Australian Government

Australian Public Service Commission

Capability
Review

Department of Education

APS Commissioner's foreword

This capability review report on the Department of Education is the ninth capability review. The Australian Public Service Commission coordinates and supports the delivery of capability reviews of all Commonwealth departments and large agencies.
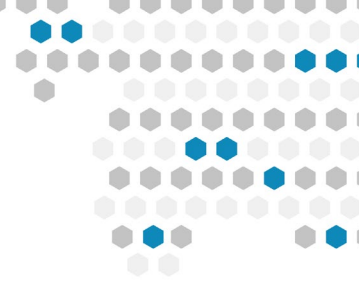
Capability reviews are an independent and forward-looking activity, assessing an agency's current capability and how well it is positioned to meet its future objectives and challenges over a 4-year horizon. The aim is to facilitate discussions around the agency's desired future state, highlight organisational capability gaps and identify opportunities to improve them.

I thank the Secretary, Tony Cook PSM, and the senior leadership team of the Department of Education for their leadership and commitment in participating in the review. I extend this thanks to their support team for their responsiveness, and staff for their willingness and dedication to ensure a seamless and collaborative review process.

I would also like to thank the senior reviewers, Rachel Hunter AO PSM, Mike Mrdak AO, Kevin Brahim and Samantha Palmer for their expertise, dedication and stewardship in undertaking the review, and the support team from the APSC.

Dr Gordon de Brouwer

Australian Public Service Commissioner

Senior review team's foreword

The senior review team has been privileged to lead the capability review of the Department of Education. The team considered the trends and challenges for delivering a higher performing national education system in the coming 4 years and has produced a review of the capabilities considered necessary for the department's future. The review identified findings that highlighted strengths and opportunities to improve the department's organisational and people capability. We hope this assists the department with the effective delivery of its fundamentally important role to steward the national education system and ensure Australia has the human capital, social cohesiveness and economic outcomes to reach our potential as a nation.

We thank Tony Cook PSM, Secretary of the department, and his senior leadership team who have earned the respect and support of the department's staff, portfolio agencies, partners and stakeholders. The senior leadership team's support for our work was appreciated and demonstrated a clear, focused drive to ensure the department is the best it can be in the future. There was significant engagement from department staff and stakeholders across government agencies and through the many sectors in early childhood education, public and independent schooling and higher education with which the department interacts. We appreciated the perspectives, discussions and feedback that generated valuable and honest insights into the department's existing capability and opportunities ahead.

The department plays an important role in the lives of people of all ages and backgrounds in Australia – from those taking the first tiny steps in their learning journey through to those transitioning to and through schooling and higher education; from the esteemed professionals solving the world's most challenging research problems to those adults who are changing careers or learning for pleasure. The department's policies, programs, funding and regulatory activity, combined with its capacity to monitor and report on learning outcomes, shape our nation and support opportunity especially for our most vulnerable.

It has been a tremendous pleasure to work with the review sponsor Marcus Markovic and his departmental liaison team as well as the excellent APSC review team. The APSC team have provided us with outstanding analytical support and guidance. We thank them for their work on this review, as we also thank everyone who gave up their time to speak with us and provide information.
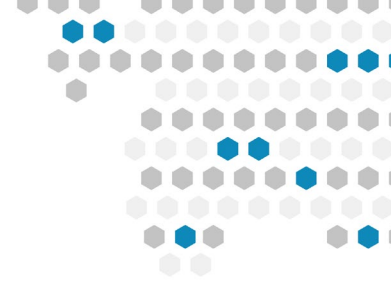
We have no doubt the department's leadership team can further expand the agency's organisational capability to successfully respond to future challenges and opportunities.

Rachel Hunter   **Mike Mrdak**   **Kevin Brahim**   **Samantha Palmer**

Contents

Review focus

This capability review focuses on strengths and development areas for the Department of Education's capability in the anticipated future operating environment. It includes analysis of:

- the 'excellence horizon' – capabilities the agency needs over the next 4 years
- organisational capability – capability gaps and opportunities across 5 domains of leadership and culture, collaboration, delivery, workforce, and enabling functions.

More details are in **Appendix A**.

About the agency

The Department of Education's role is to provide strategic direction and national leadership for Australia's education system – through early childhood, schooling, higher education and research. The department provides advice to the Australian Government on education, which is underpinned by research, evidence, consultation and data. The department is a steward[1] for the government's vision for a high performing Australian education system. Its purpose is to create a better future for all Australians through education.

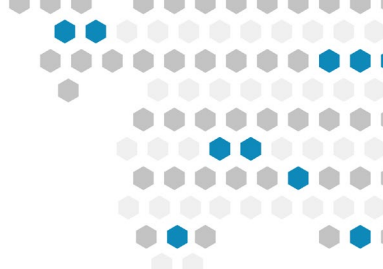The 2 key outcomes for the department are:

1. Outcome 1: Improved early learning, schooling, student educational outcomes and transitions to and from school through access to quality early childhood education and care, support, parent engagement, quality teaching and learning environments.
2. Outcome 2: Promote growth in economic productivity and social wellbeing through access to quality higher education, international education, and international quality research.

The department implements the Australian Government's educational reform agenda. Reform creates opportunities for the department to work more closely and in partnership with its delivery partners, operators and stakeholders, so that Australia's education system is fit to meet the nation's future challenges.

As described in its Corporate Plan, the department supports Australians to access education and realise the benefits of lifelong learning through national policies and programs that:

- lift education outcomes for learners from all locations and backgrounds so they can achieve their ambitions and aspirations
- prepare children for school and help families, particularly women, to re-engage in work or learning during the early years

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[1] In this context the concept of stewardship relates to the department's role to lead a national vision for the education system and to set a national strategic direction for its federated partners to collectively achieve high quality education and social performance outcomes.

- support children through a positive school experience with equity and wellbeing outcomes for all learners
- provide skilled and adaptable workers with higher education qualifications and opportunities for lifelong learning that boost workforce productivity, sovereign capability and innovation
- give young people a say on the issues, policies and programs that impact them
- empower First Nations peoples to be involved in decisions about their education and the education system
- give international students an opportunity to gain a world-class education
- support university researchers to undertake training and deliver cutting-edge research that drives innovation and economic growth.

The Department of Education has been in its current form since 1 July 2022 following a machinery of government (MoG) change. Before this, education functions were part of the Department of Education, Skills and Employment. The department has been through several MoG changes over the last decade including movement of the early childhood education and care functions from the Department of Social Services, and skills functions transferring between education and employment. The department recognises MoG changes are based on decisions to shape the Australian Public Service (APS) to support the government's agenda.
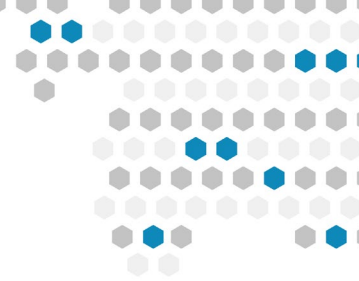
Secretary Tony Cook PSM is the accountable authority providing overall direction and leadership to the department. The department is organised into 4 groups: Early Childhood and Youth; Schools; Higher Education, Research and International; and Corporate and Enabling Services. The department's functions are structured by group, division and branch, which are led by deputy secretaries, first assistant secretaries and assistant secretaries respectively. The Executive Board is led by the secretary, with all deputy secretaries as members and the chief financial officer and chief people officer as advisors.

Before the 3 May 2025 Federal Election, when this review was undertaken, the department served 3 ministers:

- the Hon Jason Clare MP – Minister for Education
- the Hon Dr Anne Aly MP – Minister for Early Childhood Education and Minister for Youth and Minister Assisting the Minister for the National Disability Insurance Scheme
- Senator the Hon Anthony Chisholm – Assistant Minister for Education, Assistant Minister for Regional Development and Assistant Minister for Agriculture, Fisheries and Forestry.

The department is the head of the education portfolio, which contains the following 5 portfolio entities:

- Australian Curriculum, Assessment and Reporting Authority
- Australian Institute for Teaching and School Leadership
- Australian Research Council
- Tertiary Education Quality and Standards Agency
- The Australian National University.

Budget

	2024–25 Estimated Actual ($ million)	2025–26 Budget ($ million)	2026–27 Estimate ($ million)	2027–28 Estimate ($ million)	2028–29 Estimate ($ million)
Departmental – revenue from government	396.5	393.8	370.9	357.1	349.1
Departmental capital	51.2	54.2	20.4	20.5	20.8
Own source revenue	6.3	5.6	5.6	5.6	5.6
Total departmental	454.0	453.6	396.9	383.2	375.5
Administered expenses	75,710.8	66,522.9	68,031.8	69,933.5	72,571.9
Administered capital	-	-	-	-	-
Federal funding agreements	596.7	435.1	69.7	69.7	61.4
Total administered	76,307.5	66,958.0	68,101.5	70,003.2	72,633.3
Total Department of Education	76,761.5	67,411.6	68,498.4	70,386.4	73,008.8

Source: Department of Education 2025–26 Budget

Staffing profile

The following information is drawn from the Australian Public Service Employment Database (APSED) and is correct as at 31 December 2024, unless otherwise specified.

Staff numbers and locations

State	Headcount	Percentage of total staff
ACT	1,330	74.8%
NSW	86	4.8%
VIC	112	6.3%
QLD	101	5.6%
SA	70	3.9%
WA	41	2.3%
TAS	16	0.9%

State	Headcount	Percentage of total staff
NT	11	0.6%
Overseas	10	0.6%
Total number of employees (headcount)	1,777	

Source: Department of Education, as at 31 December 2024

Distribution of classifications

Classification	Number	Percentage of total staff
APS1–3, Trainee and Graduate	34	2.0%
APS4	125	7.0%
APS5	261	14.7%
APS6	487	27.4%
EL	797	44.9%
SES	73	4.0%

Diversity

Characteristic	Percentage of total staff
Women	69.1%
Men	30.9%
First Nations people	3.2%
Employees with disability	7.0%
Culturally and linguistically diverse (CALD) people[2]	21.9%[3]

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[2] 'First language not exclusively English' is provided as a measure of CALD for the purposes of benchmarking and tracking progress towards a target for the APS CALD Employment Strategy. This measure is not intended as the singular measure of CALD for wider purposes; agencies should use a broad range of metrics and data sources to identify their CALD workforce.

[3] CALD proportions are calculated as a percentage of employees who have provided information on their first language. Some employees may choose not to provide this information.

Excellence horizon

The excellence horizon is a 4-year outlook that describes how the department's operating context may change from now to 2029. It identifies the organisational capabilities the department is likely to need to successfully deliver outcomes and government priorities in this changed environment. This high-level forecast is informed by the review's assessment and analysis of other trend data, forecasts and horizon scanning.

Operating context

Education is the backbone of Australia's productivity, social equity and economic prosperity, with every Australian benefiting from the success of the education system. As a department of state, the Department of Education has a national leadership role to shape education outcomes for the Australian community.

> *'Education can be and should be the great equaliser in an unequal world.'*
> *Jason Clare, Minister for Education*

The department's priorities are central to achieving performance outcomes in Australia's education system in terms of attaining quality national education and equitable access. Over the next 4 years, the department's focus will be delivering on the Australian Government's reform initiatives across early childhood education and care, schools, and higher education to lift performance in the Australian education system and optimise workforce participation.

The department's priorities over the next 4 years are:

- **Delivering transformation**: Following 4 major recent strategic reviews and subsequent government responses, the department is responsible for transforming the education system, in partnership with its federated partners, to make it fairer and more accessible for all Australians. This is important to address downward trends in social equity and educational performance measures such as decreases in school attendance and university enrolments.

- **Strengthening its stewardship role through partnerships**: The department measures its performance through both direct and indirect impacts on the health of the education system, from early childhood education and care through to tertiary providers. Beyond delivering direct support through funding, projects and programs for sectors throughout the education continuum (early childhood education and care, primary and secondary schooling, tertiary education, through to lifelong learning), the department has a clear national stewardship role. This role involves working with state and territory governments, public institutions and the private and not-for-profit sectors to deliver accessible and quality education across Australia.

- **Providing proactive strategy and leadership across the system**: Alongside delivering the transformation agenda, the department – as head of the education portfolio – has an opportunity to lead and influence high quality education outcomes across the system, fundamental to the nation's productivity and prosperity. It will work to strengthen partnerships with stakeholders, including portfolio bodies, involving them in policy development to inform a holistic approach to achieving a thriving and sustainable education system. This will require the department to view the education system holistically rather than as discrete sectoral groups (early childhood education and care, schools, and tertiary education) to identify cross-cutting opportunities.
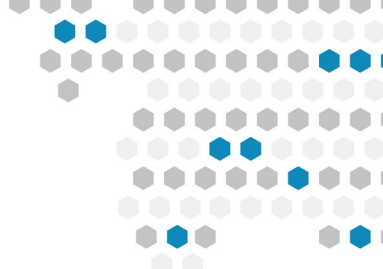
These priority areas will endure beyond potential future MoG changes. The department has been repeatedly merged with and separated from employment and workforce functions over successive MoG changes during the last decade. Recognised as a fact of public sector working life, MoGs provide both opportunities (e.g. workforce scaling up) and challenges (e.g. operational disruption including loss of scale and efficiency in enabling functions). Maintaining a unifying purpose is central to the department's stewarding of the education system while achieving the necessary scale and capability to deliver its specific mandated activities across different sectors.

Additionally, there are some structural changes on the horizon that, if implemented, will impact the department's current operating context. For example, the proposed establishment of the Australian Tertiary Education Commission will require more than simply moving existing staff to achieve its intent. Such changes would add to the department's existing role to support a complex range of regulatory and delivery bodies – some completely funded by the Commonwealth and others jointly owned with the states and territories – all with different governing legislation and practices.

Macro trends and potential disruptions

Ongoing macro trends across socio-economic factors, shifting expectations and a rapidly evolving technology environment, will impact the role of the department to support high-quality lifelong learning for Australians, and economic prosperity and social wellbeing for the community into the future. Macro trends affecting the education system and quality of outcomes for participants include:

- challenging economic circumstances including housing, cost of living and environmental (e.g. increased natural disasters) challenges, with a greater number of Australians living in poverty. This increases barriers and decreases accessibility of education, exacerbating the divide in quality of education experienced by varying cohorts in different parts of the system.
- demographic changes including declining birth rates (except First Nations people), ageing population and shifting geographic distribution. This means the department needs to maintain a current understanding of its changing users and their evolving needs to adapt policy and programs.
- declining international migration patterns, affected by a range of factors including the COVID-19 pandemic and capping international student and skilled migrant arrivals. This may exacerbate skilled worker shortages in key industries and lead to pressures on the education system.
- rapidly changing technology and the influence of artificial intelligence (AI). This presents both an opportunity for innovative education delivery as well as challenges to maintain pace with evolving workplace expectations across all sectors and within the department.

- an unpredictable geopolitical environment. This reinforces the importance of maintaining Australia's comparatively high levels of trust in government, in contrast to the trend of declining trust among Organisation for Economic Co-operation and Development (OECD) countries.

Trends and opportunities

The changing shape of the department

More recently, the department has seen an increased focus on program delivery and regulation to deliver on the transformation agenda. With a proud history as a policy department, the increasing focus on additional functions will require the department to proactively attract and retain different specialists and develop staff capability at all levels of the organisation. This is necessary especially among middle level managers, to deliver projects and programs and achieve an ongoing quality public administration capability. The role of review and evaluation and change management will become particularly crucial to ensure programs are achieving outcomes, informed by evidence-based policy decisions.

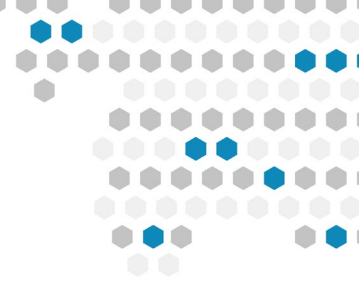### Maximising the value of the stakeholder environment

The department operates in a federated system with a complex stakeholder environment. It shares common goals and challenges with multiple sectors, delivery partners and entities. While the goals are shared, the department has varying degrees of responsibility across the education sectors. The department has stronger responsibilities for early childhood education and care, and higher education and research outcomes, while the states and territories are responsible for schools' operations.

While the department does not run schools, it has federal funding responsibility for schooling, in partnership with states and territories. It also drives national policy reform and houses portfolio bodies responsible for national standards and the Australian curriculum, as well as teacher and school leader standards.

This complexity increases the need for the department to maintain high-quality relationship management, stakeholder engagement and enduring partnerships to be an effective steward of the education system overall, and meet the expectations of the parliament, government and Australian people.

The department has an important role engaging and partnering with First Nations people, communities and organisations. Delivering on Closing the Gap priority reforms will be a significant feature of the department's work.

The department is uniquely positioned to amplify its role as steward of the education system by providing a holistic systems perspective across sectors and driving higher-quality education system attainment outcomes.

To capitalise on this opportunity, the department will need the following capabilities:

- A high degree of internal collaboration to overcome structural distinctions between groups/sectors and to address the transitions for students across different parts of the system.
- Deep and effective relationships with external partners to leverage opportunities to deliver whole-of-system outcomes in partnership across the APS, state and territory governments, education providers and other stakeholders, and to look for opportunities to drive place-based coordinated delivery.
- Well-developed skills to gain a deep understanding of learner perspectives, situations, needs and outcomes through co-design, evidence-based policy development, and program implementation.
- An ability to harness the skills, experience and perspectives of First Nations staff, stakeholders and end users to partner effectively and deliver on the commitment to put First Nations at the centre of department's work.

Better understanding COVID impacts over time

The COVID-19 pandemic was an unprecedented event that caused significant disruption to the education system. The policy design and implementation impacts will continue to manifest over the coming years. In 2029, it will be 9 years since the start of the pandemic, and the 700,000 Australian children who entered the education system for the first time in 2020 and 2021 will be teenagers. The long-term learning and development impact of the pandemic on this cohort will become more apparent and will require specialised responses. Similarly, the impact of fluctuating migration during and since the pandemic has affected skilled workforce and international student migration, which may have long-term impacts for the economy, employment and housing for communities.

The department should continue to strengthen its partnerships with the states and territories and universities to increase data sharing and co-design, and review and evaluate the systemic impacts of the pandemic. It should continue to proactively identify opportunities to leverage partnerships to address any issues that may arise, informed by evidenced-based data. This will require a keen user focus to ensure accurate understanding of the impacts on national cohorts.

