for an employee who moves from a non-APS Commonwealth entity to an APS entity.
183. A section 24(1) determination should only be made following a MoG change to preserve an employee's pre-existing terms and conditions and not to introduce new arrangements.
184. The receiving entity's agency head/accountable authority is not obliged to carry across any, or all, of the terms and conditions that previously applied. In some cases, it may not be practical to preserve particular conditions, for example, access to work-based childcare may not be available in the receiving entity.
185. A section 24(1) determination must be assessed against the Government's [current workplace relations policy](#) for the Commonwealth public sector.
186. Entities should contact the APSC where they propose to make a section 24(1) determination for non-SES employees.

SES employees

187. Terms and conditions for SES employees are generally determined by:
- [section 24\(1\) of the PS Act](#) - the receiving entity needs to establish whether or not a new section 24(1) determination is required for any SES employee who is moved, or
 - common law contracts - entities are advised to seek legal advice in relation to these contracts. Whether they continue to apply will depend on their terms.

Transfer of business

188. In general, provisions of the [Fair Work Act 2009](#) relating to a transfer of business do not apply to movements between APS entities.

189. Where the provisions do apply, the industrial instruments from the transferring entity that are relevant to the employees who transfer will apply. These instruments continue to operate until they expire or are replaced by a new industrial instrument.
190. Entities should contact the APSC for advice in relation to a proposed transfer of business.

Executive Remuneration Management Policy

191. Entities should contact the APSC where approval has been granted, or is requested, to pay an APS employee an amount above that specified in the [APS Executive Remuneration Management Policy](#).

Employee superannuation

192. Where a proposed determination covers superannuation provisions and may have an impact on employee superannuation, entities should contact the [Funds and Superannuation Branch in Finance](#). The branch can also provide information on [superannuation arrangements for Commonwealth employees](#).

7. Governance and Financial Management Issues

Entities are expected to implement the MoG change in a way consistent with the MoG principles and operational protocols outlined in the [Executive Summary](#).

Accountable authority instructions

193. Accountable authorities can issue accountable authority instructions (AAIs) and associated operational guidance to assist them to meet their obligations under the PGPA Act. These instructions can form a key part of an entity's internal controls and operational framework, focusing on the entity's particular needs, in order to promote the efficient, effective, economical and ethical use of relevant money, relevant property and appropriations.
194. Entities should review their AAIs to ensure appropriate arrangements are in place.
195. Finance has produced model AAIs as guidance for entities. The model AAIs cover core topics that are applicable to the majority of officials in most entities. For further information, refer to [RMG 206: Model accountable authority instructions](#).

Appropriations – overview

196. Where a function is transferred between NCEs, the established protocol of 'finances follow function' applies to the transfer of annual appropriations and special appropriations (including special accounts).
197. Transfers of annual appropriations will be through a [section 75 determination, made under the PGPA Act](#).
198. Unspent annual appropriations devoted to a function at the time of the change to the AAO or at the time of the decision by the Prime Minister or Cabinet, are to be transferred to the receiving entity. This means that if internal budget supplementation has been provided to a function, or internal budget reductions taken from a function as at the time of the MoG change, these are to be reflected in the transfers to the receiving entity.
199. Transferring entities are to provide receiving entities with supporting information on decisions made on internal budget supplementation or internal budget reductions, including who made the decisions, the date of the decisions and the date of their effect.
200. [Section 75 of the PGPA Act](#) only applies to transfers of functions between NCEs which are funded through annual appropriations or receipts retained under section 74 of the PGPA Act ([retained entity receipts](#)). Entities should contact the [Annual Appropriations Team in Finance](#) to discuss amounts to be included in the section 75 determinations.
201. In relation to corporate Commonwealth entities (CCEs), as there are different situations that apply when transferring functions involving CCEs, entities should contact the [Official Public Account \(OPA\) Administration and Banking Policy Team \(OPA Team\) in Finance](#) in the first instance.

202. For transfers of functions which are funded through special appropriations or special accounts, please see the [Appropriations – Special appropriations](#) and [Appropriations – Special accounts](#) sections.

Appropriations – identification

203. Affected entities must identify what appropriations are affected by a MoG change, the amount of appropriations to be transferred to the receiving entity to support the functions from the commencement date, and how those appropriations can be accessed. This may include:
- current year annual appropriations—Appropriation Act No's 1/3 Departmental and Administered (operating and/or capital budget) and Appropriation Act No's 2/4 (Payments to States, ACT, NT and local government, new administered outcomes, equity injections and/or administered assets and liabilities), including any [retained entity receipts](#) which may relate to the function being transferred
 - prior years' unspent annual appropriations (across the categories noted above), including any withheld and/or quarantined amounts
 - special appropriations, including special accounts, associated with the functions
 - other Commonwealth entities who may administered amounts on behalf of the transferring entity and who may need to continue to do so for the receiving entity.
204. Entities should ensure any amounts held in bank accounts relating to appropriations which are not required for upcoming payments are remitted back to the OPA for re-crediting against the relevant appropriation and subsequent transfer to the receiving entity.

Appropriations – retained entity receipts

205. [Section 74 of the PGPA Act](#) and [section 27 of the PGPA Rule](#) apply to NCEs. These sections allow NCEs to retain certain kinds of receipts related to their departmental operations by crediting the amounts to the entity's most recent departmental annual appropriation. These amounts are referred to as 'retained entity receipts'.
206. Where there is a MoG change, the receiving NCE is entitled to receive the amounts retained under [section 74 of the PGPA Act](#) and [section 27 of the PGPA Rule](#) relating to the function transferring. However, the following circumstance should be noted:
- if the transferring entity has retained prepayments for departmental goods or services that are now to be provided by the receiving entity, then the annual appropriation amounts to be transferred to the receiving entity must include such prepaid amounts
 - cash that forms part of a bank account balance held by a transferring entity's bank, but at the time of a MoG change is not required for upcoming payments, is to be transferred back to the OPA for re-crediting against the relevant appropriation in the Cash Management (CM) module of CBMS. To remit the amount back, the transferring entity should contact the [OPA Team in Finance](#)

[for assistance](#). This must occur before the calculation of the appropriations to be transferred has been undertaken.

- for annual appropriations - that cash can to be included in the amount transferred through an estimates update or by the section 75 determination
 - for special appropriations (including special accounts) - the available balance in the CM module can be accurate and up-to-date prior to being transferred to the receiving entity.
207. Retained entity receipts received after the date of the MoG change should be treated as revenue by the receiving entity in the period the cash is received, unless it is a repayment of an amount within the same financial year as the original payment. In this case, the relevant appropriation would be re-credited and the expense reduced.
208. Further information on the operation of section 74 of the PGPA Act and section 27 of the PGPA Rule is available in [RMG 307: Retainable Receipts](#).

Appropriations – special accounts

209. An NCE may have functions which are managed using a special account, such as those that involve the collection of fees or charges. Special accounts may either be established by a determination made by the Minister for Finance (under [section 78 of the PGPA Act](#)) or by provisions contained in an Act (under [section 80 of the PGPA Act](#)). Special accounts allow amounts collected from other parties to be retained and spent. All amounts held in special accounts are considered part of the Consolidated Revenue Fund (CRF) until spent.
210. The accountable authority for a special account is either specified in the special account determination, or in the Act containing the special account provisions.
211. When an AAO transfers ‘matters dealt with by the department’ and those matters utilise a special account, the relevant special account is usually transferred to the new department/entity on the date of effect of the AAO change. This applies to special accounts established either by a determination or by an Act.
212. The accountable authority of the receiving entity will be responsible for the special account, unless legislation allocates the special account to a specific official or an entity other than the receiving entity. Where the legislation allows, the portfolio Minister may choose to allocate management of a special account to a particular entity in his or her portfolio and in such instances the portfolio Minister should write to advise the Minister for Finance.
213. If the establishing determination or Act for a transferring special account requires amendment or needs to be repealed/revoked, the portfolio Minister should write to the Minister for Finance to request his or her agreement to the change.
214. The receiving entity will need to submit a form to set up relationships in CBMS before it is able to request cash from the OPA. CBMS forms are available from the [Finance website](#).
215. For further information on special accounts, see [RMG 100: Guide to Appropriations](#).

