



Australian Government
Australian Public Service Commission

Capability Review

Department of Climate Change, Energy,
the Environment and Water



© Commonwealth of Australia 2026

ISBN: 978-1-7644149-1-3



With the exception of the Commonwealth Coat of Arms and where otherwise noted, all material presented in the *Capability Review of the Department of Climate Change, Energy, the Environment and Water* by the Australian Public Service Commission is licensed under a Creative Commons Attribution 4.0 International Licence (CC BY 4.0). To view a copy of this licence, visit <https://creativecommons.org/licenses/by/4.0/>.

Enquiries

For enquiries concerning reproduction and rights in Australian Public Service Commission products and services, please contact: externalcomms@apsc.gov.au.

APS Commissioner's foreword

The Australian Public Service Commission coordinates and supports the delivery of capability reviews for all Commonwealth departments and large agencies every 5 years, in accordance with legislative requirements under the *Public Service Act 1999*.

Capability reviews are independent and forward-looking. They assess an agency's capacity to meet current and future objectives and challenges, and are designed to support discussions on an organisation's desired future state, identify capability gaps, and highlight opportunities for improvement.

I thank the Secretary, Mike Kaiser, along with the leadership team and staff of the Department of Climate Change, Energy, the Environment and Water, for their strong engagement and commitment to a collaborative and constructive review process.

I also acknowledge and thank the senior reviewers, Mike Mrdak AO, Mary Wiley-Smith, Matt Lowe and Lisa Elliston for their expertise, dedication and stewardship in undertaking the review, as well as the supporting team from the Australian Public Service Commission.



Dr Subho Banerjee

Acting Australian Public Service Commissioner

Senior review team's foreword

We are pleased to present the capability review of the Department of Climate Change, Energy, the Environment and Water (DCCEEW).

DCCEEW plays a critical role in the sustainability and development of Australia, balancing complex intersecting national and international priorities. We hope this review will help take DCCEEW forward in meeting the challenges of the future while delivering now for the Australian community. The insights we gained were made possible through the frank and considered input from DCCEEW's staff and its stakeholders from across government, industry and community. For this we are very grateful.

In the 3 years since its creation, the department has built a sound organisational structure, systems, policies and processes. Its corporate systems are evolving to provide strong foundations for the business divisions. The department has a passionate and value-driven workforce with deep expertise. Harnessing this collective capability, along with focusing on how it confidently works with stakeholders, will support DCCEEW to take meaningful action on the review.

We thank the Secretary of DCCEEW, Mike Kaiser and the senior leadership team for their open and positive engagement throughout the review. We extend our appreciation for the support provided by the review sponsor Luise McCulloch, Deputy Secretary, and her agency liaison team. It has been a pleasure to work with DCCEEW on this review.

We also wish to thank the Australian Public Service Commission team who supported us during this review for their invaluable assistance, professionalism and good humour.



Mike Mrdak AO



Mary Wiley-Smith



Matt Lowe



Lisa Elliston

Contents

APS Commissioner’s foreword	1
Senior review team’s foreword	2
Review focus	4
About the agency	4
Excellence horizon	9
Executive summary	12
Summary of ratings	14
Detailed assessment of agency capability	15
Leadership and culture	15
Integrity and values	15
Leadership and governance	18
Collaboration	21
Public sector collaboration	21
Non-government partnerships and engagement	23
Internal collaboration	27
Delivery	30
Ministers and parliament	30
User focus	31
Strategy	35
Implementation	37
Review and evaluation	38
Workforce	40
Strategic workforce planning	40
Staff performance and development	41
Staff culture and inclusion	44
Staff safety and wellbeing	46
Enabling functions	48
Financial management	48
Technology	50
Data	51
Corporate operating model	53
The agency’s response	56
Appendix A: About the review	57
Appendix B: Abbreviations and acronyms	58
Appendix C: Capability Review Framework	59

Review focus

This capability review focuses on strengths and development areas for the Department of Climate Change, Energy, the Environment and Water (DCCEEW) to ensure it has the capability it will need in the future. The review includes analysis of:

- the ‘excellence horizon’ – capabilities the department 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 about the review are in **Appendix A**.

About the agency

Overview of roles and responsibilities

DCCEEW has a broad and diverse range of responsibilities, including transforming Australia’s energy system, driving climate action, sustainably managing environment and water assets, safeguarding cultural heritage and contributing to international progress on these issues.

The department’s vision is ‘an Australia that is prosperous because it is sustainable, with community and Country at the heart of our actions’. Its work encompasses policy development, program delivery, legislative administration, operations, regulation and engagement in various markets including biodiversity, carbon, energy and water. The department also delivers the Australian Government’s Antarctic Program. This includes science, logistics and infrastructure for Australia’s research stations in the Antarctic region, as well as operating the RSV *Nuyina* icebreaker and the Wilkins Aerodrome. Success relies heavily on collaboration with First Nations people, communities, industry, not-for-profit organisations, regions, states and territories, other Commonwealth agencies and international partners.

DCCEEW’s functions have been heavily affected by machinery of government changes, shifting and reforming multiple times in the last 20 years. The department in its current form was established on 1 July 2022, combining various functions from the former Department of Agriculture, Water and the Environment, Department of Industry, Science, Energy and Resources, Department of Foreign Affairs and Trade, and Department of Infrastructure, Transport, Regional Development, Communication and the Arts. The last time the environment and energy portfolios were in the same department was from 2016 to 2020, under the former Department of the Environment and Energy.

DCCEEW is now preparing to transfer part of its functions to a new National Environmental Protection Agency (National EPA) on 1 July 2026 (more information is in *Explainer: Establishing a National Environmental Protection Agency* on page 6).

The accountable authority and secretary of DCCEEW is Mike Kaiser, who was appointed to the role in July 2025.

Portfolio structure

The department sits at the centre of the Climate Change, Energy, the Environment and Water portfolio, which includes several statutory and non-statutory bodies and statutory officeholders. DCCEEW's 11 portfolio entities work closely with the department, but each is led by its own accountable authority.

The Director of National Parks is a statutory position supported by Parks Australia, a division within DCCEEW. The Director of National Parks and the secretary of DCCEEW have shared accountability for departmental staff in Parks Australia and have identified and endorsed a set of shared risks.

Ministers

The ministers appointed to the DCCEEW portfolio are:

- the Hon Chris Bowen MP, Minister for Climate Change and Energy
- Senator the Hon Murray Watt, Minister for the Environment and Water
- the Hon Josh Wilson MP, Assistant Minister for Climate Change and Energy.

DCCEEW also supports the Hon Kate Thwaites MP as Special Envoy for Climate Change Adaptation and Resilience.

The division of responsibilities between DCCEEW's 2 Cabinet ministers shapes the department's approach to its work.

Through the Minister for Climate Change and Energy, DCCEEW is responsible for:

- supporting the transformation of Australia's economy to net-zero emissions by 2050
- transforming energy to net-zero emissions while maintaining security, reliability and affordability
- supporting actions to promote adaptation and strengthen resilience in Australia's economy, society and environment
- re-establishing Australia as a global leader in responding to climate change.

Through the Minister for the Environment and Water, DCCEEW is responsible for:

- protecting, restoring and managing Australia's biodiversity, ecosystems, environment and heritage
- advancing Australia's strategic scientific, environmental and economic interests in the Antarctic region
- improving the health of rivers, freshwater and marine ecosystems
- ensuring that Australia is a global leader on the environment.

Explainer: Establishing a National Environmental Protection Agency

DCCEEW has a range of regulatory responsibilities under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act). Other relevant legislation includes:

- *Environment Protection (Sea Dumping) Act 1981*
- *Underwater Cultural Heritage Act 2018*
- *Product Emissions Standards Act 2017*
- *Ozone Protection and Synthetic Greenhouse Gas (Import Levy) Act 1995*
- *Recycling and Waste Reduction Act 2020*
- *Hazardous Waste (Regulation of Exports and Imports) Act 1989.*

DCCEEW's regulatory responsibilities include assessing development proposals (such as for new mines or energy projects) that may significantly impact matters of national environmental significance and setting conditions on project approvals.

As part of national reforms to Australia's environment protection laws, an independent National EPA will be established on 1 July 2026. Most of DCCEEW's regulatory functions under the EPBC Act and other environment legislation will transfer to the National EPA on this date. DCCEEW will retain regulatory responsibilities related to heritage, water, energy, energy efficiency and Antarctica. The transfer will also include 600 to 700 DCCEEW staff from regulatory and enabling functions.

The National EPA will be responsible for environmental assessments, most project approvals, setting conditions under the EPBC Act, and enforcing compliance with the full suite of national environmental laws. It will also assess and issue licences and permits under the broader suite of environmental legislation, working closely with DCCEEW, particularly regarding policy settings. This may include determining national environmental standards, and providing environmental data and information, such as through Environment Information Australia.

The creation of the National EPA was an important package of reforms that aim to make the EPBC Act project assessments clearer, faster and more consistent, while strengthening environmental protections.

Staffing profile

The following information is drawn from the Australian Public Service (APS) Employment Database, as at 31 December 2025.

Staff numbers and locations

State or territory	Headcount	Percentage of total employees (%)
Australian Capital Territory	3,180	51.8
Tasmania	839	13.7
Queensland	463	7.5
Northern Territory	463	7.5
New South Wales	446	7.3
Victoria	422	6.9
South Australia	184	3.0
Western Australia	134	2.2
Overseas	3	0.0
Total number of employees	6,134	

Distribution of classifications

Classification	Percentage of total employees (%)
APS 1–3, including Trainee and Graduate	8.1
APS 4	7.7
APS 5	12.6
APS 6	27.1
EL 1	30.6
EL 2	11.6
SES 1–3	2.4

Diversity

Characteristic	Percentage of total employees (%)
Women	59.8
Men	39.8
Gender X ¹	0.4
First Nations	7.9
Employees with disability	6.4
Culturally and linguistically diverse ²	16.8 ³

¹ Gender X refers to any person who does not exclusively identify as either male or female (clause 20, Australian Government Guidelines on the Recognition of Sex and Gender).

² 'First language not exclusively English' is provided as a measure of culturally and linguistically diverse (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.

Budget

Description	2025–26 budget (\$m)	2026–27 budget (\$m)	2027–28 budget (\$m)	2028–29 budget (\$m)
Departmental operating	1,308.7	1,000.3	878.6	779.9
Departmental capital	89.5	184.4	128.7	122.7
Administered expenses	6,230.0	4,543.6	3,959.1	3,961.8
Administered capital	1,700.2	666.4	121.4	-
Total	9,328.4	6,394.7	5,087.8	4,864.5

Sourced by DCCEEW, April 2026, drawing from the Portfolio Additional Estimates Statements February 2026.

Excellence horizon

The excellence horizon is a 4-year outlook describing how the department's operating context may change and the areas of organisational capability it will likely need to best meet the challenges and opportunities ahead.

DCCEEW is the steward of the climate, energy, the environment, heritage and water agendas. It is uniquely positioned to take an integrated, whole-of-system approach to managing these diverse and important priorities for Australia. Success depends on genuine collaboration across all levels of government and industry, and with the Australian people. It also depends on the capability of the department's leaders and workforce, supported by stable, secure and reliable systems.

The following mega-trends will influence the ongoing work of the department and need to be considered when building organisational capability, so that DCCEEW is ready for the future:

1. **Global transformation to a net zero economy:** There is significant urgency for countries to decarbonise in response to climate change, driving a global transformation to a net zero economy. This is a major opportunity for Australia – generating new industries and jobs, while reducing greenhouse gas emissions across the economy, and providing secure and affordable energy for all Australians.
2. **Adapting to climate change:** Australians are already living with increasing impacts from climate change across all parts of human life and the natural environment. These impacts are expected to worsen under all plausible climate scenarios. While communities, business and all levels of government are responding, it is likely that additional action, involving improved management, incremental and transformational change, will be necessary to help systems and society adapt.
3. **Geopolitical shifts:** Increasing geostrategic competition and conflict mean it is important to prioritise policies and partnerships that increase resilience and safeguard prosperity. These include protecting critical energy and water infrastructure, diversifying supply chains, and exercising strategic influence in the region and globally.
4. **Technological and digital transformation:** Digital technologies including artificial intelligence (AI) create new ways of working, both within the department and with stakeholders. This will reshape the workforce, requiring the department to adapt to attract and retain talent and build capability. Growth in these technologies will also increase demand for enabling infrastructure such as data centres, with implications for energy and water use and environmental impacts.
5. **Disinformation and social cohesion:** AI and social media will continue to have the potential to increase the amount of disinformation. This places pressure on science and institutions to build and maintain public trust. It will also play an important role in communicating scientific information. For example, climate change and the energy transition can be a polarising issue driven by ideological divides and political affiliations rather than scientific evidence – making it harder to build consensus on long-term national priorities and causing civil unrest.