Similarly, the lessons learned should be viewed through a strategic lens to capitalise on the opportunity the pandemic presented to accelerate change. The future of Australian education must move beyond post-COVID recovery to reinvigoration. The department can take the best of what was learned during this crisis and build on it to tackle systemic challenges that pre-dated the pandemic. For example, the pandemic saw greater trust-based collaboration and cooperation across government.

Promoting the safe use of AI and technology

The nature of work and education is changing, particularly with the rapid evolution of technology and AI, presenting opportunities for the department's workplace and the sectors it supports.

The department will need to determine its role in considering the impact of technology for:

- Future skills: Technological changes, including AI, will have implications for the types of skills needed for a flourishing economy. The education system must be designed to equip people to build these new and emerging skills to meet this demand and to maximise individual potential and opportunities.

- Teacher support: There are emerging innovations across the sectors where technology and AI is used to enhance operational efficiency and education delivery, and to provide support for teachers in a range of settings.

- Customised education: The sophistication of AI technologies enhances the potential for increasingly customised learning while also creating challenges for ensuring student outcomes are achieved without the use of AI for deception.

- Increase of online learning: Student needs and staff and institutional roles are changing in the face of online learning, and digital transformation is shaping the culture and ways of learning. Online education has also increased the availability for self-education, which has facilitated in part a rising trend of home-schooling.

- Protecting children from harm: It will be important to achieve national consistency on the approach to educating children and teachers about online safety such as cyber bullying and privacy.

The department will need to be proactive in providing leadership and stewardship to support stakeholders in safe and responsible use of emerging technologies, including AI.

Internally, the department has an opportunity to improve operational efficiency and collaboration by capitalising on the opportunities presented by AI and automation. To deliver on this, the department will need a strong employee value proposition and well-integrated workforce planning approach to attract and retain staff with specialist digital and data skills.

Supporting the system through industry challenges

Workforce shortages are placing pressures across the economy, including in the early childhood education and care, and school sectors. The challenges of maintaining a sustainable and quality workforce are exacerbated by:

- an increasingly high rate of attrition for schoolteachers including increasing challenges in student and human behaviour/attention/focus, impacting teachers' ability to teach

- a lack of supply to meet the increasing demands for early childhood education and care educators

- a bipartisan commitment to reducing total international migration, including international students and skilled workers.

These are complex and multi-faceted challenges that require a holistic response. The department is uniquely positioned to leverage its role as steward, to partner with stakeholders and support the government in addressing these imminent and enduring pressures on the education system. The department has high-quality agencies in the portfolio and experts who can assist to support policy and program development, and who should be more effectively engaged to support this work.

Executive summary of agency capability and priority areas for improvement

The Department of Education plays an important role in the stewardship of Australia's education system and therefore the economic prosperity and social functioning of the nation. The department aims to ensure everyone, no matter their background or circumstances, can achieve their potential, building on their first days in early childhood learning through to schooling, tertiary education and lifelong learning.

This iteration of the department was established in 2022, with previous forms subject to regular MoG changes over recent decades. The MoG changes have coupled and decoupled the education functions with employment, training, skills, early childhood and care and other combinations of policy and program areas. These changes impact the stability and capacity of any agency to deliver, diverting focus and capability of leadership and management teams with each structural reorganisation, requiring renegotiation of corporate services and delivery mechanisms, along with the re-creation of agency-wide strategies, processes and systems.

The capability review has been undertaken following the 2022 MoG change and the building of organisational capability by the appointed Secretary, Tony Cook PSM.

This review considers the department's readiness to achieve future objectives and challenges over a 4-year excellence horizon. It reflects on the department's progress to date, not as a judgement on past performance but as a basis to support the leadership team to consider opportunities to further uplift capability, so the department is well positioned to achieve its important purpose.

The department has responded to many recent challenges including undertaking major policy development reforms across its policy landscape to support the government's substantial agenda, while also increasing its program delivery and regulatory functions. Staff have a strong commitment to delivering the department's functions and demonstrate a genuine passion to serve its purpose. This is a commendable base on which to build and grow.

The department has begun work on a strategy to provide a system approach to policy and delivery across the education sectors. This strategy aims to ensure education reforms are outcomes-focused and delivered systemically in partnership, rather than through the internal lens of existing sectoral silos.

The department has demonstrated a sustained focus on building its capability to improve First Nations outcomes and working in genuine and trusted partnerships with First Nations organisations. This is a sustained commitment that has grown over time. Currently, the department is responsible for 5 Closing the Gap outcomes and for contributing to the 4 priority reforms aimed at improving how government engages with First Nations people, organisations and communities. These responsibilities must be embedded as standard practice. The department has recently expanded responsibilities of its Indigenous Business is Everyone's Business Committee to accelerate its efforts and further support the strong commitment to improving capability in this area. A deep understanding of how the department can further strengthen and sustain its Closing the Gap capability at all levels of the organisation and enhance its influence across government (especially in partnership with central agencies, social

services, health and First Nations organisations), will integrate approaches to achieve positive education outcomes.
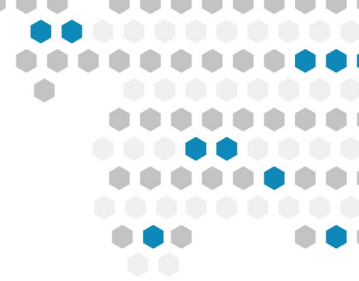
Education empowers individuals and communities to achieve potential and reduce disadvantage. Education builds crucial capability necessary for the future of the Australian population and reduces long tail social program costs to the federal Budget that result from negative outcomes for individuals.

A high-quality education system and improved quality education attainment outcomes across the education sectors are fundamental to Australia's prosperity. With increasing diversity in Australia, education has an important role in supporting social cohesion by promoting youth engagement in lifelong learning as an effective means of helping young people reach their potential. This, in turn, strengthens the broader community and leads to stronger national resilience. A more strategic whole-of-life approach to education, that reduces the risk of people missing out on quality education and engages more effectively with community, will bring benefits and system efficiencies. The department's ability to influence key decision-makers including government with a proposed long-term strategy, while working with its federated partners on addressing core opportunities to enhance educational outcomes, will be critical over its long-term horizon.

> *'Some things in the government you feel tomorrow but, in this space [education], you won't know if they [the department] are getting it right for a decade or in 20 years' time.'*
> *External stakeholder*

The department has a sound awareness of the capability it needs to develop over the next 4 years. Specifically, the department's leadership has committed to building strategy, user focus and implementation capability, using the Capability Review Framework (Appendix C).

In addition to the department's priorities, the review team has identified these additional priority areas for capability uplift:

1. **Continue to develop a holistic strategy which is central to the department's role as steward of the education system as a whole.**

   To truly embody the role of steward and improve education – from early childhood, to schooling through to higher education and beyond – the department must look to the education system holistically rather than as discrete sectoral groups. It must develop a strategy that aligns the department's priorities across the education continuum. The strategy should be reflected in the department's internal organisational structure and culture – 'one Department of Education' – to build stronger collaborative internal relationships. The strategy should clarify the educational outcomes expected of the system and give clarity to both the department's staff and the federated partners on how they collectively contribute to and are accountable for system performance.

2. **Further enhance collaboration with external stakeholders by strengthening partnerships, harnessing their expertise and building trust, levers that are central to system performance.**

   Stakeholders want the department to lead and steward the education system. However, they also want the department to engage more deeply with them and leverage their expertise and relative roles and responsibilities to collectively achieve strong performance outcomes for the education system. This will require a maturing of collaborative activity to embed partnering and co-design capability across the department.

3. **Monitor and influence the transparent sharing of data with the department's federated partners, integrating data analytics and information systems.**

   The department has a role to ensure the national education strategy is informed and evaluated by data that is held variously across the federated education system. Stakeholders are looking to the department to better coordinate and use data within contemporary information technology and data analytic systems to uplift performance and enhance evidence-based review and evaluation activities for policy, programs and services. This will require fostering greater trust in data practices, particularly in the use of data.

4. **Increase current workforce skills and knowledge in regulation, service and program delivery, and optimise existing skills in policy and public administration craft.**

   In response to major reforms, the department must consider the future shape of its workforce and continually invest in building workforce capabilities, including leadership throughout the organisation, to achieve its expanded purpose. It must also work to sustain internal capability to manage external corporate service partners and ensure contracted providers, services and teams support the department's service and program delivery more effectively and efficiently.

Detailed assessment of agency capability

The assessment of agency capability is based on the full Capability Review Framework at **Appendix C**.

The review's assessment of the Department of Education's capability maturity across the framework's 5 domains (leadership and culture, collaboration, delivery, workforce, and enabling functions) is outlined below.

Maturing ratings

Maturity rating	Description
Leading	• Excellent current capability • Strategic and systematic approach to forecasting future capability challenges and opportunities • Widespread environmental scanning identifies opportunities to learn from others • Continuous improvement is an agency-wide priority • Capability uplift activities are highly likely to equip the agency for challenges identified in the excellence horizon
Embedded	• Good current capability • Widespread activity to forecast future capability challenges and opportunities • Some environmental scanning identifies opportunities to learn from others • Widespread evidence of continuous improvement activities • Capability uplift activities are mostly likely to equip the agency for challenges identified in the excellence horizon
Developing	• Inconsistent current capability • Limited forecasting of future capability or opportunity gaps • Early stage activities to improve in areas of future and current capability gaps • Limited environmental scanning or evidence of learning from others • Limited focus on continuous improvement • Capability uplift activities are limited and will not fully equip the agency for challenges identified in the excellence horizon
Emerging	• Capability does not meet the agency's current needs • Little or no evidence of forecasting future capability or opportunity gaps • Little or no awareness of current capability gaps • Little or no evidence of environmental scanning or learning from others • Little or no evidence of continuous improvement • Agency is unlikely to be ready to meet for challenges identified in the excellence horizon

Leadership and culture

Element	Maturity rating
Integrity and values	Embedded
Leadership and governance	Embedded

Collaboration

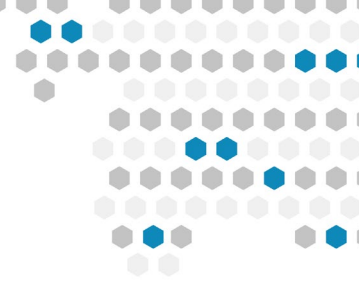| Element	Maturity rating
Public sector collaboration	Developing
Non-government partnerships and engagement	Developing
Internal collaboration	Developing

Delivery

Element	Maturity rating
Ministers and parliament	Embedded
User focus	Emerging
Strategy	Emerging
Implementation	Developing
Review and evaluation	Developing

Workforce

Element	Maturity rating
Strategic workforce planning	Developing
Staff performance and development	Developing
Staff culture and inclusion	Embedded
Staff safety and wellbeing	Embedded

Enabling functions

Element	Maturity rating
Financial management	Embedded
Technology	Developing
Data	Developing
Corporate operating model	Embedded

Leadership and culture

Element	Description	Maturity rating
Integrity and values	The capability to embed integrity and APS values in the work of the agency. The agency engages with risk appropriately and embodies integrity in everything it does.	Embedded
Leadership and governance	The capability to provide cohesive leadership and direction, and to establish organisational structures that are efficient and effective.	Embedded

Integrity and values

The APS frameworks and policies set the standards and obligations for conduct, performance and behaviour of APS employees and agencies. Integrity is the craft of bringing ethics and values to life through work and behaviour, supported by exemplary leadership. Leaders must model integrity, and the behaviours expected to engage with risk and deliver high-quality outcomes for the parliament, the government and the Australian people. The leadership and staff in the department are committed to these standards, promoting and nurturing a high--integrity and positive culture, creating a workplace where raising issues or different perspectives is encouraged and openly discussed.
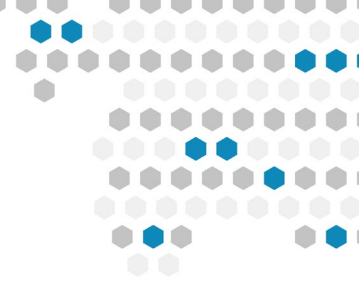
> *'Our secretary is authentic and appears to practice what he preaches in terms of workplace culture, which is really positive. Good leadership overall.'* Internal stakeholder

> *'Positive, collaborative and professional working environment with a strengths-based approach to supporting people.'* Internal stakeholder

The department is focused on equipping staff to effectively contribute to a positive workplace by adhering to the APS Values and applying a pro-integrity approach to their work. The department implements services and programs that impact all Australians – providing high--quality advice, evidence-based policy, program development and implementation, and regulatory functions. Integrity is core to this work.

The department measures and monitors integrity through:

- mandatory integrity induction training (with 79% completed in 2025)
- annual mandatory privacy training (with 95% completed in 2025) and fraud training (with 95% completed in 2025)
- the Senior Executive Service (SES) Integrity Masterclass series (with 61% completed since 2023)
- APS surveys, including the annual APS Employee Census (Census)
- the Commonwealth Integrity Survey
- the annual APS Agency Survey.

A survey conducted for this review found 93% of staff agreed or strongly agreed that people in their workgroup uphold the APS Values, which includes the new APS Value of Stewardship. In the 2024 Census, 76% of staff agreed the culture of the agency supports people to act with integrity, which was in line with the APS average. The results from the Commonwealth Integrity Survey showed 88% of staff felt all or most employees take anti-corruption controls seriously, in line with the Commonwealth average. Perceptions on whether corrupt behaviour is occurring in the department were 6% lower than the Commonwealth average.

The department offers a range of training, resources and guidance to support foundational integrity learning and encourage a pro-integrity culture. Initiatives include its onboarding process for all new starters, its Integrity Centre, a staff rewards and recognition program, and the Secretary's Awards.

> *'Integrity is a strength of the department. The department and certainly the senior executives and staff at all levels are quick to identify where there is a problem and not shy away from the solution.' External stakeholder*

The department's governance structure provides good oversight of its approach to integrity, values and risk, and is well positioned to support the department's integrity and risk maturity. The People, Culture and Integrity Committee oversees integrity and people risk within the department and provides assurances to the Executive Board. The Audit and Risk Committee provides advice to the secretary on risk, and financial and performance management. The department recently appointed the chief people officer to manage people, integrity, safety, culture and change functions within the department. This role is combined with the existing chief risk officer position. The chief risk officer is responsible for championing the department's enterprise risk arrangements and promotes the department's established risk networks to support risk communication and engagement, build risk capability and maintain a positive risk culture.

> *'There are good corporate structures in place, a strong culture and a great leadership group.' External stakeholder*

The department recently completed an optional departmental-led integrity maturity assessment, applying the 8 integrity principles of the Commonwealth Integrity Maturity Framework. Each integrity principle is accompanied by a 4-level maturity scale ranging from compliant (level 1) to best practice (level 4). The department assessed its integrity maturity as responsive (level 2), identifying key findings and opportunities to gain a common understanding of the breadth of integrity across the organisation, and balancing the importance of integrity within processes and behaviours. The department completed its integrity maturity assessment, endorsed by the Executive Board in January 2025. The results informed the development of an Integrity Framework to guide decision-making and conduct. The Integrity Framework was launched in April 2025 with an action plan to further uplift the pro-integrity culture. Additionally, the department plans to implement the 2024 requirements of the Protective Security Policy Framework (PSPF), by updating its security and guidance procedures, embedding the PSPF requirements into roles and responsibilities, establishing a PSPF working group, and improving staff training.

The department's current actions and future plans provided the review team with confidence that it will have the necessary maturity of integrity frameworks and practices to provide leadership for the APS and the national education system.

Over the next 4 years, the department's growing regulatory role will bring diverse levels of risk to manage across the organisation. The review found the department is identifying how best to uplift its regulatory functions, emphasising a need to recruit for specialist regulatory skills, which should be a key priority for its strategic workforce planning. The department is aware, focused on and supportive of building its regulatory capabilities, looking to other APS agencies that are more developed in this area as one mechanism to manage its future risks.

The dual chief risk officer and chief people officer responsibilities undertaken by one SES officer aims to provide the department with an opportunity to combine strategic oversight and management of people, integrity and risk. The review found the dual responsibilities in a single position are a product of the department's size and reflect its more active interaction with risk and willingness to try new ways of working. However, noting the very broad responsibilities of the chief people officer and the department's expanding regulatory expectations, while the people and risk functions are well supported by the respective functions, there is potential to consider if it is sustainable to have one SES officer responsible for the breadth of responsibilities associated with people, culture and risk.

Leaders and staff are committed to a pro-integrity culture and upholding the APS Values, Code of Conduct and Employment Principles. The activities to monitor, measure and address integrity in the workplace are strong, with evidence of even greater maturity occurring. This will position the department well in its continued effort to support staff to engage professionally and positively with risk, consistent with its integrity frameworks.

Leadership and governance

The department has been recognised for its leadership and sound governance arrangements. Staff and external stakeholders are positive about the skills, experience and capability of the department's senior leaders. The secretary is widely respected for his collaborative leadership style, relationships with education providers (described by stakeholders as '*a high watermark to come up to*') and his valuable sector experience, which give stakeholders confidence the department can meet its future challenges. The secretary is also an active participant on the APS Secretaries board and sub-committees, co-leading significant work on psychological safety within the APS and the development of the Charter of Partnerships and Engagement. The quality of leadership was reinforced in the 2024 Census, ranking the department's leadership 34th out of 104 agencies, above the APS average on the 'SES manager index'. This has been resoundingly reinforced by stakeholders and experienced through their individual interactions with the department and their engagement throughout the review.

Staff describe their leaders as engaged, accessible and receptive to feedback. Staff appreciate that their leaders communicate effectively and acknowledge both big achievements and small wins.

Their leaders' communication is described as honest, open, direct and regular, with the 2024 Census indicating that the department's SES and internal communication scores are significantly higher than the APS average, and higher than comparable agencies.

The department has an experienced and cohesive senior executive leadership team that role models responsive and collegial leadership. There is an opportunity to leverage this capability within the middle and lower management levels.
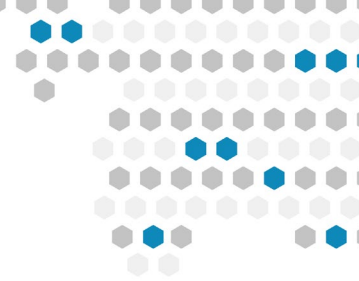
> *'There are some exceptional people and brilliant talent but if you work on a median or average...we can and should do better.' Internal stakeholder*

The review heard some progression through the ranks has been rapid and the department requires a concerted effort to develop its middle management layer. There is work underway to address this, including a new 360-degree performance review process introduced as part of implementing the SES Performance Leadership Framework. The department's agency-specific questions in the Census provide insights of 'positive leadership' demonstrated by the SES. However, there are perceived gaps in capability. The department provides leadership development courses with a specific focus on building capability within the Executive Level and SES Band 1 and SES Band 2 cohorts, but needs to enable managers to take time away from their day-to-day duties to attend. The deputy secretaries play an important and active role through strong performance management and leading the uplift.