Appropriations – special appropriations

216. A special appropriation is a type of appropriation contained in an Act which allows money to be drawn from the CRF.
217. When an AAO transfers ‘matters dealt with by the department’ and those matters utilise a special appropriation, the relevant special appropriation is transferred on the date of effect of the AAO.
218. The accountable authority of the receiving entity will be responsible for the special appropriation, unless legislation allocates the special appropriation to a specific official or an entity other than the receiving entity. A portfolio Minister may choose to formally delegate management of a special appropriation to any relevant entity in his or her portfolio and in such instances the portfolio Minister should write to advise the Minister for Finance.
219. The receiving entity will need to submit a form to set up relationships in CBMS before it is able to request cash from the OPA. CBMS forms are available from the [Finance website](#).
220. After the creation of a CBMS relationship for the receiving entity by Finance, the receiving entity will need to enter budget estimates against that item in the Estimates Module and request the relevant Agency Advice Unit (AAU) to validate the estimates. The transferring entity must also enter adjustments to remove the estimates for that item from the date of the MoG change onwards.
221. Affected entities should also request the [OPA Team in Finance](#) adjust appropriation balances in the CM module of CBMS to reflect the MoG change. Finance will ensure that the CBMS adjustments entered net off across the transferring and receiving entities.
222. Where the transferring entity continues to draw amounts on behalf of the receiving entity, third party drawing access to these appropriations may be required. Affected entities should contact the [OPA Team in Finance](#) to request a copy of the form.
223. After the transfer of cash and estimates data, Finance will deactivate these programs and items once no data remains in the transferring entity’s old programs.
224. For further information on special appropriations, see [RMG 100: Guide to Appropriations](#).

Annual estimates

225. The established protocols of ‘employees follow function’, ‘finances follow function’ and ‘obligations follow function’ also apply to the transfer of annual estimates for the forward years.
226. Internal budget supplementation and reductions are reflected in the transfer of annual estimates for the forward years so that no unfunded positions or activities are transferred. Affected entities may wish to agree the transfer of annual estimates through an exchange of letters at the CFO level, or higher if appropriate.
227. Once agreed, adjustments should be entered in CBMS to reflect the transfer of annual estimates.

Assets and liabilities

228. Entities are required to record the transfer of assets and liabilities at the value recognised in the books of the transferring entity as at the transfer date. Entities may wish to use the transferring entity’s last

monthly financial statements as a starting point for the calculation of the net book values of assets and liabilities to be transferred.

229. Assets and liabilities transfer between entities when control passes from one entity to another, or when effective administrative responsibility transfers for administered items.
230. For further information on transfers of assets and liabilities including valuation, please see:
- [RMG 118: Accounting for Machinery of Government Changes](#)
 - [RMG 125: Commonwealth Entities Financial Statements Guide](#)
 - [Public Governance, Performance and Accountability \(Financial Reporting\) Rule 2015 \(FRR\)](#).

Audit committees and fraud control plans

231. The accountable authority of the receiving entity will need to ensure that its audit committee complies with the requirements of the resource management framework ([section 45 of the PGPA Act](#) and [section 17 of the PGPA Rule](#)). In particular, the accountable authority must ensure that the audit committee consists of persons who have appropriate qualifications, knowledge, skills or experience to assist the committee to perform its functions.
232. Note that the audit committee of an entity affected by a MoG transfer may need to ensure that their skills base relates to any new business and is no longer focussed on matters that have transferred to another entity.
233. For further information, see [RMG 202: Audit Committees](#).
234. Accountable authorities are also responsible in ensuring their entities have appropriate fraud control arrangements, and in setting the ethical tone within their entity. [Section 15 of the PGPA Act](#) provides that an entity's accountable authority must manage the affairs of the entity in a way that promotes proper use of the Commonwealth resources, the achievement and purposes and the financial sustainability of the entity for which the accountable authority is responsible.
235. [Section 10 of the PGPA Rule](#) provides that an accountable authority must 'take all reasonable measures to prevent, detect and deal with fraud', including conducting a fraud risk assessment when there is a substantial change in the structure, functions or activities of the entity and developing and implementing a fraud control plan for the entity that deals with the identified risks as soon as practicable after conducting the assessment.
236. For more information, see the [Commonwealth Fraud Control Framework on the Attorney-General's Department website](#).

Average Staffing Level (ASL)

237. The ASL policy applies to functions within the Commonwealth General Government Sector (GGS). Where employees are employed by an entity to undertake a function within the GGS, the ASL equivalent is included when calculating the entity's ASL allocation and its portfolio cap.

238. ASL is defined as the average number of employees (ongoing and non-ongoing) receiving wages or salaries over the financial year, with adjustments for casual and part-time employees, to show the average full-time equivalent. It includes agency heads/accountable authorities, statutory officer holders (except for appointees to judicial and related office positions), board/committee members, uniformed employees and overseas personnel, but excludes contractors and those employees on unpaid leave. Unfunded positions do not count towards ASL – see [Annual estimates section](#) for more information.
239. MoG changes may affect individual portfolio ASL caps, which increase or decrease the cap based on the agreed transfer of ASL between entities and/or portfolios ('employees follows function'). Where an entity takes on responsibility for a new function or employees from another entity, the ASL equivalent of any person transferred is added to the receiving entity's ASL allocation and its portfolio cap, and removed from the transferring entity's ASL allocation and its portfolio cap. Transfers within the Commonwealth GGS must result in either a net nil impact or a reduction in ASL at a whole-of-government level.
240. Where positions associated with a function are funded but are currently unfilled, transferring entities should transfer both the ASL allocation and funding associated with those positions.
241. For further information, including the methodology for calculating ASL, entities should refer to the most recent guidance issued on ASL (available via CBMS), or contact their AAU.
242. Entities may consider using the New Policy Proposal — Standard Departmental Costing Template (SDCT) to calculate funding to be transferred with ASL, where the transferring entity does not have an appropriate internal cost allocation model in place and where this is agreed as an appropriate tool by both the transferring and the receiving entity. A copy of the SDCT, along with the associated Standard Departmental Costings Model Principles, can be downloaded from CBMS.

Bank accounts

243. NCEs must operate bank accounts in accordance with the PGPA Act and policy guidance on managing cash. Additional advice on banking arrangements will be provided to affected entities by Finance following the announcement of each MoG.
244. Entities must advise both the [OPA Team within Finance](#) and the Reserve Bank of Australia when a new bank account is opened, or if an existing bank account is amended or closed. Notification to both parties is required regardless of the transactional bank used.
245. Entities affected by a MoG should consider the impacts to their banking arrangements. Some of those impacts may include:
 - a need to transfer bank accounts to the receiving entity
 - establishing new primary accounts (i.e. a bank account that can receive drawings from the OPA)
 - returning bank account balances to the OPA
 - changes to the bank account 'type' (i.e. departmental/administered).
246. For further guidance, refer to [RMG 413: Banking and management of CRF money](#).

CBMS – access

247. CBMS users in both the transferring and receiving entities will need to have their CBMS access profiles reviewed and updated. Users will be required to submit a [CBMS Access Form](#) indicating on the form whether they need to Add Access or Remove Access. The form needs to reflect the total access required not just the changes. Further information can be found on [Finance’s website](#).
248. Receiving entities may also need to request relationships be created between new programs and existing appropriation items (see the [Appropriations — Special appropriations](#) and [Appropriations — Special accounts](#) sections).
249. CBMS users will need to update their contact details with the OPA Team in order to receive advice on the payment status of transactions under the New Payments Platform.

CBMS – Cash Management (CM) module

250. Agency Advice Units (AAUs) must be notified of the transfer of functions between entities, as they will need to approve structural changes in CBMS to reflect the change.
251. This will allow entities to submit drawing requests against appropriations that they administer. Entities should remove any future dated drawings in the CM module they no longer retain authority to spend. Entities should contact the [OPA Team in Finance](#) if they require assistance with reflecting MoG changes in the CM module of CBMS.

CBMS – changes to estimates and actuals

252. Following the completion of any [CBMS structural changes](#) and [agreement between CFOs on appropriation amounts](#) and [forward estimates amounts](#) to be transferred, Finance will advise entities when they will be able to process the necessary estimates and actuals adjustments in CBMS.
253. Changes to estimates in CBMS will usually be made in the next available estimates update following the MoG change. Finance can assist, where required, in moving the estimates between entities.
254. Change to actuals reporting should be made during the monthly or annual actuals reporting period following the date of effect of the MoG changes.

