

Public Sector Management Amendment Standards 2018 (No 1)

Disallowable instrument DI2018–201

made under the

Public Sector Management Act 1994, s 251 (Management Standards)

EXPLANATORY STATEMENT

The *Public Sector Management Act 1994* (the PSM Act) regulates the management of the public sector. Section 251 of the PSM Act empowers the Head of Service, with the written approval of the Chief Minister, to make Public Sector Management Standards (Standards) for the purposes of the PSM Act.

In 2016 changes were made to the PSM Act that established the Senior Executive Service within the ACT Public Service (ACTPS). Among other things these changes provided clear roles and responsibilities of Directors-General and Executives across the ACTPS.

The *Public Sector Management Amendment Standards 2018 (No 1)* introduces a revised executive classification structure to further implement the changes made to the PSM Act. A new four band 16 point executive classification structure will replace the current three band 12 point executive structure. It will create a clearer delineation between executive levels.

The new executive classification structure is based on a review conducted by an independent consultant. This is the first review of the executive structure conducted since the original structure was established in 1994. The review considered a comprehensive interjurisdictional analysis of Commonwealth, State and Territory executive structures. The revised executive classification structure will ensure that the ACTPS is be more comparable and competitive with the Australian Public Service and other States and Territory public sectors.

As part of introducing the revised executive classification structure, all current executives at each classification will universally translate to the new classification. No executive is disadvantaged on translation. Existing remuneration will not change. The Remuneration Tribunal will issue a new determination to reflect the new executive classification structure.

The *Public Sector Management Amendment Standards 2018 (No 1)* also adjusts the allowance in lieu of an executive vehicle as well as some minor technical drafting amendments to clarify the policy intent and operation of these associated entitlements. The existing rate for the allowance in lieu of an executive vehicle was introduced in 2014 and has not been adjusted since this time.

Section 1 Name of Instrument

This is a technical provision stating the name of the instrument as the *Public Sector Management Amendment Standards 2018 (No 1)*.

Section 2 Commencement

This is a technical provision which provides that the Standard commences on 1 July 2018.

Section 3 Legislation Amended

This is a technical provision stating that the instrument will amend the *Public Sector Management Standards 2016*.

Section 4 Section 43, new definition of band 4 executive

Section 4 of the instrument amends Section 43 of the Standards by inserting a new definition of the band 4 executive which means an SES member engaged at an SES classification that corresponds with the classification band 4 outlined in table 50, column 2. Band 4 executives comprises Directors-General (or equivalents) and the Head of Service.

Section 5 Section 50

Section 5 of the instrument substitutes Section 50 of the Standards which sets out the SES classification structure. Section 50 provides for the following:

- a) Table 50 inserts the new SES classification structure with the addition of the fourth band and the 16 point structure.
- b) Section 50A outlines that the engager decides a classification for the SES members which is determined having given consideration to a recommendation from an SES position evaluation. The classification can also be determined under section 50B.
- c) Section 50B provides for a partial performance arrangement for internal short term acting engagements.

Section 6 Section 58

Section 6 of the instrument amends Section 58 of the Standards by updating the total value of the lease package for an executive vehicle and aligning it to the allowance in lieu of an executive vehicle. Section 58 also clarifies what is included in the total value of the lease package.

Section 58A outlines the executive vehicle obligations, including that an SES member must not modify the executive vehicle unless it has been approved which may be subject to certain requirements.

Section 7 Section 59 (2)

Section 7 of the instrument amends Section 59 (2) of the Standards by adjusting the allowance in lieu of a vehicle. This allowance is aligned to the total value of the lease package for an executive vehicle.

Section 8 Section 60

Section 8 of the instrument amends Section 60 of the Standards by clarifying the arrangements that apply to part-time SES members in relation to the allowance in lieu of a vehicle and the allowance in lieu of parking. This section provides for the allowances to be proportional to the hours of work.

Section 9 Section 67 (1) (b) (iii)

Section 9 of the instrument amends Section 67 (1) (b) (iii) relating to band 3 executives and adds a new clause (iv) to cover band 4 executives. This section requires an SES member's statutory employment terms to be changed where there is an increase in responsibility.

Section 10 New Part 12

Section 10 of the instrument adds a new Part 12 to the Standards which outline the transitional arrangements that apply to introduce the new executive classification structure. Section 129 confirms the meaning of the commencement day. Section 130 provides for the translation of existing SES members across to the new classification and this is outlined in Table 130.

Section 131 outlines the transitional arrangements that apply to existing leases of executive vehicles.

Section 132 provides for Part 12 to expire after 5 years of the commencement day.

Section 11 Dictionary, new definition of band 4 executive

Section 11 of the instrument inserts a new definition of the band 4 executive.