Staff have a strong sense of purpose, with 84% saying in the 2024 Census that they have a clear understanding of the department's purpose and strategic direction. However, the review found the department's direction and priorities are driven by government initiatives, reforms and budget measures that are allocated and delivered largely independently at the group level. This is reflected in the workforce that was consistently described as passionate and committed but also 'attracted to their own work' within their individual groups. While staff believe strongly in the purpose and objectives of the department, only 55% felt a sense of personal attachment to the department (8 points lower than the APS average).

The 2024 Census showed 76% of staff felt their SES manager clearly articulates the direction and priorities for their area compared with 69% who felt their SES manager clearly articulates the direction and priorities for the department, suggesting an emphasis on group priorities as opposed to departmental priorities. Year -on -year trends show this gap is widening, indicating more work is needed to improve the cohesiveness of the SES team and the structures below them, so staff see themselves, and operate as, one department. The response to the Census statement 'in my agency, the SES work as a team' is declining, which highlights an opportunity for leaders to be more deliberate about working together across groups, divisions and branches to align priorities.

The structural barriers that create challenges for working cohesively across the department are perpetuated by a sector-specific focus on delivery, generating siloed ways of working and limiting opportunities to engage more fully on user-experience throughout key transitions and touchpoints throughout the education system, including access and equity needs for more vulnerable cohorts. As the department develops its long-term education strategy, it will need to think beyond sector-specific budget measures, identify the unifying priorities, and maximise interactions with other social policy agencies that will be key to lifting the overall performance of the education system.

The department operates in a high-stakes environment and prides itself on its responsiveness to ministers and the successful delivery of concurrent major reforms in recent years. Its emphasis on maintaining quality, even under intense time and resourcing pressures, has manifested in a perceived low organisational appetite for failure. In the 2024 Census, only 33% of staff feel the department recognises and supports the notion that failure of a part of innovation, with the review hearing there can be 'massive overreactions to mistakes'. This low-risk appetite of leaders is also felt by staff who experience layers of bureaucracy, with decision-making sitting higher than required.

> 'The risk appetite from the executives is low, which can lead to a stifling of innovation as it is seen as a risk, in favour of existing manual and sometimes outdated processes for the sake of risk reduction.' Internal stakeholder

> Sometimes things need to go through more levels than necessary for what seems to be a pretty standard process.' Internal stakeholder
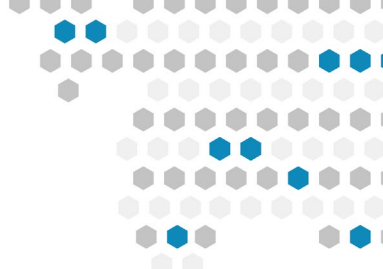
With considered effort needed to close a perceived capability gap in what the department describes as 'foundational public administration skills', the risk of retaining decision-making at higher classifications than the APS work level standards require is deskilling staff capabilities over time. The impact is twofold – staff are not provided the opportunity to build important foundational capability and good judgement, and senior leaders' capacity is absorbed with work that should be delegated.

> 'What we have seen across the APS is that the honing of public sector craft is not up to scratch. It's not limited to the department.' Internal stakeholder

> 'We'll never have the bandwidth to do the strategic thinking while Band 1s are rewriting briefs.' Internal stakeholder

The review heard there needs to be improved role clarity and autonomy for staff. The secretary meets with the SES every week and actively communicates the current context, priorities, and any changes to staff. The responsibility lies with the senior executive team to ensure SES officers are clear on the direction of the department and that they are cascading these messages down to staff at all levels, particularly where priorities are changing. Staff have described a sense of shifting priorities and unclear expectations, requiring a concerted effort to ensure decisions made about the budget, and how these interact with the department's Strategic Prioritisation Framework, become well known and deeply embedded.

The department's governance arrangements are clearly documented in its Governance Framework that articulates both the external and internal governance obligations, structures, accountabilities, initiatives, policies and frameworks for staff. In March 2025, the department updated its governance arrangements, expanding the Indigenous Business is Everyone's Business (IBEB) Committee's responsibilities and membership. Additionally, the

seniority of the chair of the committee will increase from 2 co-chair assistant secretaries to a deputy secretary. The initial appointment of 2 First Nations employees as the co-chairs was seen by the review team as a positive leadership appointment with responsibility for oversight and tracking of First Nations matters, noting as well that all First Nations SES will form part of the membership. The new chair will report to the Executive Board now on key First Nations strategies and reforms, including the Recommended Actions to embed the Closing the Gap Priority Reforms and the department's future approach on reconciliation. The review heard the scope of IBEB Committee had reduced over time to focus predominantly on the implementation of the department's Reconciliation Action Plan. Therefore, the updated governance arrangements are a positive change for the department. As it matures its approach to embedding First Nations priorities into its overall business, the department may need to consider the reporting arrangements for the Closing the Gap branch, to build broader departmental ownership and transform this into a departmental-wide function. Measuring its progress regularly to improve its practice and achieving broader accountability is necessary.

Governance arrangements are well articulated and supportive of the efforts the department is making to strengthen and deepen its leadership and managerial development capabilities. However, the department's focus on leadership capability needs to take account of staff concerns and that there is little time to participate in the training on offer.

Collaboration

Element	Description	Maturity rating
Public sector collaboration	The capability to establish enduring and collaborative relationships with other public sector agencies that support agency and government priorities.	Developing
Non-government partnerships and engagement	The capability to establish successful collaborative relationships with non-government entities to support agency and government priorities.	Developing
Internal collaboration	The capability to engage and establish effective and collaborative internal partnerships, ensuring the agency can make best use of its collective capabilities.	Developing

External collaboration

Education is central to productivity, economic prosperity, effective community functioning, cultural engagement and social cohesion in Australia. The department's success as a steward for the national education system will be measured over years, decades and lifetimes. Improving learning outcomes is highly dependent on very complex federal, social and system interdependencies. The leadership of the department must foster collaboration and trust with its federated partners and stakeholders, including those in social services and health.

Over the last decade, MoG changes in the APS have operationally disrupted the department's relationship-building and collaborative capability and affected the mindset and behaviours of its staff. The secretary has placed a significant and very positive emphasis on collaboration, which is appreciated by external stakeholders. They see the department becoming more skilled at working across different tiers of government, with recognition that the leadership has been investing in building this capability.

The department has a range of formal mechanisms to collaborate effectively, including the Schools Policy Group, the Australian Education Senior Officials Committee, the National Respectful Relationships Education Expert Working Group, youth advisory groups, and the Council for International Education that includes Commonwealth ministers and sector experts. The department also participates in interdepartmental committees, Cabinet processes, and with First Nations peak bodies, providing leadership with diverse perspectives for the development of policies and delivery of programs and initiatives. The department is an active participant in the delivery of APS reform initiatives through engagement and recognised leadership in the Secretaries Board and the Chief Operating Officers Committee.

First Nations partnerships and engagement

The department is committed to the Priority Reforms outlined in the National Agreement on Closing the Gap. It has formal partnership agreements with the Secretariat of National Aboriginal and Islander Child Care (SNAICC) – National Voice for our Children, and the National Aboriginal and Torres Strait Islander Education Corporation, which were signed on 5 March 2025 and 7 March 2025 respectively. These partnership agreements align to Priority Reform One – Formal Partnerships and Shared Decision-making. The agreements aim to transform the way the department works with these peak bodies to improve education outcomes for First Nations children and their families, in recognition that Aboriginal and Torres Strait Islander peoples have a right to self-determination and are the experts on matters concerning Aboriginal and Torres Strait Islander children. These partnerships build on the department's focused efforts to improve collaboration with First Nations people, such as the Early Childhood Care and Development Policy Partnership, established in August 2022 and co-chaired with SNAICC. The aim is to enable First Nations people to work in genuine partnership with governments to drive community-led, early childhood care and development outcomes.
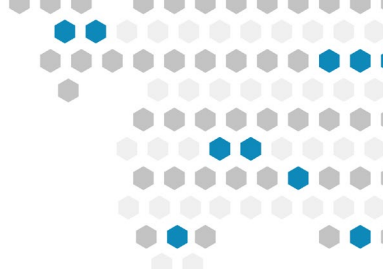
The department is also engaging First Nations bodies to assist with implementing programs such as the Connected Beginnings Program, which it co-funds and administers with the Department of Health and Aged Care. The department seeks high-level advice and guidance on program implementation from the Connected Beginnings Advisory Group, which brings together leaders from First Nations communities, philanthropy, business, research and non-government service delivery organisations with expertise in place-based initiatives in First Nations communities across Australia.

The department's Executive Board is generally seen as having a deep and nuanced understanding of its stakeholders' complex operating environment, with successful outcomes in recent key negotiations and proactively seeking opportunities to implement the government's agenda and sector reforms.

> *'Tony [department secretary] is an incredibly collegiate leader in Education and my direct Deputy Secretary counterpart brings a good understanding.' External stakeholder*

A recent example of this is the schools funding negotiations where the department undertook multilateral and bilateral negotiations with states and territories. The 10-year joint agreement between the Commonwealth, states and territories aims to help create a better and fairer education system for all students. The agreement is less prescriptive than those previously negotiated, with a stronger focus on outcomes and a lesser focus on prescriptive inputs. While the negotiations were difficult and prolonged, the department's executive team has been recognised for its collegiate and experienced approach.

> *'They are very skilled at working across different tiers of governments. It speaks to the professionalisation of what I call the Canberra bureaucrats. It's come a long way and I've seen them do some really complicated manoeuvres a lot faster than I would have expected.' External stakeholder*

> *'What we appreciate about the relationship is that it is open and transparent...it's always constructive even when we don't agree.'* External stakeholder

The secretary's contribution co-leading the development of the APS Charter of Partnerships and Engagement demonstrates his positive leadership and championing of the capability, not only in the department but across government.

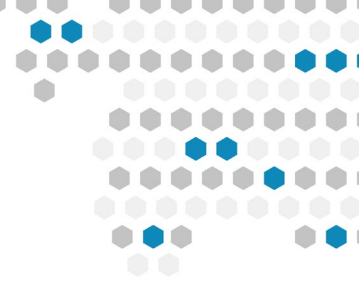> *'I find the education relationship to be more mature for how a policy agency engages.'* External stakeholder

To progress this work, the department's Strategic Policy Branch worked closely with counterparts in the Attorney-General's Department to deliver the draft Charter of Partnership and Engagement to the Secretaries Board subcommittee, the Partnership Priorities Committee, for endorsement. In developing the Charter, a cross-agency team considered a range of frameworks, principles, and other charters, consulting across 26 APS agencies. The collaboration commitment is reflected by other staff who also demonstrate passion and commitment for engaging and partnering with stakeholders.

In the 2024 Census, 75% of staff agreed the department builds and promotes a culture of genuine engagement and partnership with stakeholders, and 74% agreed their workgroup invites diverse perspectives to inform decisions and policy, a modest positive increase since 2023. Staff feel improved collaboration is important for the department to achieve its goals. They would like to develop greater depth in their sector knowledge and stronger connections with external partners, which they say would foster connections and knowledge transfer. Staff perceive they do not always have the authorisation to engage outside of formal mechanisms. Despite encouragement to 'pick up the phone' to connect with stakeholders, staff reported sometimes being uncertain, as they didn't want to 'derail something that is happening elsewhere' – particularly where there is a lot of change occurring in the department and sensitive engagements happening in other areas of policy.

> *'We should be supported to engage directly at officer and officer level outside of formal governance structure. It works well when it is not tied up in process. We work well together across jurisdictions when you are allowed to build relationships.'* Internal stakeholder
>
> *'I can see the people at the department are stressed due to the pace of change – at all levels. We can't get anywhere without a strong and robust relationship with the department.'* External stakeholder

External stakeholders have also said they want deeper connection with the department to enable staff at all levels to gain a more nuanced understanding of their unique operating contexts.

Stakeholders recognise the significant challenge to attract, retain and upskill staff on the operational realities and nuances of their sectors, and would like the department to encourage and create opportunities for staff to deepen their sector knowledge.

> *'They turn their staff over so fast, move them around a lot. It's hard to build strong and enduring relationships and build an understanding of us. They are quickly seconded to another role and then we are left to build the capability with someone else.' External stakeholder*

Stakeholders suggested strategies such as the development of a contextualised stakeholder engagement strategy, which clarifies expectations of staff, together with activities like industry placements for learning and relationship building, as means to strengthen partnerships.
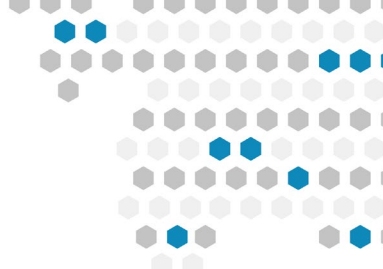
> *'I underscore the top working relationship with Tony [department secretary] and his Deputies – it's really good – but that should translate to much better-grounded work further down the chain – there are massive gaps.' External stakeholder.*
>
> *'Relationships aren't enduring and as externals it's hard to know who is doing what.' External stakeholder*

The department has productive working relationships with central and policy APS agencies, state and territory jurisdictions, and non-government entities across the education and social welfare systems. The type and frequency of public sector collaboration depends on the subject knowledge and skills within departmental groups, and the relative level of priority on current matters. The department's ability to deliver simultaneous significant policy reviews across early childhood education and care, schools and higher education over the last term of government is a testament to its track record of delivering outcomes through analysis and collaboration. This capability will be further tested in the implementation of the review reforms, which will be the foundation for the department's business plans for the next 4 years.

While collaboration is a key function of the department, the type and frequency of collaboration varies depending on the capability of groups within the department to coordinate engagement with stakeholders. This sometimes leads to inconsistencies or consultation fatigue for stakeholders, with some reporting a perception that government agencies are disjointed. Stakeholders reported that this lack of coordination has been particularly acute during the period of major reform over the past 2 years.

> *'You can't consult with everyone on everything at all times, stakeholders have told us about consultation fatigue.' Internal stakeholder*

> *'The frustration is consultation fatigue, the feedback is rarely responded to – there is no clarity about the extent their [stakeholders'] feedback is considered, or it was more tokenistic to report that we engaged with this many people.' Internal stakeholder*

> *'Government delivery needs to be better coordinated. Services and departments work in silos and the bureaucrats need to be looking at horizons, work together and support one another to ensure young people receive essential supports.' External stakeholder*

The department acknowledges it reaches out to stakeholders on specific issues rather than through embedded and more mature engagement processes. Stakeholders described these single-issue consultations as being transactional rather than strategic.

> *'Consultations are too short and sharp and trying to do too much in one session. We need a different approach.' External stakeholder*

> *'It's seen as their right because they are funding us – this is making the discussions very transactional. Rather than "Here, we have some money to address this issue, we'd like to resolve this with you".' External stakeholder*
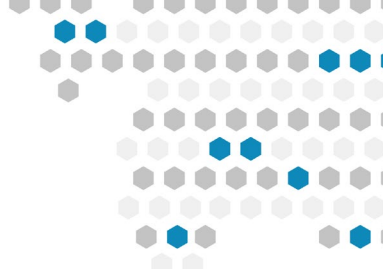
Stakeholders expressed a desire for better engagement as partners, including genuine co-design and shared decision-making to help identify and address shared problems, and to provide opportunities for the department to build its sector and issues knowledge.

> *'There needs to be more faith in stakeholders to do co-design.' External stakeholder*

The department has an opportunity to mature its engagement with stakeholders by improving sector knowledge and driving proactive collaboration based on a national whole-of-life education agenda and broader stewardship opportunities, rather than the reactive and transactional interactions that have been occurring at the group level during this intensive reform period.

> *'I know co-design is a buzzword that is used a lot and it's not always appropriate to use in some circumstances. If it is not true co-design, I encourage the department to be honest when co-design is not appropriate, but say what they can do.' External stakeholder*

Collaboration that supports cooperation and achieves efficiencies requires the department to clearly define its role in a federated education system.

> *'Programs have been designed which may bring some value but if you asked experts, you would have got more value.' External stakeholder*

Establishing improved mechanisms for feedback could go some way to managing concern expressed by some stakeholders that their 'voices aren't heard much', or that the same advice is offered to different areas repeatedly with limited visible impact.

> *'Sometimes what is called co-design doesn't necessarily meet the mark.' External stakeholder*

External stakeholders expect the department to collaborate more strategically with its federal departmental counterparts on the interconnections between education, social services and health, to achieve better social outcomes. The department currently has bi-lateral engagement with the Department of Employment and Workplace Relations, Department of Health, Department of Social Service, National Disability Insurance Agency, National Indigenous Australians Agency, and Services Australia. These arrangements go some way to facilitating public sector collaboration, with a survey conducted for this review finding that 85% of department staff feel their workgroup collaborates effectively with other government organisations to achieve goals.

However, external stakeholders report that there is an opportunity to consider multi-lateral partnerships to tackle social policies more holistically and efficiently. The department is encouraged to continue to engage in work led by other departments and, importantly, to embrace its role of steward to influence multi-lateral engagement to drive holistic approaches to improve education outcomes.
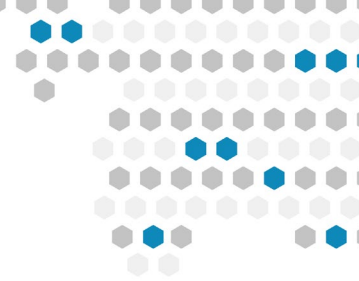
> *'It's using stakeholders in a more formal way in partnership, not just bi-lateral agreements.' External stakeholder*

While some have argued this is a central agency role, the opportunities and benefits for the department to demonstrate its stewardship role are significant.

> *'One of the things people don't think about enough are the poor outcomes of education [that tend to] convert to a Commonwealth responsibility in terms of tax not paid, and they become a client of the Commonwealth as a social security recipient.' External stakeholder*

Stakeholders consider that the department is not effectively using or strategically engaging with existing capacity and expertise within the portfolio and non-government entities. As a department of state and the lead for the education portfolio, the department should consider how it can strengthen engagement with its portfolio entities to support its work.