CBMS – changes to structures

255. The Reference Data Set (RDS) provides the framework for data entry and reporting in CBMS. Finance will generally notify entities about RDS changes required in relation to MoG changes. To ensure all relevant changes are made in CBMS, entities must notify the relevant AAU and complete the [RDS Workbook available on the Finance website](#). The following changes are required to be reflected in CBMS:
 - changes to existing portfolios
 - changes to existing entities

- new portfolios
 - new entities
 - changes to appropriation items (see the [Appropriations – Special appropriations](#) and [Appropriations – Special accounts](#) sections)
 - changes to existing outcomes and programs, noting there are separate approval processes associated with (a) new or amended outcome statements, (b) new programs, and (c) merging or combining programs
 - new outcomes and programs, noting that there are separate approval processes associated with (a) new or amended outcome statements and (b) new programs.
256. In some instances, when an entity transfers to a different portfolio, its existing programs will need to be duplicated, with cash balances in the CM module and estimates in the Annual Estimates module moved from the old programs to the new programs. Finance will arrange for these transfers in CBMS and will consult with entities on the timing of these transfers.

CBMS – third party drawing access

257. Changes to third party drawing access in the CM module may be required following MoG changes.
258. Third party drawing access is an arrangement where an appropriated entity authorises another entity (the drawing entity) to access the appropriated entity's appropriation in CBMS for drawing, receipts and journals.
259. The entity that administers the relevant appropriation (i.e. the appropriated entity) remains responsible for entering estimates and actuals data in CBMS, and for reporting in Portfolio Budget Statements (PBS), Portfolio Additional Estimates Statements (PAES) and annual reports (including the amounts of cash expended by the drawing entity). Additional guidance on third party arrangements can be obtained from the [OPA Team in Finance](#).

Charging and cost recovery arrangements

260. A receiving entity may need to implement new procedures if it gains a charging activity. There may be value in the receiving entity picking up relevant procedures from the transferring entity.
261. A transferring entity should transfer any revenue retained from charging arrangements, whether for direct or indirect costs of the activity being transferred.
- in the absence of a specific decision by Government, there should not be any accumulated 'surpluses' resulting from a charging activity, irrespective of the classification of the activity within the Australian Government Charging Framework, whether the funding is classified as departmental or administered, or the mechanism under which revenues are retained (for example, section 74 of the PGPA Act, special account, etc)

- where there is a specific Government decision allowing the retention of accumulated surpluses to cover certain direct and indirect costs associated with the charging arrangements, for example capital costs, these accumulated surpluses should be transferred to the receiving entity.
262. For information regarding charging activities (including cost recovery activities) please refer to s27(2) of the PGPA Act Rule, the [RMG 302: the Australian Government Charging Framework](#), or contact the [Charging Policy Team in Finance](#).

Competitive neutrality

263. All government businesses are required to apply competitive neutrality policy. Competitive neutrality aims to foster competitive markets by neutralising the potential of government businesses to distort markets and by improving the efficiency of government businesses. For information regarding the management of competitive neutrality arrangements, please refer to the [Australian Government Competitive Neutrality Policy Statement](#) and the [Australian Government Competitive Neutrality Guidelines for Managers](#).

Corporate plan requirements

264. Following a MoG change, the accountable authority of both the transferring and the receiving entity will need to consider if a variation to the entities corporate plan is required.
265. For further information see:
- [sections 16E and 16F of the PGPA Rule](#)
 - [RMG 132: Corporate plans for Commonwealth entities](#), or
 - contact the [PGPA Advisory Team in Finance](#) for advice on corporate plan requirements.

Delegation of powers

266. The accountable authority of an NCE with new functions may need to delegate his or her powers under the PGPA Act and PGPA Rule to other appropriate officials (such as the CFO) so that they can undertake financial activities on behalf of the entity.
267. Further information on delegations of powers can be found on the [Finance website](#).
268. One such scenario where delegations may be appropriate is where there are travelling employees and credit cards:
- where a MoG has immediate effect, consideration must be given to communication with employees who are away from their normal workplace, such as travelling interstate or overseas
 - the receiving entity should consider the application of any whole-of-government delegations and relevant internal sub-delegations for transferring employees
 - employees who are travelling will typically be using a whole-of-government travel card, which will continue to operate

- transferring entities should seek to make contact with any employees who are travelling to alert them of the MoG change and to advise them of possible impacts to them, including in relation to delegations they may exercise while travelling.

Employee leave entitlements

269. For advice on accounting for MoG changes, including a method to calculate funding to be transferred for employee entitlements, please refer to [RMG 118: Accounting for machinery of government changes](#). The effective date for calculating the funding for employee entitlements to be transferred is the date on which the employee transfers became effective under the PS Act or other relevant legislation.
270. It is imperative that entities finalise the list of transferring employees well before the completion date for the MoG change, as this can delay the calculation of funding and the value of assets and liabilities to be transferred.
271. For advice on how to calculate the value of employee entitlement liabilities to be transferred, please refer to [sections 25 to 26 of the FRR](#) and the [Employee benefits section of RMG 125: Commonwealth Entities Financial Statements Guide](#).

Financial reporting arrangements

272. Accountable authorities of entities are required under [section 42 of the PGPA Act](#), to provide annual financial statements to the Auditor-General.
273. [Sections 17A to 17K of the PGPA Rule](#) provide the reporting the arrangements that may apply under various MoG scenarios.
274. Additional information on financial reporting in respect of restructures is available in the following documents:
 - [section 26 of the FRR](#) relating to ‘Restructure of administrative arrangements’
 - [RMG 118: Accounting for Machinery of Government Changes](#)
 - [RMG 119: Reporting requirements following Machinery of Government Changes](#).
275. Please [contact Finance](#) for more information.

Grants

276. Affected entities should refer to [RMG 100: Guide to Appropriations](#) and the [Commonwealth Grants Rules and Guidelines](#) for the implications for grants. In particular, the transferring entity should agree with the receiving entity as to the date of the transfer of grants and associated information. Affected entities should also contact the [GrantsConnect Team](#) in Finance to update grants details.
277. Where transferring grants programs are delivered through a grants hub, the programs must continue to be delivered by a hub on behalf of the receiving entity. Please [contact the Grants admin team in Finance](#) for more information if required.

278. Funding for programs which are administered using a grants hub arrangement should transfer to the receiving entity. Where the receiving entity has an existing MoU with a grants hub, it should consider establishing a new, or amending the existing, MoU to cover the new grants programs.
279. Where transferring grants programs have not been delivered by a grants hub, the receiving entity should:
- determine whether it has the necessary appropriations and delegations to support the administration of these grants programs
 - have regard to the Commonwealth grants policy framework in the [Commonwealth Grants Rules and Guidelines](#) concerning the requirements that apply to Commonwealth grants.

Holding a function for less than a year

280. The ‘finances follow function’ protocol provides that annual appropriations devoted to a function at the point of the MoG change be transferred to the receiving entity.
281. If an entity holds a function for less than a year that is transferred to another entity before the end of the financial year, there should be a clear relationship between the funding that was received by the entity for the function and the funding that is transferred to the receiving entity.
282. However, entities can structure themselves differently and an entity may quickly integrate the function into the organisation. This could influence the funding transferred and this should be a consideration in negotiating funding.

Insurance

283. Both the transferring and receiving entities should [contact Comcover](#) to have their risk profiles reassessed and to arrange adjustment of their insurance premiums and coverage.
284. Any current claim(s) or litigation(s) that will be transferred to the receiving entity must be considered in implementing the MoG change.

Outcome statements and program structures

285. Receiving entities may need to create new or amend existing outcome statements where the transferring function does not fit within its current outcome statements. In a MoG context, entire outcome statements may be copied from the transferring entity to the receiving entity through section 75 determinations.
286. Any new outcome statements for the receiving entity or amendments to the receiving entity’s existing outcome statements must be approved by the Minister for Finance, and will need to be supported by legal advice.
287. If you are considering a new outcome statement, please contact [the Annual Appropriations Team in Finance](#).