Delivery is key

DCCEEW faces high expectations from government and the community to deliver on the Australian Government's agenda and its enduring responsibilities. To meet these expectations, the department will need to stay sharply focused on delivery, within a complex operating environment amid increased global uncertainty. This includes continuing to work closely with stakeholders beyond policy design, through to sustained implementation, monitoring and evaluation of initiatives. The department's complex and broad responsibilities include working in operational environments such as Antarctica. This means it will need the capability to plan and execute successfully across vastly different delivery contexts. Over the next 4 years, DCCEEW will need the capability to work as a unified department to make clear strategic choices about prioritising and sequencing its policies and programs, so it can continue to deliver effectively in a constrained fiscal environment.

Balancing priorities

Balancing environmental sustainability and economic growth will remain a challenge for the department over the next 4 years. New renewable energy infrastructure may disrupt native habitats. Wetlands and farms will compete for limited river flows. The extraction of critical minerals for renewable energy will need to be balanced against environmental impacts. Its role driving the energy transition places DCCEEW at the centre of a complex and contested policy landscape. The department is a steward of the environment and the National Estate, while also driving planning and investment for resource development. This creates a degree of tension within the department, as it delivers on intersecting responsibilities. The department will need to define what is achievable, systemically negotiate trade-offs, and provide unified and clear advice to support optimal and balanced outcomes. DCCEEW will need to maintain its deep scientific knowledge, expand its market expertise, and ensure all staff have a solid foundation in the APS craft of delivering for government and are aligned to achieving the department's priorities.

A trusted partner

The government's agenda to strengthen Australia's economic prosperity and sustain and restore environmental health cuts across the work of many government agencies and organisations. To effectively deliver over the next 4 years, DCCEEW will need to continue to build and maintain the trust of its stakeholders, partners and the broader community. This will require meaningful engagement, sustainable relationships and clear goals. DCCEEW will need to communicate why its goals are important, and how it will work with others to drive significant change to achieve better outcomes for Australia. The department has prioritised building its First Nations partnerships capability, establishing it as a core value of the department. Leveraging this presents a significant opportunity to contribute to Closing the Gap for First Nations people while benefiting from the traditional knowledge and practices of First Nations people in caring for Country. Continued emphasis on partnering with First Nations leaders – to integrate First Nations expertise, experiences and aspirations, and embed knowledge systems – can enhance the department's ability to deliver complex outcomes across climate, energy, environment and water, and strengthen public trust in government.

A mature and connected regulator

Regulation is a core function of the department. This will not change with the establishment of the National EPA. DCCEEW will need to concentrate its efforts over the next 4 years to continue maturing its capability as a regulator focused on outcomes. This will require the department to consider regulation as a core capability and ensure its remaining regulatory and compliance functions are joined up and fit for purpose. Staff in all functions need to understand the department's role as a regulator and the value of this function – including how regulation and compliance influence policy design. DCCEEW will also need to continue building user confidence in its regulatory programs, including working closely with regulated entities to progress future reforms.

Robust financial stewardship

Tight fiscal constraints will demand a more efficient use of resources and strategic prioritisation of high-impact initiatives. DCCEEW is the steward of a growing range of complex and novel financial and market-based arrangements. These include a substantial and complex asset base, investments, entitlements, credits and underwriting arrangements which carry associated financial risks. Over the next 4 years, DCCEEW will need to build confidence in the system by managing the aggregate nature of these risks for the Commonwealth in partnership with others, ensuring the controls are fit for purpose. The department's broad agenda requires an adaptable financial capability that enables it to deliver within available resources.

Executive summary

DCCEEW has a diverse range of responsibilities critical to Australia's future prosperity. It needs to balance several intersecting priorities over the next 4 years, as it supports Australia's economic and environmental sustainability in the face of a changing climate.

This review aims to provide Secretary Kaiser, his executive leadership team and staff with useful insights on how DCCEEW can become even better and more effective over time, to achieve its important goals over a 4-year excellence horizon.

The reviewers acknowledge that standing up DCCEEW as a new department of state has been challenging, but has been done successfully. The Executive Board had to make deliberate choices to prioritise corporate and governance foundations in the first 3 years.

DCCEEW's staff and leaders have a strong foundation to build on and much to be proud of. The review heard consistent praise for DCCEEW's highly professional and passionate workforce, with deep expertise and a supportive culture. In recent years, the department has delivered government initiatives across climate, energy, environment and water, drawing on significant in-house expertise.

This review report includes findings about DCCEEW's strengths and weaknesses in terms of organisational capability, and highlights areas for particular focus to enable the department to meet future objectives and challenges.

Priority areas for capability uplift

The review found the following 4 consistent capability issues affecting multiple aspects of DCCEEW's organisational effectiveness. These are priority areas for capability uplift.

Overcome siloes to operate more cohesively

DCCEEW is not operating as a single entity with a cohesive strategy and direction. The department is deeply siloed and failing to make connections between related work. DCCEEW will need to get better at joining up cross-cutting issues, navigating policy conflicts and operating collectively. This should be led from the top by the Executive Board, which needs to reset expectations and drive a joined-up approach, and needs to be actioned at the officer level by staff building their internal networks and prioritising internal collaboration.

Plan systematically to support a one-DCCEEW view

DCCEEW needs whole-of-department business planning and prioritisation processes, so the Executive Board can better direct the department's work and oversee its effectiveness. Currently this happens on an ad hoc basis, mostly at the group level, without a one-DCCEEW view. This shift requires support from the corporate core and changes in everyday business practices across the department, including a general uplift in financial and project management capability so all staff can confidently plan and execute the department's priorities.

Engage partners more openly

DCCEEW needs to strengthen its collaboration capability, focusing on building open and trusted stakeholder partnerships. Environment stakeholders want to shift away from transactional interactions and rebuild relationships with the department that they perceive have declined over time. Delivery partners want greater transparency to strengthen their existing good relationships with the department. DCCEEW needs to shift its stance by engaging stakeholders regularly and building trust. By doing so, the department will gain greater awareness of issues and build a strong evidence base – further strengthening its relationships with, and advice to, government.

Take a strategic approach to workforce management

DCCEEW needs to develop a workforce strategy to manage its diverse and large workforce. Currently the department's approach to workforce planning is ad hoc, siloed and operational. This is exacerbated by the absence of an overarching department strategy that should clarify how the department will achieve its long-term goals. The department will need to increasingly move away from traditional ways of managing talent that rely on fixed headcounts or traditional job roles. DCCEEW needs to start thinking strategically about its future operating environment, embrace opportunities and efficiencies afforded by new technologies such as AI, and adopt responsive workforce models that align skills with changing business needs. DCCEEW needs to also consider how it will maintain, develop and shape a workforce, with a particular focus on building middle management leadership capabilities, so it can deliver on its priorities in an increasingly tight fiscal future.

Summary of ratings

Appendix C explains these maturity ratings under the Capability Review Framework.

Leadership and culture

Element	Maturity rating
Integrity and values	Embedded – Integrity and values Developing – Risk and innovation
Leadership and governance	Developing

Collaboration

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

Delivery

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

Workforce

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

Enabling functions

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

Detailed assessment of agency capability

Leadership and culture

Integrity and values

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 – Integrity and values Developing – Risk and innovation

Integrity in the APS is critical to maintaining public trust. The review rated DCCEEW's integrity and values capability as embedded.

DCCEEW has a committed workforce that strives to do the right thing. In a staff survey conducted for the review, 'departmental values and culture of integrity' ranked second highest for what the department does well. The survey also found that most staff (93%) feel people in their team uphold the APS values. Additionally, the 2025 APS Employee Census found that 83% of staff agree the department's culture supports people to act with integrity. This is 8 percentage points higher than 2024 and slightly above the APS average.

'I feel like we really live [the APS values] in our work and engagement with externals.'
Internal stakeholder

DCCEEW's pro-integrity culture is supported by good foundational systems that continue to mature. The department recently released its Integrity Strategy 2026–28. This is complemented by other guidance including the Conflict of Interest Policy and Playbook, and DCCEEW's purpose statement. In 2025, DCCEEW conducted its second self-assessment against the Commonwealth Integrity Maturity Framework. Its overall maturity was rated embedded (level 3 out of 4), an improvement from the last assessment in 2023.

The department promotes awareness of integrity-related processes and support and builds staff capability around integrity. An internal dashboard is published every quarter to promote transparency of the department's integrity-related matters. As part of an internal Safe to Speak Up campaign launched in 2024, the department released step-by-step guides on how to report integrity concerns and enabled reporting via a QR code for staff in remote locations. DCCEEW also delivered a range of initiatives for International Fraud Awareness Week 2025, such as an all-staff keynote presentation and daily articles and activities to increase staff knowledge. In terms of formal development, around 85% of Senior Executive Service (SES) staff attended the SES Integrity Masterclass series in 2024–25, building their capability to embed a pro-integrity culture across the APS.

Risk and innovation

The department is working to engage more positively with risk. Being ‘risk aware, not risk averse’ is one of the secretary’s guiding principles for staff.

DCCEEW’s Enterprise Risk Management Framework outlines its stance on taking different kinds of risk, such as in policy and regulation, stakeholder engagement and financial discipline. However, staff feel there is still more to do. In the 2025 APS Employee Census, 56% of staff said the department’s risk appetite is a barrier to performing at their best. In a survey conducted for the review, over a third of staff identified ‘enabling innovation while managing risk’ as an area the department should focus on improving.

The department accepts significant risk in some areas, but staff and stakeholders said it is risk averse, particularly where the government has not already communicated a clear policy direction. Decision-making can be overwhelmed by process and occur at a higher level than necessary. Staff describe multiple levels of clearances and overly restrictive rules that complicate simple tasks. Many staff told the review they can feel disempowered and deskilled. Levels of decision-making are discussed further in the *Leadership and governance* element on page 18.

‘Delegations have been escalated up to the highest level for small things, including recruitment and financial expenses.’ Internal stakeholder

‘In other departments, it’s not such a big deal to pick up the phone and contact external agencies or stakeholders. At DCCEEW, it always has to be approved or initiated at a higher level, which slows down work considerably, and limits collaboration.’ Internal stakeholder

External stakeholders acknowledge the need for the department to be cautious about legal risks, particularly in its regulation and program areas. However, the department’s risk aversion and reliance on legal advice can prevent effective collaboration and timely resolution of issues. An internal stakeholder said, ‘The legalities have dominated, to the point we can’t have those conversations about how to find a better way to approach projects ... the culture of “no risk at all” has not served particular functions well’. External stakeholders felt the department’s risk aversion is showing up as a lack of policy ambition and an insufficient focus on outcomes in some areas. Staff are more willing to be innovative and take risks when ministers provide explicit permission and guardrails.

‘The department has a culture of risk aversion and caution which undermines leadership, performance [and] innovation.’ External stakeholder

‘Risk aversion sometimes [prevents] the best outcome for fear of how it can be perceived.’ Internal stakeholder

The department is aware of the issues of risk aversion and has begun work to address it. DCCEEW runs a risk management community of practice, which has 275 members. Meetings are held every 2 months to share lessons learned and success stories. Topics range from the management of Indigenous Protected Areas to the risk strategy for a renewable energy investment scheme.

The department's 2025 APS Employee Census results suggest it has made positive steps in managing risk and encouraging innovation. For example, 71% of staff agree their SES manager encourages innovation and creativity, 56% agree DCCEEW inspires them to come up with new or better ways of doing things, and 49% agree DCCEEW recognises and supports the notion that failure is a part of innovation, all of which have improved from the previous year.