> *'We have a lot of expertise to inform the department's thinking and we need to be given a question to answer not a request to implement their design.' External stakeholder*

Given the department's complex stakeholder environment, external collaboration capability is significantly important. While the department is still susceptible to further MoG changes, its collaboration capability remains central to its role as steward of the education system.
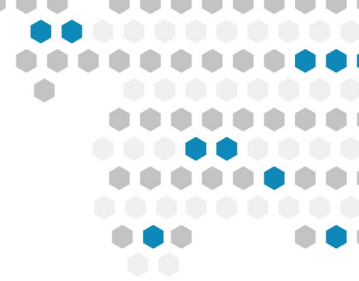
Internal collaboration

Internal collaboration within groups and teams is well supported by effective senior leadership communication. Broader communication is enabled by internal communication channels such as the intranet and all staff emails. The department's internal communication processes are effective in ensuring all staff and leaders are up to date on the direction of the department's priorities. This includes weekly communication by the secretary to all SES and regular all-staff engagement. The Secretary's Showcase on the department's intranet highlights work across the organisation. Teams engage with the secretary on this channel to share their work including challenges and achievements. Recent topics included innovation and the whole-of-government Microsoft Copilot trial, the Commonwealth teaching scholarship, and the role and support offered by the department's Project Office. Staff said they appreciate the communication and feel well informed and supported by their engaged senior leadership team. In the 2024 Census, 82% of staff agreed or strongly agreed that their supervisor communicates effectively, 76% said their SES officer communicates effectively, and 62% said internal communication within the department is effective, ranking the department 34th out of 104 agencies for the Census communication index.

> *'We share information well – internal comms does an amazing job, and managers are also great at sharing updates.' Internal stakeholder*
>
> *'The Corporate communication is generally very good – including monthly EL2 and SES briefings to share key information. The smart boards by the lifts and screen savers work well as communication tools also.' Internal stakeholder*

Collaboration across the department has improved and is occurring where it is built into standard practice and routines. At the top level, all SES are required to jointly manage enterprise-wide risks (risks related to policy, people, stakeholder, delivery, systems and data, and cyber security). This requires them to work together to implement mitigation strategies, such as investing in department internal research and analysis capabilities, and developing forums for consultation with internal subject matter experts.

The Corporate and Enabling Services Group facilitates timely information sharing across the department. Examples include monthly workforce reports, daily circulation of Cabinet reports providing visibility of portfolio outcomes, and guidance to staff to ensure items to ministers and the executive are provided on time.

Staff are also required to collaborate when developing new policy proposals, legislation, grants programs, Cabinet submissions, ministerial submissions and procurement arrangements. Requirements, some of which are mandatory, include consultation with legal, finance, procurement and communication teams. Additionally, the Strategy, Data and Measurement Division shares data expertise through working groups, workshops and events that encourage internal collaboration and building data capability across the department.

The department's new evaluation unit consults with business areas to build evaluation activities into new policy proposals and supports existing policy, program and services, while also sharing expertise and best practice. The Strategy, Data and Measurement Division also provides good practice guidance and resources on partnerships and engagement to facilitate teams working together on matters including people with disability, First Nations and young people. Other instances of internal collaboration to progress the work of the department include collaboration between the Early Childhood and Youth Group and the Schools Group to implement recommendations for the Child Safety Review and the 2020 Review of the Disability Standards for Education 2005, which is profiled later in this report.

Staff describe a professional and collaborative approach to working together to ensure alignment across policy, programs and corporate areas. In the 2024 Census, 81% of staff felt their workgroup takes a proactive approach to collaborating with other areas of the department to achieve more effective outcomes. While this has slightly decreased since 2023, it represents a high percentage of staff feeling positive about the department's internal collaboration efforts.

> *'There have been significant improvements in being able to reach out and a culture of everyone being available for input.' Internal stakeholder*

Employee networks provide a mechanism for staff to connect with and find support from others in the department. Each network is represented by an SES Champion who provides updates to all SES regularly. The networks host events and provide input to the department's policies, such as the National Office Accommodation Project. Employee networks provide an opportunity for internal collaboration across groups by connecting people to promote diversity, including celebrating days of significance. They also provide an opportunity to improve employee outcomes and workplace experiences, contributing to a safe and inclusive culture.

Staff note there is room for greater internal collaboration, given that effective communication and information sharing encourages collaboration and breaks down the silos between groups. In a survey conducted for this review, 38% of staff agreed the department should prioritise improving cross-group collaboration.

> *'First Nations [Closing the Gap] is an interesting example of a lack of whole department alignment. We do very important work in our silos.' Internal stakeholder*

There is some optimism about the department's ability to improve internal collaboration with 'glimmers of earlier engagement linking work across groups' and instances of specialist teams sharing their expertise. The department

is also finding opportunities to share learnings, for example learnings from childcare compliance activities, to improve the consistency of regulatory practice across groups.

Greater systemic and standard practices for internal consultation will enable opportunities for the department to identify efficiencies and take a whole-of-department approach to achieving outcomes for the education system, while being agile in its response to opportunities or disruptions to deliver on its responsibilities.

The review heard some external stakeholders find it hard to navigate the sectoral group structure that reflects a seeming lack of internal collaboration regarding stakeholder management.

> *'We find ourselves playing the part of the bridge between groups in the department.'*
> *External stakeholder*

The current organisational structure, systems and processes, and the lack of a strategy to provide clarity on the attainment objectives for the national education system, do not appear to support effective internal collaboration to address core challenges in the education system, including for vulnerable cohorts. External stakeholders supporting vulnerable cohorts most at risk of falling out of the education system identified these complexities.

> *'We have a lot of vulnerable kids, we have kids that have gone through trauma impacting their lives…some have health issues, they have speech [and hearing issues], they need the expertise and making sure they have the good health checks and are able to get [these] children picked up early so they won't have those difficulties.' External stakeholder*

Both internal and external stakeholders noted a clear expectation of better internal collaboration, with risks and poor outcomes due to siloed ways of working.

> *'We are missing the opportunity to tackle [challenges] with a national approach.'*
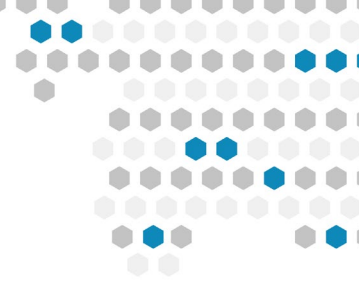> *Internal stakeholder*
>
> *'The internal collaboration and information sharing could be a lot better for a more effective delivery of those [education] outcomes.' External stakeholder*

While the department needs to invest further in internal collaboration, it has undertaken activities that gather data across the groups to analyse performance within the education system. These include working together to analyse of how early childhood education and care settings influence school readiness, and how the National Assessment Program – Literacy and Numeracy (NAPLAN) and a student's schooling and socio-economic status while at school, influence university enrolment patterns. Joint analytical work has focused on the role of the education system to consider broader social impacts, for example analysis on the economic benefits of increasing First Nations school attendance and Year 12 and tertiary attainment.

Staff report that having geographically dispersed teams with broad lived experiences enhances multi-disciplinary collaboration across groups. The review heard of the inherent benefits associated with being able to recruit skilled staff from non-Canberra and non-metropolitan locations who can bring relationships and insights into their work, supporting enhanced internal collaboration. Staff working in different locations relate more deeply to those communities and are strategically placed to hear firsthand of the issues occurring, enabling them to be more aware of local potential solutions and opportunities. Multi-disciplinary teams could be strengthened to enable staff to share their expertise and promote systemic internal collaboration that enhances and makes the best use of the department's collective capabilities.
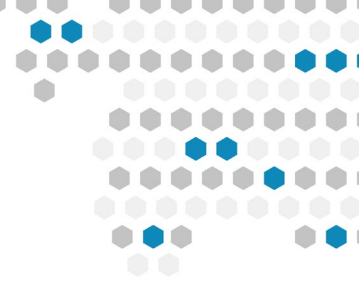
Delivery

Element	Description	Maturity rating
Ministers and parliament	The capability to meet the needs of ministers and the parliament.	Embedded
User focus	The capability to use an understanding of the people and organisations affected by the agency to deliver effective and fit -for -purpose outcomes for them.	Emerging
Strategy	The capability to understand the system/s the agency operates in and the government's agenda, and to develop high-quality advice to deliver outcomes for Australians.	Emerging
Implementation	The capability to deliver efficient and effective services, programs and other initiatives.	Developing
Review and evaluation	The capability to use review and evaluation activities to maintain performance and drive improvement.	Developing

Ministers and parliament

The social policy landscape is diverse, dynamic and interconnected. The department's role in the strategic process of government decision-making is central to ensure education policy is shaped and delivered in the best interests of the Australian people. The department has a significant leadership role as a steward of the education system and driver of improved education quality for the nation, and for access and opportunity for all Australians. The department needs to shape productive and trusted relationships with its ministers and the parliament to ensure it can respond effectively and proactively to government priorities, and to influence positive outcomes for the education sectors.

> *'It's a dance the public service has done for a long time but a highly important skill to be able to say "this is what we can do or can't do". Perhaps being able to influence outcomes in a way that means that we're doing the things that are genuinely important, that lead to sensible outcomes for the public and satisfy government objectives.' Internal stakeholder*

The department undertook considerable reform across its 3 groups simultaneously throughout 2023 and 2024, which required effective working relationships with ministers of their offices. The department has proven its strengths in meeting the needs of its ministers and the parliament through delivering wide-ranging reviews that span early childhood education and care, schools, and higher education, and is now working with ministers and their offices to implement the policy reforms. The successful delivery of these policy reforms demonstrates the department's ability to provide sound advice to support the senior minister through Cabinet, consult broadly and sensitively on reforms, develop legislation, and provide options on reform pathways. In total, 6 departmental bills passed the parliament in 2024.

The review found departmental staff are committed to a strong working relationship with their ministers.

> *'When our minister wants us to engage with matters, I think we are responsive, and I think we are quick, and we do it in a way that is respectful and appropriate.'* Internal stakeholder

Staff understand that the department's purpose is to serve the government of the day by providing frank and fearless policy advice and delivering and regulating programs. The department needs to consider how it can continue to strengthen its capacity to do this, with only 61% of staff in the 2024 Census saying they are supported to use their expertise to provide frank and fearless advice, a significant 5 points lower than other policy agencies and agencies of similar size.

It is evident the department has built strong working relationships with its ministers' offices. Staff working on critical and urgent matters (such as the Australian Universities Accord, Better and Fairer Schools Agreement, Wage Justice for Early Childhood and Care Workers) were engaged in weekly meetings with the ministers' offices to shape and deliver policy for the reform agenda. While the engagement was targeted to those working on reform activities, there were considerable positive benefits for the staff involved in terms of developing further skills, insights and political nous.

Additionally, the department is responsible for certain aspects of regulation across the early childhood education and care, schools, and higher education sectors (noting responsibilities also sit with the states and territories within the complex delivery environment). On 5 July 2024, the Minister for Education issued the Minister's Statement of Expectations intended to provide greater clarity about government objectives relevant to a regulator, in line with its statutory objectives. The expectation is for the department to contribute to the Regulatory Reform Agenda, which is designed to improve the quality and efficiency of Australia's regulatory system through regulatory stewardship.

On 6 August 2024, the secretary issued a Statement of Intent in response to the minister's expectations. The Statement of Intent describes how the department intends to fulfil the minister's regulatory expectations, including examples of ongoing relevant work across the organisation. It is the responsibility of the department's regulatory line areas to ensure their processes and approaches continue to align with the secretary's commitments in the Statement of Intent. Regulatory line areas can access a range of resources on the department's intranet to support the implementation of the Australian Government's regulator best practice principles of continuous improvement, building trust, risk-based and data-driven approaches, collaboration and engagement.

The department also reports on its policy, programs and regulatory performance through existing performance information processes (Portfolio Budget Statements, Corporate Plan and Annual Report, including Annual Performance Statements, as required under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), PGPA Rule and Regulator performance Resource Management Guide (RMG) 128), in a heavily legislated environment.

The department works closely with state and territory governments, portfolio entities such as the Tertiary Education Quality and Standards Authority, and other education bodies such as the Tuition Protection Service and the Australian Children's Education and Care Quality Authority.

The department is the Chair of the Australian Education Senior Officials Committee (AESOC). This is the primary subcommittee of senior officials supporting the Education Ministers Meeting, for which the department also provides secretariat support. AESOC is directly responsible to the Education Ministers Meeting for executing its decisions. While the Education Ministers Meeting has not met since April 2024, the department continued to formally consult across the system via AESOC, which last met in December 2024. Additionally, significant work continued across 2024 with a major focus for the department in negotiating the Better and Fairer Schools Agreement with its stakeholders. The review heard most external stakeholders involved in AESOC value the forum because it enables discussion on strategic issues concerning their sectors.
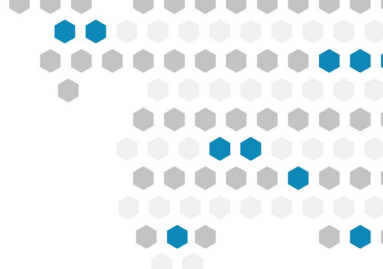
There are resourcing challenges for the department in meeting ministerial expectations, particularly balancing the sometimes-competing requirements to react and respond effectively while also focusing on creating deeply considered and well-tested informed advice on long-term matters. Ensuring the department has the right quality expertise and suitably scalable and flexible resources will be necessary for its future success. This includes a capacity to more effectively engage with and manage its relationships within the federated system, and plan beyond an election cycle to support its stewardship role.

User focus

The department is focused on effective outcomes at key points across the education continuum of people's lives – early childhood education and care, primary and secondary schooling, tertiary education, through to lifelong learning. The department also engages young people in policy making through the work of the Office for Youth. The outcomes achieved for end users of the education system are a product of outcomes delivered by stewardship and partnership. This requires a focus on seamless transition points between sectors of education and improved access and outcomes, particularly for the most vulnerable. Along with undertaking large-scale reform, the department's focus on developing policies, programs and services that have the end user at the centre of decision-making will support its broader stewardship accountability.

> *'The reform has relied on bringing consumers along as part of the providers and consumers of the services. It's dangerous for the government to not have the citizens or communities engaged in the policy discussions.' External stakeholder*

The department has a diverse end user landscape given its role and operations within the federated education system. It relies heavily on its stakeholders to provide intelligence about end users, who in turn engage directly with the Australian and international communities. These stakeholders include education bodies, providers, research institutions, external advisory groups, portfolio bodies, and organisations established to support improvements to the education system.

> *'We've seen significant improvement in engagement in the last few years. Now we are consulted within an inch of our lives, and we love that.'* External stakeholder

It is essential for the department to maintain trusted and effective partnerships to ensure it has the information needed to inform policy and program development and effective regulatory operations. It has a stronger touchpoint with some end users than others. For example, the department is not responsible for running schools, so needs to rely on the expertise and experience of state and territory systems to gain insights into school students and families as end users.
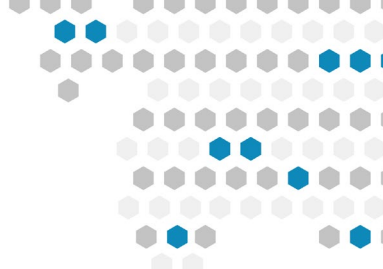
There are a wide range of views on who the department's end users are, and therefore the nature of the engagement mechanisms across the department to connect with end users varies. In a survey conducted for this review, 70% of staff agreed or strongly agreed their workgroup acts on user feedback to improve their work, and 57% agreed or strongly agreed their workgroup engages effectively with First Nations people, organisations and perspectives. Some stakeholders said the department needs to better anticipate and respond to the changing needs of the communities in a more timely manner. Others were highly complimentary of their engagement with the department.

> *'The department has done a wonderful job in working with us to enable us to engage with the policy process, have agency and be heard. It's a great start especially given the resources available.'* External stakeholder

The department's location-agnostic model has been beneficial to attracting and retaining skilled staff outside of Canberra and improving the department's connections to end users through enabling staff to further develop meaningful local relationships with stakeholders and community. Some staff felt they would benefit from clarity on both the formal and informal engagement mechanisms and that the department would benefit by better leveraging its dispersed workforce to bring forward intelligence at the initial policy development and implementation stages.

> *'When you work in other states [outside the Australian Capital Territory] you can relate to people, and you hear more about what is going on around you in the state offices. [You're] more aware of solutions from the state's perspective.'* Internal stakeholder

The department engages with the community through forums, such as the National Youth Forum and principal and teacher roundtables. It also receives community views through public consultation on current reviews. Recent examples include policies to strengthen safety and quality in early childhood education and care, a joint commitment between the department, state and territory regulators, and the Australian Children's Education and Care Quality Authority and the sector. Likewise, the department initiated the Anti-Bullying Rapid Review, announced on 16 February 2025, where expert chairs will engage in-person and online with parent groups, school peaks, unions, and government agencies, as well as directly with parents, teachers and young people.

The department also accesses data and life journey mapping from Services Australia to better understand people's experiences engaging with government services. In the 2024 Census, 87% of staff agreed or strongly agreed that their workgroup considers the people and businesses affected by what the department does.

Office for Youth connecting young people to government

The department has made sustained efforts to build broader APS agencies' capability to engage with young people on policy opportunities to provide feedback and input. The department's Office for Youth (OFY) runs 5 youth advisory groups, partnering with other APS agencies to support young people to connect with government. The youth advisory groups have contributed positively to policy development through consultation with APS agencies – for example, with the Department of Finance on the Australia's Digital ID system, and with the Department of Social Services on the National Commission for Aboriginal and Torres Strait Islander Children and Young People, where they had the opportunity to put forward their ideas and the impact they wanted to see from the Commission. The OFY advisory groups see themselves as a centre of best practice for APS agencies to learn how to engage with young people and are actively contributing to the development of government priorities.

'Office for Youth is very lucky to have a number of First Nations employees who were an incredible support – having them there was amazing in terms of cultural safety and helpful for us to advocate for our voices and give us clear answers.' External Stakeholder
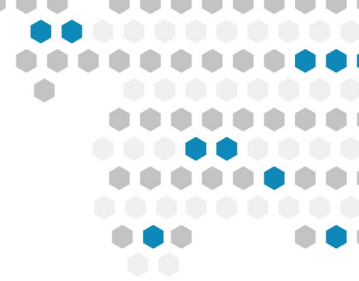
In 2024, the OFY engaged with over 4,600 young people and youth sector representatives to develop a Youth Engagement Model and the Youth Engagement Strategy, *Engage!*, a mechanism to provide young people with a way to engage with the government, sharing their views through online surveys, workshops, focus groups and at community events. The OFY has also published a Youth Engagement Toolkit to improve understanding and skills to engage young people in policy and other government processes.

