



Australian Government
Digital Transformation Agency



Digital Transformation Agency

Annual Report 2022–23



If you have questions about this annual report, please contact:
Assistant Director, Governance and Performance
Digital Transformation Agency
PO Box 457 Canberra ACT 2601
Email: info@dta.gov.au
Website: www.dta.gov.au

You can find a digital version of our annual report at: www.dta.gov.au

Direct address: www.dta.gov.au/about-us/reporting-and-plans/annual-reports

Transparency portal address: www.transparency.gov.au

ISSN 2208-6943 (Online)

ISSN 2208-6951 (Print)

© Digital Transformation Agency 2023

With the exception of the Commonwealth Coat of Arms and where otherwise noted, all material presented in this document is provided under a Creative Commons Attribution 3.0 Australia licence.



The details of the relevant licence conditions are available on the Creative Commons website:
www.creativecommons.org/licenses/by/3.0/au

The full legal code for the licence is available at:
www.creativecommons.org/licenses/by/3.0/au/legalcode

The terms under which the Coat of Arms can be used are detailed on the following website:
www.pmc.gov.au/government/its-honor

This document must be attributed as the *Digital Transformation Agency Annual Report 2022-23*.

Visual design by Digital Transformation Agency
Printing by Elect Printing
Writing/editing support by Cinden Lester Communications

Letter of transmittal

Senator the Hon Katy Gallagher
Minister for Women
Minister for Finance
Minister for the Public Service
Parliament House
Canberra 2600

Dear Minister

I am pleased to present the *Digital Transformation Agency Annual Report 2022–23* for the year ended 30 June 2023.

The agency's report has been prepared in accordance with section 46 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), which also requires that you present this report to the Parliament.

In accordance with sections 39(1)(b) and 43(4) of the PGPA Act, this report includes the agency's annual performance statements and audited financial statements.

I certify:

- in accordance with section 17AG of the Public Governance, Performance and Accountability Rule 2014 (PGPA Rule), there were no significant issues of non-compliance notified during the reporting period
- in accordance with sections 10 and 17AG of the PGPA Rule, the Digital Transformation Agency has prepared a fraud risk assessment and a fraud control plan, and has in place appropriate fraud prevention, detection, investigation and reporting mechanisms and has taken all reasonable measures to appropriately deal with fraud related to our agency.

Yours sincerely



Chris Fechner

Chief Executive Officer
Digital Transformation Agency
6 October 2023

“

The DTA is uniquely
positioned to play
a lead role in supporting the
Australian Government's
digital transformation.

”

About this report

This report covers the Digital Transformation Agency (DTA) and our performance from 1 July 2022 to 30 June 2023.

As required, this report summarises our progress in achieving our purpose, and reviews our performance against the priorities, indicators and outcome set out in our Portfolio Budget Statement and Corporate Plan.

Chapter 1 provides an overview of the DTA, describes our outcome and program structure, and includes a review of the year by our Chief Executive Officer.

Chapter 2 is our annual performance statement, which reports on the results achieved against our planned performance criteria and success measures set out in our Corporate Plan and Portfolio Budget Statement.

Chapter 3 provides information on our management and accountability including our corporate governance and external scrutiny, people management, environmental performance and freedom of information.

Chapter 4 summarises our financial performance for the year and includes our audited financial statements.

Chapter 5 provides employee statistics and executive remuneration as well as aids for readers including a list of reporting requirements, glossary and abbreviations, and an alphabetical index.

Contents

Letter of transmittali

About this report.....iii

Our work at a glance vi

Overview1

Chief Executive Officer’s review3

About us.....6

Outcome and program structure.....10

Annual performance statement.....13

Statement of preparation 14

Purpose 14

Strategic objectives 14

Summary of performance assessment 15

Detailed performance assessment 15

Strategic objective 1 16

Strategic objective 2 25

Strategic objective 3 34

Strategic objective 4 40

Analysis of performance 41

Management and accountability	43
Corporate governance	44
External scrutiny	47
Management of human resources	50
Environmental performance	56
Freedom of information	57
 Financial performance	 59
Financial performance overview	60
Purchasing and procurement	63
Financial statements	67
 Appendices	 95
Appendix A: List of requirements	96
Appendix B: Employee statistics	103
Appendix C: Executive remuneration	114
Appendix D: Glossary and abbreviations	117
Appendix E: Alphabetical index	118

Our work at a glance

Figure 1: Overview of the key elements of the DTA's work

The Australian Government Digital and ICT Investment Oversight Framework (IOF)

Phase	Pre-budget	
State	1 Strategic planning	2 Prioritisation
Overview	Define direction for the government's digital and ICT-enabled investment portfolio, its future objectives and identify capability gaps.	Prioritise, plan and advise on investments that align to the strategic direction.

Australian Government Architecture

Key DTA activities	Data and Digital Government Strategy High-level advice Government leadership forums	Assessment and prioritisation criteria Digital Investment Overview Integrated Digital Investment Plan
--------------------	---	---

Corporate and enabling services

A governance framework for the management of the Australian Government’s digital investments across the project lifecycle

Budget		Implementation	
3 Contestability	4 Assurance	5 Digital sourcing	6 Operations (real world use)
Ensure proposals are robust and meet whole-of-government digital standards prior to government consideration.	Provide assurance to government that projects are on-track to deliver expected benefits.	Provide strategic sourcing advice and deliver value-for-money arrangements to simplify procurement of digital goods and services.	Regular data collection on digital and ICT projects being delivered as well as digital and ICT business-as-usual arrangements.

A collection of whole-of-government standards, policies, designs and capabilities

Digital Capability Assessment Process ICT Investment Approval Process	DTA-agreed Assurance Plans Assurance reporting Escalations engagement	BuyICT platform Digital sourcing policies Single-seller arrangements Panels and marketplaces	Quarterly surveys Data analysis
--	---	---	------------------------------------



Overview

Chief Executive Officer’s review 3

About us..... 6

Outcome and program structure.....10



Chris Fechner
Chief Executive Officer
Digital Transformation Agency

Chief Executive Officer's review

Being a leading digital government requires Australia to re-imagine our system of legislation, regulation, policy and service delivery in a human centric, data enabled, digitally native way. If this was easy, there wouldn't need to be a Digital Transformation Agency (DTA), or similar agencies across the globe. Our location, as an Executive Agency in the Finance portfolio, means the DTA is uniquely positioned to play a lead role in supporting the Australian Government's digital transformation.

Digital is inevitable. It changes very quickly, presenting both significant opportunities and challenges. As demonstrated through the achievements of the past 12 months to 30 June 2023, I am pleased to report that we are doing well in providing trusted advice to drive the government's digital transformation and deliver benefits to all Australians.

Overarching investment framework and architecture

We support the government to manage its digital and information and communications technology (ICT) enabled investments through the Investment Oversight Framework (IOF). This whole-of-government framework involves 6 inter-related states, from digital and data strategic planning, to prioritisation and contestability of investment proposals, and from assurance that projects are realising planned benefits to digital sourcing arrangements and reviewing operations (real world use). During 2022–23, we worked across these different states to update underlying policies, and mature our processes and standards to make our work more effective and transparent, and to provide the high-level advice expected of a trusted advisor to government.

We consulted widely across the Australian Public Service (APS) to co-design a new Australian Government Architecture – a whole-of-government view of required standards and related capabilities, policies and designs – to more effectively support agencies in planning and delivering the government's digital and ICT investments. We are integrating the Australian Government Architecture with the IOF to help us continue to monitor and improve the use of this guidance.

High-level, trusted advice

Throughout the year, our advice to high-level forums helped influence and shape whole-of-government ICT and digital services, policies and standards and strengthen oversight arrangements for digital and ICT projects across the Australian Government.

A specific area of interest this year was government use of artificial intelligence (AI). We worked with the Department of Industry, Science and Resources to develop interim guidance for the APS to support assessment of the risks involved in the use of AI, to help ensure this rapidly evolving technology is used responsibly to improve the efficiency, effectiveness and quality of government services and advice.

Strategic planning

For the first time, Australia has a strategy connecting data and digital to help set the direction to 2030. We worked with the Department of Finance to develop the initial Data and Digital Government Strategy, which was released for consultation in June 2023. The strategy outlines the government's vision to deliver simple, secure and connected public services for all people and business through world class data and digital capabilities. It details the objectives and actions needed within key areas to achieve the vision, along with the enablers critical to ensure success.

Prioritisation

Also, for the first time, we provided government with a Digital Investment Overview, looking at investment in digital and data across the APS, and prioritising proposed investments for the Budget. This enabled us to deliver timely advice on prioritisation of investments to inform ministerial decision-making for the 2022–23 Budget and the 2023–24 Budget. We worked with agencies to compile the Digital Investment Overview as well as developing a multi-year Integrated Digital Investment Plan to guide future investments.