'It's one of the more forgiving cultures in terms of learning from mistakes.' Internal stakeholder

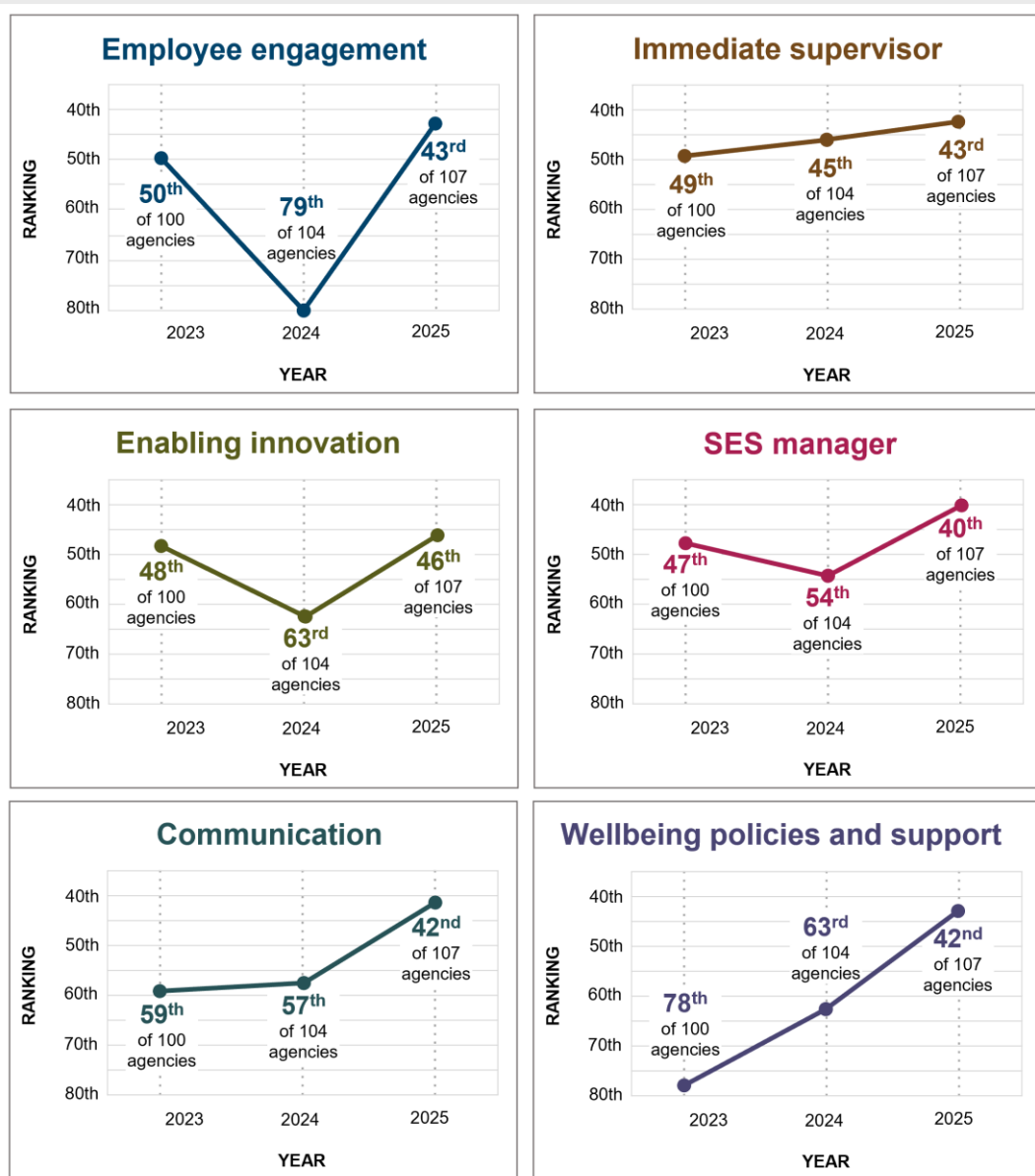
DCCEEW will continue to face complex challenges in its operating environment, as mentioned in the *Excellence horizon* on page 9. It will be important to build staff confidence and skills, so they engage positively with risk and feel safe to try new approaches. This requires senior leaders to foster a risk-aware and innovative culture and model the behaviours they want to see. Staff will also need clear roles, accountabilities and instructions, so the parameters for acceptable solutions are unambiguous.

Leadership and governance

Element	Description	Maturity rating
Leadership and governance	The capability to provide cohesive leadership and direction, and to establish organisational structures that are efficient and effective.	Developing

Big strides in staff satisfaction

The 2025 APS Employee Census results tell a positive story for DCCEE, with staff recognising the good work of the department. As shown in the figure below, DCCEE's scores improved across all indices between 2023 and 2025, and exceed the overall APS scores in 2025. This reflects a sustained leadership focus on improving employee experience, with standout results in wellbeing policies and support.



DCCEE's 2025–2026 census action plan shows it now aims to simplify processes, reduce layers of decision-making and enable staff to take smart, appropriate risks.

DCCEEW's senior leaders are respected by staff and stakeholders. In the APS Employee Census 2025, 76% of DCCEEW staff said their SES manager promotes cooperation within and between agencies, 72% agree their SES manager creates an environment that enables them to deliver their best, and 71% agree their SES manager presents convincing arguments and persuades others towards an outcome. These results are a significant positive increase from 2024 and exceed the APS average.

'SES have a general willingness to lead, get their hands dirty and get involved. That sort of thing is good.' External stakeholder

The Executive Board has strong governance foundations in place and has worked together since 2022 to build a new department from the ground up. The board oversees a complex and broad range of responsibilities across 2 Cabinet ministers.

'Our internal structures and governance are good. Broad cultural elements are strong. There are good things in [the APS Employee Census] around leadership capability. There's a good base to work from.' Internal stakeholder

The review heard staff and stakeholders are largely complimentary about individual Executive Board members, and that they have established solid corporate and governance structures for the new department. However, many perceive that Executive Board members do not always work as a team. The review heard each deputy secretary is focused on delivering their own group responsibilities rather than taking collective ownership of the department's overall strategy and policy work, as a team. This means DCCEEW operates more like 2 separate departments and there are missed opportunities for connections between the work on the environment–water side and the climate–energy side.

In the 2025 APS Employee Census, only 58% of staff said SES work as a team. This lack of cohesive leadership is most evident where there are inherent policy tensions between the department's goals, for example where new renewable energy infrastructure has a significant environmental impact. Despite several attempts to work through these tensions, DCCEEW has no systematic way to identify and resolve them. Middle managers are advised to escalate unresolved issues to Executive Board but have little faith that the board will effectively mediate the required trade-offs.

'We have not systematically engaged with the obvious big issues between climate, energy and the environment despite sitting under the same roof. In the first term of this government there was not a willingness to engage in this among deputies, even when prompted.' Internal stakeholder

Over the next 4 years, DCCEEW will need to focus on driving a cohesive policy agenda by resolving policy tensions and complex trade-offs. The Executive Board members will need to model the behaviours they want from staff and clearly communicate the priorities and expectations. This requires the department to further mature its governance structures so they are fit for purpose, embedding SES joint accountability, shared risk and decision-making. There is evidence the department is taking steps in this direction, starting a series of Strategic Policy Dialogues that bring SES together on emerging and cross-cutting policy issues, to try and achieve a consistent view in contested policy spaces.

'Resolving trade-offs and complexity, [and] competing policy conundrums requires collaboration starting at the very top – Exec Board needs to work as a team and engage in solution finding.' Internal stakeholder

'We need to resolve tensions between objectives – objectives which while in the long-term are mutually reinforcing (environmental and biodiversity protection, clean energy transition, emissions reduction) do present trade-offs. Those tensions need to be resolved in a way that results in a shared understanding of what we are trying to achieve and how.' Internal stakeholder

Better practices and decision-making needs to flow through to all levels of the department. This includes pushing decision-making down to staff closest to the issues, empowering and upskilling them to take on the responsibility. Internal and external stakeholders said leaders at all levels in DCCEEW are not as empowered as they should be. In a staff survey conducted for the review, this was the second highest priority for staff, with 42% wanting the department to focus on decision-making at the lowest possible level.

'Decision-making has come up too high. It's a bit of a self-fulfilling cycle. We don't want to give responsibility to EL 2s because they don't have the capability, but they don't have capability because we never give them things.' Internal stakeholder

Staff development is discussed further in the *Staff performance and development* element on page 41.

Collaboration

Partnering across sectors to progress environment protection reforms

DCCEEW set up a high-performing taskforce to support major reforms to the EPBC Act. Public sector, non-government and internal stakeholders consistently commended the department and taskforce on its collaborative approach throughout the reform process. External stakeholders said they appreciated receiving regular updates and felt they were able to ask questions and make meaningful contributions. They also praised the taskforce for its ability to identify issues and think creatively to solve them.

‘We have only good things to say about that process and how it was run ... The processes were transparent and helpful. Really great information was being shared. We were asked respectfully to give input. Collaboration was strong.’ External stakeholder

‘They tried to bring us in with briefing sessions. It was very quick. They worked at pace and got it through.’ External stakeholder

Changes to the EPBC Act were passed in late 2025. The reforms show the department’s ability to work with a range of stakeholders to deliver complex reforms and serve as an example of best practice engagement. DCCEEW may wish to draw on this experience when designing future processes.

‘EPBC is an example [of] what you can achieve when you get the right people, appropriate resources, clear direction and authorising environment.’ Internal stakeholder

‘One of the best public service exercises I’ve been involved in. Not surprisingly, it delivered.’ External stakeholder

Public sector 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

To deliver its priorities, DCCEEW engages with a wide range of public sector agencies including international partners. This review mainly focused on collaboration with Commonwealth agencies – including those in DCCEEW’s portfolio – and with state and territory governments. DCCEEW works with 29 Commonwealth agencies on joint programs. It is also responsible for developing nation-wide policies and initiatives, which are then implemented by state and territory governments.

DCCEEW's staff believe they work well with their public sector partners – in a survey conducted for the review, 79% of staff said their team collaborates effectively with other government organisations to achieve outcomes. However, external stakeholders have varying views on DCCEEW's collaboration with them.

The department's relationships with its portfolio agencies were described as open, constructive and trusting. Portfolio agencies said DCCEEW engages them regularly, sharing information, seeking input on potential policy ideas and monitoring progress of initiatives. They largely consider it a trusted environment where discussions are open and honest.

'There's a level of trust that what we're telling them and what they're telling us is accurate and fair. There's a sense of "we're trying to work with you to help deliver this stuff". Very rarely is there "we want you guys to do this even if you don't like it – that's your problem, not ours". It's a fairly mature relationship.' External stakeholder

The review found that DCCEEW's relationships with agencies outside its portfolio are less mature. While DCCEEW's public sector partners generally said the department engages in good faith, they are frustrated by the often rushed and transactional nature of its engagement. They also identified the department's internal siloes and insular understanding of its priorities and outcomes as a barrier to effective collaboration. These themes are explored further in the *Internal collaboration* element on page 27 and the *Strategy* element on page 35.

While the department has formal mechanisms to engage with its public sector stakeholders, the review heard it sometimes waits too long before presenting new initiatives for consultation. This negatively impacts both the department's relationships and the outcomes it can achieve. Stakeholders acknowledge the department's work is often politically contentious and may need to be closely guarded. However, they stress they could better support DCCEEW if it provided early visibility and was more open to working through issues together and co-designing solutions. For instance, state and territory agencies – as the delivery arm for many of DCCEEW's policies and programs – see opportunities for the department to tap into their on-ground expertise early in the design process. This is explored further in the *Implementation* element on page 37.

'It all becomes unnecessarily tense and combative, and it is all done at the last minute.' External stakeholder

'DCCEEW sets up lots of [interdepartmental committees]. It was the mechanism for them to consult ... They weren't being used for open, collaborative problem-solving. They were being used to just tell people what was going to happen.' External stakeholder

DCCEEW also needs to take the time to share early plans and test ideas with its public sector partners as part of its policy and program design.

The department may be able to more effectively achieve whole-of-government outcomes by working through early ideas in informal settings with trusted partners. This will require DCCEEW to strengthen existing bilateral relationships with its public sector stakeholders, so it can engage with them in the same way it engages with its portfolio agencies.

There are positive early signs the department is improving its public sector collaboration capability. In the 2025 APS Employee Census, 76% of DCCEEW staff agreed their SES manager promotes cooperation within and between agencies – 4 percentage points higher than 2024 and 6 percentage points higher than the APS average. Stakeholders said DCCEEW’s engagement on the Net Zero Plan, the Rewiring the Nation program and environment protection reforms are recent examples of positive collaboration, citing DCCEEW’s willingness to share updates and problem-solve together.

Non-government partnerships and engagement

Element	Description	Maturity rating
Non-government partnerships and engagement	The capability to establish successful collaborative relationships with non-government entities to support agency and government priorities.	Developing

Collaborating with non-government partners is an essential part of DCCEEW’s work, because its policy goals reach far beyond what governments can achieve on their own. To deliver its complex agenda across climate, energy, the environment and water, the department works closely with not-for-profit organisations, landholders, industry, academic institutions, international bodies and First Nations organisations. This ranges from informal relationships with people pursuing similar aims, through to structured delivery partnerships such as with Natural Resources Management regions and others.

External stakeholders said DCCEEW generally engages respectfully and in good faith. Where relationships exist, stakeholders said DCCEEW staff are consultative and listen to other perspectives. Staff mostly agree, with 65% of responses in a staff survey conducted for the review saying their team collaborates effectively with non-government organisations to achieve outcomes. DCCEEW has staff based around the country, as outlined in the *Strategic workforce planning* element on page 40. This was raised as a real benefit for stakeholders, who consider locally based people more credible with a better appreciation of their issues.

‘There are good people in DCCEEW who our staff have connected with and built good relationships over the years.’ External stakeholder

However, the quality of DCCEEW’s engagement varies across the organisation. Stakeholders praised staff in energy functions for their proactive engagement but said relationships in the environment areas have somewhat declined. Organisations that used to have close links with the department said it has pulled back, and they don’t have a sense of its stance or aspirations on key issues.

Some said staff turnover has affected relationships and institutional memory, and they no longer know who to talk to. As discussed in the *Internal collaboration* element on page 27, external partners said DCCEEW is not as internally joined up as it should be.

Like its public sector partners, DCCEEW's non-government partners described the department's engagement as often transactional and rushed. They would like DCCEEW to communicate in a more open and transparent manner and bring them into the policy design process much earlier, so their input can genuinely inform future policies and programs.

'Our desire to collaborate is met with defensiveness and brushed off – it's intensely frustrating. Organisations like ours have a lot to bring to those policy areas.' External stakeholder

'It feels like we want to work through and have an answer to problems before we talk with people, before we connect.' Internal stakeholder

DCCEEW will need to strengthen its collaboration capability and confidence to engage externally, to deliver on its responsibilities into the future. An important part of this is building trust – having the confidence to reach out, build relationships and understand different perspectives. Staff recognise this is important, but do not always feel equipped to put forward a departmental view on policy positions and talk confidently about DCCEEW's forward agenda.