'It's nice to see public servants are truly appreciative of what we have to say.' External stakeholder

Partnering with its federated partners and social policy agencies is critical for the department in understanding and addressing the needs of the people affected by its work. This enables the department to design and develop policies, programs and services that meet people's needs. In its stewardship role, the department's success derives from successful collaborative relationships with its external stakeholders and the effective use of its valuable resources, focusing engagement where it best aligns with its accountabilities.

Strategy

While the department has a clear stewardship role for the national education system, it has varying degrees of ownership, accountability and influence in relation to the sectors of education from early childhood education and care through schooling to tertiary education, including universities and vocational education and training (VET). While VET is not currently within the department's portfolio, it is a critical sector in the education continuum, therefore an important component of the department's strategy for the education system. The federated model of education delivery across all sectors creates a complex context for national stewardship.

Adding to this complexity is the mix of public and private sector delivery of educational services. Many stakeholder groups have a role in shaping education services. While this at times creates tension, they have demonstrated a strong desire to better partner with the department to articulate and support its stewardship role. Stakeholders all acknowledged the high quality of the department's senior leadership team, anchored by a dynamic, knowledgeable and highly consultative secretary. Quality leadership is the cornerstone to realising the department's purpose and vision.

The series of strategic reviews undertaken over the past 2 years will shape the department's work in program delivery and regulation over the next 4 years towards the excellence horizon. This includes reforms in early childhood education and care, schooling and tertiary education. Increasingly, in delivering key legislative reforms across the 3 sectors of education, the department has been required to assume greater responsibility for regulatory activities and service and program delivery, alongside its traditional policy functions.

The department said it recognises that 'to truly embody the role of steward and improve education as a whole, the department must look to the education system holistically rather than as discrete sectoral groups'. As the steward of the national education system, the department must focus on ways to uplift education system performance through improved educational performance quality outcomes, national consistency and coherence. To do so, the department must operate as one Department of Education, rather than 3 groups reflecting the various sectors of education. Groups need to be invested in unified priorities. The department must galvanise staff, the portfolio, its federated partners and stakeholders to agree on a narrative and performance outcomes for education, as shared stewards of the education system. This will also involve collaboration and genuine partnerships to harmonise the interconnections between education, social services and health outcomes, and harness existing and new opportunities to achieve better economic and social futures for all Australians.

> *'If a person doesn't succeed in education, it will become a significant longer-term cost to the Commonwealth. It would be helpful for the contemplation of the longer-term costs and impacts of not getting education right and working across government to deliver that consideration. Joined up sharing and consideration across government would be useful.'*
> *External stakeholder*

In a post-COVID environment, it is persistently challenging to ensure the education system achieves more equitable and accessible high-performance outcomes. The system is experiencing downward trends which include educational performance measures, such as school attendance, forecast Year 12 completion and university enrolments, persistently lower education attainment rates in regional, rural and remote communities compared with metropolitan areas, as well as falling performance in OECD and global educational rankings. These trends all attest to the need for new strategy. How the department will fulfil a high-expectations stewardship role will be guided and supported by the development of a long-term strategy in collaboration with its federation partners and executed by high-quality leadership.

The review heard staff also want a clear and consistent policy environment to set longer-term goals and to have a clearer understanding of the department's role as the steward of the education system, so they can have a

greater impact on social and economic outcomes. Results from the survey conducted for this review showed that 49% of staff feel the top priority for the department is to improve strategic planning and its long-term vision.

The department's ability to set longer-term goals and prioritise resources (people, systems and finances) has largely been driven by priorities determined at the education sector/group level. This is restricting the department's ability to consider and strategically apply its workforce, technology and budget to achieve broader whole-of-system outcomes – for example, lifting educational attainment and performance across the education continuum. The mechanisms exist to enable a system focus. The department has demonstrated it can mobilise its workforce across groups when the demand arises. There is sufficient flexibility in the budget process to enable the secretary or deputy secretaries to prioritise funding and decide the movement of resources. For example, the Executive Board recently temporarily moved the entire graduate cohort onto priority work to meet demand pressures.

The department's Strategic Policy Branch is designed to support ongoing strategic capability building. This branch includes a new strategic foresight function to equip the department's policy groups with knowledge, skills and tools to deliberately think about what might change in the future and how that would affect the department's work. The branch is also responsible for developing the department's long-term strategy – a valuable mechanism to support the Executive Board to determine the unifying priorities by which co-investment decisions and shared accountabilities across the groups can be achieved. This is imperative for the department to achieve its aim of seamless transition points between sectors of education and improved outcomes, particularly for the most vulnerable within the lifelong education system from early childhood education and care to tertiary education pathways and beyond.

> *'A whole-of-system view needs to be held across the department – they have got to show real stewardship, looking further ahead to improve the whole Education system.'*
> *External stakeholder*

The review found successive and continual MoG changes and resulting operational and cultural challenges have distracted the department from necessary longer-term strategic planning. The MoG changes also have an impact on the department's resource capacity – severely curtailing its ability to respond at scale, while also impacting its priorities and partnerships. However, while MoG changes create a level of uncertainty for staff and stakeholders, they have been a regular feature of the department's past and may continue to some extent within its 4-year horizon. The department's stewardship role will require consultation, collaboration and trusted relationships with stakeholders. While maintaining a role in program design, delivery and regulation in some sectors, the department has a lead policy role to steward the whole system by focusing on collectively agreed outcomes and reducing a focus on directing inputs or activity. This requires an ability to co-design performance outcomes for the system and to play to the strengths of others in the system to deliver.

Implementation

The department has a good record implementing government policy. It delivered on the government's 2022 election commitments, including the Cheaper Child Care reforms, the Australian Universities Accord and the Schools Upgrade Fund. The department has primary responsibility for administering legislation related to education. In 2023–24, the department assessed eligibility and authorised approximately $60.9 billion in payments made to recipients in accordance with a range of complex legislation. Payments are delivered by the Department of Finance's Service Delivery office and Services Australia.

Key department achievements during 2023–24 include supporting 1.2 million families with cheaper child care, awarding 985 teaching scholarships, consulting with 4,600 young people on matters important to them, delivering $27.8 billion for schools, allocating 4,001 extra university places in advanced Science, Technology, Engineering, and Mathematics (STEM), and providing significant investment to improve the lives of First Nations children to accelerate First Nations education outcomes – for example, the Connected Beginnings program that supports 24,800 First Nations children at 50 sites across Australia for better access to quality early childhood education and care.
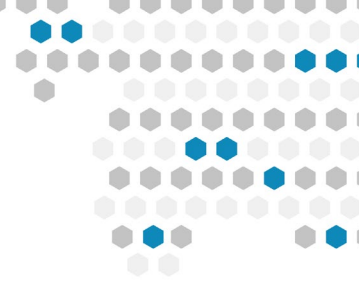
The department engages with its stakeholders to implement priorities for the education system. This includes working with:

- Services Australia on the shared delivery of the Child Care Subsidy for families
- the Department of Social Services on the Early Years Strategy to support the education, wellbeing and development of children, and the National Disability Insurance Scheme reforms
- state and territory governments on the Better and Fairer Schools Agreement
- the National Indigenous Australians Agency to support the department's contribution to the Commonwealth's shared commitment to implement the National Agreement on Closing the Gap.

Connecting the education system to strengthen quality and consistency of standards

In response to recommendation 8 of the Review of Child Safety Arrangements under the National Quality Framework, the department partnered with the Australian Institute for Teaching and School Leadership (AITSL) and the Australian Children's Education and Care Quality Authority (ACECQA) to apply the Australian Professional Standards for Teachers in non-school settings. The collaborative engagement supported AITSL to adapt existing materials and develop new materials to support early childhood teachers and employers in non-school settings to implement the standards. The department's Schools and Early Childhood and Youth Groups worked together to implement this initiative, reporting progress to the Education Ministers Meeting, the Australian Education Senior Officials Committee and the Child Safety Reference Group. Additionally, the department worked collectively to include early childhood education and care services in the Disability Standards for Education 2005 as a recommendation of the 2020 review of those standards. The collaborative effort with the states and territories, the non-government education sector and ACECQA included public consultation with people with disabilities on proposed amendments to apply the standards to the majority of early childhood education and care services.
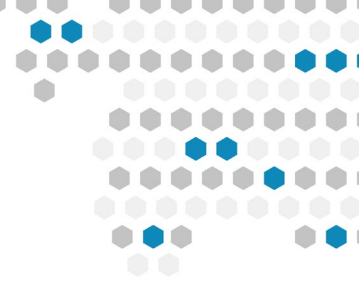
The department has established a Project and Investment Committee to oversee the project portfolio and information and communication technology (ICT) arrangements and to provide governance mechanisms to other projects for implementation. The committee is a decision-making body with responsibility for allocating the department's capital budget for ICT investment and managing cross-portfolio project and IT issues. These are very strong measures to improve delivery capability and need to continue to be a focus for the senior leadership team. The committee is supported by a project office and there is a Project Management Framework to guide project teams. Teams can use a range of project management methodologies supported by the department's project, program and portfolio management software system. The framework outlines the roles and responsibilities (including capability requirements) for people to engage in project management work and serves as a foundation for project management and reporting. Ongoing program and project management training and support is also available for senior responsible officers and project managers through the project office.

> *'We're not doing less policy work. We still have a significant role to play. We still need policy and national leadership but also need an industrial scale workforce for program implementation and delivery.' Internal stakeholder*

The project office service offerings are aimed at supporting the project teams through the life cycle of a project. Independent assurance by an external assurance provider is required for implementation of large complex projects (budget over $10 million). There is a substantial opportunity for the department to increase its dedicated resources for the project office and enhance the remit of the Project and Investment Committee to take a departmental-wide approach to implementing the totality of education reform. This will require a focus on change management and benefits realisation to ensure implementation, review and evaluation activities are deeply embedded and supported by further strong governance. This increases demand on the department to have a workforce skilled in governance, change management, implementation and review and evaluation. The department will benefit from recruiting and building additional diverse skill sets from professionals with delivery backgrounds to supplement its existing strong policy, regulatory and generalist skills, to extend its capacity to deliver programs.

> *'There is a recognition the department needs a workforce with implementation skills and experience and is progressively recruiting in this way.' Internal stakeholder*

The department tracks progress and milestones for all government commitments underway. The process requires responsible line areas to report monthly on any updates to the project office, providing assurances to the secretary and the ministers' offices. This ensures transparency and consistency in reporting and provides evidence concerning the delivery of programs and policies. The department designs performance measures to track its delivery and analyse its performance against the previous financial year. Overall performance for the delivery of commitments has improved, with 84% of performance measures achieved or on track in 2023–24, compared with 64% achieved or on track in 2022–23.

Review and evaluation

The evaluation of policies, projects and programs should be conducted to a standard that ensures the information is credible, timely and evidence-based. It is important for the department to consider the resources needed to evaluate a program or policy, and any governance arrangements necessary to ensure the evaluative approach remains fit for purpose over time.

With 6 departmental bills passed by the parliament in 2024, the department is expected to deliver reform across early childhood and care, schools and higher education sectors. As it prepares to implement new policies and programs, the department will need to plan review and evaluation activities before implementation. Building review and evaluation activities into formative planning as an in-house activity is a relatively new approach for the department. Historically, evaluation activities have been entirely outsourced, however, there is a process to rebuild this capability internally. The department is making good progress with the development of its Evaluation Strategy 2025–27, supported by a newly established Evaluation Unit. The unit partners with policy and program teams to identify opportunities for improvement and to build capability in evaluation planning, design and implementation. The unit considers the effectiveness of policies and programs, complementing the ongoing monitoring of targeted program performance measures. These performance measures are documented in a performance measure assessment tool supporting compliance with the PGPA Act and PGPA Rule requirements. Effectiveness outcomes are reported in the department's annual report and corporate plan.

> *'There has been a greater focus on evaluation. The creation of the evaluation unit has already been helpful in helping folks understand how to measure the impact of a policy.'*
> *Internal stakeholder*

The publication of the department's Evaluation Strategy is a very positive step. The strategy vision is to 'be the driver for embedding a culture of evaluative thinking and learning into the department that applies to all policies and program'. The intent to publish evaluations will provide stakeholders with transparency and has the added benefit of building trust, which should help with the challenges of gaining access to data held by other parties. In developing the strategy, the department consulted with other APS agencies including the Treasury's Australian Centre for Evaluation.

Further, the review found evidence of existing review and evaluation activities across the department. The survey conducted for the review found 67% of staff agreed or strongly agreed their workgroup evaluates their work to drive improvement, and 60% of staff agreed or strongly agreed they have clear performance indicators to measure success. Existing evaluation activities are also undertaken more formally by the Research Division, within the Higher Education Research and International Group, which evaluates new and existing programs including those under the University Research Commercialisation Action Plan. However, this activity is episodic and currently falls short of the culture of evaluative thinking and learning envisioned by the Evaluation Strategy.

> *'Evaluation is being done in pockets and can be done very well when we take the time to listen and seek to understand.' Internal stakeholder*

The Executive Board acknowledges that core evaluation capability needs to be uplifted. This includes funding to undertake evaluation activities for all major programs and initiatives, and using evaluation findings to inform continuous improvement for policies, services and programs. This will require a deliberate focus on managing change to successfully embed the Evaluation Strategy in core business. In the 2024 Census, only 42% of staff said that change is managed well in the department. To embed the capability and strive for continuous improvement, staff also need to feel they are supported to fail and learn from mistakes.

The establishment of an evaluation unit and strategy reflects a strong executive commitment to maturing existing review and evaluation activities. While the strategy and goals of the unit are not yet fully realised, these are good steps in the department's journey to building this capability.

Workforce

Element	Description	Maturity rating
Strategic workforce planning	The capability to understand and act on current and future operating and workforce requirements, including critical job roles, succession management and recruitment/retention strategies to prepare for future needs.	Developing
Staff performance and development	The capability to develop staff in ways aligned to the future needs of the APS, and to improve the performance of individuals and teams.	Developing
Staff culture and inclusion	The capability to develop and maintain an inclusive working environment that gives staff a sense they belong and are valued.	Embedded
Staff safety and wellbeing	The capability to maintain a physically and psychologically safe working environment for staff.	Embedded

Strategic workforce planning

The department is a large agency with a workforce of 1,777. Historically, the department has a strong foundation in policy, program and regulation capabilities. This continued when it was established in its current form on 1 July 2022, following a MoG change which removed employment and skills from the portfolio. Over 2023 and 2024, the department has undertaken 4 significant policy reforms delivered across 3 of its groups as well as contributing to the Regulatory Reform Agenda. This has required the department to secure and use the right mix of skills and experience in policy, program, regulation and project management in a tight labour market. As at 28 February 2025, the department's workforce was made up of 38.6% in policy, 15.4% in portfolio program and project management, 6.9% in compliance regulation and 2.8% in service delivery job families. The remaining 36.3% of job families sit across the department, including in corporate services.

> *'Without a doubt, a skilled workforce is so essential including the training and development to ensure our people are successful.' Internal stakeholder*

The department has developed an enterprise workforce plan, supported by a Workforce Planning and Analytics team. The Enterprise Workforce Plan 2024–26, *Working together – supporting each other to deliver*, identifies and reports on core roles and capabilities. This builds on the department's People Strategy 2023–25, outlining the enterprise roles, capabilities, key focus areas and priority actions to support employees to deliver on the department's purpose now and into the future. The enterprise workforce plan was developed in response to an internal review recommending an uplift in capability building and ways of working. The department has committed to uplifting capabilities through an ongoing focus on learning and development, strategic prioritisation, and streamlined recruitment processes, aligned to a commitment to exploring new ways of working and increasing its workforce outside of Canberra and major cities.

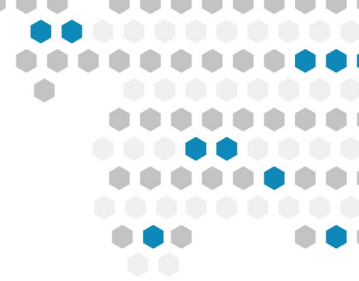*'We need agile management of workforce.'* Internal stakeholder

Workforce planning activities and related strategies are overseen by the People, Culture and Integrity Committee to ensure they are fit for purpose, promote and embed inclusion, and reflect the department's current and emerging business priorities and rapidly changing operating environment. Ongoing implementation of the enterprise workforce plan is embedded in the department's annual business, people (workforce) and risk planning processes within its integrated planning cycle. The Workforce Planning and Analytics team provides SES, Human Resources (HR) and Finance Business Partners with self-service monthly HR reporting that provides a snapshot of the current workforce profile.

Of the 18 initiatives in the enterprise workforce plan, 9 are complete, 5 are in progress, and 4 will commence during 2025. Through the initiatives that are complete, the department now has a range of products and resources for managers and staff including the 'Build your capability' intranet pages, a new Manager HUB portal to improve manager practices and expectations, an APS Craft Series learning suite for staff development in the priority workforce capabilities outlined in the enterprise workforce plan (strategy, policy and evaluation; engagement and partnership; working in government; leadership and management; integrity and specialist capabilities) and the APS Craft. Additional priority capabilities of data and strategic policy identified via staff pulse surveys were reported in the 2024–25 Corporate Plan. Development of these skills is being supported by an online learning catalogue. The department also has a Leadership and Talent Program Policy and a Rewards and Recognition Policy, and runs a graduate program.

Despite the positive intent of the enterprise workforce plan, the department's capacity is stretched by the available resources (Average Staffing Level (ASL)) combined with high and persistent staff turnover. To deliver capability over the next 4 years, the department will need to consider the right size (number of positions, including optimal management structure/span of control), shape (configuration of capabilities to meet current and future needs, particularly following a MoG change), cost (labour expenses) and agility (ability to adapt to changes and meet stakeholder requirements) of its workforce, spanning all its activities (including across early childhood and youth, schools, higher education, research and international).

'We need clarity on our purpose, are we a policy or service delivery agency, and then have appropriate resources to match this.' Internal stakeholder

Government reforms are changing the department's accountabilities requiring it to recruit and upskill staff in new and expanded program, service delivery and regulatory functions. To respond sufficiently, the department needs to review and clarify its strategy and priorities to ensure workforce activities are aligned to achieve its vision and purpose. The review found fatigue with reporting overload – in a survey conducted for the review, 46% of staff said the department needs to improve workload management (third highest priority) and 35% said it needs to improve administrative processes. Staff reported the pressures of being under-resourced in teams and overworked as they struggle to backfill positions with appropriately skilled staff.