Contestability

The DTA continued to work with agencies to refine the processes we rely on to help classify and assess the alignment of digital and ICT-enabled elements of new policy proposals against the government's requirements, prior to proposals being considered for funding. Two Budgets fell during the reporting period. In the 2023–24 Budget alone, the DTA's Contestability team worked with central agencies to provide advice to government on more than \$2 billion in digital and ICT investments. We continued to build relationships and improve our communication with stakeholders about the requirements for agencies across the 6 states of the IOF.

Assurance

An important part of the IOF is assurance – monitoring and reporting on the condition of major investments to improve understanding of how they are performing and if they are achieving their objectives. Using our Assurance Framework for Digital and ICT Investments, we supported agencies in planning and implementing fit-for-purpose assurance arrangements. As a result, all new in-scope projects had assurance plans in place this reporting year.

Digital sourcing

Our whole-of-government digital and ICT procurement arrangements continued to deliver savings and efficiencies to government this year. We updated arrangements to make sure they remained fit for purpose and continued to deliver value for money. This included refreshing several digital marketplaces, and establishing a new Data Centre Panel and a new whole-of-government

arrangement with IBM to support the Australian Government's current requirements. In addition, we included prompts on BuyICT.gov.au and information sessions via the Digital Sourcing Network to support APS procurement improvements and capability uplift.

Operations (real world use)

We continued to survey agencies to collect and analyse data on real world use of projects and business-as-usual digital and ICT arrangements. Our work in this area informed the various states of the IOF as well as the overarching health of in-flight digital projects.

Acting as an incubator

Machinery of government changes in the first half of 2023 saw the DTA's cyber security policy-related functions transfer to the Department of Home Affairs, while the Protected Utility Blueprint oversight function transferred to the Australian Signals Directorate. Responsibility for Digital Identity transfers to the Department of Finance from July 2023. This is indicative of our work with partners to create necessary foundations for digital transformation to the point where they can be transitioned to the areas of government best placed for ongoing delivery.

Year ahead

Yet again, the DTA has risen to the challenge of a busy year with many competing commitments and priorities. Although the IOF is less than 2 years old, this governance framework is playing a central role in coordinating advice to government on its digital transformation.

As we look to the next 12 months, I am confident that we will continue to be innovative and diligent, as we further strengthen the advice and support we provide to drive the government's digital transformation agenda.



Chris Fechner

Chief Executive Officer

Digital Transformation Agency

About us

The DTA plays a central role in driving the Australian Government's digital transformation.

Purpose

In 2022–23, the DTA's purpose was to support the Minister for Finance and the Australian Government by providing digital and ICT strategy and policy leadership, investment advice, strategic sourcing, and delivery oversight to drive the government's digital transformation and deliver benefits to all Australians.¹

Role and functions

The DTA's role and functions² are to:

- provide strategic and policy leadership on whole-of-government and shared ICT investments and digital service delivery
- develop, deliver, and monitor whole-of-government strategies, policies, and standards for digital and ICT investments, including ICT procurement
- manage strategic coordination and oversight functions for digital and ICT investments across the project lifecycle, including providing advice on whole-of-government reuse opportunities
- manage whole-of-government digital procurement to simplify processes for government agencies, reduce costs and generate reuse opportunities
- provide advice to the minister on whole-of-government and shared digital and ICT investment proposals
- undertake other relevant tasks as the minister may require from time-to-time.

Portfolio and minister

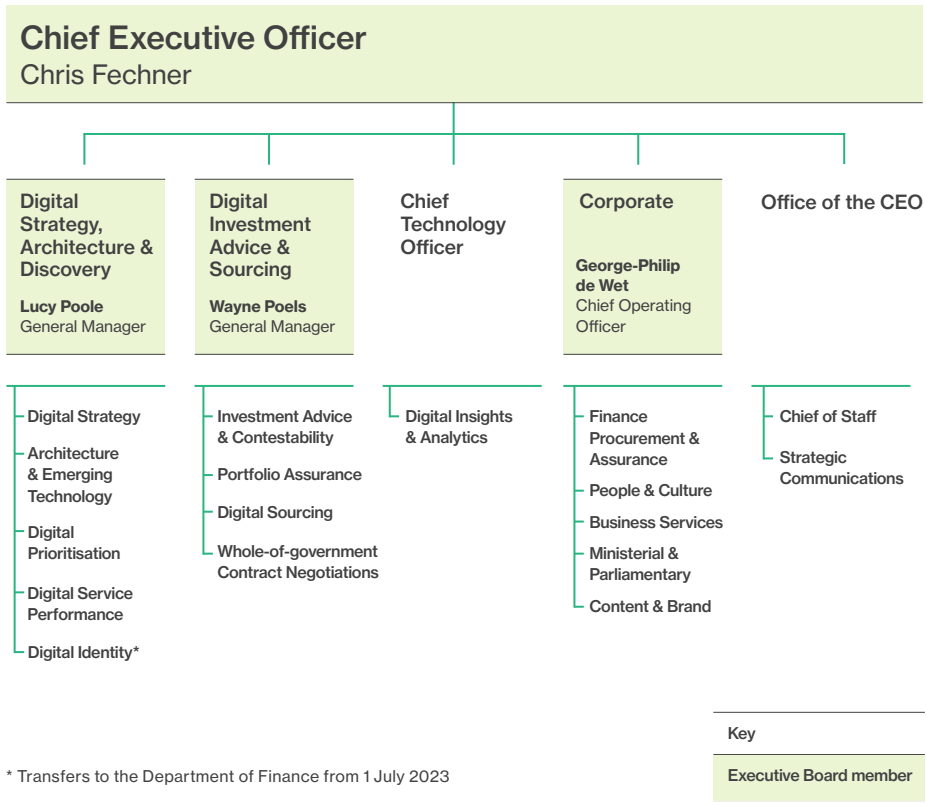
During 2022–23, the DTA was an Executive Agency in the Finance portfolio. Our minister was Senator the Hon Katy Gallagher, Minister for Women, Finance and the Public Service.

¹ Digital Transformation Agency Corporate Plan 2022–23 (www.dta.gov.au).

² Order to identify the Minister responsible for the Digital Transformation Agency, and to Specify Functions for the Digital Transformation Agency (www.legislation.gov.au/Details/C2021G00267).

Agency structure

Figure 2: The DTA organisation structure as at 30 June 2023





Chris Fechner

Chief Executive Officer

Chris was appointed the Chief Executive Officer (CEO) of the DTA on 13 October 2021. As CEO, he is responsible for leading the agency to ensure we deliver on the government's digital transformation agenda, in accordance with our agency's executive order and the PGPA Act.

Chris has extensive experience in state government services, focusing on large-scale digital and ICT reform and transformation programs as well as implementing contemporary investment, contestability, and governance frameworks.

Before joining the APS, Chris held senior state government positions including Queensland Government Chief Customer and Digital Officer and Chief Digital and Product Officer at Service NSW. Chris holds an Executive Masters of Business Administration and a Bachelor of Applied Science and Computing, both from the Queensland University of Technology.



Lucy Poole

General Manager

Digital Strategy, Architecture
and Discovery Division

Lucy joined the DTA in November 2017. She leads the Digital Strategy, Architecture and Discovery Division, which provides whole-of-government strategic leadership on the development and implementation of digital strategies and policies, the Australian Government Architecture, Digital Identity, and the management of the government's digital investment pipeline to ensure an integrated and coordinated approach.

Before joining the DTA, Lucy held senior executive roles at the Department of the Prime Minister and Cabinet and the Australian Public Service Commission, where she led several transformation programs. Lucy also has experience in state government, the private sector and the United Kingdom civil service.

Lucy holds a Bachelor of Business, majoring in Business Management and Human Resource Management from Griffith University.



Wayne Poels

General Manager

Digital Investment Advice
and Sourcing Division

Wayne was seconded from the Department of the Prime Minister and Cabinet to the DTA in June 2021 to support the development of the IOF and joined permanently in April 2022. He leads the Digital Investment Advice and Sourcing Division, which coordinates advice on the alignment of all digital and ICT-enabled investment proposals with the government's Digital Capability Assessment Process as well as supporting departments to ensure the benefits of the digital and ICT-enabled investments are realised. Wayne is also responsible for whole-of-government digital sourcing arrangements, panels and marketplaces.

Before moving to the DTA, Wayne held several positions in the Department of the Prime Minister and Cabinet and, prior to that, positions in The Treasury.

Wayne holds a Master of Economics from the Australian National University and a Bachelor of Economics (Hons) degree from La Trobe University.



George-Philip de Wet

Chief Operating Officer

George-Philip joined the DTA in late-2016, after acting as Chief Financial Officer for The Treasury. His responsibilities include business services, human resources, finance, procurement and assurance, content and brand, and ministerial and parliamentary.