Internal stakeholders said confidence and competence comes from 'doing it' – staff need practical exposure to engagement, not just training and on-the-job advice. They also need the right authorising environment, including a forward agenda they can speak about and support from ministers and senior leaders to be more open.

'Stakeholder engagement is patchy. In some places it's confident. It's not as good in areas where we lack confidence because [policy] tensions aren't resolved, priorities are unclear, or we don't have a house view on trade-offs.' Internal stakeholder

The department has a strong foundation to build on. There is a lot of goodwill from non-government organisations, which consistently want DCCEEW to succeed. The review also heard examples of good practice from across the department, particularly in Energy Group where staff felt confident to engage with stakeholders, sharing issues, developing ideas and testing solutions without fear, including in confidential settings.

The department's new secretary has set the expectation that DCCEEW will work openly with external partners and is championing work to build capability in non-government collaboration through his staff-facing 'strengthening your impact' initiative. Some external stakeholders already recognise that this change is underway, saying they can see DCCEEW building its capacity and capability around consultation.

First Nations collaboration

First Nations matters are central to DCCEEW's work. First Nations people hold rights and interest in much of Australia's land and seas and are crucial partners in the management and protection of Commonwealth parks, gardens, water and the marine environment. The department recognises it has a significant opportunity to contribute to Closing the Gap for First Nations people through enduring partnerships and meaningful engagement. It continues to benefit from traditional knowledge and approaches to caring for Country.

'I haven't ever worked in an agency which has taken so much care and consideration to finding out and incorporating First Nations views.' Internal stakeholder

Respect for First Nations perspectives is deeply ingrained in DCCEEW. The department's efforts to maximise First Nations participation in its work and decision-making are underpinned by governance structures and a solid suite of staff guidance. To raise this maturity rating from developing to embedded, the department will need to focus on impact – embedding these strong foundations and expanding out from pockets of good practice into every aspect of its work to realise real-world results.

DCCEEW has much to be proud of. It aims to incorporate First Nations expertise and aspirations into the way it shapes and delivers policy, programs and partnerships to achieve its vision and purpose. This is outlined in its Statement of Commitment to First Nations people and its First Nations Strategy 2025–30, which DCCEEW describes as a comprehensive roadmap transforming the Priority Reforms in the National Agreement on Closing the Gap into practical initiatives tailored to the department.

DCCEEW has developed guidelines for staff on the approach of obtaining Free, Prior and Informed Consent (FPIC) when working with First Nations people (FPIC is a unique concept in the non-legally binding United Nations Declaration on the Rights of Indigenous Peoples). In addition, a First Nations advisor sits on the Executive Board to provide culturally informed advice, DCCEEW's Capability Framework lists cultural capability as a core skill for staff, and the department recently piloted an SES immersion program to support cultural capability. DCCEEW has 3 dedicated First Nations branches including a central First Nations engagement branch. DCCEEW's Enterprise Data Strategy 2024–27 aims to embed First Nations perspectives throughout data practices (discussed further in the *Data* element on page 51). Internal initiatives that support knowledge sharing include a First Nations podcast series, an engagement register, and an SES First Nations Community of Practice.

First Nations remuneration policy

DCCEEW recently established a First Nations remuneration policy, which is in operation for its First Nations Water Branch. The policy provides the branch with a standard and transparent approach to remunerating First Nations people for their cultural knowledge and cultural practices, including for Welcome to Country activities.

The policy was developed following an initial engagement with First Nations communities on the Murray–Darling Basin Aboriginal Water Entitlements Program. The department heard from First Nations stakeholders that cultural knowledge, lived experience and governance input are forms of expertise that should be paid for. To develop a remuneration approach, the department engaged and negotiated with First Nations leaders across urban, regional and remote contexts.

The remuneration policy is being refined for wider use within DCCEEW, reflecting the value the department places on First Nations expertise and acknowledging the costs of participating in government processes. Broader use of the policy aims to improve consistency across the department's engagement practices and strengthen relationships with First Nations communities.

'Remuneration for First Nations people sits at the centre of delivering the Closing the Gap Priority Reforms ... It is a core mechanism that enables participation, respects authority and supports self-determination.' Internal stakeholder

Among the large APS agencies, DCCEEW employs the second highest percentage of First Nations staff (the highest being the National Indigenous Australians Agency). First Nations representation in DCCEEW is 8%, which significantly exceeds First Nations representation in the APS (4%) and already achieves the '5% by 2030' APS First Nations employment target. Most First Nations staff work at the APS 5–6 and Executive Level 1 (EL 1) classifications in Parks Australia (2025 APS Employee Census).

'DCCEEW's Free Prior and Informed Consent is an APS benchmark on how best to give First Nations voices the opportunity to speak and be heard.' Internal stakeholder

'The department's SES First Nations community of practice is a great opportunity to discuss First Nations issues among SES and work through case studies; we have had some very strong engagement with water and Parks [Australia] etc.' Internal stakeholder

'There are pockets of really deep excellent capability and engagement in the parts of the department that have specific First Nations stakeholders and interactions. But we struggle more on good engagement for broader policies where First Nations aren't the only or primary stakeholder we engage with.' Internal stakeholder

However, in a staff survey conducted for the review, only 41% said their team engages effectively with First Nations people, communities, organisations and perspectives. Staff pointed to tangible steps the department could take to improve, including better

accountability mechanisms when divisions continually opt out of this work. Many supported continued uplift in cultural capability and recognised there is no substitute for learning through direct engagement with communities.

External stakeholders also suggested ways to improve DCCEEW’s engagement and specific policy settings. They would like DCCEEW to engage with a wider range of First Nations views. Partners would like grants processes to be clearer, more transparent and faster. Several organisations said the ongoing support from DCCEEW to help deliver for Indigenous Protected Areas has ‘drastically reduced’ with inadequate engagement, so not-for-profit groups are called in to fill the gaps.

‘DCCEEW [is] always trying, but more effort is needed on getting a wider diversity of Indigenous perspectives.’ External stakeholder

The review recognises it is not always easy to meet the aspirations of First Nations partners while working within government delivery requirements. As one staff member said, ‘We do not always meet the aspirations of people, particularly when the approach government wants to take conflicts with community views. Finding a way to balance this for staff can be challenging’.

‘One of the challenges is that real and genuine engagement with First Nations groups takes time. We need to manage that need and take the time for proper engagement and to build perspectives.’ Internal stakeholder

Within government, DCCEEW is one of the leading agencies addressing these issues. The review commends the department’s continued efforts to embed First Nations leadership and perspectives across its work on climate, energy, the environment and water. To further mature this capability, DCCEEW will need to translate its intentions into tangible change, by embedding systematic approaches and uplifting cultural capability department-wide.

Internal collaboration

Element	Description	Maturity rating
Internal collaboration	The capability to engage and establish effective and collaborative internal partnerships, ensuring the agency can make best use of its collective capabilities.	Emerging

DCCEEW recognises that good internal collaboration is essential to working effectively across the full range of its functions and leveraging the full expertise of its staff.

Many staff are proud of how they collaborate with their colleagues. In a staff survey conducted for the review, 80% of staff said their team collaborates effectively with other branches to achieve outcomes.

However, the review consistently heard that staff often fail to adequately talk to and work with other teams, even when their work is closely related. This means the department has failed to make the connections needed for integrated policy and a one-DCCEEW view. The impacts of siloes on DCCEEW's *Leadership and governance* and *Strategy* capabilities are explored further in these elements on page 18 and page 35 respectively.

'It is not clear who is working on what that might also relate to your work. It's hard to know who to consult with internally.' Internal stakeholder

Internal and external stakeholders described DCCEEW as deeply siloed. This was the most widely raised issue throughout the review. Staff can see the need to be more connected with colleagues but said it's difficult to know who is working on similar issues. In many cases, they 'don't know what they don't know'. Some teams work well with others across the department, but only where they have existing relationships.

The review acknowledges that DCCEEW's size and the complexity of its responsibilities contribute to this issue, and that some siloes are to be expected after machinery of government changes. However, DCCEEW needs to do more to ensure staff are systematically joining up their work.

'We still act as teams that came from different agencies.' Internal stakeholder

Some internal stakeholders said the deep passion in DCCEEW's workforce contributes to siloed ways of working. Staff often work on topics that align with personal values and skills, and they are deeply invested in achieving results. This can result in staff avoiding connecting with teams that might have a contrary view, particularly on contested issues, in case it changes the path of their work. This is discussed further in the *Staff performance and development* element on page 41.

External stakeholders said the deep siloes are hampering a one-DCCEEW view. They reported engaging with multiple DCCEEW teams on similar issues, often receiving conflicting or mixed messages, and even having to introduce DCCEEW teams to one another. This is negatively impacting the department's reputation. Ministers are also supportive of a more joined-up approach, where the department looks at related policies and risks cohesively.

'I don't yet think DCCEEW has done well at breaking down siloes. I often have to remind them that there are other branches and divisions that they need to be talking to.'
External stakeholder

Uplifting internal collaboration capability needs to start at the top. As discussed in the *Leadership and governance* element on page 18, the Executive Board and other senior leaders need to model and reinforce what good collaboration within the department looks like for their staff. This includes making time to look across the department for connections and opportunities to work together and draw on each other's expertise.

One example of deliberate, cross-function collaboration within the department is the SES strategic advisory panel, which brings together SES from finance, legal, regulatory and program areas to support delivery of the Murray–Darling Basin Aboriginal Water Entitlements Program. DCCEEW’s leaders may wish to encourage staff at more junior levels to consider similar arrangements to help with early identification of issues, and the cross pollination of ideas.

‘I don’t think [collaboration] is uniform. For example, there is close collaboration between energy and climate change groups. My experience has been that division heads generally collaborate well but that doesn’t flow through to more junior levels. Tensions at Deputy Secretary level sometimes don’t get resolved.’ Internal stakeholder

DCCEEW has a good foundation to build on to improve internal collaboration. Staff describe their colleagues as collegiate and supportive and, when they do work together, the experience is usually positive. In the 2025 APS Employee Census, 76% of staff said collaboration is promoted and recognised as important. Staff said simple improvements such as up-to-date staff directories and division descriptions on the intranet would help to improve collaboration across the department at all levels.

‘It’s hard to find who does what and there is missing information on people’s movements/positions. It makes it hard to find the people you need to talk with.’ Internal stakeholder

Delivery

Ministers and parliament

Element	Description	Maturity rating
Ministers and parliament	The capability to meet the needs of ministers and the Parliament.	Embedded

The department operates at the centre of a complex and nationally significant policy landscape spanning energy, climate, environment and water. It supports 2 Cabinet ministers, an assistant minister, and a special envoy whose portfolios require close policy alignment and coordination.

DCCEEW has well-established processes to support ministerial and parliamentary requests. Like many agencies, DCCEEW is managing a significant increase in Questions on Notice and parliamentary requests and continues to engage effectively and appropriately. The department is improving its ministerial and parliamentary processes by streamlining workflows, training staff, customising guidance and templates, and leveraging technology to ensure the timeliness and quality of responses.

DCCEEW has worked to build trusted and well-established relationships with ministers and their offices. Ministers advised that they are pleased overall with the resourcing focus and support they receive. They find the department responsive and proactive, willing to give good advice and implement decisions. In the 2025 APS Employee Census, 71% of DCCEEW staff said they feel supported to provide frank and fearless advice, 7 percentage points higher than 2024.

'This is the best relationship I have seen with a minister and their office.' Internal stakeholder

'It's a very positive relationship, [the minister] asks them for full and frank advice and they give it.' External stakeholder

The review found DCCEEW maintains regular and open communication with ministers, and staff are attuned to ministerial expectations for delivery. Internal stakeholders said the department has a mature framework to support responsive and effective relationships with ministers and their offices. There are weekly meetings between the secretary, the deputy secretaries and ministers – to address priorities, deliverables and operational needs – supported by regular reporting.

It is well known that the department has a big agenda and the success of implementing the ministers' priorities is attributed to the portfolio functioning well.

While ministers were complimentary about DCCEEW overall, they said the department could do more to provide joined-up advice and include stakeholder perspectives in its briefings. Ministers expect DCCEEW to work across the Commonwealth and connect cross-cutting work but said this does not always happen.

Similarly, ministers and their offices would like DCCEEW to provide a more cohesive departmental perspective, so it doesn't fall to ministerial advisors to make connections between related pieces of work or between external parties, the department and its portfolio agencies.

'They can give good advice on a particular issue, but it isn't joined up across the department, let alone across the service. A lot of the time [the minister's office is] connecting different sides of the department.' External stakeholder

At times, DCCEEW could better monitor, understand and track the real-world impact of its policies and programs, to give ministers the necessary assurance that they are working as intended. This is discussed further in the *Implementation* element on page 37.