Staff indicated sufficient resourcing of skilled staff and manageable workloads was important to achieving high -quality outcomes. They are seeking clarity around priorities and workload, combined with greater flexibility in the use of resources.
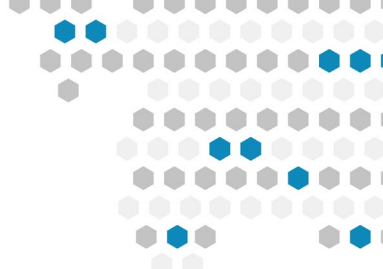
> *'We need to look at reviewing staff levels and structures in each group across the department to free up capacity that could be either moved to areas requiring assistance or used to develop a program of training and uplift.'* Internal stakeholder

It was evident during the review that the department has been asked to do more because of the significant reform activities that will continue over the next 4 years. The department appears under-resourced for its responsibilities given its high staff turnover, which further limits its capacity to deliver on the government's ambitious agenda. As at 31 December 2024, the rate of ongoing staff leaving the department (leaving the APS or leaving to pursue another opportunity in the APS) was 15.1%,[4] compared with 11.7% for the APS as a whole. The turnover rate has decreased from December 2023 when it was 19.6%.[5] In the 2024 Census, 42% of staff reported wanting to leave their job immediately or within the next 12 months. While more than half want to do so to pursue another position within the department, there remains a high percentage of staff wishing to pursue a position in another APS agency, 6 points higher than the APS average. This indicates that high staff turnover remains an issue for the department. While the department's workforce has expanded from 30 June 2023 to 31 December 2024, it will need to stem the high staff turnover that causes interruption by increasing operating costs (recruitment, training, and productivity), reducing corporate knowledge, and negatively affecting workplace morale and culture.

The department has developed an employee value proposition called *empowerED*. This is complemented by an employee experience program designed to achieve 2 main outcomes – to support prospective staff during the recruitment and onboarding processes, and to keep current staff through retention measures to become an employer of choice. With the increase in workforce numbers, it appears the department's employee value proposition is successful in helping to attract talent to the organisation, particularly in a tight labour market. However, the high staff turnover and the percentage of staff indicating they plan to leave the department signal a need for a greater focus on the retention component of its employee experience program. It is positive to see the commitments the department is making to increase retention of staff. If realised, these will serve the department well over the next 4 years.

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[4] 31 December 2024 APSED Table 34.
[5] 31 December 2023 APSED Table 34.

> *'One of the big challenges we have seen is the department has relatively high turnover of staff, which is losing corporate knowledge and skills base, which impacts our policy development and program delivery.' Internal stakeholder*

Staff say the location-agnostic model has enabled the department to recruit a more diverse workforce, further supporting its employee value proposition efforts. Over 12 months (2023–24), workforce numbers grew in the Australian Capital Territory, New South Wales, Victoria, Queensland and South Australia. While staff are mainly located in the Australian Capital Territory, 28% of the workforce is across every other state and territory. The department said that since January 2025, its workforce numbers increased further with substantial growth in Queensland. State offices in Victoria, Queensland and New South Wales account for 70% of all state-based employees. Overall, the employee distribution within state-based offices is concentrated in metropolitan areas.

A dispersed workforce creates opportunity for stronger connection to communities

The department's location-agnostic workforce model has provided positive benefits for attracting and retaining skills across Australia, particularly outside the major cities. This opens the door for opportunities for the department to have greater interactions with its stakeholders within those locations, through staff who are there to engage directly with community.

Services Australia's presence across Australia is a good example of the benefits of having a dispersed workforce. The department has an opportunity to build stronger formal partnerships and have greater informal engagement with stakeholders in the states and territories to gain feedback quickly, feed it back into the centre, and consider where there are opportunities for co-design.

> *'When you work in the other states, you can relate to people and you hear more about what is going on around you in the state offices...[You are] more aware of solutions from your state's perspective.' Internal stakeholder*

The department's current flexible work vision, agreed by the executive via an internally published commitment, is '*We support our staff across a range of locations in Australia. This includes providing flexible work opportunities. We recognise flexibility supports wellbeing and engagement, which contributes to productivity and our ability to deliver*'. For the department, flexibility means flexible hours, flexible work patterns, flexible location and flexible leave, which is further outlined in the department's Enterprise Agreement 2024–27. The department's proposed flexible work principles are aligned to the Secretaries Board principles for flexible work. The department aims to further embed flexibility to increase job satisfaction and greater work life balance, and increase productivity, access to a wider pool of talent and connection to communities.

> *'There has been a large amount of flexibility with work and work hours. Managers seem conscious that you are a person outside of work who may have many things happening.' Internal stakeholder*

In the 2024 Census, 88% of staff said they felt confident that if requested, flexible work it would be given reasonable consideration. This is an increase from 2023, up by a significant 7 points. There is an ongoing need for the department to maintain a focus on its flexible work approach, with 34% of staff wanting improved access to flexible work arrangements. This was one of the top responses for what the department should focus on improving in the future, in a survey conducted for the review.

There will be sustained pressure on the department into the future to ensure it continues to have the workforce capabilities to respond to new challenges (for example, changing identity, embedding reform, responding to MoG changes) through a considered and matured approach to strategic workforce planning, which is aligned to the department's strategy.

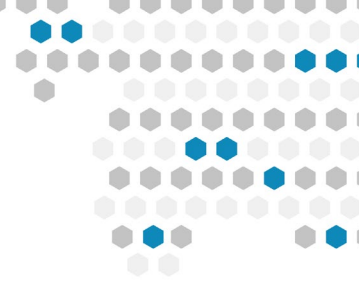## Staff performance and development

The APS has performance management policies and guidelines to support agencies to adopt high-integrity practices at all levels of their organisations, to build capability, set clear expectations and enable all employees to contribute to effective organisational outcomes.

The department's Enterprise Workforce Plan 2024–26 identifies the capabilities it needs. This is supported by the People Strategy 2023–25 that sets the overarching direction and priorities for how the department will support and develop its people. These are well developed and provide a solid base for the workforce development that the department will invest in over the next 2 years. The people strategy encourages individual and team growth through learning programs, mobility opportunities, and on-the-job training as well as learning from peers. The department's range of learning and development offerings include the 'Build your capability' intranet pages, Manager HUB portal, APS Craft Series suite and an online learning catalogue.

Staff have described feeling encouraged and supported to pursue varied learning and development opportunities including further study, training courses and on-the-job upskilling. In the 2024 Census, 77% of staff agreed their supervisor provides them with helpful feedback to improve their performance. However, only 57% of staff said the formal learning they have accessed in the last 12 months has improved their performance. In a separate survey conducted for the review, 49% of staff said the department needs to focus on skills development as one of the top priorities. The review heard that while staff feel they would be supported to undertake training and development opportunities, there was 'not enough time' due to 'high workloads' and 'tight delivery deadlines'.

The department has a strong focus on developing manager capabilities. The enterprise workforce plan describes the role of managers and leaders as one of leading teams through change and uncertainty in a psychologically safe work environment that enables innovation. There are some programs underway, including the modern manager program, Leadership Excellence and Development (LEaD) courses, and the department is establishing an SES Performance Leadership Framework. The department has signalled its intent to build APS Craft capabilities for its workforce, with a focus on leadership and management being one of the 6 APS Craft capabilities.

This continued focus is important as the department has experienced extended periods with high staff turnover. This has sometimes required the rapid promotion of people who need additional training and support, particularly in relation to 'day-to-day people management'. Left unaddressed, this will slow down the

development of a performance culture that enables high performance and deals effectively with unsatisfactory behaviour. This underpins the need for effective investment in people development and performance management.

At the foundational level, the department has committed to participate in performance management arrangements as set out in its Enterprise Agreement 2024–27. The review heard improvement is needed to ensure staff are complying with having a current performance agreement approved with their manager (73% compliant). Managers need to be more proactive and confident in addressing poor performance. Staff and managers have mutual obligations to work towards a harmonious and high-performing workplace, while the Executive Board and the People, Culture and Integrity Committee need to receive the necessary assurances that performance and learning initiatives are being measured, are fit for purpose and achieving their objectives.

The department's self-described capability gap in 'foundational public administration skills' has contributed to a low-risk appetite for devolved decision-making within the senior levels of the organisation. It has been acknowledged throughout the review that the highly reactive environment in which the department has been working over the last 2 years, combined with high delivery expectations driving extensive workloads, has limited the capacity for staff to engage with learning, development and quality performance conversations. This, together with high staff turnover and a competitive recruitment market, has led to a loss of corporate knowledge and experience. In turn, this has led to increasing pressure to uplift team capabilities in people management, procurement and contracting, regulation, governance, writing and administration, and to free up senior leaders to focus on planning and driving strategic performance outcomes.

> *'There is something around the discipline and passion of being a public servant. At the pace government works, honing of the craft isn't as invested in as it should be.'* Internal stakeholder

The department has the fundamental governance, frameworks, policies, tools and learning offerings to build a high-performance culture. However, it needs to expand delivery and increase participation, especially with leadership capability offerings. The challenges it faces with high workloads and high staff turnover have been further affected by a shift in responsibilities, creating greater accountability for procurement, compliance and regulation alongside its traditional policy role. Processes that help inform leaders and staff about where to prioritise efforts in relation to strategic workforce planning to support fit-for-purpose performance management and learning and development will assist the department to ensure it has a workforce that can meet its future opportunities and challenges.

Staff culture and inclusion

A focus on workplace culture and inclusion can improve employee engagement and promote innovation and new ways of working. Diversity within the department's workforce is important to ensure it has people who reflect the community it serves, and to bring diverse perspectives to resolve systemic, complex problems through policy and program design and development and implementation.

The review found the strong leadership by the secretary and his deputies is positively influencing the workplace culture through the communication, engagement, visibility and promotion of a pro-integrity culture. A positive workplace culture builds staff commitment to an agency's purpose. Indicators from the annual Census provide valuable year-to-year insights from staff, which assist APS agencies to better understand factors that are affecting workplace culture. A very high percentage (90%) of the department's staff responded to the 2024 Census. Positive staff perceptions include 83% saying they feel committed to the department's goals and 84% saying they believe strongly in the purpose and objectives of the department. This joint commitment from staff is the foundation of a positive workplace culture where people are proud to work for the department, with 76% reflecting this (5 points higher than the APS average).

The review found these sentiments were reaffirmed with staff during workshops, with staff saying the department has a positive workplace culture that is supportive and inclusive. They want this positive culture to continue by embracing wellbeing, workplace flexibility and capability development to retain skilled staff, with 82% saying in the 2024 Census that the department supports and actively promotes an inclusive workplace culture, consistent with the APS average. In a survey conducted for the review, only 13% of staff reported that they believed the department should do more to improve staff inclusion, which was one of the lowest areas for focus identified by staff.

> *'The department encourages a healthy culture through good leadership and communication. There is a sense of belonging and people being valued.' Internal stakeholder*

The department's diversity workforce statistics compare well with the rest of the APS. In 2024, it continued to exceed the APS average in representation of people with disability and LGBTIQA+ as outlined in the table below.

Diversity group	Education	APS
First Nations people	3.2%	3.4%
People with disability	7.0%	5.5%
Culturally and Linguistically Diverse (CALD) people	21.9%	26.1%
Lesbian, gay, bisexual, transgender, intersex, queer, asexual and other sexually or gender diverse (LGBTIQA+) people	12%	9.2%

Sources: APSED and APS Employee Census 2024

The department also exceeded the APS average of First Nations staff in SES positions (currently at 4%).

The review found there is work to be done on organisational risk appetite to empower staff to take risks and innovate. The 2024 Census showed that 82% of staff felt that one of their responsibilities is to continually look for new ways to improve ways of working, however only 46% felt inspired to come up with new or better ways of doing things (4 points lower than the APS average). Only 33% of staff agreed the department recognises that failure is a part of innovation (significantly 8 points lower than the APS average) and only 61% felt supported to

use their expertise to give frank and fearless advice (4 points lower than APS average and lower at 5 points less than similar APS agencies).

In February 2024, the department launched its Inclusion and Diversity Strategy 2024–25, which sets out its vision for and shared commitment to inclusion. To drive the initiatives in the strategy, the department has 6 employee networks including the Aboriginal and Torres Strait Islander Network, the Culturally and Linguistically Diverse Network, the Ability and Carers Network, the Gender Equity Network, the Pride Network, and a newly established Neurodiversity Network. Dedicated members of the SES support the employee networks as champions. This assists the department to retain its diverse workforce.

> *'The department has built an inclusive culture where people can bring their whole selves to the office.' Internal stakeholder*

The inclusion and diversity strategy sits alongside the Reconciliation Action Plan, developed by the department's Indigenous Business is Everyone's Business (IBEB) Committee in consultation with staff, which outlines the department's commitments to reconciliation and implementing the National Agreement on Closing the Gap reform priorities. The department has a continued commitment to First Nations employment pathways, such as the Indigenous Apprenticeships Program, the Indigenous Development and Employment Program and SES100.

In implementing the Reconciliation Action Plan, the department would benefit from addressing the cultural load on First Nations staff to drive forward initiatives such as staff events of cultural significance, including NAIDOC week and Reconciliation week, to ensure all staff are able to contribute to these activities.

The renewed focus for the IBEB Committee to embed the Closing the Gap reform priorities is discussed in the *Leadership and governance* section of this report. This decision by the Executive Board highlights the department's recognition that it needed to do more to realise its aspiration to ensure business as usual reflects 'Indigenous Business is Everyone's Business'. Expanding the IBEB Committee responsibilities is a positive step for the department to progress program and policy development with a First Nations focus and further uplift its inclusive staff culture.

Staff safety and wellbeing

The department prioritises staff safety and wellbeing by providing a safe, supportive and respectful workplace that promotes physical, mental and psychosocial health, safety and wellbeing. Every APS agency has legislative responsibilities for managing the health, safety and wellbeing in workplaces in accordance with the *Work Health and Safety Act 2011* and Work Health and Safety Regulations 2011. The department's Health, Safety and Wellbeing Strategy 2023–25 and its governance and processes exist to support the department's work health and safety (WHS) obligations. The Health and Performance team's work on health and safety management practices includes providing proactive case management, regular staff metrics to the deputy secretaries and support on the management of sensitive staff matters. The team reports regularly to its WHS Committee and People, Culture and Integrity Committee, as well as the Executive Board on the overall health of the department. This work is complemented by an active Health and Safety Representative forum and a Working Well Hub that contains

resources and services to promote wellbeing (such as flu vaccinations, workstation assessments, mental health training, an employee assistance program, and a recently launched psychosocial safety education program). A recent internal audit of the department's WHS management system, SES WHS Due Diligence training and psychosocial training and guidance for managers, encourages an uplift in the department's compliance with WHS obligations.

The department's People Strategy 2023–25 sets the direction on how it will support and develop its people. Its 4 priority actions include nurturing health and wellbeing, mobilising and building capability, bringing culture to life, and supporting and growing leadership. The secretary is co-sponsor for the Secretaries Board Capability and Workforce Committee's project to build psychological safety within the APS, further assisting the department in strengthening staff safety and wellbeing.

The department recognises flexibility supports wellbeing and engagement, which contributes to productivity. The department's proposed flexible work approach and the importance it places on flexibility in the workplace for increased wellbeing, productivity and access to talent, is discussed further in the *Strategic workforce planning* section of this report.
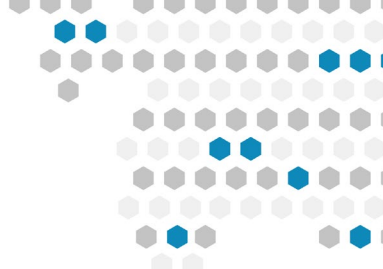
> *'There is lots of support to work flexibly, for example [work from home] arrangements, job-sharing and part-time work.'* Internal stakeholder

In the 2024 Census, 87% of staff believed their immediate supervisor cares about their health and wellbeing. The review also heard that staff feel the department's focus on wellbeing and work life balance is genuine and balance is considered equally as important as getting the job done. There has also been an uptick in employee satisfaction with the department's wellbeing policies and support, and 83% of staff reported that their health is good, very good or excellent.

> *'There is a strong focus on wellbeing and work life balance.'* Internal stakeholder

However, staff have also reported pressure due to perceived unrealistic deadlines, urgent requests and high workloads, resulting in reactive ways of working and a compromise in the quality of their work. In the 2024 Census, 62% of staff said they feel their workload is above capacity (24% well above capacity and 38% slightly above capacity). Results from a survey conducted for this review indicate 46% of staff want the department to improve workload management, making it the third highest priority the department should focus on improving. The department has acknowledged it needs a continued effort to support staff to manage workloads, and is mindful of managing these impacts on an increasingly dispersed workforce.

> *'Workload and time pressures can get in the way of me doing my job well. For example, if my plate is too full, I may feel rushed and like I can't give each task 100%.'* Internal stakeholder
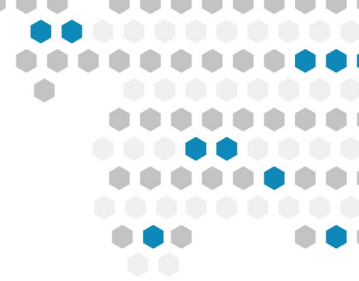
'When workloads are high it can become very reactive, and there is not always the time to ensure that things are worked through and properly considered, which impacts the quality of work.' Internal stakeholder

The newly established Site Leadership Network is a positive initiative that supports employee connection to head office and promotes wellbeing, particularly through an intense period of reform. The network is responsible for contributing to a safe, inclusive workplace environment and culture for all staff, regardless of their office location. The network provides a new leadership structure in each state and regional office to ensure all staff are provided with appropriate support. With a dispersed workforce, the establishment of the Site Leadership Network is seen as a positive initiative, especially among the SES leadership team, which describes it as a mechanism for sharing information, driving local connection and understanding, helping with pastoral care, and improving the ability to gain insights and ensure support aligns with training needs.

Additionally, the psychosocial training and guidance for managers supports them with managing hybrid teams, while the increased use of collaboration tools across the department supports staff connection and engagement, with a good and widespread adoption of Microsoft Teams, SharePoint and other platforms.

The review heard the people strategy will be reviewed during 2025. The challenge for the department involves bringing together the wellbeing priorities under the enterprise workforce plan, people strategy and the health, safety and wellbeing strategy, while building managerial capability to implement priorities and report on progress.

The department needs to continue its strong focus on staff wellbeing and safety by prioritising workload management. A strategic prioritisation tool is in early stages of implementation, yet is a positive step in this direction.