He has experience in the delivery of resource prioritisation initiatives, business process improvement, as well as budget and financial strategy. Before moving to the DTA, he worked for more than 10 years across various Australian Government agencies in a range of corporate finance roles, and previously in the private sector both in Australia and abroad.

George-Philip holds a Bachelor of Commerce (Accounting) from the Australian National University and is a Fellow of Certified Practising Accountants Australia.

Stakeholders

Achieving our purpose requires close collaboration with our many partners and stakeholders. We work most closely with Australian Government agencies. We work with state, territory and international governments, advisory and oversight bodies as well as industry and academia and people who use government services. We cooperate with our stakeholders across government and industry to understand the operating environment, identify challenges and opportunities for improvement, and provide trusted advice to government.

Outcome and program structure

Government outcomes are the intended results, impacts or consequences of actions by the government on the Australian community. Government programs are the primary vehicle by which government entities achieve the intended results of their outcome statements. Our Portfolio Budget Statement 2022–23 describes our outcome and program structure for the reporting year:

- **Outcome 1** – Support the government's digital transformation, and simplify processes, reduce costs and generate reuse opportunities, through strategic and policy leadership, advice, strategic coordination and oversight of digital and ICT investment, and management of whole-of-government digital and ICT procurement.
- **Program 1.1** – The objective of this program is to provide strategic and policy leadership and investment advice as a trusted advisor on digital and ICT investment decisions through oversight to drive government digital transformation that delivers benefits to all Australians.

“

Achieving our purpose
requires close collaboration
with our many partners
and stakeholders.

”



Annual performance statement

Statement of preparation	14
Purpose	14
Strategic objectives	14
Summary of performance assessment	15
Detailed performance assessment	15
Strategic objective 1	16
Strategic objective 2	25
Strategic objective 3	34
Strategic objective 4	40
Analysis of performance	41

Statement of preparation

I, Chris Fechner, as the accountable authority of the Digital Transformation Agency, present the agency's 2022–23 annual performance statement, as required under paragraph 39(1)(a) and (b) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and section 16F of the Public Governance, Performance and Accountability Rule 2014. In my opinion, this annual statement is based on properly maintained records, accurately reflects the agency's performance in achieving our purpose for the reporting period, and complies with subsection 39(2) of the PGPA Act.



Chris Fechner
Chief Executive Officer
27 September 2023

Purpose

As described in our Corporate Plan 2022–23, our purpose in 2022–23 was:

To support the Minister for Finance and the Australian Government by providing digital and ICT strategy and policy leadership, investment advice, strategic sourcing, and delivery oversight to drive the government's digital transformation and deliver benefits to all Australians.

Strategic objectives

We focused on the following strategic objectives to achieve our purpose during the reporting year:

1. Lead government's digital transformation strategy.
2. Oversee the short, medium and long-term whole-of-government digital and ICT investment portfolio.
3. Manage whole-of-government digital and ICT strategic sourcing and contracts.
4. Be a valued employer with the expertise to achieve our purpose.

Summary of performance assessment

Performance measure	Assessment
1.1 The Australian Government Architecture is a decision-making and policy construct that helps agencies develop scalable, secure and resilient digital capabilities.	Partially achieved
1.2 Stakeholders and partners receive high-quality and timely advice on whole-of-government strategies, policies and standards for digital and ICT investments.	Partially achieved
1.3 Local and international digital government maturity and performance rankings.	Partially achieved
2.1 Quality and timeliness of strategic planning advice to define digital and ICT investment portfolio, its future objectives and capability gaps.	Partially achieved
2.2 Quality and timeliness of prioritisation advice on investments to deliver on government's digital and ICT objectives.	Substantially achieved
2.3 Quality and timeliness of contestability advice on investments to ensure digital and ICT investment proposals are robust and meet whole-of-government digital standards prior to government consideration.	Partially achieved
2.4 Quality and timeliness of delivery assurance advice that investments are on track to deliver expected benefits.	Achieved
2.5 Alignment of whole-of-government digital platforms, technologies and services with Australian Government Architecture.	Partially achieved
3.1 Management of whole-of-government digital strategic sourcing, contracts and purchasing arrangements and systems.	Achieved
3.2 Value-for-money digital and ICT procurements.	Achieved
4.1 Ability of DTA staff to support strategic objectives	Achieved

Detailed performance assessment

For each strategic objective, the following detailed performance assessment includes:

- the key activities related to that strategic objective
- the performance measures, methodologies and targets set for the year (in our 2022–23 Corporate Plan and Portfolio Budget Statement)
- a summary of our outcomes
- details of results achieved.

Strategic objective 1

Lead government’s digital transformation strategy.

Key activities

- Provide strategic and policy leadership on digital government through whole-of-government and shared ICT planning, investments and digital service delivery.
- Develop, deliver and monitor whole-of-government architecture strategies, policies and standards for digital and ICT investments and sourcing.

Performance measures

Performance measure 1.1	
Measure	The Australian Government Architecture is a decision-making and policy construct that helps agencies develop scalable, secure and resilient digital capabilities.
Methodology	Delivery and ongoing iterative updates to the Australian Government Architecture; use of/ alignment with Australian Government Architecture; stakeholder feedback; case study examples.
Target	Set benchmark for use of/alignment with Australian Government Architecture.
Outcome	<p>Agencies are aware of and apply the Australian Government Architecture.</p> <p>Target update: While we had intended to set a benchmark for use of and alignment to the architecture, during the year we concluded that we needed to revise this target to assess our performance more accurately. Measures of success will evolve with each iteration of the Australian Government Architecture, and we will establish appropriate baseline indicators in 2023–24.</p>
Assessment	Partially achieved

Results achieved

Co-design of improved Australian Government Architecture

The Australian Government Architecture supports agencies to plan and deliver the government’s digital and ICT investments. It provides a whole-of-government view of capabilities, policies, standards and designs, grouped into related domains such as individual experience, integration and government service delivery.

During 2022–23 we improved the Australian Government Architecture by working with stakeholders across government.

We reached out to more than 8,300 government staff through the Digital Profession and facilitated 8 discovery and design evaluation sessions, learning from the reactions and insights of participants from various government agencies. The Government Architecture Design Advisory forum assisted with collaboration on content and identifying gaps. The Secretaries' Digital and Data Committee and the Digital Leadership Committee supported content approval and broader visibility and awareness.

We began integrating the architecture with the IOF to support the way we assess and improve the use of, and alignment with, required standards for digital and ICT projects, and more effectively monitor its application. This is happening alongside our ongoing work to further enhance the architecture's functionality and broaden its content.

Performance measure 1.2	
Measure	Stakeholders and partners receive high-quality and timely advice on whole-of-government strategies, policies and standards for digital and ICT investments.
Methodology	Stakeholder feedback on whether DTA advice is accurate, complete, reliable, relevant and timely; use of/alignment with advice; case study examples.
Target	Set benchmark for stakeholder feedback on DTA advice. Set benchmark for use of/alignment with DTA advice.
Outcome	<p>Our advice contributed to high-level consideration of key issues related to whole-of-government strategies, policies and standards for digital and ICT investments.</p> <p>Target update: The initial Data and Digital Government Strategy was developed, and our advice on key issues contributed to high-level consideration. However, we decided that setting benchmarks for both stakeholder feedback and use of/alignment with advice should be postponed until a final Data and Digital Government Strategy has been released, to ensure the benchmark remains valid.</p> <p>We are developing an ongoing mechanism for seeking feedback and assessing alignment with our strategy and policy advice and, in 2023–24, we will set targets for forward years.</p>
Assessment	Partially achieved

Results achieved

Development of initial Data and Digital Government Strategy

The initial Data and Digital Government Strategy outlines Australian Government's 2030 vision to deliver simple, secure and connected public services for all people and business through world class data and digital capabilities. The government recognises the importance of data and digital capabilities to create more insightful data-driven policies and to deliver easy, accessible, and secure services for people and business (see feature on page 23).

Publishing the initial strategy for formal consultation in mid-June 2023 was a major milestone. We worked with the Department of Finance to develop the strategy based on wide consultation across governments, industry and the community. By aligning the APS's data and digital agenda with a clear vision, the strategy will support more joined-up delivery across government. The final strategy and implementation plan are due to be released at the end of 2023.

Advice on government use of AI

Generative AI – technology that generates content in response to user prompts – presents new and innovative opportunities for government. An increasing number of new AI tools and models are now easily available. However, due to their rapid evolution there is a need and growing demand for guidance to support the consideration and assessment of the risks involved in their use (see feature on page 24).

This year we worked with the Department of Industry, Science and Resources to develop interim guidance to support the APS to use AI in a safe, ethical, and responsible manner. The advice was developed through broad consultation with agencies and industry leaders and builds on existing agency and inter-jurisdictional guidance. The interim guidance is available on the Australian Government Architecture. We will continue to work together to investigate the need for whole-of-government policies and standards relating to the responsible use of AI in government.