'That's what ministers are judged on – how it lands. Curiosity about how it lands is always important.' External stakeholder

User focus

Element	Description	Maturity rating
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.	Developing

The ability to engage users and understand their needs is vital to design fit-for-purpose services, programs, policies and regulations. DCCEEW's responsibilities are broad, and every part of its operations is accountable to passionate stakeholders and communities with high expectations. The department needs sophisticated user focus capability to reach the full range of its users and understand their needs and aspirations.

Some areas of DCCEEW have good engagement and trusted relationships with users. Examples include DCCEEW's community engagement on the Capacity Investment Scheme and its partnership with traditional owners, government, community and industry on the First Nations Clean Energy Strategy and the National Environmental Science Program.

The department's public consultation on policy and regulatory decision-making aims to be inclusive and equitable, supported by digital platforms like the 'Have Your Say' portal and the EPBC Act Public Portal. These tools provide accessible channels for feedback, with the 'Have Your Say' portal receiving over 5,000 submissions in 2024–25.

First Nations Clean Energy Strategy

DCCEEW released its First Nations Clean Energy Strategy in December 2024. The strategy was developed in collaboration with First Nations people and organisations. Comprehensive engagement across Australia included roundtables with First Nations people, state and territory governments, industry representatives and academics. The department's 'Have Your Say' process was also used effectively to gain general public views.

'The First Nations Clean Energy and Climate Change Committee provided a means for improved engagement on a broader range of policy issues.' Internal stakeholder

The Australian Government will develop programs in partnership with First Nations people and industry to progress the strategy's 24 priority actions.

DCCEEW current actions include:

- delivering solar and battery technology and a reduced tariff to remote communities of Yalata, Pipalyatjara and Oak Valley
- supporting First Nations communities' engagement with large-scale renewable hydrogen project developers – initially in Bernie in Tasmania, the Hunter region in New South Wales and Kwinana in Western Australia – through the First Nations Renewable Hydrogen Engagement Fund
- incorporating criteria on First Nations engagement and participation into major electricity initiatives like the Capacity Investment Scheme and Rewiring the Nation
- developing a culturally responsive evaluation framework to track progress throughout the lifespan of the strategy.

While the department has well-established mechanisms for user input, external stakeholders said it does not always use them to support genuine consultation. Some stakeholders described DCCEEW's consultation processes as 'tokenistic' and 'rushed'. They said they are often not given enough time to provide input, and their input is not taken on board even when it is objective and factual.

Many external stakeholders feel DCCEEW does not understand its users' needs or the flow-on effects its decisions have on users. Some suggested DCCEEW does not engage with a sufficient range of users in certain groups, affecting its ability to fully understand the issues they are dealing with. These issues are symptomatic of the department's developing capability and confidence to engage externally, as detailed in the *Non-government partnerships and engagement* element on page 23.

'We don't have a problem getting to people [in the department, but] I don't think they listen. We have discussions but nothing changes unless it's being driven by the minister's office.'
External stakeholder

The review acknowledges the department's early efforts to improve its user focus capability. A Strategic Communications Research and Insights function was established in February 2024 to provide evidence-based insights into community and audience views on issues across the DCCEEW portfolio. There are further opportunities to leverage user insights from partners and draw on knowledge and experience across industry and the private sector. Encouraging teams to embed regular evaluation of their consultation and policy and program development processes may help staff to improve the way they engage with the department's users.

Regulatory posture

The department's user focus capability also influences its ability to be an effective regulator. DCCEEW has diverse responsibilities across its 25 regulatory schemes. While some functions will move to the new National EPA on 1 July 2026, regulation will remain a core function of the department, including how it works with the National EPA. The department will need to continue maturing its capability as a regulator. This is particularly important given a much of DCCEEW's internal expertise is expected to move to the National EPA.

DCCEEW has some structures in place to guide and support its regulatory activities. The Regulatory Statements of Intent on the department's website set out its approach to regulatory performance in response to Ministerial Statements of Expectations. DCCEEW's Regulatory Strategy and Support section provides centralised functional support through regulatory guidance documents, a regulatory toolkit and a directory for all regulatory functions within the department. It also publishes a quarterly internal regulatory newsletter and holds a seminar series, which provides staff with opportunities to learn about innovative approaches to regulation, regulatory best practice principles and regulatory maturity.

There are opportunities to improve the regulatory culture across the department. The review frequently heard the department does not have a consistent approach to engaging users in regulatory activities. While some teams have matured, trusted relationships with other government agencies and regulated entities, this was inconsistent across the department. Stakeholders also said there are variable skills, experience and subject matter confidence within the different areas.

Relationships between DCCEEW and many of its regulated entities can be strained, and there is a sense of distrust between some parties and the department. The Commonwealth regulator best practice principles set out the importance of effective collaboration and engagement, including transparency and responsive communications. However, industry stakeholders told the review they often spend extended periods waiting for approvals with little visibility of where their application is up to, or what the eventual outcome might be. This affects their ability to plan projects and manage resources effectively. An external stakeholder observed the department is reluctant to work with regulated entities to resolve such concerns, citing probity requirements.

'For industry, having something not dealt with for 3 years – and in one case more than 3 years – that makes things pretty difficult.' External stakeholder

'Sometimes the obsession with process and probity and unimpeachable decisions [can] lead to poorer outcomes.' External stakeholder

Finally, several internal and external parties raised compliance and follow-up on regulated entities as an area for improvement. External stakeholders said that once the department approves an action or application, it has limited or unclear follow-up processes to check if entities are complying with the approval conditions. Some stakeholders were very critical of compliance activity, commenting that when the department is provided evidence of non-compliance, it does not provide a timely response or indicate that it has taken any visible action. While industry stakeholders praised DCCEEW's engagement with them on recent reforms to the EPBC Act, some raised concerns about other regulatory reforms that are progressing without engaging the groups that are directly affected by, or responsible for, implementing any changes.

'It leads me to [question] how the staff are incentivised to work towards efficient and common-sense outcomes. As a DCCEEW person, you need to get regulations out by a certain date – that's your [key performance indicator]. But how do you take into account industry concerns, burdensome as they can be?' External stakeholder

The establishment of the National EPA gives the department an opportunity to re-examine its remaining regulatory and compliance functions and ensure they are fit for purpose, joined up and focused on outcomes over process. The department requires an enterprise plan for its varied regulatory functions. It will need to understand the maturity of its different functions, its performance and efficiency measures, and how they all fit together. The review notes that regulatory posture does not need to be consistent across the department's functions, especially given the spread of responsibilities. However, inconsistencies in regulatory approach across the department should be the result of conscious decisions at the enterprise level and not natural fragmentation.

An enterprise understanding of the department's responsibilities, functions and forward agenda will enable it to develop a system-wide approach to sequencing regulatory reform and better communicating its regulatory posture, proposals and priorities. This needs to be done internally to foster a regulatory mindset, and externally to build user confidence in the department's regulatory programs. Some Commonwealth and state regulators publish regulatory plans to inform stakeholders of current work programs and future regulatory changes. DCCEEW may wish to consider a similar approach.

The department will need a cultural shift and capability uplift to achieve its vision of being a mature and connected regulator. DCCEEW will need to communicate with staff about its role as a regulator and what this means for their work, and also instil an appreciation of regulatory capability and skillsets across all teams.

Strategy

Element	Description	Maturity rating
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.	Developing

DCCEEW's vision is an Australia that is prosperous because it is sustainable with community and Country at the heart of the department's actions. It aspires to *think ahead and act now – to protect the environment and secure prosperity*. Staff at all levels are asked to apply DCCEEW's 5 guiding principles to their work:

1. Progress, not perfection
2. Integrity over impulse
3. Risk aware, not risk averse
4. Together, we're better
5. Lean in and support each other.

Beneath these high-level concepts, DCCEEW has not settled an overarching strategy that unifies the department's work. Its tendency to deliver in siloes limits its ability to form a single view on cross-cutting issues, leading to some disjointed advice to government, industry and community stakeholders. External stakeholders told the review DCCEEW can be very focused in the delivery of its work and does not always think about how its decisions can affect and undermine work in other areas, either internal or external to the department.

'There is not a strong "One DCCEEW" mindset in the department. This was a clear message when we were MoG'd, but it seems to have dropped off the priority list. We have not clearly defined who we are as a department – our priorities, how our work connects, or how we operate collectively. Instead, divisions continue to work in siloes.' Internal stakeholder

'We are really struggling to respond to the needs of government that cut across different domains. For example, renewable energy is an industry that chats across energy, environment and climate but getting to a joined-up approach across portfolio remains really difficult.' Internal stakeholder

With isolated strategic planning occurring within groups, the Executive Board has not positioned itself to oversee the delivery of whole-of-department priorities or found ways to work through and resolve inherent or emerging policy tensions. This means there is not a shared understanding of which priorities are most important across the department. The review heard some parts of the department are working hard in response to clear ministerial direction but can feel hampered at times by other areas with a different set of priorities, hindering delivery overall.

'We need to give staff some guidance on how to manage policy conflicts. We are one department, working towards pretty much the same goal, but it doesn't feel like that.' Internal stakeholder

Having an agreed set of overarching priorities for the department would help DCCEEW make the most effective use of its resources, important in a tight fiscal environment. Prioritisation should take account of both ministerial priorities and the department's other enduring legislated responsibilities, with an eye on its excellence horizon.

To embed its priorities, DCCEEW will need a systematic approach to business planning. So far, this has not been a top priority for the Executive Board amid the practical demands of standing up a new agency. Currently, divisions delivering government commitments and corporate performance measures are encouraged to develop an annual work plan, but formal structured business planning is optional and not directly linked to the department's overall prioritisation and business and financial activities. This makes it hard for the Executive Board to direct the department's work and oversee its effectiveness.

In a survey conducted for the review, only 61% of staff felt confident their team had effective planning processes and clear performance indicators to measure the impact of their work. They would like more consistent and timely communication from SES on the strategic direction and priorities.

'In my section there's a complete lack of forward planning; we're very reactive. We never seem to know our long-term priorities.' Internal stakeholder

The department is taking steps to strengthen its strategy capability and create a more cohesive approach to its outcomes and priorities. It is working with Australian Government Consulting on a prioritisation framework to help it shift resources to the most important pieces of work. DCCEEW has also refreshed its governance structures, creating a Priority and Delivery Board that aims to provide whole-of-department oversight of delivery.

For these changes to have the required effect, the Executive Board will need to extend deliberations beyond the boardroom to gain input from and better leverage the expertise of the department's passionate and knowledgeable staff. Leaders at all levels will need to regularly and consistently engage in business planning and communicate the department's direction and cohesive plan, so staff can see how their work connects to it. This will help give staff the knowledge and confidence to provide more joined-up advice to stakeholders and to better situate their work in the broader government agenda.

Implementation

Element	Description	Maturity rating
Implementation	The capability to deliver efficient and effective services, programs and other initiatives.	Developing

DCCEEW is implementing an ambitious agenda across many government priorities. External stakeholders said the department is good at developing policy, and staff are proud of their track record in finding solutions to complex policy issues, often under significant time pressures.

'We deliver a lot of high priority outcomes in a very complex political environment.' Internal stakeholder

The department is less successful at translating policy into implementation. While DCCEEW designs policies in-house, it often relies on partners to implement them. This can create tension, because stakeholders feel the department does not always understand the intricacies of the delivery environment and how its policies will be experienced on the ground. This distance from practical delivery undermines DCCEEW's implementation capability.

'They can put the principles together, but they struggle to get into the details to know how things will work in reality on the ground.' External stakeholder

'Understanding real-world dynamics – not just how systems are designed on paper – is a critical skill that will significantly improve outcomes.' Internal stakeholder

Many delivery partners feel under-utilised. They would like to be consulted earlier on DCCEEW's policies and programs before unhelpful assumptions about implementation are embedded into the policy design (see the *Public sector collaboration* element on page 21). This can delay effective implementation.

'[DCCEEW is] not as curious on the outcomes side and really pushing the data analyses to draw on [external] expertise to design programs to get better outcomes ... It's not well thought through intent ... The cultural stance is much more transactional, this is what we've done and this is what the minister wants and now it's over to you.' External stakeholder

'There can be things that are just lobbed over the fence that would have benefited from engagement with states and territories at an earlier time.' External stakeholder

Stakeholders also said the department does not provide enough oversight of initiatives once implemented. Its limited tracking of program performance is impacting its understanding of whether the policy intent is being realised. Internal and external stakeholders see this as a missed opportunity for DCCEEW.

'We need to look at program effectiveness ... We don't do enough of that to show how we are delivering for the people of Australia.' Internal stakeholder

The department needs to place greater value on project management practices and expertise to ensure all initiatives are well planned and executed. Staff made various suggestions about how this could be achieved, including senior leaders visibly valuing these skills by prioritising them in recruitment and staff development, and making it easier for staff to find best practice resources so they can practice on the job.

While much of the change needs to happen within individual policy and program teams, staff see value in having central support for project management activities. The Climate and Energy Program Office supporting the energy and climate change groups is an example of good practice, which has driven an outcomes-focused culture and clear priority setting with the minister. DCCEEW plans to adopt a similar approach on the environment and water side. It will need to get the right balance between consistency across the department and tailoring within groups in a resource-constrained environment.