288. When assessing the requirement for outcome statement changes, entities should also consider whether changes are necessary to the list of Government-endorsed programs in CBMS, resulting from changes either to program structures or because of movement of programs between outcomes and/or entities. See the [CBMS—Changes to Structures section](#).

Portfolio budget statements

289. Entities who receive an annual appropriation impacted by MoG changes should ensure they report their new structure and current information in their Portfolio Budget Statements (PBS) or Portfolio Additional Estimates Statements (PAES). Depending on when section 75 transfers are agreed, the change should be reflected in either the next PBS or PAES publication, whichever is the earlier.
290. Where section 75 determinations have not been made in time to be reported in the next PBS or PAES, entities should add a note clarifying that further details of their MoG change will be reported in the next published PBS or PAES, whichever is the earlier.
291. Entities need to ensure they reflect the correct structures and splits in their:
- entity resource statement
 - outcome, program and performance information
 - budgeted financial statements.
292. For further information, entities should refer to the relevant guidance on the PBS and/or PAES issued prior to each Budget update, and available on the [Finance website](#). This guidance includes a preparation guide that contains a section on reflecting MoG changes.

Procurement

293. There may be implications for an entity's procurement agreements, including contracts, deeds, MoUs or other form of agreements.
294. In the first instance, contact your entity's central procurement unit for assistance regarding receiving or transferring procurement.
295. Further information regarding procurements, including whole-of-government arrangements, is available on the [Finance website](#).
296. Any queries relating to AusTender transition for approaches to market and/or reporting standing offers and contracts, including transfers of responsibility to the receiving entity, should be directed to the [AusTender Help Desk](#). For information on reporting requirements following a MoG change, see [RMG 119: Reporting requirements following machinery of government changes](#).
297. Any queries relating to ICT procurement should be directed to the [Digital Transformation Agency's \(DTA's\) ICT Procurement team](#).
298. [Finance's Procurement Policy Team](#) can also provide MoG-specific procurement advice to entities.
299. A new or a receiving entity should consider the application of any whole-of-government delegations and relevant internal sub-delegations for the transferring employees.

300. Where there is a change in an entity's name, contracts will typically continue without any immediate action as [section 19C of the Acts Interpretation Act 1901](#) allows references to departments and APS entities to be read as the new name(s).

Property management/leasing

Property overview

301. [Property and Construction Division \(PCD\) in Finance](#) provides assistance with coordinating and aligning property needs across the Commonwealth.
302. Finance does this through a number of policies and processes. These include the whole-of-government [Property Services Coordinated Procurement \(PSCP\) Arrangements](#), Property Service Providers (PSPs) assigned to entities, the engagement of a Strategic Property Adviser (SPA) for the Commonwealth, and the development of the Commonwealth Leasing Strategy (CLS).
303. The [Commonwealth Property Management Framework \(RMG 500\)](#) is mandatory for NCEs and supports best practice by other entities. It supports informed decision-making and provides guidance to entities on their responsibilities across a broad range of property matters including planning, funding, leasing, ownership, management, disposal and reporting.

MoG changes and property

304. The general operational protocol that 'employees, finances and obligations follow functions' in MoG changes also applies to property. This means that the starting position should be that the property that is occupied by employees in the transferring entity is transferred to the receiving entity, with employees not expected to physically relocate in the short-term. This outcome can be supported through the use of mechanisms such as lease assignment, subleasing or MoUs. As with other MoG matters, it is expected that affected entities will cooperatively negotiate and resolve property matters, and there may be readily available options that more fully meet the needs of all affected entities.
305. Adopting this whole-of-government approach supports cost-effective outcomes by avoiding the need for entities to add space to the Commonwealth-leased property estate in an attempt to co-locate employees following MoG changes. The APS has demonstrated its ability to successfully work virtually and remotely (subject to some specific operational requirements), including appropriate support to employees. Arrangements such as flexible and hybrid work can help to drive more efficient property management practices and utilisation whilst maintaining continuity of service.
306. Entities can [contact PCD](#) for advice on property utilisation and planning. This includes accessing the SPA for strategic property advice, and advice on how options such as subleasing, MoUs, flexible working and other approaches can be used by entities to maintain an efficient property footprint.
307. Under the PSCP Arrangements, PSPs are required to support entities to implement MoG changes, including working collaboratively with and sharing information between PSPs. For entities that have transitioned to the PSCP Arrangements, PSPs can assist with property-related due diligence activities

(for example, leasing data, property contracts, asset information and financials) and transition execution (for example, transfer of property information, contract novation and relocation). Entities can contact PCD regarding the PSP scope of services related to MoGs.

308. Entities need to [contact PCD](#) to determine whether MoG changes impact PSCP Arrangements, particularly if the function or entity moves from non-APS to APS or vice versa.
309. Newly formed entities should [contact PCD](#) to determine if there is existing suitable Commonwealth property available to facilitate the entity's establishment. PCD can also assist these entities to be certain of their legislative and policy responsibilities in relation to the acquisition of property, including through leasing, and the requirement to transition to the PSCP Arrangements.
310. Entities that cease to exist because of a MoG change should [contact PCD](#) to work through any implications on existing property-related contracts.

Property in the longer-term

311. All entities must update their [Property Management Plan](#) (PMP) as necessary to address changing business requirements, including to reflect changed property holdings and their future property strategy following MoGs. Entities submit their PMP to Finance on an annual basis to inform whole-of-government planning. PSPs can develop these plans as an additional service under the PSCP Arrangements.
312. Entities that wish to make longer term changes to their property footprint following a MoG change, such as consolidating space or relinquishing leases, are supported through the CLS and related activities. The SPA develops the CLS annually (and can consider specific revisions on an as-needed basis) to support whole-of-government leasing outcomes and maximise value for money.
313. Entities should be aware of [RMG 500: Commonwealth Property Management Framework](#), which provides guidance to new and existing entities on their property requirements and responsibilities on broad range of property matters including planning, funding, the lease endorsement process, management of property and ownership and disposal of property. Noting the increasing use of flexible or hybrid working arrangements across the APS, entities should consider the necessity and/or scale of physical relocations of employees given the APS' demonstrated ability to work remotely.
314. [PCD in Finance](#) can assist when entities require advice on implications of MoG changes on property.

Relocation costs

315. The general expectation is that entities should bear their own re-location costs.
316. It is reasonable to expect that a transferring entity would pay for:
 - physical movement of employees, furniture, equipment and files
 - downloading of information and other ICT activities relating to the move, including Freedom of Information (FOI) and Information Publication Scheme obligations (such as the proactive publication of public sector information)

- updating internal records.
317. Receiving entities would be expected to pay for the costs of establishing the transferred employees in their new premises, including re-loading information, setting up access to the network, security arrangements, and updating internal records.
318. The receiving entity should also comply with any [Public Works Committee](#) notification or referral requirements applying to the relocation project (in accordance with the thresholds) prior to commencing any fit out works.

Security clearances

319. Security clearances are governed by the [Attorney-General's Department's Protective Security Policy Framework](#).
320. Transferring entities must provide receiving entities with information on, and arrange for the transfer of, current security clearances held by affected employees.
321. Where the receiving entity requires a higher clearance for transferring employees as a condition of employment, the receiving entity is responsible for discussing and arranging the upgrade with the employees.
322. For more information on transferring security clearances, please see the [Australian Government Security Vetting Agency \(AGSVA\) website](#).

Superannuation

323. Where MoG changes occur, entities will need to contact the [Funds and Superannuation Branch in Finance](#) about the implications for membership of the civilian defined benefit schemes.

Taxation

324. MoG changes will have implications for entities' Pay as You Go (PAYG) withholding, fringe benefits tax (FBT), Goods and Services Tax (GST) and Business Activity Statement (BAS) returns, as well as funding agreements and contracts.
325. Entities may also need to update business and legal names in addition to Australian Business Numbers (ABNs).
326. Entities should contact the Australian Securities and Investments Commission and the Australian Taxation Office for advice on how to update these details.
327. For further information, please refer to the following websites:
- [GST and machinery of government changes](#)
 - [Updating government ABNs](#)
 - [Government body names](#).

8. Movement of Corporate Functions and Shared Services

Entities deliver their corporate services through different operating models. Negotiating an agreement for the transfer of corporate employees, ASL allocations, assets, liabilities, systems, accommodation and appropriations can be complex.