In addition, the Australian Government and New South Wales Government are co-leading work on options for a nationally consistent approach to the assurance of government use of AI, following a Data and Digital Ministers Meeting agreement on 23 June 2023.

Advice on Digital Identity

The Digital ID program enables secure access to government services through using myGovID and the Trusted Digital Identity Framework accreditation scheme, which promotes best practice privacy, security and other standards across Digital ID providers more broadly.

During 2022–23, use continued to increase. As at June 2023, more than 11.2 million Australians had chosen to create a reusable myGovID to securely access 132 government services online (up from 8.6 million digital identities and 117 services last year). Over 2.5 million businesses relied on digital identity to allow their authorised representatives to act on their behalf online.

The Trusted Digital Identity Framework provides Australians with greater confidence that their personal information is being managed in accordance with privacy and security requirements when using Digital ID.

Eight providers of Digital ID related services have been accredited under the framework – 4 government providers, one Government Business Enterprise, and 3 private sector providers.

Expansion of the Australian Government Digital ID System and the Digital ID accreditation scheme will require legislation. The government plans to release draft legislation for public consultation later in 2023.

From July 2023, responsibility for managing the Digital ID program moves to the Department of Finance.

Advice on life events program reset

Life events are an important part of delivering simple and connected services for people and business. In 2022–23, the DTA led a cross-jurisdictional review of the national life events program, which provides an end-to-end experience of people's interactions with government and third parties during key life events. The program involved national and state agencies partnering on events such as 'experiencing a natural disaster', 'looking for work', and 'birth of a child'.

The review found that the program has established foundations for collaboration and achieved progress in the 'birth of a child' project. However, momentum overall has slowed – largely due to the pandemic – and service delivery remains inconsistent and fragmented. The review found the program was at a critical juncture.

The review's recommendations will help to reset the program's direction and vision, establish a new approach based on a more 'back to basics' scalable framework for life events, determine a new shared governance structure, and define measurable benefits.

Advice on myGov

We supported the independent user audit of myGov, which was commissioned by the Minister for Finance, Senator the Hon Katy Gallagher, and the Minister for Government Services, the Hon Bill Shorten MP. The audit looked at how well myGov is performing for Australians when it comes to reliability, functionality and delivering a user-friendly experience. The audit outcomes were published in January 2023, including recommendations to shape the future direction of myGov.

The DTA provided 2 senior staff to support the audit, who provided whole-of-government advice and support on digital services as part of the audit Secretariat team.

We are now working with Services Australia on the Australian Government's response and implementation options for each of the 10 recommendations.

This includes consultation across agencies to inform the response through a specially established Sub-Committee of the Digital Leadership Committee, which is co-chaired by the DTA and Services Australia and comprises 15 Senior Executive Service (SES) representatives from 14 agencies.

Advice to high-level forums

The Secretaries’ Digital and Data Committee (a subcommittee of the Secretaries Board) provides strategic leadership to promote an APS enterprise approach to planning, coordination, investment, assurance, and delivery of trusted and secure digital and data capabilities across government. It is supported by the Digital Leadership Committee of senior business and technology leaders from across the APS, who provide strategic leadership for the government’s digital transformation and ICT programs. Our CEO is a member of the Secretaries’ Digital and Data Committee and Chair of the Digital Leadership Committee.

Through our involvement in these committees, we help influence and shape whole-of-government ICT and digital services, policies and standards, and strengthen oversight arrangements for a variety of digital and ICT projects across the Australian Government.

During the year, we advised the Secretaries’ Digital and Data Committee on investment priorities, assurance, development of the initial Data and Digital Government Strategy, our proposed approach for managing benefits for digital and ICT projects, an update on the health of in-flight projects, plans to improve the quality of data used to develop insights, as well as whole-of-government digital and ICT sourcing arrangements.

Performance measure 1.3	
Measure	Local and international digital government maturity and performance rankings.
Methodology	Digital government rankings.
Target	Set benchmark for Australian Government rankings.
Outcome	Australia's international benchmark will be set following release of the upcoming Organisation for Economic Co-operation and Development (OECD) Digital Government Index ranking. The Local Digital Maturity Benchmark is 79%.
Assessment	Partially achieved

Results achieved

Local benchmark set

Australia's local benchmark is 79%, based on the Digital Government Readiness and Maturity Indicator produced by private Australian company, Intermedium. This indicator uses methodology consistent with the OECD Digital Government Policy Framework. It provides a measure of what each jurisdiction has done at a whole-of-government policy, legislative or procedural level to ensure agencies are supported and enabled in their digital transformation activities.

The Australian Government ranked second out of all Australian jurisdictions, with the DTA contributing to 4 out of 5 digital government maturity criteria through initiatives including the IOF, Data and Digital Government Strategy, Australian Government Architecture and Digital Service Standard (a set of best practice principles for designing and delivering government services).

International benchmark pending

As at 30 June 2023, Australia's international benchmark was pending the release of the OECD Survey of Digital Government 2.0, which will include Australia's ranking.

The DTA led Australia's January 2023 response to the international survey, which measures government maturity against the OECD Digital Government Policy Framework and its 6 dimensions: digital by design; user-driven; proactive; data-driven; focused on government as a platform; and open by default.

Practical application of the Australia Government Architecture

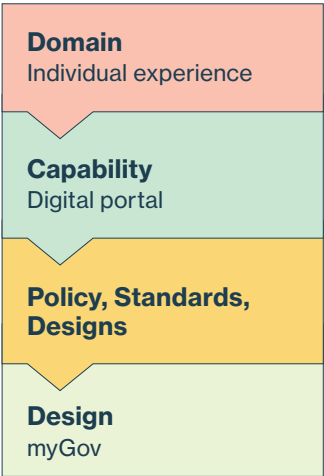
The Australian Government Architecture is a collection of digital artefacts and guidance materials that inform users on how to align to the digital directions of government. The government’s digital landscape is vast, complex and continues to evolve. The architecture guides digital and ICT investment to maximise reuse of existing digital solutions, prudently introduce new digital solutions, and reduce the risk of large-scale digital failures, through providing ‘guard-rails’.

An example is where an agency wants to develop a mobile app to improve access to online services. To help agencies navigate the architecture, information is organised into domains, capabilities, policies, standards and designs. In this case, the agency may look at the ‘Individual experience’ domain, which includes the capabilities required to deliver modern digital services to individuals, for example, through a single digital portal.

The agency will find more information within the ‘Digital portal’ capability, which explains that digital portals provide individuals with access to multiple government services through a single entry point. Information is further broken down into relevant policy, standards and designs – existing examples and patterns that describe a defined approach of how the related digital investment can be structured. A key design the agency may then consider is myGov – an online platform offering

a suite of flexible, scalable digital services.

This guidance supports the agency to align with relevant policy and standards, and use existing designs, reducing the need to develop new or bespoke products, speeding up time from design to delivery, and reducing development costs.



The agency would then demonstrate the use of and alignment with the Australian Government Architecture throughout the IOF and the application of reuse.

Data and Digital Government Strategy sets path to 2030

The initial Data and Digital Government Strategy sets the 2030 vision to deliver simple, secure, and connected public services for all people and business through world class data and digital capabilities.

This is the first time an Australian Government is connecting data and digital in a single strategy for a more cohesive approach to deliver meaningful change.

The initial strategy puts people and business at the centre of government digital outcomes. It sets out how APS agencies will use and build sustainable skills and capabilities in data and digital to improve activities, and drive policy, service delivery and operations.

The initial strategy includes the following 5 missions, which describe the objectives and actions government needs to take to achieve its vision: 1) Delivering for all people and business; 2) Simple and seamless services; 3) Government for the future; 4) Trusted and secure; and 5) Data and digital foundations. Critical enablers required to deliver these missions are people and capability, cyber security, governance, and investment.

We worked with the Department of Finance to jointly develop the initial strategy, guided by an Oversight Committee of senior executives with relevant expertise from across the APS. Broad consultation on the initial strategy began in June 2023. We expect a final strategy, supported by an implementation plan, to be released by the end of 2023.

Implementing the strategy will involve better security, sharing, management and governance of data for improved insight, increasing our digital capability and driving digital transformation within government, and creating seamless digital information and services.

Advice guides public service use of AI

The Australian Government is committed to delivering high-quality services that maximise the benefits offered by new technologies. This involves supporting a transparent and innovative culture while effectively managing risk through governance of all emerging technologies.

Due to the rapid evolution of technology, there is a growing demand for guidance when government staff members assess potential risks involved in its use.