'We are weak at the back end of the policy cycle – the department has no focus on project management and limited tools.' Internal stakeholder

'Project management is not standardised across the department. We have branches and sections doing things in their own way, siloed, without looking at reporting and aligning to priorities.' Internal stakeholder

To meet high delivery expectations over the next 4 years, the department will need to shift its practices and mindset around delivery. This involves working more openly with trusted partners to plan for implementation, building project management capability, and maintaining a better awareness of the impact of its initiatives.

Review and evaluation

Element	Description	Maturity rating
Review and evaluation	The capability to use review and evaluation activities to maintain performance and drive improvement.	Emerging

The department is responsible for a range of statutory reviews to ensure the legislation it administers – such as the *Recycling and Waste Reduction Act 2020* and *Water Act 2007* – remains fit for purpose. These reviews are undertaken as required in the relevant legislation. DCCEEW also reviews some of its major streams of work. In 2025 this included the

management-initiated review of internal administrative arrangements for the National Water Grid Fund, outcomes from round one of the Powering the Region Fund – Safeguard Transformation Stream, and ecosystem classification in the Australian National Aquatic Ecosystems Classification toolkit.

However, this capability review found limited evidence the department routinely evaluates its policies or non-major programs to maintain performance and drive improvement. The department recognises the importance of this function, but it has not been a top priority.

'Evaluation is not a priority for the organisation, resources get allocated away from it ... As an organisation, we're not always good about learning from what we've done in the past.'

Internal stakeholder

Staff said evaluation is not a part of their everyday work processes, reaffirming that evaluation has not been prioritised and is not a departmental strength. They would like to see it embedded early in the design of policy and programs, so it gets the resources and attention it needs. In a staff survey conducted for the review, only 24% of staff thought 'review and improvement of current policies, programs, processes and regulation' was something the department does well.

The survey results also suggest that staff who may work more closely with industry and community stakeholders, and have greater visibility of initiatives on the ground, are particularly concerned about the department's evaluation activities. Only 66% of EL 1 staff agreed that their team 'regularly reviews and evaluates their performance and seeks to improve their work'. This is significantly less than the proportion of EL 2 (78%) and SES Band 1–2 (80%) staff who agreed with this statement. Similarly, only 64% of regional, rural or remote staff agreed with this statement, a smaller proportion than metropolitan staff (72%).

'[In the future, we need] to build in evaluation and clarity of outcomes into program design and undertake evaluations as a standard part of delivery. Not an add-on, not outsourced.'

Internal stakeholder

DCCEEW is aware of its limited evaluation capability. It has demonstrated efforts to foster a culture of evaluation and learning through its Guiding Framework for Evaluation and an evaluation community of practice which meets every 2 months.

The review heard the department is considering establishing a central evaluation unit, an evaluation strategy, and updating internal tools and resources and deliver targeted communications to staff. If these or similar initiatives are developed and embedded into the department's work, they should help to mature DCCEEW's review and evaluation capability over time. The department's senior leaders will need to foster a culture that regards evaluation as core work. This includes designing new activities with evaluation in mind, supporting staff development, and championing the prioritisation of evaluation activities to drive continuous improvement.

Workforce

Strategic workforce planning

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.	Emerging

Internal and external stakeholders said staff capability is generally good, with pockets of deep expertise. However, the department does not have a strategic or systematic approach to managing its workforce.

*‘We’re capable but we need to invest in more skills – we’re mature at different levels.’
Internal stakeholder*

In 2023–24, DCCEEW conducted an operational workforce planning activity. This highlighted the need for divisional workforce plans focused on improving recruitment, leadership retention and development, critical capability strengthening, and connectivity and mobility practices. The review found that while some groups and divisions continue to do operational workforce planning, as of late 2025, only around 50% of divisions had endorsed workforce plans.

The department has a People Strategy 2024–26, complemented by multiple strategies for staff development. Deputy secretaries have access to real-time Power BI dashboards on current workforce data (including headcount, demographics, retention, diversity and wellbeing) and managers can access workforce planning tools on the intranet. Despite this, staff said the department does not undertake succession planning, and recruitment is often reactive and done to fill short-term demand. It also struggles with talent management issues such as reactive and like-for-like hiring, lengthy recruitment processes, and retention of newly hired staff.

‘Workforce planning is an area we need to strengthen to ensure that our future workforce is skilled and understands the Commonwealth APS context. Remote work, a dispersed workforce, and upcoming retirements will impact on core capabilities.’ Internal stakeholder

‘I think we’re probably more reactive than proactive in that workforce planning space. Everyone knows strategic workforce planning needs to be done but everything else takes over and it gets deprioritised.’ Internal stakeholder

The department’s workforce has grown 15% in the past 2 years. It is now facing a future where its resources are set to decrease, but it will need to continue to deliver on an ambitious government agenda. DCCEEW will need to think strategically about how it can most effectively use its existing resources and retain and develop the skills it needs during a period of contraction.

DCCEEW has made an intentional effort to support growth in the regions through location agnostic recruitment, with over 40% of jobs advertised outside of Canberra. This geographically dispersed footprint has enabled DCCEEW to fill critical roles in strategic policy, data, legal and science, while also improving its engagement with local communities. To manage its dispersed workforce, DCCEEW has established processes to help its state and regional offices operate successfully. Each site office has a senior officer who operates as ‘head of site’, activating corporate responses to local incidents, supporting social activities and communicating regularly with staff through channels such as newsletters, emails and town hall meetings.

‘I’m finding my industry stakeholders love that I’m based up in Queensland, and I can drive into Brisbane for a face to face. They don’t have to fly to Canberra to feel like we’re really listening to them.’ Internal stakeholder

DCCEEW has an opportunity to mature its workforce management capability by developing a departmental workforce strategy that aligns with its strategic goals and priorities for the future. This would enable the department to identify the skills it will need over the next 3 to 5 years, including looking at the impact of AI on its workforce. A whole-of-department workforce plan can then provide the Executive Board with holistic oversight of its workforce needs and the ability to bridge the gap in current capability, supporting decision-making on recruitment, succession planning and staff development. It can also help DCCEEW to better mobilise its workforce to priority areas.

Staff performance and development

Element	Description	Maturity rating
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

Stakeholders consistently acknowledged the deep subject matter expertise and passion in DCCEEW’s workforce.

‘We have some of the best and brightest, who are experts on krill, or crocs, or climate change, or ice cores. It’s a diverse organisation but we have people who in their base DNA believe that what they are doing is a greater calling – that what they are doing is saving the world.’ Internal stakeholder

Despite this, in the 2025 APS Employee Census, 45% of DCCEEW staff agreed that there are skills or capability gaps within their immediate workgroup (only 28% disagreed). The review acknowledges DCCEEW's Executive Board has made a conscious decision to prioritise recruitment, culture and wellbeing when establishing the department, and has only recently turned its focus to maturing the department's approach to staff performance and development. As a result, DCCEEW is just beginning work to better understand, leverage and build staff capability to enable it to deliver effectively into the future.

Stakeholders almost always described staff passion as a strength of the department. Staff who are deeply passionate drive high performance and this is a positive attribute of the department. However, the review also heard there can be downsides to passion, which can impact staff performance. Staff working on topics that align with their personal values and skills are deeply invested in achieving results. This can sometimes lead to perceptions that staff are too attached to certain policy positions and projects, and at times unwilling to resolve internal policy tensions in a timely manner or sufficiently prioritise key objectives.

It is important that DCCEEW emphasises the obligations of staff as public servants. This can be done through recruitment processes (that is, through the department's employee value proposition and job descriptions for vacancies) and reinforced through performance management processes, and learning and development opportunities.

'Having people with those long histories and passion can create a natural cultural resistance of moving to new subjects or ways of working.' Internal stakeholder

'We need to think about how we build resilience among staff to cope with the policy [change] ... With the 3-year election cycle there will always be some change in direction or recalibration. That's something that passionate people may struggle with if they're deep in the subject matter.' Internal stakeholder

DCCEEW's People Strategy and Capability Framework sets the direction for staff capability, linking learning and performance to organisational priorities, APS Employee Census insights and workforce planning data. The department offers a range of training and development opportunities, including training courses, talent and leadership programs and study assistance (financial support and study leave for priority qualifications). However, staff said access to professional development opportunities varies across the department, depending on manager support, group budgets and team workloads. Staff located outside Canberra said they felt they had fewer development opportunities.

'Workforce capability uplift [is] not systemic. Learning opportunities exist but the time/path/support aren't consistent.' Internal stakeholder

'Unique job-specific and beneficial training and development opportunities often are not available in your home location and while you may have been able to get support to attend the training itself, it goes out the window when travel is involved.' Internal stakeholder

In standing up the department, the Executive Board made a deliberate decision to focus its efforts on building SES capabilities. The focus has now shifted to building leadership capability in EL staff, with the review hearing EL staff have become disempowered and deskilled in recent years. In 2025, the department successfully trialled a training program for EL 2 staff. The program has been rolled out to the broader department and DCCEEW plans to keep refining the program, so it remains fit for purpose.

Elevating leadership capability

In 2025, the department piloted its flagship EL 2 leadership program, Elevate. The 7-week program focused on enhancing leadership impact, fostering positive work environments, developing strategic mindsets and building collaborative networks.

The pilot program was successful and received positive feedback from participants and their managers. Participants highlighted a new appreciation for the role and influence of EL 2s in the workplace and said they had picked up tools and frameworks to use in their day-to-day work. Supervisors are already seeing capability development in action.

'I now have a deeper appreciation for empowering my staff to take on more responsibility.' Participant

'Since the course I have observed their increase in confidence as a leader and their growth potential.' Supervisor

DCCEEW recognises it will need strong leadership skills over the next 4 years to meet workforce challenges arising from shifts in government priorities, employee expectations and technology, such as AI.

Beyond leadership capability, internal and external stakeholders said APS craft – foundational skills for APS public servants – needs to be strengthened across the department. Stakeholders said some staff are hired for their technical skills but do not understand basic government processes and the broader context of their work. Additionally, a significant portion of DCCEEW's workforce is relatively new to the APS – almost 1 in 4 DCCEEW staff have been in the APS for 2 years or less. The department will need to focus on targeted training on APS processes and how government operates.

'Core APS capabilities still continue to need to be developed and maintained to increase efficiency and quality of our day-to-day work: procurement, budgeting, record keeping, probity and [conflict of interest] management, project and risk management and oversight, evaluation, professional conduct.' Internal stakeholder

The department is broadly compliant with APS performance management requirements – with 89% of SES staff and 76% of non-SES staff having performance agreements in place. However, staff told the review there is a cultural reluctance to have uncomfortable conversations and provide critical feedback. This means underperformance can go unaddressed and staff do not know how to improve their work.

While this is not uncommon in the broader APS, the review found the department does not currently have any formal performance improvement plans in place for staff. EL staff said their SES were not always willing to support them to address underperformance, and they find performance management processes too complex and time consuming to pursue on top of their other responsibilities.

'It's difficult to have valuable conversations and get real feedback about your work and understand what you need to work on specifically. That frank, open conversation seems difficult to have both ways ... When the performance cycle comes around, it is a tick and flick exercise often.' Internal stakeholder

'[Some staff do not have] the capabilities that are expected of them at their respective levels, and management [is] not being willing to invest in performance management or training.' Internal stakeholder

DCCEEW has initiatives well underway to uplift leadership capability. Improving performance management capabilities is critical for leadership in the department, enabling leaders to proactively manage performance, and build staff capability. This may involve identifying on-the-job and formal learning opportunities and engaging in constructive conversations throughout the performance cycle. Over time, this can cultivate a culture that encourages feedback and values continuous learning.

Staff culture and inclusion

Element	Description	Maturity rating
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

The review heard that staff are highly engaged, values driven and passionate about their work. In the 2025 APS Employee Census, 90% strongly believed in the purpose and objectives of the agency, 84% were proud to work at the agency and 82% would recommend it as a good place to work. This is higher than the APS overall and an improvement from DCCEEW's 2024 results.

'Passionate – it's one [word] that describes this department compared to many other departments across the government. Other places I've worked, people are interested in their work but not to the same level as DCCEEW.' Internal stakeholder

DCCEEW has several initiatives that promote workplace inclusion. Its overarching Inclusion Strategy and Action Plan 2024–27 outlines the department's key inclusion priorities, with progress monitored by the Culture and People Committee.

In the last year, DCCEEW developed a workforce diversity dashboard, reviewed internal diversity targets, and updated key policies including those on workplace adjustments, assistive technologies and recruitment processes.

Staff consistently describe the department's culture as inclusive, supportive and collaborative. In the 2025 APS Employee Census, 87% of staff agreed DCCEEW 'supports and actively promotes an inclusive workplace culture', 4 percentage points higher than the APS overall. In a survey conducted for the review, 'staff culture, engagement and inclusion' ranked number one for what the department does well.

'I have always found the department to be very people-first, and this culture and supportive environment helps people to perform at their best.' Internal stakeholder

'What the department does well is that it's created a really good culture. People genuinely like to work here.' Internal stakeholder

DCCEEW recently launched a Disability Action Plan 2025–27 and introduced a dedicated disability contact officer to strengthen departmental support for staff with disability. The officer has reviewed and streamlined reasonable adjustment processes and continues to support staff and their managers by providing advice and referring resources.