The underlying focus is to achieve the most efficient and effective whole-of-government outcomes in support of the Government's objectives.

Entities are expected to implement the MoG change in a way consistent with the MoG principles and operational protocols outlined in the [Executive Summary](#).

Corporate functions

328. The movement of corporate employees and their associated ASL allocations, assets, liabilities, systems, accommodation and appropriations is for negotiation between affected entities. There is an expectation that a proportion of corporate employees who have been providing support will move with the transferring function ('employees follow function').
329. Corporate functions may span finance, human resources, ICT, communications, ministerial/parliamentary, legal, records and information management, and other enabling services areas.
330. For a straightforward MoG change where corporate delivery models are similar, internal cost allocation methods are comparable and entities are experienced in implementing MoG changes, it may be appropriate for the transfer of corporate resources to be proportionate to the number of other employees moving from one entity to another.
331. Where a MoG change affects multiple entities, or where corporate services are delivered and/or costed in different ways, then identifying employees to transfer, and agreeing on the transfer of assets and funding can be more complex.
332. Generally, decisions on the transfer of corporate employees and associated ASL, assets, liabilities, systems, accommodation and appropriations following a MoG change should allow all affected entities to continue to deliver their corporate services in accordance with their existing operating models.
333. For further information on ASL, please see the [Average Staffing Level \(ASL\)](#) section.

Where a MoG change is large and/or complex

334. Defining what make a MoG change complex is difficult. However, factors that would indicate that a MoG is complex include:

- the scale and value of the functions being transferred, relative to the size of the transferring and/or receiving entity
 - the transfer impacting multiple outcomes, programs and business functions
 - the transfer being geographically diverse
 - the transfer involving substantially different or numerous corporate systems and platforms
 - requirements for legislative change.
335. If the MoG change is large and/or complex, the New Policy Proposal—Standard Departmental Costing Template (SDCT) and associated Standard Departmental Costings Model Principles should provide a starting point for discussions around the transfer of corporate functions.
336. Where the SDCT is not used, affected entities should develop and agree on a methodology to cost the corporate functions to transfer that reflects the likely cost of providing corporate functions to support transferred employees, without unduly impacting on the transferring entity. This methodology may be based on a combination of each entity's cost and employee allocation models or internal budget models, as well as the SDCT.
337. Corporate employee costs will include salaries/wages as well as related on-costs such as annual and long service leave expenses, personal leave expenses (where industrial instruments/legislation allow portability of leave) and superannuation expenses. Corporate asset (including systems and fit-outs) related costs may include maintenance and replacement costs, particularly those already factored into the budget estimates in CBMS and/or agreed to by the Government.
338. As MoG transfers should represent the cost of delivery, it may be inappropriate to use the SDCT where this would result in a windfall gain to one entity from the transfer of corporate services. Entities should take into account all funded positions associated with the transferring corporate functions, both filled and unfilled, as well as any related cost recovery arrangements that may be in place.
339. If there is no agreement to use the SDCT, the funding transferred should be the total expenditure that the transferring entity was going to commit to the function prior to the announcement of the MoG change.

Where a MoG change is small

340. In the case of small and less complex MoG transfers, the SDCT should be used as the default to calculate the corporate services funding to be transferred, if there is no agreement between by the affected entities on an alternative model.

Shared Services

341. Where one or more entities involved in a MoG have shared services arrangements, transfer of employees and contractors, ASL, assets and appropriations should be addressed through negotiations between the parties that give consideration to the delivery models of the entities.

342. For ASL transfers relating to shared services outside of a MoG, for example, an entity onboarding to a shared services provider hub, entities can seek advice from the [Shared Services Policy and Governance team in Finance](#).
343. If a MoG requires that a change be made to an MoU covering shared services, the relevant entities will promptly and cooperatively review and execute any consequent changes to, or termination of, the MoU by the completion date of the MoG change. Entities should also engage early with their shared services provider to either agree on a timeframe for on-boarding or agree on transitional arrangements.
344. Where part of a transferring entity's corporate functions involve the provision of shared corporate services, including ICT systems or property, to other entities including the receiving entity, it may be appropriate for the receiving entity to enter into an MoU or service agreement for the continued provision of services on a fee for service basis, rather than transferring employees, assets and liabilities associated with the shared corporate services being provided. Appropriations for the services being provided will still be transferred to the receiving entity. The transferring entity should seek advice from the [Shared Services Policy and Governance Team in Finance](#) as to whether there are any implications for their status as a hub/provider as a result of the MoG change.

9. Records Management

Information held by entities is a valuable national resource. Records are a core strategic asset. The proper treatment of all forms of records is a key consideration in a MoG change.

Entities are to ensure that information and records pertaining to the business activities and functions are transferred to and/or shared with receiving entities.

Entities are expected to implement the MoG change in a way consistent with the MoG principles and operational protocols outlined in the [Executive Summary](#).

Movement of records

345. As an established protocol, 'records follow function'. However, where a function moves into the private sector in general, the associated records must remain in the custody of the Commonwealth by law.
346. Decisions to transfer or not transfer records must be recorded in the records management systems of both the transferring and the receiving entities.
347. Records must be retained in accordance with the [Archives Act 1983](#) and the [Evidence Act 1995](#).

National Archives of Australia (NAA)

348. Information on how to transfer records is available from the [NAA's Transferring Information webpage](#).
349. Questions relating to records management in a MoG change should be referred to [NAA's Agency Service Centre](#).
350. As soon as practicable, entities are expected to advise the NAA on how functions have been re-allocated so that:
 - administrative histories and metadata maintained by the NAA can be updated
 - the entity responsible for controlling records in NAA's custody can be updated
 - records authorities can be re-attributed to receiving entities as necessary.

Managing the transfer

351. Deciding on what is to happen to entity information, records, data and records management systems is a key component of due diligence. See the [Due Diligence and Change Management](#) section.
352. The transferring entity needs to identify all records relating to the business being transferred and provide the receiving entity with:
 - control records for the series being transferred
 - copies of transfer documentation for records in the custody of the NAA or service providers
 - copies of records authorities relating to the transferred records

- details of storage, maintenance or other charges relating to the transferred records
- information held on the internet—this may need to be captured, archived or transferred
- personnel records such as attendance records, medical certificates and leave forms.

353. The receiving entity needs to:

- check received records are complete against the control records, indexes and other lists or information supplied
- retain the records in their original series. Inherited records should not be re-numbered into current or new series because the original context of the records will be changed
- confirm which records are held by the NAA and service providers
- ensure relevant documentation, including information about charges, contracts and outstanding debts, has been received.

354. Information about the Digital Service Standard, including requirements for the archiving of websites, is available from the [DTA website](#).

355. Entities must retain information not published on entity's websites that may be required for FOI and open public sector information purposes.

Privacy

356. Personal information held by the existing entity must be assessed prior to being transferred to the new entity to ensure compliance with the [Privacy Act 1988](#). Particular care should be given to ensure personal information transferred to the new entity is relevant to the functions or activities of the new entity.

Freedom of Information (FOI) requests

357. Entities must consider the implications for FOI and the Information Publication Scheme. Relevant FOI requests must be transferred between entities following a MoG transfer. Further information is available from the Office of the Australian Information Commissioner.

10. Information and Communications Technology

Information and communications technology (ICT) matters should be addressed early in the MoG change process. This can involve significant time and resources to resolve and implement. Poor planning will increase risk and may increase costs.

Entities are expected to implement the MoG change in a way consistent with the MoG principles and operational protocols outlined in the [Executive Summary](#).