A key area of interest is generative AI – technology that generates content such as text, images, audio and code in response to user prompts. The best known example is ChatGPT, but there are many others such as Bard AI from Google and Bing AI from Microsoft.

When used responsibly, AI can improve the efficiency, effectiveness and quality of services and advice provided.

Government activities range from providing policy advice to delivering programs to industry and services to the community. As such, the risks of using AI for official activities are context-specific and requirements change depending on how AI is deployed.

Working with the Department of Industry, Science and Resources, and consulting broadly with agencies and industry, we developed interim guidance to support the APS to experiment with AI use-cases in a safe, ethical, and responsible way. It includes advice and principles designed to support the APS in considering whether it is appropriate to use AI tools. We included short scenarios to explain different considerations depending on how AI may be used.

The interim guidance is intended to supplement agency policies on generative AI while further work is done to develop a whole-of-government position.

The interim guidance is available on the Australian Government Architecture, where it has so far received positive user feedback.

Strategic objective 2

Oversee the short, medium and long-term whole-of-government digital and ICT investment portfolio.

Key activities

- Manage strategic coordination and oversight functions for digital and ICT investments across the project lifecycle, including providing advice on whole-of-government reuse opportunities.
- Provide advice to the minister on digital and ICT investment proposals and lead new digital proposals as directed by the minister.

Performance measures

Performance measure 2.1	
Measure	Quality and timeliness of strategic planning advice to define digital and ICT investment portfolio, its future objectives and capability gaps.
Methodology	Stakeholder feedback; examples of identifying direction, gaps, risk, duplication and future objectives.
Target	Set stakeholder satisfaction benchmark %.
Outcome	<p>During the year, we provided strategic planning, prioritisation and assurance advice based on analysis of regular operations (real world use) data collection. We developed the initial Data and Digital Government Strategy to provide a vision for government investment to align to.</p> <p>Target update: We improved our approach to formal stakeholder feedback during the year through consultation to develop the initial Data and Digital Government Strategy and the Digital Investment Overview and associated advice on digital investment prioritisation. However, we are not yet able to set a benchmark for stakeholder satisfaction and will revise our targets based on implementation of the final strategy next reporting year. This will allow us to identify gaps that need to be addressed through new investment. We are working on a process for assessing the delivery of proposals against strategic objectives for future Budget cycles and will set targets for forward years.</p>
Assessment	Partially achieved

Results achieved

Initial Data and Digital Government Strategy stakeholder feedback milestone

We provided quality and timely advice on strategic direction, expected gaps, risks and future objectives while working with the Department of Finance to develop the initial Data and Digital Government Strategy (see *Performance measure 1.2* on page 17 and feature on page 23).

The initial strategy was released for comment in June 2023. The final strategy will be informed by broad consultations with the APS, state and territory governments, industry, academia, and the public.

We have mapped the IOF prioritisation criteria to the strategy missions. In future Budget cycles, these missions will serve as a measure of the strategy's success in shaping the ICT investment portfolio.

Advice based on collection and analysis of operations (real world use) data

We provide strategic advice on the government's digital and ICT investment portfolio based on our regular surveys of agencies.

We collect data on current digital and ICT projects valued at over \$10 million. In 2022–23 this involved data collection on 131 projects. In addition, we received data from 71 agencies on more general business-as-usual digital and ICT information such as planning, policy, delivery and workforce.

We analyse the data for insights on the health of in-flight projects, providing advice on progress over time and identifying gaps, issues or risks. Through the data collection and analysis, we can identify APS use of emerging technologies (such as AI), opportunities for reuse and shared capabilities, and digital and ICT workforce developments.

Our work in this area informs the various states of the IOF, in particular, strategic planning, prioritisation and assurance.

Performance measure 2.2

Measure	Quality and timeliness of prioritisation advice on investments to deliver on government's digital and ICT objectives.
Methodology	Stakeholder feedback; examples of advice and analysis provided on investment pipeline; development of multi-year integrated digital investment plan and investment overview on outcomes.
Target	Set stakeholder satisfaction benchmark %.
Outcome	<p>We delivered quality and timely advice on prioritisation of investments to inform government decision-making and support greater public service planning. There was a high level of stakeholder satisfaction that our advice improved the quality of investment proposals. During the year, it became clear that the quality and timeliness of prioritisation advice could be measured in more tangible ways via stakeholder satisfaction and that we needed to revise the target to reflect our performance more accurately.</p> <p>Target update: We revised our target for 2023–24 to be: 100% of new digital investments identified by the DTA as in-scope for the IOF's investment prioritisation process are prioritised with timely advice provided to government.</p>
Assessment	Substantially achieved

Results achieved

Digital investment prioritisation and planning

We delivered a Digital Investment Overview to the Australian Government with advice on prioritisation of investments to inform ministerial decision-making early in both the 2022–23 Budget (October 2022) and 2023–24 Budget (May 2023) cycles. We developed Integrated Digital Investment Plans, which were provided to the Secretaries' Digital and Data Committee in November 2022 and then February 2023 to support greater public service planning.

These products were provided to ministerial and secretary-level stakeholders on a timely basis. Stakeholders involved with the investment prioritisation process expressed a high level of satisfaction, observing that investment prioritisation feedback was useful in improving the quality of proposals for Budget processes.

In preparing the products, we gathered information on proposals and planning from all portfolio agencies, supported by other data gathering on digital and ICT (such as regular collection of operations data, and information from the Assurance and Contestability states of the IOF), as well as insights from central agencies. We undertook a whole-of-government engagement process to support prioritisation outcomes, with all in-scope proposals assessed against investment prioritisation criteria by a representative panel of senior executives from across the APS. In addition, we worked with the Department of Finance to jointly provide a summary of major digital and ICT investment proposals considered in the 2023–24 Budget process.

Performance measure 2.3

Measure	Quality and timeliness of contestability advice to ensure digital and ICT investment proposals are robust and meet whole-of-government digital standards prior to government consideration.
Methodology	Review of DTA data; stakeholder feedback.
Target	<p>70% of digital investment proposals identified by the DTA as in-scope of the Digital and ICT Investment Oversight Framework are reviewed within Budget timelines.</p> <p>70% of digital investment proposals identified by the DTA as in-scope of the Digital and ICT Investment Oversight Framework are assessed with strong alignment to the Digital Capability Standards.</p> <p>Average rating of at least 7/10 for the DTA's communication around the Digital Capability Standards and the requirements on Commonwealth agencies.</p>
Outcome	<p>49% of in-scope proposals were completed within Budget timelines.</p> <p>30% of in-scope proposals were assessed as strongly aligned with the required standards.</p> <p>The average rating was 7.9/10 for the DTA's communication around the standards and requirements.</p> <p>Target update: As explained below, we are working to integrate consultation with the DTA as part of the Budget process. We are reviewing the relevance of strong alignment to the Digital Capability Assessment Process as a measure of our performance and will revise next year's targets accordingly.</p>
Assessment	Partially achieved

Results achieved

Assessment of investment proposals

Since the introduction of the IOF in late 2021, we have done significant work to integrate consultation with the DTA into the rules underpinning the delivery of the annual Budget to support the requirement for agencies to engage with the DTA early in the development of ICT-enabled proposals.

Each of the targets under this measure relate to agencies with digital and ICT-enabled proposals completing the Digital Capability Assessment Process (previously known as the Digital Capability Standards) before Cabinet consideration.

In 2022–23, approximately 7 out of 10 in-scope proposals were presented to the DTA within the required Budget timeframes, with 49% (rather than our target of 70%) of those proposals completing the Digital Capability Assessment Process. Around 30% of proposals (rather than our target of 70%) were assessed as being strongly aligned.

Throughout the year, we continued to review the Digital Capability Assessment Process metrics and the relevance of a 'strong' alignment as a single measure of success of the DTA's Contestability responsibilities and the maturity of an individual investment. This is relevant as variation in the scale and complexity of projects, and the different stages that digital and ICT-enabled investments are considered by government (for example, trials, smaller projects, additional funding for existing projects), can result in different assessment requirements.

In the 2023–24 Budget, a higher than usual number of high-risk and complex investments were subject to the ICT Investment Approval Process (IIAP), with more than double the number of business cases considered this Budget compared with the 2 previous Budgets combined (20 compared with 9). The assessment of businesses cases on top of the Digital Capability Assessment Process is significantly more resource intensive for both for DTA advisers and agencies. Proposals subject to the IIAP are more likely to be able to demonstrate strong alignment against the government's requirements because of the complex nature of the investments and the business case requirements throughout the policy development process.

The DTA continues to promote the value that early and consistent engagement brings to agencies developing investment proposals, so they do not run the risk of non-completion before consideration.

In addition, during the year we developed a Benefits Management Policy to strengthen benefits management for proposed investments (see feature on page 32).