DCCEEW's 7 employee-led networks and SES champions aim to provide safe spaces for peer connection, while championing change and enhancing inclusion literacy. For example, the Disability and Carers, Mental Health Awareness and Neurodiversity Networks launched the Hidden Disabilities Sunflower initiative in the department (an internationally recognised symbol to raise awareness of non-visible disabilities). The networks meet with the department's executive twice a year through the Inclusion Insights Forum, and present regularly to the Culture and People Committee.

'The effort that goes into promotion and visibility, having awareness days, things in our signature block etc – that really helps uplift the entire department.' Internal stakeholder

'[The secretary] devotes a lot of effort into internal culture and ways of working.' Internal stakeholder

DCCEEW puts a high premium on First Nations inclusion (as discussed in the *Non-government partnerships and engagement* element on page 23) and has plans in place to mature its capability. Across the APS, the annual APS Employee Census shows that satisfaction among First Nations staff tends to be lower than for non-Indigenous staff. DCCEEW is committed to addressing this within its workplace through its First Nations Strategy 2025–2030. It aims to foster a 'culturally safe and supportive workplace where First Nations peoples want to work'.

Although DCCEEW’s diversity statistics compare favourably to the rest of the APS, there are still opportunities to improve the representation of culturally and linguistically diverse (CALD) staff. Only 17% of DCCEEW staff identify as CALD, significantly below 27% in the APS. For representation at the SES level, the APS aims to reach 24% CALD SES representation by 2030, encouraging agencies to reach 13% by 2025–26. DCCEEW has room for improvement, with 11% of SES identifying as CALD.

Staff highlighted the department’s support for flexible working arrangements as a strength for workplace inclusion. The 2025 APS Employee Census found 93% of staff were confident that if they request a flexible work arrangement, the request would be given reasonable consideration (7 percentage points higher than the APS average), and 80% of staff accessed working away from the office or working from home arrangements (12 percentage points higher than the APS average).

‘The department does flexible work well. [It’s] so important for supporting staff to bring their best to work, to maintain genuine work life balance and develop a healthy culture.’ Internal stakeholder

Enabling staff to work flexibly has seen DCCEEW employ a geographically dispersed workforce. This brings a lot of benefits to the department, such as the opportunity to leverage its people’s place-based knowledge and deep connections with local communities. It has also expanded access to skills beyond the Canberra market. However, a geographically dispersed workforce can also come with challenges, such as a lack of team cohesion and connectedness. It is important the department fosters an inclusive workplace culture and encourages staff to share knowledge and build networks across its locations and work units.

The review found the department’s staff culture and inclusion capability to be embedded, demonstrating a focused and commendable effort by leaders and staff nurturing its inclusive culture. A continued focus on maintaining these strengths will equip DCCEEW to face future workforce challenges and opportunities.

Staff safety and wellbeing

Element	Description	Maturity rating
Staff safety and wellbeing	The capability to maintain a physically and psychologically safe working environment for staff.	Embedded

The department demonstrates a clear commitment to staff safety and wellbeing, as outlined in its Work Health and Safety Strategy 2023–2026. Staff are supported by well-established work health and safety frameworks and systems and can access services under the Employee Wellbeing Program.

The 2025 APS Employee Census paints an encouraging picture – 75% of staff feel their SES ensure safety comes first in the department (6 percentage points higher than 2024) and 90% of staff believe their immediate supervisor cares about their health and wellbeing.

'There is a lot of focus on inclusivity, diversity and staff wellbeing. That comes from the top. Our previous and current secretaries have very clear expectations about who we are going to be as a department, that makes a real difference.' Internal stakeholder

'Psychosocial support – that's definitely something we're focused on.' Internal stakeholder

Staff wellbeing has been a priority area for DCCEEW, and it has made big strides in recent years. The department's position in the APS Employee Census wellbeing index has risen steadily – from 78th in 2023, to 63rd in 2024, to 42nd out of 107 agencies in 2025.

'Generally, most managers care about employee wellbeing and provide flexibility for wellbeing and support.' Internal stakeholder

During the review, many staff described DCCEEW as an agency that 'puts people first'. Staff said the department has taken proactive steps to strengthen safety and wellbeing, including improving workloads. In the 2025 APS Employee Census, fewer staff reported working above capacity and feeling burned out by their work (12 and 7 percentage points lower than 2024 respectively). However, there is still work to be done for staff in the Water and Environment Operations group including the Australian Antarctic Division and National Parks Group, where 66% said they work above capacity, compared with 53% across the department.

The review recognises the department's responsibility for managing diverse and complex people-related risks across a wide range of work environments. Staff in operational environments, including Parks Australia and the Australian Antarctic Division, often have to work in extreme weather conditions and undertake duties with inherent safety risks.

DCCEEW has risk registers to identify, assess, track and manage physical, operational and psychosocial risks, ensuring alignment with its Enterprise Risk Management Framework.

The department maintains a joint risk register with the Director of National Parks to oversee the management of shared safety risks for staff in Parks Australia Division.

DCCEEW also continues to deliver on the outcomes of the 2022 Independent Review of Workplace Culture and Change at the Australian Antarctic Division (the Russell Review). The department has made a significant effort to improve the working environment for its Antarctic Division staff, with a progress report in March 2026 identifying improvements in leadership and stronger governance. However, psychological safety including trust and accountability remains variable across teams. The department needs to continuously improve its safety approaches so there is a consistent experience for Australian Antarctic Division staff.

Not many APS agencies have to deal with the range and complexity of staff safety and wellbeing needs that DCCEEW oversees. The department's focused effort to uplift staff safety and wellbeing is commendable. Ongoing focus is required for people-related risk factors, and the department will need to continue assessing the best way to support safety and wellbeing across its many work environments.

Enabling functions

Financial management

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.	Developing

DCCEEW’s budget is set by the Executive Board and managed by senior SES leaders, with little oversight given to leaders at lower levels. This approach has not always been seamless, with division heads commenting that they experience changes to their budget allocation throughout the year, making it difficult to effectively plan and manage to budget. The department is now taking steps to improve its financial forecasting capability.

In 2023–24, the department replaced multiple legacy systems and moved to a consolidated financial information management system. It has implemented a centralised corporate model where finance business partners support divisions and branches to develop annual budgets and ensure budget data is consistent across reporting cycles. This has resulted in more accurate financial reporting and better data to enable financial forecasting. The department has also introduced new internal budget management tools, including monthly finance dashboards for SES. Through these efforts, the department aims to build financial literacy for all SES, provide more accurate forecasts on expenditure, and reduce shadow systems that have emerged across divisions to help track spending.

The department will soon expand efforts to improve budget visibility and financial literacy at the EL 2 level. DCCEEW acknowledges that EL staff want better forecasting tools and visibility of budgets. The review heard that the limited access has added to their feelings of disempowerment as leaders (discussed further in the *Staff performance and development* element on page 41).

‘Instead of building deep financial capability throughout the levels, it has all been centralised and opaque. We are seriously de-skilling our workforce on financial management and all that comes with it by not investing in their development and making them accountable.’ Internal stakeholder

Like many other APS agencies, DCCEEW is facing the budget implications of having multiple measures with terminating funding over the forward estimates. The department also faces a reduction in average staffing levels, at the same time as it transfers some of its functions to the National EPA. Within this tight fiscal outlook, the department will need to develop a budget strategy to inform its prioritisation and business planning processes (discussed in the *Strategy* element on page 35). It may need to redesign programs for what is achievable and find ways to better allocate resources across its 2 ministerial portfolios.

The department has established the core governance and financial management frameworks and processes expected of a large APS department. Further maturity is required through joint financial accountability to move resources to where they are needed most and a continued focus on building strong financial literacy.

'There's more at risk here than we realise. We look well-funded but that's how much an agency costs to run ... We will need to do things in a more collective fashion and find linkages. We need to be ready to have the proper risk conversation.' Internal stakeholder

'The department has to do more. Every year the environment gets more complicated, for example environmental markets. It's extremely difficult and complex topic area, which requires expertise from finance and legal.' External stakeholder

DCCEEW manages a system of complicated financial arrangements that are increasing in both size and complexity. It holds significant departmental assets related to the Australian Antarctic Division, including the RSV *Nuyina* icebreaker.

DCCEEW also manages and carries risk for an increasing number of initiatives on behalf of the Commonwealth across the energy, water and environment sectors. For example, it administers water entitlements with a market value of \$11 billion and energy-related investments on the balance sheet including equity holdings of \$9.8 billion in Snowy Hydro Limited and investments and financial guarantees related to Marinus Link (a new undersea and underground electricity and data interconnector between Tasmania and Victoria). There are also quantifiable and unquantifiable contingent assets and liabilities related to the Capacity Investment Scheme and Marinus Link.

The department has an expanding role and is an active market participant in building high integrity markets to incentivise projects that deliver emissions abatement and nature repair. These include the Australian Carbon Credit Unit scheme and the Nature Repair Market. Both are legislated schemes overseen by the Clean Energy Regulator. These can contain significant non-current balance sheet liabilities for the Commonwealth.

DCCEEW will need to continue investing in the specialised skills required to effectively manage the breadth of these complex financial arrangements. The review found the department sometimes draws on commercial expertise from within its portfolio agencies and external advice to assist in managing this growing balance sheet complexity. As part of its prioritisation process, the department could consider reviewing its asset management funding and financing, and its overall balance sheet financial risks. This could help build greater in-house capability so effective risk mitigation structures can be put in place to manage the cumulative financial risks and growing involvement in commercial markets.

Technology

Element	Description	Maturity rating
Technology	The capability to make efficient, effective and forward-looking use of technology to support the work of the agency.	Emerging

The department's technology capability has progressed significantly since its establishment, particularly in terms of functionality, stability and cyber security. Over the last 2 years, DCCEEW has transitioned from a shared services arrangement to managing its own information and communications technology (ICT) environment and services. The department's new cloud-based ICT environment provides a centralised, secure and modern platform for its large, diverse and dispersed workforce.

The department also provides support to remote operations in specialised environments in Antarctica and national parks, by deploying field communications (such as VHF radios and satellite devices), which improves internet access and portable connectivity at remote sites.

'What used to stop us was the basic IT systems. We had a conscious decoupling from the Department of Agriculture, Fisheries and Forestry and built it out. It's better now. It used to be such a big impediment.' Internal stakeholder

Having laid the foundation of its ICT environment, the department acknowledged it needs to prioritise investment in technology to achieve the most effective enterprise-level solutions. Due to the complexities of the Australian Antarctic Division network, the department is currently supporting dual systems, which means division staff are operating on 2 different ICT platforms. To support Australian Antarctic Division staff, DCCEEW is modernising the division's ICT environment to better align it to the department's operating environment. In a survey conducted for the review, staff ranked 'ICT infrastructure, including support for the use of AI' as the top issue DCCEEW should focus on improving.

An internal audit in 2025 highlighted the need for the department to integrate and decommission decentralised legacy systems and to consolidate its service offerings to address risks such as system stability, information gaps and cyber threats. DCCEEW inherited legacy systems from the former Department of Environment and Energy when it migrated away from the ICT environment of the Department of Agriculture, Fisheries and Forestry. Moving off these legacy systems will require a financial investment to ensure the continuity of core ICT functionality, applications, security and access to data. DCCEEW will need to consider this investment in the context of a constrained fiscal environment that is expected to continue into the near future.

'We have access to a range of ICT services and apps, and it is getting better, but we are just missing that interconnectedness step. Some areas are way ahead of others in the way they use SharePoint, [MS]Teams etc. and others are just lagging behind. We would have much better collaboration if we were all working from the same base.' Internal stakeholder

Since the 2025 internal audit, the department endorsed its first Enterprise ICT Strategy 2026–28 and Cyber Security Strategy 2025–27. These strategies aim to enable core business functions, systems and improved ways of working while maintaining a secure and reliable technology ecosystem. The department has invested in improving staff access to classified systems, with further enhancements underway to support policy and program development that involves security considerations.

The department has also recently published an AI transparency statement and is making good progress on adopting AI. The department’s Artificial Intelligence Ethics and Governance Framework, released in 2025, sets out its risk appetite and tolerance alongside its ambition to embrace the benefits of AI. During the department’s AI Awareness Week 2025, it delivered practical information sessions and demonstrations to support the use of AI and published daily intranet articles. Staff have access to AI training and Microsoft Copilot, and SES are provided additional targeted AI training, focused on executive accountability, decision-making, risk and governance. A pilot of Microsoft 365 has also just been completed.

‘We need to harness AI to assist in delivering our work. It feels very much like it’s in its infancy and could be useful, but I’m keen to understand risks and best way to use it.’ Internal stakeholder

Data

Element	Description	Maturity rating
Data	The capability to make efficient, effective and forward-looking use of strategic data assets to support the work of the agency.	Emerging

As a science-informed organisation, data is fundamental to DCCEEW’s work. It is critical that the department has a robust data management capability and strategically uses its data assets to support its work.