Enabling functions

Element	Description	Maturity rating
Financial management	The capability to deliver financial plans that support the agency's strategic objectives, and to ensure the use of public funds is transparent, accountable and fit for purpose.	Embedded
Technology	The capability to make efficient, effective and forward looking use of technology to support the work of the agency.	Developing
Data	The capability to make efficient, effective and forward looking use of strategic data assets to support the work of the agency.	Developing
Corporate operating model	The capability to effectively identify, design, resource and deliver whole-of-agency shared functions to internal customers that are most important to the agency and its work.	Embedded

Financial management

The department's Finance function has established sound procedures to ensure the leadership team and staff with a role in internal budget management are supported and involved in the budget process. The function has strong, effective work practices and an excellent reputation. Transactional financial processes (for example, payroll and accounts payable) are administered through a shared service arrangement by the Service Delivery Office, Department of Finance.

The department has an internal budget policy that provides a single source of truth on funding and expenditure. The Finance team has several touchpoints with the Executive Board including the initial set-up of the internal budget (the 'top down' process). Within the internal budget process, each group can make a budget request to the Executive Board (the 'bottom-up' process). The Finance team then works closely with the executive to finalise the budget, and then with each group to support the allocation of approved funding.

The budget policy is supported by a range of guidance documentation and processes, including on the internal budget allocation process, forecasting, ASL management and management and reporting of variances. The team has also developed an SES training video on the budget processes, principles and systems. The video is augmented by relevant policies and additional training such as finance essentials, and procurement and contract management. While there is good governance and oversight of the budget process and established supporting resources, the review found there was a lack of understanding, particularly at the SES Band 1 and 2 levels, of financial management decisions in relation to the prioritisation of budget and resources. It appears the decisions made at the Executive Board are not adequately filtering down at the operational level where there is a perceived misalignment between group budget bids and the final decisions made by the Executive Board. Further, there appears to be limited opportunities for groups to jointly bid for the limited budget and resources on joint initiatives where siloed business priorities and thinking may hamper improved outcomes and delivery in the future.

Financial management information is also available to all staff on the department's intranet, and business areas are further supported by designated Finance Business Partners. The Finance function provides regular updates to staff and has established reporting mechanisms for the secretary and senior leadership team to assist with its budget and staff management. While frequent cycles of MoG changes have meant the department has expended time and resources 'rebuilding the base' every few years, in a survey conducted for the review 70% of staff agreed or strongly agreed their workgroup has a planned approach to how it manages funding/spending to support the department's goals.

An internal audit on budget and ASL management completed in May this year found the department has established effective internal budgeting and forecasting processes as well as processes for managing ASL that are aligned with better practice. The audit also found the department could do more to uplift staff's finance capability, including by improving access to guidance materials and training in core financial management skills. For continuous improvement in financial literacy to be sustained across the department at all levels, as a priority it requires a focused effort in building staff capability. The department's commitment to embedding widespread financial literacy across the organisation is occurring in part, including providing updated guidance in procurement and contract management, as well as consolidating guidance to make it more easily accessible (this includes, for example, external budget, costings and New Policy Proposal (NPP) guidance).

The department has a self-described 'good' and 'open' working relationship with the Department of Finance, engaging regularly to keep building this important relationship. While decisions on budget have not always materialised for the department in accordance with government decision-making, the department cites significant benefits from the Department of Finance's advice and support throughout the budget process. This relationship will be central to resolving the department's looming funding deficit and the ongoing financial uncertainty it faces in supporting its priorities – for example, increasing its technology capability, while consistently being asked to do more with less. The department will need to continue to work on opportunities to achieve and influence positive budget outcomes to provide it with greater financial certainty over the next 4 years.

To date, the department's internal budget process has been able to exercise sufficient flexibility to respond to resourcing constraints, supported by the APS Strategic Commissioning Framework. However, the department will continue to experience constrained flexibility in its financial planning capability while budgeting on siloed business priorities set by groups. The development of its long-term strategy will provide important context for shared investment and budget accountability across groups, and generate the behavioural changes to reduce 'patch protection'. This will also ensure all SES are engaged in and apply a whole-of-organisation mindset to budget and prioritisation while supporting their staff to uplift financial literacy for sustained maturity within this function.

Technology

Digital technology has the potential to create significant organisational and operational improvements through digitisation and automation, and potentially leveraging emerging technologies such as AI. The department relies heavily on ICT both internally to support operations and externally for service delivery, such as the provision of $51 billion in funds to education providers via the Education Funding System.

The small in-house technology function is responsible for managing the department's ICT and cyber security strategy. The department's ICT infrastructure, application development and hosting, and cyber security operations is supported by the Department of Employment and Workplace Relations (DEWR) under a shared services arrangement. This arrangement is underpinned by sound governance arrangements to ensure the relationship works effectively. Both departments are members of the ICT Committee, with assurances on project progress reported by the department's Project and Investment Committee, which has oversight of its project portfolio and ICT arrangements.

While the department recognises there are trade-offs in any shared service arrangement that can limit autonomy, it sees the strategic advantage of having access to a shared service arrangement with a large-scale IT shop and expertise. The department also partners with Services Australia, the Department of Finance, the university sector and Education Services Australia to enable and administer a range of ICT applications and services for the education sectors.

The department has demonstrated an understanding of its opportunities to uplift its technology capabilities. Early-stage activities underway include mapping the complex ICT architecture, identifying at-risk applications and delivering targeted modernisation of legacy systems.
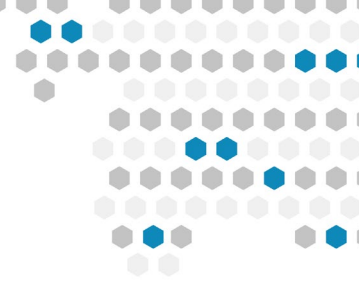
Following an internal review in 2023, the department appointed a chief information officer, who is supported by a small digital services branch. They have begun to uplift capabilities across digital project delivery, business as usual support, cyber security risk management, and participation in the whole-of-government Microsoft Copilot trial. The range of services the branch offers requires an ongoing funding and resource commitment to deliver this capability department-wide. The temporary resourcing arrangements for key roles within the branch, which is currently funded until 30 June 2026, means the department is at risk of losing specialists skills needed to deliver on the priorities under the department's ICT strategy.

The department operates in a complex ICT architecture of legacy systems, which poses an operational risk. This highlights an immediate need for capital investment to rationalise and modernise the department's technology for its staff and to support ongoing funding arrangements.

> *'We're critically dependent on technology. Like many others we suffer from legacy systems that are making it hard to extract data and generate insights.' Internal stakeholder*

The department recently developed an ICT Business Application Landscape, which has provided visibility of the current complexity of the ICT infrastructure. In conjunction, an Application Health Assessment Heat Map, is an excellent piece of work that has provided the Executive Board with oversight of the department's ICT risks and enabled improved conversations around prioritisation, funding and resourcing.

> *'We would love to upgrade, but there is probably not an appetite to update.'*
> *External stakeholder*

Significant work is underway to modernise a limited number of 'at risk' legacy systems, however, several more require immediate attention. The greater clarity of the department's ICT landscape and at -risk ICT should enable it to undertake proactive rationalisation to identify enhancements, prioritise investment into much needed upgrades, reduce complexity and improve efficiency. The department's efforts to ensure the relationship with DEWR is strong and well supported by effective governance is a crucial foundation of working professionally together, enabling the department to be clear and proactive about its ICT needs and appropriate funding and resourcing.
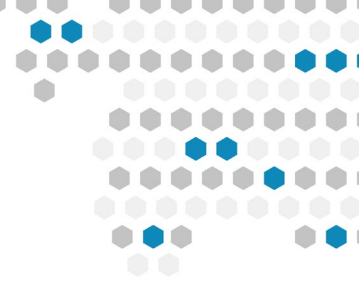
The department's Education Funding System is the flagship project to replace legacy payment systems that currently transfer $51 billion annually to education providers. The Education Funding System project aims to modernise the education digital ecosystem and deliver contemporary digital services, however, it has experienced challenges with limited staff capacity for business engagement and precarious non-ongoing resourcing.

The department's limited capacity to participate in digital capability uplift activities is hindering the potential of digital initiatives that could unlock operational efficiencies. The department's small in-house capability is experiencing challenges in delivering digital initiatives in an environment of low organisational readiness for digital business transformation and lack of engagement in benefits realisation.

The department has been trialling different emerging technologies with various initiatives delivered either in-house, or through the shared services arrangement. Internally, the department has begun work on exploring AI and automation. This includes publishing the required AI transparency statement on the department's website, developing guidelines for staff to use generative AI, participating in the whole-of-government Microsoft Copilot trial, allocating funding towards innovation projects of up to $500,000 for 2024–25, and conducting workshops with business areas on AI guidelines and AI discovery, as well as exploring opportunities to support and improve business processes.

The department is working closely with DEWR to establish a joint Innovation Committee aimed at understanding whether AI or automation can be used across internal processes, as well as ongoing work to implement the Australian Cyber Security Centre's Essential Eight mitigation strategies. While these are positive initiatives, the limited capacity of staff is affecting the department's potential to lead on digital innovation and engage in longer-term digital initiatives that could realise significant innovation for the department and for the education sector in the future. The ICT branch has done well to set the foundations of the department's capability with clear 12-month goals set out in the ICT strategy. However, despite a commitment to conduct an annual implementation check, this has not yet been done due to urgent project tasks taking priority over strategic activities.

Staff feel the department's technology does not meet their needs, describing ICT systems and software as out of date and inefficient with no coherent way to use the multiple systems to do their job. In the survey conducted for the review, 39% and 27% of staff identified the use of AI and ICT respectively as priority areas the department needs to focus on improving in the future. To do their jobs effectively and productively, staff need reliable access to contemporary and flexible ICT, data and information management systems, supported by effective change management. The review recognises there are challenges with securing capital investment for ICT and ICT

projects, however, the current approach of integrating ICT costs into the NPP process may be insufficient for the level of investment required to rationalise the department's ageing technology landscape.

The department is in the early stages of preparing a 10-year Digital Investment Plan and long-term roadmap, which should support its efforts to address funding and other risks associated with its legacy systems in a holistic way.

The department has made a concerted effort to rebuild its in-house strategic technology function and establish an advantageous shared services arrangement supported by a productive relationship with DEWR since the last MoG change. The department's digital ambition is not yet aligned to its current funding capacity, which poses risks to its delivery. These risks are not unique to the department, with many APS agencies experiencing a technology funding deficit amidst ageing legacy technology and difficulty attracting and retaining skilled staff. The department should continue working closely with the Department of Finance on its Digital Investment Plan to create more certainty around funding the interventions required to meet the rapidly evolving digital future. The department acknowledges it will also need to uplift staff capability to manage the shared services arrangements to maximise the relationship and continue the momentum in uplifting its digital architecture.

Data

The strategic imperative for a coherent and consistent national approach for education relies on the active collation and use of a data evidence base involving many parts of a federated national education system. The department's ability to gain the benefits and efficiencies of the data 'golden thread' (that is, a continuous record of student information across the life cycle of the education system) depends on cooperative data sharing practices. The department is uniquely positioned to connect datasets from across the system. This ambition is not without considerable challenges in a federated model, with the department required to navigate legislative barriers, complex data ownership and a lack of trust with many entities that fear the data may be misused in a political environment.

The department's ICT shared service arrangement with DEWR provides data infrastructure that is generally fit for purpose. Similarly, the cyber security function is delivered by DEWR, with the Cyber Security Strategy co-signed by the respective chief security officers in each department. To support this joint effort, the department has established a Data Working Group, which reports to the Executive Board bi-annually. Its focus is on consistency in data management practices, sharing information and collaboratively shaping the desired future state for data capability in the department.

> *'Departmental leadership is quite invested in data which is great.'* Internal stakeholder

The department's data function operates under a modified hub and spoke model managed by a centralised expert hub. It promotes the effective and consistent use of data across the department, acting as a centre of excellence for data management, integration, sharing, analysis, visualisation and education measurement. There are also individual data teams with specialist knowledge and skills that collect, manage and analyse data within the policy groups.

The department has strong foundations to support its data capability. It has all elements of the Foundational Four Framework in place – leadership (chief data officer), a data strategy (2023–25), a data governance framework (published in June 2023) and data discovery (identified and recorded in a data asset register). The department's publicly available Data Strategy 2023–2025 outlines 6 priority areas of staff capability, culture and leadership, governance, data infrastructure, analytics and visualisation, and data release, sharing and use. The strategy sets the vision and implementation priorities, with evidence of progress including the delivery of a Data Governance Framework 2023, and key staff capability uplift activities. The department's governance mechanisms and connections to whole-of-government data activities demonstrate good, centralised capability that supports policy development and program management. Additionally, the branch organises an effectively led cross-group Data Analysts Network that meets regularly to share insights and approaches to data issues and use, an SES Band 1 Data Working Group that meet every 4 to 6 weeks and a whole-of-department Data Week event. It will be important that this initiative continues to be supported and provides the datasets required to underpin the department's work.
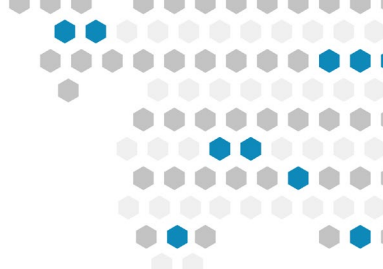
Uplifting APS data capability across the service

The department is an active member of the Data Champions Network, which has highlighted the good work underway within the department. This has led to the department sharing a range of artefacts with other APS agencies, such as its data strategy, data governance frameworks and data release protocols, and data sharing agreement templates. Recently, the department contributed to Australian Taxation Office's Data Week activities, with resources developed by the department shared with APS staff. These engagements and contributions by the department have not only supported the APS to improve data capabilities, but the department has also taken further inspiration from other APS agencies as they develop their own strategies, to learn and then further refine its own strategies and governance arrangements.

The review found that the department routinely uses data as a reliable source of evidence to guide decision-making, and acts on the insights drawn from data. The department's capability to deliver a significant reform agenda has been enabled by the availability of data as well as the growing capability of staff to draw on insights from data to inform policy decisions, new policy proposals and ministerial briefs.

> *'The motivation to include data in policy was lower in the past and is increasing but could increase more. Appreciation of data is clearly much higher.' Internal stakeholder*

Despite this, the review found access to system-wide data is difficult and requires greater levels of trust between partners and stakeholders in the federated education system. With significant datasets owned and managed by stakeholders, particularly the state and territory jurisdictions, the department relies on cooperation to gain access to the datasets necessary for a national view, noting there are also significant legislative barriers that make data sharing challenging between agencies and jurisdictions.

> *'We're bound by very strong legislative challenges [and] trying to have those conversations elsewhere to improve data sharing and combining to inform policy.' Internal stakeholder*

However, stakeholders and staff recognise there have been times when the department could have made better use of data to measure performance.

> *'We have a bad track record of things done with state and territory data.' Internal stakeholder*

> *'We have significant concerns around data governance and assurances around how data will be used.' External stakeholder*

As part of building trust in the data sharing, stakeholders feel more could be done to improve the reciprocity of the arrangement, and see an opportunity for the department to share aggregate data more transparently to inform and support the portfolio and broader stakeholder network.
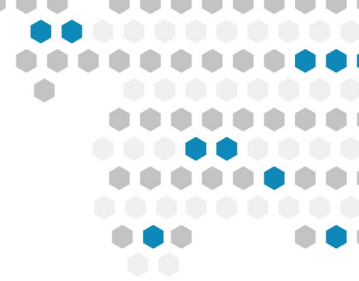
The department will benefit from a continued focus to improve data quality, reference and metadata – highlighted as the key area of focus in the Department of Finance's Australian Public Service Data Maturity Report 2024 (APS Data Maturity Report). While some practices are in place to support the cleansing and management of data, activities are ad-hoc. Improvement in this area will greatly improve efficient data integration and support the department's data stewardship role.

> *'If we want to look at impact across the system we need to get this data sharing piece worked out.' Internal stakeholder*

> *'We're being hampered by the fact that we aren't sharing data effectively with states and territories. That's the thing we could make a difference on if we can do that better.' Internal stakeholder*

The review found the department has a mature data integration practice, with productive joint initiative arrangements in place with Australian Bureau of Statistics (ABS), Services Australia and DEWR that support the department's efforts to improve the quality, completeness and usability of data. This finding was reiterated in the APS Data Maturity Report, highlighting the department's defined understanding of its integration needs, demonstrated connections to strategic and operational planning, and capability to add and maintain external data sources appropriately. The department is heavily invested in the relationship with the ABS to streamline access to the ABS data integration platform, Person Level Integrated Data Asset (PLIDA, formally known as MADIP).

> *'It's critical that we continue making use of ABS data integration platform PLIDA. They've brought together administrative datasets from places like tax, social services, health, education – it's a rich data source.' Internal stakeholder*

While the department has limited capacity to hold data, it's evident strengths in data integration serve as a foundational capability to overcoming the significant challenges it faces to stitch together disparate datasets of varying quality, consistency and completeness.

> '*We have some pockets where the data is very deep but they're like lily pads with gaps in between that we can't draw; ACARA [Australian Curriculum, Assessment and Reporting Authority] captures student performance data, Education has data on regulators and grant funders, but the datasets are non-intersecting.' Internal stakeholder*
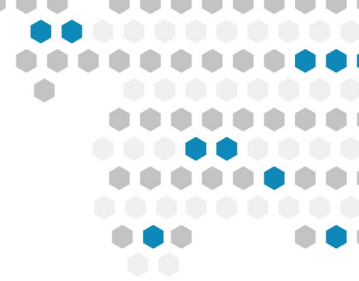
Staff want to see an ongoing investment in uplifting data literacy and digital capabilities, including incentives to retain specialists. The review found there is some momentum in building staff data capability, including through online training modules and lunchtime learning sessions, as well as by promoting and engaging in whole-of-government data activities such as APS Data Week and other Data and Digital Profession events and awards. In the 2024 Census, 69% of staff said they have the data skills they need to do their job effectively, a significant 6 point increase from the 2023 Census. The department may wish to consider how it can scale the service offer of its centralised data specialists, and work with its partner DEWR, to consistently and sustainably provide support across the organisation, including self-service data analytics platforms and on-the-job support.

> '*I have noticed a massive increase in the need for data to justify decisions, which is great, but development of this capability is limited to short online training sessions, when longer in--person sessions would be more effective for the development of these complex skills.' Internal stakeholder*

In conjunction with its efforts to uplifting capability of existing staff, the department will need to remain focused on attracting and retaining data specialists and data and digitally proficient policy practitioners to ensure a pipeline of contemporary data expertise.