The DTA's communication with agencies

Our communication with agencies about this process is improving. We received an average rating of 7.9 for our communication around the Digital Capability Assessment Process and the requirements for agencies. This was calculated by surveying 16 agencies that had completed the process prior to the 2023–24 Budget, with 12 agencies responding. There has been continual improvement in this rating since the establishment of the IOF in December 2021, with an initial rating of 7.

To improve our target metrics, we have been actively engaging across the APS to raise awareness of the IOF, to reduce confusion about the requirements across the 6 states and build awareness of its benefits to agencies in preparing their digital and ICT proposals, as well as its main objective to improve the government's investment decisions.

Performance measure 2.4	
Measure	Quality and timeliness of delivery assurance advice that investments are on-track to deliver expected benefits.
Methodology	Review of DTA data.
Target	100% of new digital investments identified by the DTA as in-scope for the Digital and ICT Investment Oversight Framework have a formal assurance plan in place [measured by value]. 70% of in-flight digital projects in-scope for retrospective application of the Assurance Framework have a formal assurance plan in place [measured by value].
Outcome	100% of new in-scope, validated digital and ICT investments had a formal assurance plan in place (approximately \$6.7 billion measured by value). 72% of projects in-scope for retrospective application had a formal assurance plan in place (more than \$3 billion measured by value).
Assessment	Achieved

Results achieved

Assurance advice

Australian Government digital and ICT investments are funded and delivered within the whole-of-government IOF, which is designed to ensure projects achieve investment objectives. As part of this, the Assurance Framework for Digital and ICT Investments supports agencies in planning and implementing fit-for-purpose assurance arrangements.

As of June 2023, the DTA was providing assurance oversight to more than 60 digital investments. We worked closely with agencies throughout 2022–23 to develop a stronger understanding and implementation of the Assurance Framework, to maximise the value of assurance in supporting successful delivery. As a result, all new in-scope projects (approximately \$6.7 billion) had a formal assurance plan in place, meeting our 100% target for the year.

Having an assurance plan in place supports agencies to plan and implement fit-for-purpose assurance arrangements that are commensurate with the project’s size and complexity. It enables the DTA to provide effective oversight and achieve a steady flow of reliable information to support reporting on, and analysis of, the investment portfolio for Cabinet and ministers.

Of the in-flight projects in-scope for retrospective assurance, 72% (more than \$3 billion) supplied an assurance plan and the remainder (approximately \$1.1 billion) supplied a Lessons Learned document, which was more appropriate given their project phase (closing).

Performance measure 2.5	
Measure	Alignment of whole-of-government digital platforms, technologies and services with Australian Government Architecture.
Methodology	Review and examples of alignment; reduced costs and duplication; user feedback.
Target	<p>Increase in, and enhancement of, digital platforms, technologies and services that are aligned to the Australian Government Architecture and make government services easy to use, accessible and connected.</p> <p>70% of government users report a customer satisfaction measure of neutral or above.</p>
Outcome	<p>Agencies are using the resources of the Australian Government Architecture when planning and developing digital platforms and services. While we intended to track increase in use and measure customer satisfaction through the targets we set for 2022–23, it became evident during the year that we needed to revise these targets to assess our performance more accurately.</p> <p>Target update: Measures of success will evolve with each iteration of the Australian Government Architecture, and we will establish appropriate baseline indicators in 2023–24.</p>
Assessment	Partially achieved

Results achieved

Alignment to the Australian Government Architecture

We are integrating the architecture into the IOF to provide greater structure for us to assess alignment of digital and ICT projects.

Feedback from users of the Australian Government Architecture helps us continue to improve the platform. We are continuing to build up content and develop information on the Australian Government Architecture platform to improve the range and depth of resources for agencies. In addition, we are continuing to improve the platform's functionality. Regular engagement with stakeholders will help ensure agencies are aware of the Australian Government Architecture and how to apply it to their digital and ICT projects.

Strengthening benefits management to improve investment performance

All digital and ICT-enabled investments are funded to deliver benefits. However only 35% of agencies participating in the DTA's 2021 Digital Review reported having established processes to track and realise benefits throughout the investment's lifecycle.

Effective benefits management is an important enabler of delivery success. It is a prerequisite to effective oversight and reporting during implementation. As a result, strengthening benefits management is key to improving the performance of the digital investment portfolio. To support this, we developed a Benefits Management Policy for APS agencies. We worked with APS agencies, other jurisdictions, and academia to capture best practice for the principles-based policy.

The first iteration of the policy integrated benefits management into the Contestability state of the IOF. A successful pilot involved assessing a small number of investments for compliance with the policy during the Digital Capability Assessment Process for the 2023–24 Budget. The Secretaries' Digital and Data Committee endorsed the voluntary adoption of the Benefits Management Policy for digital and ICT proposals with assessments to form part of the Digital Assessment Capability Process.

The policy is an important step to make sure proposals clearly define benefits and articulate how benefits will be realised.

The first iteration of the policy, which is available via the Australian Government Architecture, sets the groundwork for providing assurance to government that in-flight projects are on-track to deliver the expected benefits as articulated when they were funded. We are now working on the second iteration to be integrated into the Assurance state of the IOF. Future iterations will integrate the policy end-to-end across the IOF. This will include building on the core principles in the first iteration, to set minimum expectations that strengthen our ability to oversee and advise on the portfolio of planned, proposed and in-flight investments.

Working with stakeholders to ensure investment proposals meet requirements

As part of the Budget process, agencies are required to consult with the DTA early in the development of ICT-enabled proposals before they are considered for funding. This happens during the Contestability state of the IOF.

We work closely with agencies to ensure proposals meet the government's requirements and have the best chance of success.

For any Budget process, digital proposals vary markedly in type, complexity, scale and delivery timeframes. Larger, more complex proposals require substantial work between relevant agencies and the DTA. For some proposals, the formal ICT Investment Approval Process (IIAP) also applies. This is the case for significant digital and ICT-enabled proposals that are high risk and/or have a total whole-of-life cost of \$30 million or more, including total ICT costs of \$10 million or more. The IIAP involves a staged (2-pass) approval process, with agencies required to develop a business case at each stage, to ensure Budget investment decisions are based on sufficient information.

One of the key digital transformations funded in the 2023–24 Budget was the Australian Bureau of Statistics (ABS) measure *Big Data, Timely Insights Phase 2 – securing Australia's critical economic data and supporting better*

informed macroeconomic policy.

The ABS will receive funding over 4 years to continue efforts to transition the ABS' business to the cloud and improve production and quality of key statistics, such as the Consumer Price Index (CPI). Phase 2 builds on a successful 2-year pilot (Phase 1) to develop foundational cloud capability for statistical production. Phase 2 incorporates the next critical steps as part of a larger 10-year plan to modernise and replace legacy ICT systems – reflecting DTA advice about best practice digital transformation planning.

Throughout the 2023–24 Budget process, the DTA and ABS consulted regularly on the development of the second pass business case, with lessons learned from previous transformation programs in the ABS and across the wider APS integral in the development of the proposal. A key feature in the design of Phase 2 is the link between funding and the achievement of delivery milestones aligned to identified and measurable benefits, increasing the program's likelihood of success for the ABS, its users, and taxpayers.

Strategic objective 3

Manage whole-of-government digital and ICT strategic sourcing and contracts.

Key activities

- Manage whole-of-government digital sourcing and purchasing to simplify processes for government agencies and industry, reduce costs, increase speed, and generate reuse opportunities.

Performance measures

Performance measure 3.1	
Measure	Management of whole-of-government digital strategic sourcing, contracts and purchasing arrangements and systems.
Methodology	Stakeholder feedback; availability and use of arrangements and systems; alignment with Australian Government Architecture and Reuse Policy.
Target	<p>Up-to-date digital procurement arrangements that meet government agencies' needs with at least one new or renewed whole-of-government arrangement put in place that delivers improved value.</p> <p>Whole-of-government digital procurement arrangements comply, where relevant, to the Australian Government Architecture and Reuse Policy.</p> <p>Centrally managed DTA whole-of-government contracts are reported on AusTender.</p> <p>BuyICT platform including the Reuse Catalogue is available to buyers and sellers 99.5% of the time.</p> <p>The Customer Service Desk for digital procurement is available from 8.30am to 5.00pm Australian Eastern Standard Time (Australian Capital Territory business days).</p>
Outcome	During the year, the DTA continued to perform strongly under our mandate to manage whole-of-government ICT procurement. Over this period, we met all targets under this performance measure.
Assessment	Achieved

Results achieved

Up-to-date procurement arrangements

We continued to actively manage arrangements to ensure they remained up to date and continued to be fit for purpose and deliver value for money. We refreshed the Hardware, Software, Cloud and Telecommunications Marketplaces. We established a new Data Centre Panel to help agencies

make the most of their digital and ICT investments, while also supporting the APS goal of achieving net zero emissions (see feature on page 38).