DCCEEW recognises that its data assets are spread across legacy systems and managed in silos, although there are pockets of excellence. The department collects and holds large volumes of data, publishing scientific information and reports. For example, it produces the State of the Environment report, a rigorous national assessment of the health of the Australian environment conducted every 5 years since 1996. The *Environment Information Australia Act 2025* now requires a State of the Environment Report be produced every 2 years. The department also holds and publishes datasets, such as on biodiversity, national greenhouse gas emissions and energy consumption, production and trade. Publicly available datasets can be accessed through the Environment Information Australia portal, the Find Environment Data geospatial catalogue, and the Australian Antarctic Data Centre portal.

The department’s Enterprise Data Strategy 2024–27 outlines its plans to establish consistent data practices, enhance data integration and uplift staff capability. DCCEEW has appointed a Chief Data Officer and developed data sharing policies and guidelines. It has also established a data inventory that records about 75% of the department’s data assets recently made available to staff.

The department aims to enhance the discoverability of data assets and strengthen risk management across the lifecycle of data – collection, storage, sharing and disposal.

Despite pockets of excellence and planned initiatives to uplift data capability at the enterprise level, the review found limited evidence that DCCEEW uses its significant data holdings to strategically shape its policy advice or program development. With data difficult to access, managed in siloes and fragmented across various legacy systems, the review heard that staff have low awareness of departmental data holdings and are not leveraging the available wealth of information to inform their day-to-day work. In a survey conducted for the review, the ‘collection, management and use of data’ was one of the top 3 things staff wanted the department to focus on improving. In particular, this was a key concern for staff in the environment and water areas of the department. DCCEEW acknowledges it needs a major uplift of its data and information management systems, and its processing and analytical tools, to enable greater access to and use of data.

‘There is no way to find or share data internally.’ Internal stakeholder

‘We often don’t know who has what data and there’s no central system to collect, analyse and disseminate to inform policy.’ Internal stakeholder

‘The department needs to improve data accessibility and capabilities to inform decision-making at all levels, within and outside of the department.’ Internal stakeholder

DCCEEW also acknowledged it needs to strengthen data governance and adopt a more consistent enterprise approach to data management. The Department of Finance’s Data Maturity Assessment 2024 rated DCCEEW as 0.93 out of a possible 5 for data strategy and governance. This is below the APS average of 2.02.

‘The area where I see the most need for capability build is enterprise data governance. We’ve done a lot of building and consolidating in that area, but it still remains a challenge.’ Internal stakeholder

The lack of good governance and data practices is filtering down to the operational level, affecting external stakeholders’ perceptions of the department. Some external stakeholders are unsure how DCCEEW uses its significant data assets, and are frustrated by a lack of timely access and a perceived unwillingness to share the information. Although the department makes various datasets publicly available, it acknowledges that external stakeholders would like access to more granular, local-level data. In addition to inefficient data management systems that make it difficult to extract data, DCCEEW sometimes faces data sharing constraints due to arrangements with its providers. Nevertheless, there is an opportunity to have more open dialogues and engagement with stakeholders around these matters to raise awareness and build understanding (further discussed in the *Collaboration* domain on page 21).

'The department wants our data, but they don't want to give it up and make it freely available. The department is not the place to store and steward data.' External stakeholder

'I want to see more data built. The department is a black hole at the moment.' External stakeholder

'Considering DCCEEW's data focus, it doesn't use it effectively, maintain or lead improvement.' External stakeholder

The department will need to ensure a pipeline of contemporary data expertise and continue to develop staff and system capability. Even though it collects and manages a lot of data, the department has identified data analysis as a critical skill shortage. While 80% of staff said their team uses data to make evidence-based decisions, staff report data skills as one of the top 3 skills missing in their immediate workgroup (2025 APS Employee Census). This requires attention, particularly as DCCEEW has a high proportion of staff who work in 'science and health' roles compared with other APS agencies (10% compared with 3% in the APS).

'We need more experts with data capabilities across all areas of the organisation.' Internal stakeholder

There is an opportunity for the department to make better use of its data assets to support its forward work agenda, including through the greater adoption of AI. To ensure it is equipped to face future challenges, DCCEEW will need to have the capability to confidently manage, use and share its valuable data assets.

Corporate operating model

Element	Description	Maturity rating
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.	Developing

The review heard from both staff and stakeholders that DCCEEW has done well to build its corporate operating model from the ground up while supporting the department to deliver for government.

The department periodically reviews its operating model to align with evolving priorities and resources. The Executive Board has made deliberate choices about which corporate services to prioritise and has established solid systems, policies, frameworks and processes for core enabling functions. Early priorities included work health and safety, addressing security risks and optimising ICT, including integrating most of the workforce onto one ICT platform, and rolling out a single financial management and human resource tool.

Informed by a 2023 functional alignment review, the department takes an intentional approach to which corporate functions it delivers in-house and where it outsources service delivery. The review has confidence the department will continue to mature its corporate operating model over time.

DCCEEW now needs to focus on the next tranche of corporate priorities, including growing baseline capability in project management and evaluation. This is discussed in the *Strategy* element on page 35 and the *Review and evaluation* element on page 38. There are various ways this capability could be supported by the corporate core, ranging from self-service resources through to more extensive centralised support.

The department still needs to resolve some issues that arise from having centralised services for a large workforce. Staff said they struggle with inconsistent, inefficient and outdated processes, making it harder to do their job. They want more streamlined and clearly documented processes, templates and work instructions. In the 2025 APS Employee Census, only 52% of staff agreed they have the tools and resources to perform well. While this is 11 percentage points higher than the 2024 results, it shows there is room for further improvement.

'There's a lack of systems integration across the department. A standardised way of delivering a program doesn't exist.' Internal stakeholder

'[Barriers include] inconsistent processes, and [the] intranet is not functional or up to date.' Internal stakeholder

For a workforce with very diverse workplaces – from Canberra to Antarctica and national parks – a 'one size fits all' approach for corporate services has not always been sufficient. For example, staff said the department tends to provide corporate services through unsynchronised emails or online portal methods rather than by phone. Staff, particularly those in operational roles, said they valued being able to receive immediate advice since they spend limited time in front of their computer. Some flexibility will be needed as DCCEEW continues to translate and deliver its corporate support across different work environments.

'Processes and systems are set up for more general APS employees. [For example, the Employee Assistance Program] support doesn't work if you're in Antarctica and you need access to advice and support right in that moment.' Internal stakeholder

'Onboarding and inductions for staff based outside of Canberra is disjointed. It needs corporate oversight not just dependent on your direct manager. The regional offices need a person designated to building induction as not all new starters have anyone in their team in that office.' Internal stakeholder

'Online resources are great for people who sit at a desk all day and are familiar with the systems. Operational staff don't have time to read endless webpages of information.' Internal stakeholder

Staff said corporate knowledge is lost due to turnover and exacerbated by poor information management practices. In a large organisation such as DCCEEW, staff do not always know who to talk to. They want more effective ways of sharing knowledge that will improve each other's work.

'Corporate knowledge from long-term staff needs to be translated to standard operating procedures (SOPs). We have so many great and knowledgeable staff, but with the high level of movement, deep understanding of issues is often lost and not upheld. [This] creates a cycle of repeating processes and solving an issue that has already been solved. [We] would greatly appreciate regularly updated SOPs, manuals and guidance material.' Internal stakeholder

'We have corporate knowledge loss and corporate amnesia due to workforce churn, combined with limited systemised knowledge captured. The result is a loss of organisational memory, reduced consistency and slower time to competency.' Internal stakeholder

The department needs corporate systems and processes to capture departmental information and preserve staff knowledge. But this is only one part of the solution. Leaders and staff also need to invest in building networks across the department (discussed in the *Internal collaboration* element on page 27).

Continuing to strengthen the corporate core is vital to DCCEEW's ability to consolidate and better manage its significant ICT and financial risks, and to operate cohesively to deliver for the Australian Government, the Parliament and the Australian people.

The agency's response

The Department of Climate Change, Energy, the Environment and Water (DCCEEW) does consequential work for the Australian people. That work matters, it's complex, it's demanding, and it's constantly changing. So, we need to keep lifting our capability, and this review helps us do that.

Our commitment to continuous improvement led us to asking for this Capability Review to be brought forward. We were keen for an independent, clear-eyed view of how we're going and where we need to improve next, following the highly successful establishment phase the department has been through.

I thank the Senior Review Team – Mike Mrdak AO, Mary Wiley-Smith, Lisa Elliston and Matt Lowe – for delivering a practical and direct assessment of the department both as it stands today and as we continue to evolve. I extend my gratitude to the team at the Australian Public Service Commission for their work supporting the Senior Review Team and the DCCEEW team who led the process.

I am particularly grateful to the staff and external stakeholders who offered their view with openness and a collaborative spirit. Their candid feedback shows their strong commitment to our shared success.

The review confirms that we've built a solid foundation and that we have a capable, committed workforce. It also makes clear where we need to do better – working more as one department, being clearer about priorities and outcomes, strengthening our partnerships, and investing more deliberately in our people.

I intend to act on this review. Together with the executive leadership team, I take responsibility for responding to the findings and turning them into practical change through our Action Plan.

Thank you to everyone who took part. Your honesty and challenge are helping us build a department that is more capable, more connected, and better able to think ahead and act now on the work Australians rely on us to do.

Thank you



Mike Kaiser

Secretary

Department of Climate Change, Energy, the Environment and Water

Appendix A: About the review

The Capability Review Program is an investment in an agency's longer-term capability and an opportunity to focus on strengths and development areas in the context of the anticipated future operating environment. The program aims 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 12th review since the program re-commenced in 2022 and the 3rd to be tabled in parliament following changes to the *Public Service Act 1999*.

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.

This review assesses DCCEEW's current capabilities and preparedness to deliver critical capabilities in the next 4 years. It gives the agency 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 Capability Review Framework.

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

As part of the review process, DCCEEW assessed the maturity of its organisational capabilities against the elements of the framework, to indicate its understanding of its strengths and opportunities for improvement.

To further inform the evidence base, the review spoke to department staff at all classification levels as well as external stakeholders, including ministers, other government agencies and non-government stakeholders.

Between December 2025 and April 2026, reviewers interviewed 42 internal and external stakeholders, held 7 workshops with 167 staff members, and conducted an all-staff survey, which received over 1,700 responses (around 29% of the department).

The evidence collected by the reviewers was supported by desktop research and best practice analysis of the latest APS workforce datasets, including the APS Employee Database, the APS Employee Census and the APS Agency Survey.

Appendix B: Abbreviations and acronyms

Abbreviation or acronym	Description
AI	Artificial intelligence
APS	Australian Public Service
APS staff	Staff employed at the APS 1 to APS 6 classifications within the APS hierarchy
CALD	Culturally and linguistically diverse
DCCEEW, the department	Department of Climate Change, Energy, the Environment and Water
EL	Executive Level – refers to staff employed at the EL 1 and EL 2 classifications within the APS hierarchy
EPBC Act, EPBC	<i>Environment Protection and Biodiversity Conservation Act 1999</i>
ICT	Information and communications technology
MoG	Machinery of government
National EPA	National Environmental Protection Agency
RSV	Research Survey Vessel
SES	Senior Executive Service – refers to staff employed at the SES 1 to SES 3 levels within the APS hierarchy
SOPs	Standard operating procedures
VHF radios	Very high frequency radios

Appendix C: Capability Review Framework

Explanation of maturity ratings

Maturity rating	Description
Leading	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • 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 challenges identified in the excellence horizon

Detailed description of Capability Review Framework domains and elements

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.	<ul style="list-style-type: none"> • 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.	<ul style="list-style-type: none"> • 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.	<ul style="list-style-type: none"> • 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.	<ul style="list-style-type: none"> • 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

Element	Description	Characteristics
		<ul style="list-style-type: none"> • 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
Internal collaboration	The capability to engage and establish effective and collaborative internal partnerships, ensuring the agency can make best use of its collective capabilities.	<ul style="list-style-type: none"> • 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.	<ul style="list-style-type: none"> • 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.	<ul style="list-style-type: none"> • 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.	<ul style="list-style-type: none"> • 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

Element	Description	Characteristics
		<ul style="list-style-type: none"> • 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
Implementation	The capability to deliver efficient and effective services, programs and other initiatives.	<ul style="list-style-type: none"> • 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.	<ul style="list-style-type: none"> • 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.	<ul style="list-style-type: none"> • 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.	<ul style="list-style-type: none"> • 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.	<ul style="list-style-type: none"> • 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
Staff safety and wellbeing	The capability to maintain a physically and psychologically safe working environment for staff.	<ul style="list-style-type: none"> • 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.	<ul style="list-style-type: none"> • 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.	<ul style="list-style-type: none"> • 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.	<ul style="list-style-type: none"> • 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.	<ul style="list-style-type: none"> • Agency actively decides which staff-facing functions will be delivered centrally (e.g. finance, legal, research, procurement, ethics, technology, property) • Agency manages the tension between centralised, distributed and outsourced functions effectively • Functions are adequately resourced and supported by leadership • Functions meet staff needs