ICT strategy/plan

358. As soon as the MoG change becomes known, affected entities should undertake an assessment of the impact of the MoG change on the transferring function's requirements for systems, applications and networks, with a view to ensuring business continuity of the transferring function throughout the MoG implementation process.
359. Entities should identify the transferring function's requirements for the first day of operations following the MoG change, as well as those systems or applications that will need to be transferred later on.
360. Where there are complex systems and applications involved, receiving entities may need to develop a plan for the transfer, which may include putting in place transitional arrangements or entering into a MoU or service agreement with the transferring entity to operate and maintain the systems and applications on the receiving entity's behalf.
361. In developing an ICT strategy/plan as part of the [due diligence process](#), consideration should be given to:
 - migrating databases, electronic mail and personal drives
 - diverting electronic mail and phone calls where necessary (generally only necessary if a function has many external stakeholders or where policy/program guidelines have recently been widely promulgated)
 - developing programs to upload personnel and financial data from the transferring entity's systems to the receiving entity's systems
 - arranging for transfer of existing software (having due regard for any licensing issues) and hardware, including desktop computers, printers and file servers, or where incompatible, acquiring new software and hardware
 - whether novation of contracts relating to outsourced computer services is required
 - on-boarding of transferring employees to the receiving entity's network, systems and applications, including provision of training as required
 - exit procedures for transferring employees, including return of equipment and changes to systems/network and building access

- updating domain name ownership
- configuring firewalls/gateways where affected employees still need access to the transferring entity's or a third party's (i.e. shared services provider) systems/applications/network
- creating new logons and email addresses early on for transferring employees
- arranging for information in all formats including records and data to be transferred from the transferring entity to the receiving entity or archived (note that previous website data must be retained not only for archiving purposes but also for FOI purposes)
- installing cabling, outlets and associated network/communications equipment and hardware in the new accommodation
- sharing information on disaster recovery/business continuity plans, and procedures for the operation and maintenance of systems and applications
- details of any capital investment plans, funding and current or planned ICT procurements associated with the transferring function.

ICT funding and capital management plans

362. Transferring entities should provide receiving entities with details of any funding provided by Government for the acquisition, replacement or maintenance of ICT assets. This may include a portion of the transferring entity's departmental or administered capital budget.
363. Transferring entities should also provide receiving entities with a copy of or relevant extracts from their most recent capital management plan which sets out the profile of budgeted expenditure for the transferring function.

ICT checklist

364. The following provides a checklist related to ICT specific aspects of MoG changes. It draws on information and advice provided by entities that have had recent experience in implementing MoG changes.
365. ICT checklist items for consideration:
- assets
 - data migration/transfer
 - business and corporate systems, along with associated contractors and consultants
 - contracts and procurement
 - phone directory services/email arrangements
 - domain names and websites
 - government online services
 - network services

- outward facing contacts
- access to parliamentary workflow systems
- records management and archiving
- security
- service desks and hotlines
- shared drives
- shared services/hosting arrangements.

366. Entities may wish to refer to the Common Tasks Tool for a listing of common tasks and activities associated with implementing MoG changes, available under [Tools and templates on the Finance MoG changes webpage](#).

11. MoG Scenarios - APS Entity to Non-APS Commonwealth Entity

A MoG change can lead to the movement of a Commonwealth function from an APS entity operating under the PS Act to a Commonwealth entity that is not an APS entity and operates under different legislation.

Entities are expected to implement the MoG change in a way consistent with the MoG principles and operational protocols outlined in the [Executive Summary](#).

367. This chapter provides additional information for entities where functions, employees and/or resources are moved from an APS entity to a non-APS Commonwealth entity.

Movement of people

Legislative basis

368. [Section 72\(1\)\(b\) of the PS Act](#) gives the Commissioner the authority to move an APS employee to an entity that is not an APS entity. See [People Management section](#).
369. Entities should consider whether legislation to facilitate the movement of employees out of the APS is required.

Terms and Conditions

370. Where an employee from an APS entity moves to a non-APS Commonwealth entity, the employee is entitled to have their pay and conditions maintained until the next amendment to the relevant industrial award or instrument ([section 72\(3\) of the PS Act](#)). See [Pay and Conditions section](#).
371. As not all moves will automatically be a transfer of business, entities should seek legal advice.
372. Entities should be aware that the [Maternity Leave \(Commonwealth Employees\) Act 1973 \(ML Act\)](#) only automatically covers APS entities. This means that when an entity moves out of the APS, its employees are no longer covered and maternity leave provisions are conferred by the entity's industrial instrument. Where there are compelling arguments to maintain coverage of the ML Act, there is an option for an entity to be prescribed by the [Maternity Leave \(Commonwealth Employees\) Regulations 2017](#) as an entity covered by the ML Act. The entity should commence discussions with the APSC and PM&C very early if it intends to explore this option, as the process to consider the request to amend the Regulations is a lengthy one. The [APSC can be contacted](#) for further advice.
373. Coverage of the [Long Service Leave \(Commonwealth Employees\) Act 1976 \(LSL Act\)](#) is not usually affected by movement out of the APS. The LSL Act generally covers persons employed under a law of the Commonwealth. If an entity is in doubt about coverage under the new arrangement, it should consult with the APSC and/or seek legal advice.

Returning to the APS

374. Generally, employees who have moved out of the APS as the result of a MoG change cannot apply for positions in the APS advertised as available to APS employees only. Exceptions include:
- employees who transfer to an entity operating under the [Parliamentary Service Act 1999](#) are able to re-enter the APS under mobility provisions in the PS Act
 - where provisions are included in enabling legislation for the receiving entity.
375. Entities should note that arrangements to facilitate the re-entry of former APS employees are rare. Entities should contact the APSC as soon as possible if considering this.

Excess employees

376. Where the receiving entity indicates that it will require fewer employees to perform the transferred function, entities will negotiate the management of excess employees.
377. To maximise excess employees' opportunity to find work in the APS it may be appropriate to facilitate redeployment to other APS entities before the administration of the MoG change is completed.

Governance and financial management

378. For advice on governance, funding, banking and financial arrangements, please [contact Finance](#).

12. MoG Scenarios - Non-APS Commonwealth Entity to an APS Entity

A MoG change can lead to the movement of a Commonwealth function from a Commonwealth entity that is not an APS entity (i.e. an entity that does not operate under the PS Act) to an APS entity.

Entities are expected to implement the MoG change in a way consistent with the MoG principles and operational protocols outlined in the [Executive Summary](#).

379. This chapter provides additional information for entities on the transfer of functions, employees and resources to an APS entity from a non-APS Commonwealth entity.
380. Organisations moving into the APS are encouraged to consult Finance and APSC early in the process to discuss the move.

Movement of people

Legislative basis

381. [Section 72\(1\)\(c\) of the PS Act](#) gives the Commissioner the authority to move an employee from a non-APS Commonwealth entity to an APS entity. See [People Management section](#).
382. Entities should consider whether any additional legislation is required to facilitate the movement of employees into the APS.

Terms and Conditions

383. Where an employee from a non-APS Commonwealth entity moves to an APS Commonwealth entity, their terms and conditions of employment may be varied following consultation ([Regulation 8.2\(2\) of the Public Service Regulations 1999](#)).
384. [Section 24\(1\) of the PS Act](#) gives agency heads/accountable authorities the authority to vary the terms and conditions of employment for entity employees. See [Pay and Conditions section](#).
385. Entities should seek legal advice in this circumstance as there may be [Fair Work Act 2009](#) implications where the move is a transfer of business.

Excess employees

386. Where the receiving entity indicates that it will require fewer employees to perform the transferred function, entities will negotiate the management of excess employees.

Working in the APS

Public Service Act 1999 (PS Act)

387. The principal Act governing the employment, management and leadership of the APS is the [PS Act](#).
388. More information on subordinate and other relevant legislation can be found on the [APSC's The legislative framework for the APS page](#).
389. [Section 20 of the PS Act](#) gives an APS agency head/accountable authority, on behalf of the Commonwealth, all the rights, duties and powers of an employer in respect of APS employees in the entity. This includes engaging and promoting employees and terminating employment.

Workplace relations

390. APS agency heads/accountable authorities are responsible for managing workplace relations matters with their employees consistent with the provisions of the [Fair Work Act 2009](#). Entity agreements and other instruments setting terms and conditions of employment must be consistent with the Government's employment policies, including the Government's [current workplace relations policy for the Commonwealth public sector](#).
391. For non-SES employees, entities are able to adopt any form of workplace arrangement(s) which suit their business needs. Where an entity is considering a change to its current arrangements, the entity should advise the Commissioner before proceeding. Entities may implement separate workplace arrangements for Executive Level and equivalent employees that recognise their management responsibilities.
392. For SES employees and their equivalents, terms and conditions of employment are set through individual arrangements, either common law arrangements or through a determination made under [section 24\(1\) of the PS Act](#).