Corporate operating model

The department's current corporate operating model reflects decisions made when the department commenced in its current form on 1 July 2022. This includes having shared service arrangements with the DEWR and the Service Delivery Office in the Department of Finance to provide corporate services. While many of the staff-facing functions were outsourced to DEWR, the department made a considered decision to retain the strategic functions of corporate services, which are led by the chief operating officer, chief finance officer, chief information officer, chief data officer, and chief people and risk officer.

The department has been described as a strong and active contributor at the APS Chief Operating Officers Committee. The department is also actively involved in the Chief Operating Officers sub-committee Collaboration Circle. This Circle aims to provide structured, collaborative and repeatable decision-making processes for APS agencies, by partnering chief operating officers and First Nations staff to better understand the drivers for successful and sustainable First Nations employment outcomes within the APS and build the cultural capability of the APS. The department's chief operating officer also chairs the Chief Operating Officer Tiger team, responsible for reviewing APS gifts and benefits guidance, to ensure it aligns with other integrity guidance.
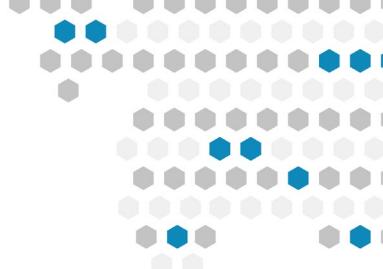
The decisions made for the shared services arrangements have enabled the department to take advantage of the economies of scale and expertise within DEWR that would otherwise require more resourcing for the department. It will be necessary for the department to continue this strong relationship, as it would not be able to take on additional corporate systems responsibilities, given the budget and delivery priorities in its business plan. The 2 departments work well together, principally driven by the opportunity of co-location of some senior staffing and the now very positive and strong working relationship between the 2 current department secretaries. The departments communicate regularly and discuss ongoing service arrangements with a mature and mutually collaborative relationship that acknowledges and recognises the stresses and challenges within the context in which they both operate. The department is working to mature its governance structures, assurance activities and reporting protocols, including strengthening financial and delivery reporting between the department and DEWR.

The department is also working to evolve its corporate service offerings by implementing 'shopfronts' to facilitate staff self-service. For example, a services catalogue provides staff with an overview of the enabling functions, where to find more information, and who to contact. In a survey conducted for this review, 72% of staff said they receive the support necessary from enabling services to deliver their work effectively. However, there are areas that require attention. The review heard staff want to experience more consistency when receiving advice and information. In the survey conducted for the review, 44% of staff said the department should improve corporate knowledge transfer (4th highest priority). Staff also described challenges with the reporting burden, particularly for coordination requests, with there being 'too many' and with 'tight timeframes'. In the 2024 Census, only 58% of staff believed their workgroup has the tools and resources to perform the job well, with satisfaction declining slightly since 2023. This is below the APS average.

Corporate communication within the department is a strength. The department's intranet is well presented and organised, making it easy to find information. The review found staff appreciate the frequency and accessibility of internal communication, which keeps them up to date. In the 2024 Census, 62% of staff described the department's internal communication as effective, a slight increase from last year and better than the APS average, seeing satisfaction levels moving in the right direction.

> *'[There is] good communication about what is happening in the department and [an] easy to navigate intranet for any information you need. [The] corporate directory is excellent.'*
> *Internal stakeholder*

Over years of successive MoG changes, the department has become familiar with managing structural change. While this impacts all areas of the department, corporate services experience the most impacts when implementing change priorities to best support and enable business areas. The MoG changes affect the size of the workforce, which then determines the scale of the corporate offerings and availability of capability. The department has experienced some stability since it was established in July 2022, operating without another MoG change, however, the impacts on the workforce have resulted in corporate services being challenged.

> *'The thing that bumps us around is the MoG where we have this constant disconnect and rebuild.' Internal stakeholder*

Additionally, while the department has embraced the benefits of recruiting staff across Australia under its location-agnostic model, there are future challenges for its corporate services in supporting an increasingly dispersed workforce. As the department considers its presence in locations outside of major cities to connect to its stakeholders, property requirements will have budget implications on already stretched corporate operating costs.

The department is committed to considering that its corporate functions are designed with a First Nations lens. For example, procurement processes are being updated to remove barriers to procuring goods and services from First Nations businesses, with the Indigenous Procurement Strategy launched in 2024. The strategy aims to ensure the department complies with all aspects of the Indigenous Procurement Policy (IPP), complementing the department's Reconciliation Commitment Statement 2023–2024 and Reconciliation Action Plan. Additionally, tools are available to support staff to overcome barriers, such as finding Indigenous suppliers, applying IPP to procurement, IPP reporting, and mandatory minimum requirements for contracts valued at $7.5 million or above.

The department internally publishes an IPP dashboard to inform staff about how it is tracking against the IPP target. The 2024–25 IPP target for the Education portfolio set by the National Indigenous Australians Agency is $3.236 million in contract values and 19 contracts. As at 30 April 2025, the department had 38 IPP contracts and $1.96 million in contract value, with some work to meet the overall contract value target.

The agency's response

In 2022, the Department of Education went through a significant Machinery of Government change which saw it established as a standalone organisation. Since then, we have delivered significant reforms across the areas of early childhood education and care, schools and higher education and international. Throughout this, staff have demonstrated a deep connection to our mission, whether through advancing fairness, equity and inclusion, fostering skills for the future, or ensuring access to quality education for all.

It is gratifying to see the Senior Reviewers' recognition of our staff's dedication, resilience, strong ability to engage and maintain positive relationships with our stakeholders, and unwavering commitment to delivering equitable educational outcomes. I am incredibly proud of the commitment of our people – they are the strength of the department.

I thank the Senior Reviewers – Rachel Hunter AO PSM, Mike Mrdak AO, Kevin Brahim and Samantha Palmer – for delivering a fair and balanced assessment of the department as it stands and as it evolves. I extend my gratitude to the team at the Australian Public Service Commission for their work supporting the Senior Reviewers and extend my appreciation to the positive engagement and participation from department staff and stakeholders who contributed their time and expertise through interviews, workshops and coordination efforts.

The Review emphasised the critical role the department plays in stewarding Australia's education system, highlighting our strengths in delivering reform and working with stakeholders. Important insights were also identified in areas where we should continue to improve capability, which we will consider as part of our Action Plan.

On behalf of the department, I accept the Review's findings. We will continue to build on our strong foundations by empowering our workforce and encouraging evidence-based policy leadership. We will work to anticipate and prepare for future challenges, identify and address capability gaps, unify our efforts and deepen collaboration across sectors, and embed robust mechanisms for evaluation and continuous improvement. The Review and our action plan will help ensure that Australians can continue to experience the wellbeing and economic benefits that quality education provides.

Thank you.

Tony Cook PSM
Secretary
Department of Education

Appendix A: About the review

The pilot Capability Review program is an investment in longer-term capability and an opportunity to focus on strengths and development areas in the context of the anticipated future operating environment. The aim of the program is to:

- help embed a culture of continuous improvement across the APS
- ensure that APS agencies are better able to deliver government priorities and outcomes for Australians.

This is the ninth review undertaken during the pilot program.

The Capability Review Framework is made up of 2 parts:

- an excellence horizon, which establishes what capabilities the agency needs now and in 4 years
- an analysis of organisational capability, which is used to identify capability gaps and opportunities across 5 domains – leadership and culture, collaboration, delivery, workforce, and enabling functions.

The review assesses the Department of Education's current organisational capabilities and preparedness to deliver critical capabilities in the medium-term. It gives the department a maturity rating against 18 capability elements, grouped under the 5 domains, to indicate the most important areas for growth and improvement.

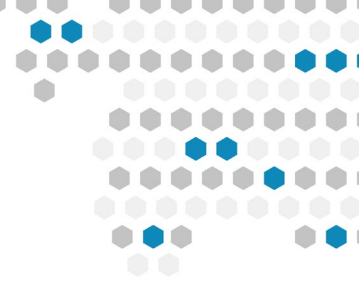**Appendix C** has more information on the domains and associated elements.

Reviews are conducted in partnership with agencies, work to complement existing initiatives within agencies, and provide an evidence-based independent assessment of areas where actions are required to deliver on current and future requirements.

As part of the review process, the department completed a self-assessment of its maturity against the elements, to indicate its own understanding of its capability strengths and opportunities for improvement.

To further inform the evidence base, the review spoke to departmental staff at all levels as well as external stakeholders, including ministers, other Australian Government agencies, non-government organisations and industry stakeholders.

Reviewers interviewed 40 internal and external stakeholders and held 7 staff workshops with 141 staff between January and March 2025. In addition, 845 staff (47%) responded to an all-staff survey conducted for this review.

The review was supported by desktop research and analysis of latest APS workforce datasets including the APS Employment Database, the annual Census and the annual APS Agency Survey, as well as a comprehensive review of recent reports and reviews into areas of the department's policy, program and regulatory responsibilities.

Appendix B: Abbreviations and acronyms

Abbreviation or acronym	Description
ABS	Australian Bureau of Statistics
APS	Australian Public Service
APSED	Australian Public Service Employment Database
ASL	Average Staffing Level
Census	APS Employee Census
DEWR	Department of Employment and Workplace Relations
IBEB	Indigenous Business is Everyone's Business
ICT	Information and communications technology
IPP	Indigenous Procurement Policy
MoG	Machinery of government
NAIDOC	National Aboriginal and Islanders Day Observance Committee
NPP	New Policy Proposal
OECD	Organisation for Economic Co-operation and Development
PCIC	People, Culture and Integrity Committee
PGPA Act	*Public Governance, Performance and Accountability Act 2013*
PLIDA	Person Level Integrated Data Asset
PSPF	Protective Security Policy Framework
RAP	Reconciliation Action Plan
SES	Senior Executive Service
SNAICC	Secretariat of National Aboriginal and Islander Child Care

Appendix C: Capability Review Framework

Leadership and culture

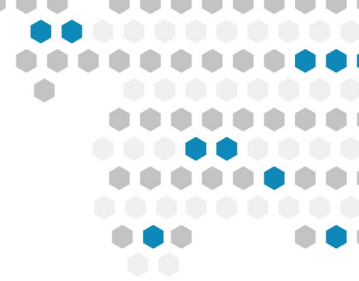| Element	Description	Characteristics
Integrity and values	The capability to embed integrity and APS values in the work of the agency. The agency engages with risk appropriately and embodies integrity in everything it does.	• Agency can monitor, measure and address integrity issues as needed • Agency ensures third party providers also embed integrity and APS values in their work for the agency • Leaders model the APS values • Staff are committed to the APS values • Staff balance risk and opportunity in a way that is consistent with the agency's risk appetite
Leadership and governance	The capability to provide cohesive leadership and direction, and to establish organisational structures that are efficient and effective.	• Leadership team is of a high quality • Leadership team works together effectively • Leadership effectively communicates agency priorities and direction • Staff understand the purpose of the agency and can link their work to the agency priorities • Agency has effective and efficient organisational structures, including optimal management structures for the agency's needs • Effective governance is in place (including cadence of meetings, membership, meeting discipline, and documentation)

Collaboration

Element	Description	Characteristics
Public sector collaboration	The capability to establish enduring and collaborative relationships with other public sector agencies that support agency and government priorities.	• Agency identifies and acts on opportunities to collaborate with local, state, Commonwealth and international bodies • Agency has mechanisms in place to ensure relationships are sustainable • Consultation with public sector agencies is systemic and built into standard processes • Agency's collaboration reflects agency strategy • Agency's collaboration supports the public sector to operate more effectively and efficiently • Agency has a track record of delivering outcomes in partnership with other public sector agencies • (for departments of state) Department has clear lines of communication and works collaboratively with portfolio agencies
Non-government partnerships and engagement	The capability to establish successful collaborative relationships with non-government entities to support agency and government priorities.	• Agency identifies and acts on opportunities to collaborate with business, not for profit organisations, academia and peak bodies • Agency can engage with a diverse range of perspectives to inform policy and program development • Agency has mechanisms in place to ensure relationships are sustainable • Agency assesses the value of collaboration on an ongoing basis • Agency's collaboration reflects agency priorities • Agency's engagements and partnerships are pursued through inclusive, accessible, culturally appropriate and psychologically safe means • Agency's engagement with non-government entities is open and honest about expectations, roles and responsibilities, limitations, objectives and processes from the outset • Agency takes responsibility for commitments made and informs people and communities about how they have contributed to the final decision • Agency has processes in place to ensure all interested parties receive the same information

Element	Description	Characteristics
Internal collaboration	The capability to engage and establish effective and collaborative internal partnerships, ensuring the agency can make best use of its collective capabilities.	• Agency presents a whole-of-agency view that reflects cooperation across different functions • Agency teams share their expertise to benefit the whole organisation • Consultation with internal partners is systemic and built into standard processes • Staff report it is easy to find help or the answers they need internally • Agency encourages innovation through systems that enable engagement at all levels

Delivery

Element	Description	Characteristics
Ministers and parliament	The capability to meet the needs of ministers and the parliament.	• Agency sustains effective working relationship with ministers and offices • Agency demonstrates an understanding of the different roles of the APS, government and parliament • Agency provides impartial, evidence-based advice and information that is responsive to the needs of government and the parliament and consistent with APS values • Agency engages effectively and appropriately with parliamentary processes (Senate Estimates, Questions on Notice, inquiries, legislative processes, reporting etc.)
User focus	The capability to use an understanding of the people and organisations affected by the agency to deliver effective and fit-for-purpose outcomes for them.	• Agency regularly engages with the people and organisations it serves in an open and authentic way • Those affected by or engaged through the agency's work have a genuine and equitable opportunity to have their say • Agency understand the needs of the people and organisations it serves, including at the cohort level • Agency designs and updates services and policies to reflect feedback and research into user needs • Agency anticipates and responds to changing needs of users • Agency considers the views and needs of a diverse range of stakeholders
Strategy	The capability to understand the system/s the agency operates in, the government's agenda, and to develop high-quality advice to deliver outcomes for Australians.	• Agency understands the system/s it participates in, including trends and likely changes, the levers for reform, and the government's vision • System participants, roles and responsibilities are clearly articulated and understood by staff and stakeholders • Agency's advice is timely, clear, well-reasoned, forward looking and provides relevant context • Agency provides advice on different delivery options (e.g. technologies, engagement models, uses of data), including assessing risks • (for departments of state) The portfolio has the strategic policy capability to consider complex, whole-of-government issues

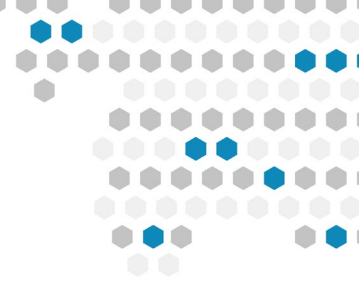| Element	Description	Characteristics
Implementation	The capability to deliver efficient and effective services, programs and other initiatives.	• Agency implements government policy, programs and services effectively and efficiently • Agency designs performance indicators to track progress for any services or programs • Agency routinely improves implementation methods • (where relevant) Agency can efficiently and effectively use third party providers to deliver outcomes for the Commonwealth
Review and evaluation	The capability to use review and evaluation activities to maintain performance and drive improvement.	• Agency routinely reviews and evaluates policy advice and implementation • Review and evaluation findings inform policy advice and implementation • Review and evaluation practices are embedded in agency processes and are sustainable

Workforce

Element	Description	Characteristics
Strategic workforce planning	The capability to understand and act on current and future operating and workforce requirements, including critical job roles, succession management and recruitment/ retention strategies to prepare for future needs.	• Workforce planning activities are consistent with agency's vision, purpose and strategy • Agency understands the expertise of its workforce at individual and whole-of-organisation levels and applies them effectively • Agency understands its future skill needs and strategically uses recruitment, retention, succession management, mobility, reskilling and other activities to meet those needs • Agency proactively manages the talent pipeline for the agency
Staff performance and development	The capability to develop staff in ways aligned to the future needs of the APS, and to improve the performance of individuals and teams.	• Agency identifies and supports high value staff development activities based on workforce planning activities and individual needs • Managers understand, value and enable staff development as a core responsibility • Agency measures the effectiveness of skills development • Agency effectively encourages high performance and remedies low performance • Managers encourage and enable staff development and learning relevant to their role and the future needs of the APS
Staff culture and inclusion	The capability to develop and maintain an inclusive working environment that gives staff a sense they belong and are valued.	• Agency recruits, retains and values a diverse workforce • Agency encourages diverse ideas, cultures and thinking • Agency staff are empowered to take risks and experiment • Staff engagement is high

Element	Description	Characteristics
Staff safety and wellbeing	The capability to maintain a physically and psychologically safe working environment for staff.	• Agency meets its work health and safety obligations • New policies and initiatives consider the health and wellbeing of staff in their design • Staff consider their workplace to be physically and psychologically safe • Agency takes proactive measures to improve safety • Responses to incidents are effective in reducing risk

Enabling functions

Element	Description	Characteristics
Financial management	The capability to deliver financial plans that support the agency's strategic objectives, and to ensure the use of public funds is transparent, accountable, and fit for purpose.	• Investment and resourcing decisions are aligned with agency priorities • Financial planning is effective and appropriate across all parts of the agency • Agency can provide a single source of truth on budget and spending • Agency understands its economic environment and likely financial trajectory • Resources can be adapted and shifted as priorities change • Agency can identify, investigate, report on and address financial issues
Technology	The capability to make efficient, effective and forward looking use of technology to support the work of the agency.	• Technology capability meets staff needs • Agency maintains and monitors the use of technologies • Agency has mechanisms to ensure a pipeline of contemporary digital and technology expertise • Agency makes strategic decisions about the comparative value of different technologies, including when to use whole-of-government or in-house solutions • Agency proactively improves the agency's technologies and considers emerging technologies to meet future needs • Agency ensures the security of agency systems
Data	The capability to make efficient, effective and forward looking use of strategic data assets to support the work of the agency.	• Agency ensures the quality of information and data held by the agency and enables its use internally as well as shares appropriately with external stakeholders • Agency manages data ethically and confidentially • Agency has mechanisms to ensure a pipeline of contemporary data expertise • Agency routinely uses its data holdings in its decision-making processes

Element	Description	Characteristics
Corporate operating model	The capability to effectively identify, design, resource and deliver whole-of-agency shared functions to internal customers that are most important to the agency and its work.	• Agency actively decides which staff-facing functions will be delivered centrally (e.g. finance, legal, research, procurement, ethics, technology, property etc.) • Agency manages the tension between centralised, distributed and outsourced functions effectively • Functions are adequately resourced and supported by leadership • Functions meet staff needs