We established a new whole-of-government arrangement with IBM to support the Australian Government's current requirements (see feature on page 39). The new arrangement provides significant savings on IBM products and services, reduces agency effort due to pre-negotiated contractual terms and conditions, and provides agencies with access to a \$7.6 million innovation fund for the exploration of new and emerging technologies like AI and quantum computing. At the end of 2022–23, we were in ongoing commercial discussion with SAP on a new arrangement.

Compliance with Australian Government Architecture and Reuse Policy

Internal DTA collaboration and consultation continued throughout the year between the areas responsible for digital sourcing and the Australian Government Architecture, to align approaches and identify opportunities for reuse, supported by our procurement arrangements.

The BuyICT platform complies with all the relevant strategies, policies and standards in the Australian Government Architecture. The platform is also available for reuse by other government jurisdictions.

Reporting on AusTender

We ensured that our centrally managed whole-of-government procurement arrangements and contracts were reported on AusTender and updated when required.

BuyICT and Customer Service Desk availability

We maintained continual availability of BuyICT.gov.au and the Customer Service Desk to ensure that our users had a seamless user experience and were able to easily navigate the digital sourcing process. BuyICT.gov.au was available 100% of the time this year, and the Customer Service Desk was available Monday – Friday (excluding public holidays) from 8.30am to 5.00pm via phone, email and online form on BuyICT.gov.au.

Other developments – procurement improvements

Over the year, there were several APS audits and inquiries that highlighted the need for greater transparency, integrity and capability in government procurement processes.

The DTA has contributed to procurement improvements and identified opportunities to uplift capability and guide the behaviour of our users.

Informational prompts on BuyICT.gov.au throughout the ‘request for quote’ process remind users of relevant rules and requirements, such as the inclusion of small to medium enterprises and Indigenous-owned businesses. The Digital Sourcing Network provided regular information and training events to procurement professionals and sellers to promote best practice within procurement and BuyICT.gov.au. These sessions received positive feedback with an overall satisfaction score of 4/5.

During the year, we started a project to design a new arrangement that will replace the existing Digital Marketplace in 2024 and offer an improved way to source ICT and digital services and labour hire. We have conducted extensive user research to determine how best to create an exceptional user experience and further our work to improve the transparency, value, and integrity of digital and ICT procurements.

Performance measure 3.2	
Measure	Value-for-money digital and ICT procurements.
Methodology	Examples of value-for-money procurement savings and efficiencies; use of arrangements.
Target	Savings and efficiencies for whole-of-government procurement arrangements are considered when they are created or refreshed. Consistent or better usage of arrangements annually. Comparative benchmarks, where possible, on whole-of-government and panel arrangements demonstrating value for money.
Outcome	Our whole-of-government procurement arrangements continued to deliver savings and efficiencies to government this year, there was consistent use of our arrangements, and we commenced benchmarking to demonstrate value for money.
Assessment	Achieved

Results achieved

Savings and efficiencies

This year we continued to ensure that our whole-of-government procurement arrangements provided value for money to government by reducing costs. We delivered savings and efficiencies to government through volume discounts and recovered sufficient funds to offset the cost of managing whole-of-government digital and ICT procurements and returned \$9.2 million to consolidated revenue.

Consistent or better usage of arrangements

Usage of the DTA's arrangements decreased somewhat in terms of contract value and number of contracts but the combined value of contracts under marketplaces and panels remained over \$5 billion. We saw an increase in the number of people accessing BuyICT.gov.au, aligning with the transition of the digital marketplace platform to BuyICT.gov.au.

Comparative benchmarks

As well as regularly refreshing our whole-of-government procurement arrangements to ensure value for money and update offerings, we commenced benchmarking exercises to further validate their value.

New Data Centre Panel promotes sustainable practices

The DTA's new Data Centre Panel helps promote sustainable practices across the data centre market and support the government's move towards net zero emissions.

The new panel includes a stronger range of measures for data centre providers to identify, manage and reduce their greenhouse gas emissions. To be included on the panel, providers are required to comply with emission thresholds under the *National Greenhouse and Energy Reporting Act 2007*, use accredited Greenpower from renewable sources, have a 5-star National Australian Built Environment Rating System (NABERS) rating or equivalent environmental rating, target a Power Use Efficiency (PUE) of less than 1.4, and have a roadmap to meet net zero emissions through innovation, planning and investment.

Technical requirements for the new panel included sustainable design considerations, such as the use of robotics, automation and smart sensors for facility monitoring, as well as innovative approaches to managing temperature controls in the data centre facilities available under the panel. The panel is available via BuyICT.gov.au.

With the expanding use of data centres to support the rapid digital transformation of government services and systems, this is an important step in sustainable ICT procurement across government.

This is a strong signal to the data centre market that government expects to see further investment and innovation to help drive Australia's response to climate change.

Whole-of-government agreement provides continuity and value for money

In December 2022, the DTA, acting on behalf of Australian Government agencies, renewed our whole-of-government arrangement with IBM, at a forecast value of \$725 million over 5 years. We are working closely with IBM to ensure the arrangement increases Indigenous participation well beyond the government target of 4% and allows more than 200 IBM partners that are small to medium enterprises to access new contract opportunities with Australian Government agencies.

This arrangement provides agencies with significant savings through discounted offers for IBM products and services, streamlines contracting effort, reduces the time and resources required in the procurement process (for large as well as small agencies), and provides access to IBM products that have underpinned the delivery of critical government services.

This agreement offers important continuity for the business systems supporting government services that Australians rely on.

The agreement offers greater flexibility for agencies to transfer assets and reuse opportunities across the government. It delivers key investment for government, including training and certifications to uplift digital capability across the APS.

As part of the new agreement, the DTA and IBM are also exploring opportunities to trial emerging technologies like quantum computing and AI.

The arrangement was negotiated jointly by the DTA, Australian Taxation Office, Department of Defence, Department of Home Affairs and Services Australia.

Strategic objective 4

Be a valued employer with the expertise to achieve our purpose.

Key activities

- Forecast and manage required workforce, capabilities and resources.
- Support the DTA to pursue our strategic objectives.

Performance measure

Performance measure 4.1	
Measure	Ability of DTA staff to support strategic objectives.
Methodology	Review of DTA human resources data; results of APS employee census; examples of supporting strategic objectives (e.g. website updates/refresh to improve the DTA's communication with agencies and public; improved processes to support assurance function; automation of processes to free up staff for more critical analysis of digital and ICT capability and planning).
Target	Increase in vacancies filled. Reduction in lack of satisfaction/career opportunities as reason for leaving the DTA. Increase in staff satisfaction and wellbeing.
Outcome	We met our targets to increase vacancies filled and employee satisfaction and wellbeing. Fewer staff left the DTA, and there was a slight reduction in the percentage of staff leaving due to lack of career opportunities.
Assessment	Achieved

Results achieved

Vacancies

This year, 92% of all vacancies were filled, an increase from 86% last year.

Staff leaving

The DTA attrition rate decreased by 12% this year from 47% to 35%. Overall, retention satisfaction increased in 2023 compared with 2022. The percentage of staff transferring to other agencies at level fell from 62% in 2021–22 to 57% in 2022–23, indicating a slight reduction in people leaving due to lack of career opportunities within the DTA.

Staff satisfaction and wellbeing

Employee satisfaction is measured through the APS Employee Census results, for which we achieved a response rate of 96%, well above the overall APS response rate of 80%. The results showed an increase in staff satisfaction. Our Engagement Index score increased to 70% (up by 1% from 2022). Employee engagement is more than job satisfaction – it is the extent to which employees are motivated, inspired and enabled to improve an organisation's outcomes. Our Wellbeing Policies and Support Index score increased to 73% (up by 8% from 2022).

Analysis of performance

Several factors influenced our performance in 2022–23. We continued to uplift our capability to deliver our mandate, managed machinery of government changes, and further improved the framework we use to support the government to manage its digital and ICT-enabled investments.

The improvements we made to the IOF and the Australian Government Architecture supported our work providing trusted advice and oversight of government digital and ICT investments through all states from planning through to real world operations. We continued to improve underlying standards, guidance, and digital sourcing arrangements.

We are maturing aspects of the IOF that require further work to better support ongoing assessment of how well proposals and projects align with required government standards and whether they are on track to deliver expected benefits.

We worked with stakeholders to deliver an initial strategy connecting data and digital for the first time in a cohesive approach that sets the direction to achieve the government's 2030 vision.

Our employee satisfaction and wellbeing increased, and we filled almost all vacancies during the year.

As a result, overall, it is our assessment that we achieved, substantially achieved or partially achieved our performance measures for 2022–23.