Other matters

393. Receiving APS entities are expected to conduct a detailed induction program for employees new to the APS, to cover key features of working in the APS, including:
 - [APS Values, Employment Principles and Code of Conduct](#)
 - [APS employment framework described in the PS Act](#)
 - [obligations under the PGPA Act](#).

Governance and financial management

394. For advice on governance, funding, banking and financial reporting arrangements, please [contact Finance](#).

13. MoG Scenarios - New Department/APS Entity

A MoG change can lead to the creation of a new APS entity operating under the PS Act.

Entities are expected to implement the MoG change in a way consistent with the MoG principles and operational protocols outlined in the [Executive Summary](#).

395. Further guidance on setting up a new APS entity can be found in the [Entity Start-up guide on the Finance website](#).
396. As soon as a new APS entity is proposed, responsible officers are encouraged to consult the [APSC and Finance](#).
397. Newly created entities will need the support of portfolio departments. Assistance could include lending employees to assist in the establishment of the entity, for example, employees with expertise in corporate functions.

New departments – urgent action

398. This section outlines urgent action that may be required upon the creation of a new department.

Transfer of funding

399. The timing of the transfer of funding to a newly created department will be dependent on where the department's function has originated.

Department receives functions from an abolished department

400. The new department cannot rely on the abolished department's appropriation.
401. Before midnight on the day a department is abolished, an interim transfer of appropriations must occur to enable valid appropriation coverage for any payments made that day, or that are required the next day.
402. Entities should [contact Finance](#) if their department is impacted.

Department receives functions from an existing department

403. The new department is able to rely on the transferring entity's appropriation.
404. The accountable authority of the new department should issue written instructions to the transferring department to enable the transferring department to continue the activities on the new department's behalf, drawing upon the transferring department's appropriations.

Outcome statements and program structures

405. Generally, a new department would not require the Minister for Finance's approval if it receives the transferring department's outcome statement (i.e. an entire outcome statement which has already been approved is transferred).
406. A new outcome statement would be required if the department cannot receive the outcome statement of the transferring entity (i.e. where only a small function within the transferring entity's outcome is being transferred and it would not be appropriate to copy that outcome statement to the new entity).
407. See the [Governance and Financial Management Issues section](#).

Departments and APS entities

Delegations

408. If a department or entity is created out of a MoG, consideration should be given to what delegations, if any, will be required to be in place immediately at the time of establishment so that appropriate officials (such as CFOs) can undertake financial activities and make human resources decisions on behalf of the entity.
409. In deciding to delegate certain powers, functions or duties, the accountable authority should consider their duty to establish and maintain appropriate systems of risk management and internal control.
410. Further information on the delegation of powers under the PGPA Act, including delegable and sub-delegable powers, is available on the [Finance website](#).

Accountable Authority Instructions (AAIs)

411. [Section 20A of the PGPA Act](#) authorises accountable authorities to give instructions to officials in their entities on any matter necessary or convenient for carrying out or giving effect to the finance law.
412. To help accountable authorities develop appropriate controls, Finance has developed model AAIs. For further information, see [RMG 206: Model accountable authority instructions](#).

Corporate plan requirements

413. If a new department or entity is established because of MoG changes, a corporate plan for that department must be published as soon as practicable after the plan is prepared.
414. For further information see:
 - [rules 16E and 16F of the PGPA Rule 2014](#)
 - [RMG 132: Corporate plans for Commonwealth entities](#).

Movement of people

Legislative basis

415. [Section 72 of the PS Act](#) gives the Commissioner the authority to move employees in and out of the APS following a MoG change. The Commissioner may:
- move an APS employee to another APS or non-APS Commonwealth entity
 - move a Commonwealth employee from a non-APS Commonwealth entity into an APS entity
 - engage any person as an APS employee in a specified APS entity.
416. See the [People Management section](#) for more information.
417. Responsible officers should determine the need for additional legislation to facilitate the movement of employees into a newly created entity.
418. For further information on people management issues when setting up a new APS entity, please refer to the [Entity Start-up guide on the Finance website](#).

Terms and conditions

419. The [Public Service Regulations 1999](#) prescribe the terms and conditions for employees moved into an APS entity from another APS entity or from a non-APS Commonwealth entity. See the [Pay and Conditions section](#).
420. It is likely that the newly created entity will not have an industrial instrument in place. If so, the agency head/accountable authority establishes terms and conditions for employees by making a determination under [section 24\(1\) of the PS Act](#).
421. In some cases, it may be appropriate for the new agency head to preserve the conditions of employment that previously applied and are sensible to continue.
422. A section 24(1) determination made following a MoG change can preserve some, or all, of an employee's pre-existing terms and conditions. It cannot be used to introduce a new regime.
423. The receiving entity's agency head/accountable authority is not obliged to carry across any, or all, of the terms and conditions that previously applied. In some cases, it may not be practical to preserve particular conditions. For example, access to work based childcare may not be available in the new entity or preserve ordinary time earnings (OTE) as the method of calculating superannuation.
424. A section 24(1) determination is subject to assessment against the [Government's current workplace relations policy](#) for the Commonwealth public sector.
425. It may also be necessary to make a separate section 24(1) determination creating interim terms and conditions for employees who are engaged by, or move to, the new entity later. [A 24(1) determination in this case is not made under [Regulation 8.1 of the Public Service Regulations 1999](#)].
426. Where subsection 24(1) determinations are not underpinned by an existing enterprise agreement, the [Australian Public Service Enterprise Award 2015](#) will apply.

427. Entities are advised to contact the APSC in relation to any proposed section 24 determination, and particularly in the circumstances described in the above paragraph.

Excess employees

428. Where the newly created entity considers that it will require fewer employees to perform a function, it may be appropriate to facilitate redeployment within the current entity or to other APS entities before the administration of the completion of the MoG change.

Working in the APS

429. See the [Non-APS Commonwealth entity to APS entity section](#).

Records management

430. Responsible officers must take immediate steps to establish a means to record important initial decisions about the legal warrant for the entity, its functions, policy scope and structure. The NAA can provide specific advice and assistance with systems required for these steps via its [Agency Service Centre](#). See the [Records Management section](#).

Governance and financial management

431. For advice on governance, funding, banking and financial reporting arrangements, please [contact Finance](#).

Property management and procurement

432. For property management and leasing arrangements, please contact the [PCD in Finance](#).
433. For procurement advice, please contact the [Procurement Agency Advice Team in Finance](#).

14. Glossary

Term	Description
AAIs	Accountable Authority Instructions
AAO	Administrative Arrangements Order
AAUs	Agency Advice Units , within the Department of Finance
ABN	Australian Business Number
Accountable authority	Accountable authority, as defined in section 12 of the Public Governance, Performance and Accountability Act 2013 . See also Agency head
AGD	Attorney-General's Department
Agency Head	Agency Head, as defined in section 7 of the Public Service Act 1999 . See also Accountable authority
AGSVA	Australian Government Security Vetting Agency
ANAO	Australian National Audit Office
AusTender	AusTender website , providing centralised publication of Australian Government business opportunities, annual procurement plans and contracts awarded
APS	Australian Public Service
APS entity	Agency, as defined in section 7 of the Public Service Act 1999 . Includes a department of state, executive agency and statutory agency. See also Entity below
APSC	Australian Public Service Commission
ASIC	Australian Securities and Investments Commission
ASL	Average Staffing Level
ATO	Australian Taxation Office
BAS	Business Activity Statement
CALD	Culturally and Linguistically Diverse
CBMS	Central Budget Management System
CCE	Corporate Commonwealth Entity, as defined in paragraph 11(a) of the Public Governance, Performance and Accountability Act 2013
CFO	Chief Finance Officer
CLS	Commonwealth Leasing Strategy
CM Module	Cash Management Module of the Central Budget Management System (CBMS)
CRF	Consolidated Revenue Fund
CSC	Commonwealth Superannuation Corporation
DTA	Digital Transformation Agency

Term	Description
Entity	Has the same meaning as corporate Commonwealth entity (CCE) and non-corporate Commonwealth entity (NCE) within the Public Governance, Performance and Accountability Act 2013 (PGPA Act). See also APS entity
FBT	Fringe Benefits Tax
Finance	Department of Finance
FMIS	Financial management information system
FOI	Freedom of Information
FRR	Public Governance, Performance and Accountability (Financial Reporting) Rule 2015
GGs	General government sector
GrantConnect	GrantConnect website , providing centralised publication of forecast and current Australian Government grant opportunities and grants awarded
GST	Goods and services tax
HR	Human Resources
ICT	Information and Communications Technology
ISAC	Independent Selection Advisory Committee
LGBTIQ+	Lesbian, Gay, Bisexual, Transgender, Intersex and Questioning/Queer +
LSL	Long Service Leave
ML	Maternity Leave
MoG	Machinery of Government
MoU	Memorandum of Understanding
NAA	National Archives of Australia
NCE	Non-Corporate Commonwealth Entity, as defined in paragraph 11(b) of the Public Governance, Performance and Accountability Act 2013
OAIC	Office of the Australian Information Commissioner
OPA	Official Public Account, managed by the Department of Finance on behalf of the Commonwealth
OPC	Office of the Parliamentary Counsel
OTE	Ordinary time earnings
PAES	Portfolio Additional Estimates Statements
PAYG	Pay As You Go
PBS	Portfolio Budget Statements
PCD	Property and Construction Division, in Finance
PGPA Act	Public Governance, Performance and Accountability Act 2013
PGPA Rule	Public Governance, Performance and Accountability Rule 2014

Machinery of Government changes – A guide for entities

Term	Description
PM&C	Department of the Prime Minister and Cabinet
PMP	Property Management Plan
PS Act	Public Service Act 1999
PSCP	Property Services Coordinated Procurement
PSP	Property Service Providers
RDS	Reference Data Set, the framework for data entry and reporting in the Central Budget Management System
RMG	Resource Management Guide, issued by Finance
SDCT	Standard Departmental Costing Template, issued by Finance
SES	Senior Executive Service of the APS
SGGA	Streamlining Government Grants Administration
SPA	Strategic Property Adviser
WH&S	Workplace health and safety

For definitions of key terms, please refer to the [PGPA Glossary on the Finance website](#).

15. Key Contacts

Topic	Contact
Central entities for MoG changes	
<p>Finance responsibilities</p> <ul style="list-style-type: none"> • Funding – annual appropriations, special appropriations, special accounts and cost recovery arrangements • Financial and budgetary reporting • Banking by Commonwealth entities and management of the Official Public Account (OPA) • Grants • Property management and leasing arrangements • Comcover • Procurement (except for ICT procurements) • Annual reports and performance reporting • Corporate plans • Average Staffing Levels (ASL) • <i>Public Governance, Performance and Accountability Act 2013</i> (PGPA Act) • Shared Services Transformation Program • Communications advice • Investment Funds and Superannuation • Commonwealth Investment Framework and Government Business Enterprises (GBEs) 	<p>MOGAdvice@finance.gov.au</p>
<p>APSC responsibilities</p> <ul style="list-style-type: none"> • <i>Public Service Act 1999</i> (PS Act) • <i>APS Commissioner's Directions 2016</i> • Recruitment and employment in the Australian Public Service (APS) • Government's Senior Executive Service (SES) Cap • Merit and Transparency Policy (for APS agency heads) • Government's public sector workplace relations policy • Industrial instruments/industrial instruments 	<p>Employment Policy</p> <ul style="list-style-type: none"> • PS Act • APS recruitment, engagement and separations • SES caps • Transfers of employees under section 72 of the PS Act • employmentpolicy@apsc.gov.au <p>Workplace Relations</p> <ul style="list-style-type: none"> • Industrial arrangements • Government's public sector workplace relations policy • workplacerelations@apsc.gov.au

Topic	Contact
<ul style="list-style-type: none"> CEO/agency head remuneration (the Remuneration Tribunal) Moving APS employees as part of a Machinery of Government change (MoG) 	ExecRemStatOffices@apsc.gov.au
<p>PM&C responsibilities</p> <ul style="list-style-type: none"> Administrative arrangement orders Policy advice on the Prime Minister's decisions on MoG change 	AAO@pmc.gov.au
<p>NAA responsibilities</p> <ul style="list-style-type: none"> Information, Records and Data management Information Governance Framework <i>Archives Act 1983</i> 	Via the online form on the NAA's Agency Service Centre website.
Other key contacts	
<p>Attorney-General's Department (AGD) responsibilities</p> <ul style="list-style-type: none"> <i>Acts Interpretation Act 1901</i> <i>Legislation Act 2003</i> Protective Security Policy Framework (security clearances) Commonwealth Fraud Prevention Centre Legal Services Directions Australian Government Solicitor Courts and tribunals Public Interest Disclosure Privacy Freedom of Information Human Rights 	<p>Administrative law issues, including substituted reference orders</p> <ul style="list-style-type: none"> adminlaw@ag.gov.au <p>Sunsetting under the Legislation Act</p> <ul style="list-style-type: none"> sunsetting@ag.gov.au <p>Protective Security Policy Framework</p> <ul style="list-style-type: none"> PSPF@ag.gov.au (02) 6141 3600 <p>Fraud Control</p> <ul style="list-style-type: none"> info@counterfraud.gov.au <p>Office of Legal Services Coordination</p> <ul style="list-style-type: none"> olsc@ag.gov.au <p>Human Rights - Sex and Gender</p> <ul style="list-style-type: none"> sexandgender@ag.gov.au
<p>Comcare responsibilities</p> <ul style="list-style-type: none"> Workers' Compensation Insurance <i>Work and Health Safety Act 2011</i> and Regulations Rehabilitation and Return to Work 	<p>Work Health and Safety Act</p> <ul style="list-style-type: none"> WHS.help@comcare.gov.au <p>Safety, Rehabilitation and Compensation Act</p> <ul style="list-style-type: none"> scheme.policy_helpdesk@comcare.gov.au
<p>Commonwealth Superannuation Corporation (CSC) responsibilities</p> <ul style="list-style-type: none"> Administration of Commonwealth employee superannuation 	<p>Employee Superannuation</p> <ul style="list-style-type: none"> employer.service@csc.gov.au
<p>Australian Taxation Office (ATO) responsibilities</p> <ul style="list-style-type: none"> Australian Business Numbers (ABN) 	<p>Australian Business Register</p> <ul style="list-style-type: none"> abrenquiries@ato.gov.au

Topic	Contact
<ul style="list-style-type: none"> • Tax File Numbers (TFN) • Fringe Benefit Tax (FBT) • Pay as You Go (PAYG) • Goods and Services Tax (GST) • SuperStream • Single touch payroll • Activity statements • Taxable payments annual report 	<ul style="list-style-type: none"> • 13 92 26 <p>Government enquiries</p> <ul style="list-style-type: none"> • 13 28 69 <p>Registering GST</p> <ul style="list-style-type: none"> • 13 28 66 • GST and machinery of government changes <p>Business enquiries</p> <ul style="list-style-type: none"> • 13 28 66
<p>Australian Securities and Investments Commission (ASIC) responsibilities</p> <ul style="list-style-type: none"> • Business names 	<p>Changing business names</p> <ul style="list-style-type: none"> • Transferring business name page on ASIC website
<p>Australian Signals Directorate (ASD) responsibilities</p> <ul style="list-style-type: none"> • Australian Government Information Security Manual 	<p>Australian Cyber Security Centre</p> <ul style="list-style-type: none"> • asd.assist@defence.gov.au
<p>Digital Transformation Agency (DTA) responsibilities</p> <ul style="list-style-type: none"> • Digital and information and communications technology (ICT) investments • ICT procurements • Protected Utility Blueprint (Office 365) 	<p>ICT Investments</p> <ul style="list-style-type: none"> • investments@dta.gov.au <p>ICT Procurements</p> <ul style="list-style-type: none"> • ictprocurements@dta.gov.au <p>Protected Utility</p> <ul style="list-style-type: none"> • protectedutility@dta.gov.au
<p>Office of the Australian Information Commissioner (OAIC) responsibilities</p> <ul style="list-style-type: none"> • Handling personal information under the <i>Privacy Act 1988</i> and the Australian Government Entities Privacy Code • Carrying out functions under the <i>Freedom of Information Act 1982</i>, including oversight of the Information Publication Scheme • Overseeing government information policy functions 	<p>Phone enquiries: 1300 363 992</p> <p>Via the online form on the OAIC's website</p>