However, we acknowledge that we were not able to report specifically against several targets, such as setting benchmarks. On reflection during the year, we found that either we had not identified the most effective or appropriate targets to assess our performance, or that we needed to do further work to have sufficient evidence to determine and achieve our set targets. With the IOF still being relatively new (less than 2 years old), we are continuing to refine those targets and the way we assess our performance, as well as actively engaging with stakeholders to improve their awareness of requirements and our own performance in the one area where we fell below our set target. We recognise that we need to mature our ability to measure our own performance and will continue to improve our performance measurement approach.



Management and accountability

Corporate governance 44

External scrutiny..... 47

Management of human resources.....50

Environmental performance56

Freedom of information 57

Corporate governance

Our approach ensures the DTA is adequately governed to meet our public accountabilities and enables us to work in an agile way – working collaboratively and responding quickly to change, to mature the government’s digital and ICT capability.

Governance approach

Our corporate governance approach includes:

- strategies, policies and standard guidelines
- governance committees
- business planning
- risk and fraud management
- audit and assurance activities.

Our system of governance and accountability for public resources is shaped by the PGPA Act and associated legislative instruments.

Our employees are obliged to adhere to standards of integrity and behaviour governed by the APS legislative, regulatory and ethical framework. Our accountability for performance, financial probity and ethical behaviour is aligned with the APS Values and Code of Conduct, set out in the *Public Service Act 1999*.

We have a formal Organisational Performance Framework of policies and guidelines supported by Accountable Authority Instructions issued by the CEO that assure we comply with legislative requirements, and expectations of probity, accountability and transparency.

Governance committees

In 2022–23, we had 2 formal governance committees – our Executive Board and Audit Committee.

Executive Board

This is our agency’s key governance body, determining strategic direction, providing strategic leadership and monitoring and managing the overall performance of the organisation.

Our Executive Board is chaired by our CEO and comprises our senior leadership team (see *Agency structure* on page 7). It is supported by several informal committees that meet regularly to resolve operational issues and provide advice on strategic issues.

Audit Committee

The Audit Committee reviews and provides an independent source of advice to the CEO about the appropriateness of the DTA's financial and performance reporting, system of risk oversight and management and system of internal control.

Our Audit Committee Charter is at: www.dta.gov.au/audit-committee-charter.

The committee is directly accountable to our CEO. It comprises an independent chair, independent deputy chair and 2 independent members. During 2022–23, the Audit Committee met 5 times, on 18 August 2022, 28 September 2022, 16 November 2022, 15 March 2023 and 21 June 2023.

Member	Qualifications, knowledge, skills, experience
Independent Chair Allan Gaukroger Remuneration \$25,000 (GST inc.) Meetings Attended 5 of 5 meetings	Allan has more than 40 years' private and public sector experience in senior financial, audit and general management positions, including 11 years as Chief Financial Officer and 4 years as Chief Audit Executive within the APS. Allan has a Bachelor of Arts (Major in Accounting) and is a Fellow of CPA Australia. He has served as Independent Deputy Chair and Independent Chair of other government agency audit committees and joined DTA's Audit Committee in 2017.
Independent Deputy Chair Karen Michelle Remuneration \$16,720 (GST inc.) Meetings Attended 5 of 5 meetings	Karen is a Chartered Accountant Fellow with more 20 years' experience in finance and risk management, program management, stakeholder management, and strategic planning and ICT management. She has worked in both private sector and government roles and is the owner of CJZ Consulting. She has also held volunteer Board and Treasurer positions for non-profit and professional organisations. Karen has Bachelor degrees in Commerce and Science and is a member of several government agency audit committees, including DTA's Audit Committee since 2015.
Independent Member Janine McMinn Remuneration \$12,342 (GST inc.) Meetings Attended 4 of 4 meetings	Janine is an experienced ICT professional with more than 30 years' experience in ICT project management, security, and development. She has worked as a consulting Partner with Acumen Alliance and Oakton, as well as with several APS agencies. Janine has served on various audit committees. She has a Bachelor degree in Computer Science from the Australian National University, is a Fellow of the Australian Institute of Company Directors, and is a Certified Information Systems Auditor and Certified Information Security Manager. Janine joined the DTA Audit Committee in June 2021 and finished her 2-year appointment prior to the June 2023 meeting.

Member	Qualifications, knowledge, skills, experience
Independent Member Peter McKeon Remuneration \$1,950 (GST N/A) Meetings Attended 1 of 1 meeting	Peter is an experienced ICT professional who retired from the APS in 2021. During his APS career he held senior positions with several agencies, including the Chief Information Officer for the Department of Agriculture immediately prior to his retirement. He also serves as an independent member on the Audit and Risk Committee for another Australian Government entity. Peter joined the DTA Audit Committee as an independent member in June 2023.
Independent Member (non-DTA Commonwealth Official) Christopher Atkinson Remuneration N/A Meetings Attended 5 of 5 meetings	Chris is a lawyer with 20 years' experience in private enterprise and public sector agencies, advising on legal, governance and accountability matters. Chris is a full-time employee of the Department of Employment and Workplace Relations, where he has advised on ministerial and parliamentary matters, business process, performance measurement and risk management. He has a Bachelor degree in Economics and Laws and a Post Graduate degree in Legal Practice with the Australian National University. He is a member of the Institute of Internal Auditors Australia has been an independent member of the DTA Audit Committee since 2017.

Corporate planning and reporting

Our formal Organisational Performance Framework of policies, supported by Accountable Authority Instructions, assure we comply with legislative requirements, and expectations of probity, accountability and transparency.

Our Portfolio Budget Statement sets out our intended outcome for the financial year, along with resource allocation, performance criteria and targets. Our Corporate Plan is our primary planning document. It articulates our purpose, environment, priorities, capabilities and risk management over a 4-year period. By broadly aligning these documents, we ensure our day-to-day operations contribute to our longer-term strategic direction.

Our Executive Board oversees our corporate planning and monitoring of organisational risks.

Risk and fraud management

Our work practices and regular, open and transparent communication with stakeholders enables us to quickly identify, understand and respond to emerging risks that may affect our ability to deliver DTA priorities. This includes remaining open to opportunities that support our objectives.

Risk management underpins our corporate planning and is supported by our Fraud and Corruption Control Plan and internal and external assurance processes.

In accordance with the PGPA Act, we have conducted fraud risk assessments and prepared a Fraud and Corruption Control Plan, to minimise the incidence of fraud through appropriate fraud prevention, detection, investigation, and reporting mechanisms. Our Fraud and Corruption Control Plan provides the basis for managing fraud for DTA officials. It includes: potential internal and external fraud risks; fraud prevention and detection mechanisms; and investigation, reporting, recording and response strategies for fraudulent activities.

No instances of fraud were identified during 2022–23.

Internal audit and assurance

Our agency has an internal audit function, established by charter to provide independent and objective assurance and strategic advice to the CEO. During 2022–23 we developed an Internal Audit Manual to provide guidance and direction to management, staff and our contracted Internal Audit provider on how our Internal Audit Program is developed, planned and delivered. These requirements are aligned to the *Standards for the Professional Practice of Internal Auditing*.

External scrutiny

During 2022–23, we were accountable to the Parliament through the Minister for Finance.

Other external scrutiny of our agency is provided through Parliamentary Committees, the Commonwealth Ombudsman, Australian Information Commissioner and Australian National Audit Office.

The DTA was not subject to any judicial decisions or decisions of administrative tribunals or the Information Commissioner in 2022–23 that had, or may have had, a significant effect on our operations.

We were not the subject of any reports by the Commonwealth Ombudsman or capability reviews by the Australian Public Service Commission.

Performance audit

During the year, the Australian National Audit Office conducted a performance audit to assess the effectiveness of the DTA's procurement of ICT-related services. The Auditor-General report was tabled in parliament on 21 September 2022.

We welcomed this review and take seriously the focus on providing increased transparency over our internal procurement framework and practices to ensure we manage contracts effectively and achieve value for money. The DTA accepted all identified opportunities for improvement and agreed with each of the 8 relevant recommendations. Remediation work to ensure continuous improvement of our procurement framework and supporting processes has included work to strengthen internal controls and improve training and education.

Work to strengthen internal controls included:

- reviewing our risk management framework, including updating strategic risks and risk register
- updating guidelines to strengthen processes around potential fraud and probity breaches
- reviewing processes for approach to market, tender evaluation and contract management
- improving management of internal payment controls (with an internal audit verifying the effectiveness of these controls completed in March 2023)
- implementing a register of declared interests for all staff involved in the procurement process, including SES
- updating our gifts and benefits policy, and publishing a gifts and benefits register online.

Work to improve training and education included:

- mandating and scheduling annual fraud awareness training for all staff and introducing targeted face-to-face risk and fraud awareness workshops
- mandating the completion of the annual Commonwealth Resource Management Framework training for staff who hold a financial delegation, before they are involved in a procurement process
- linking completion of all mandatory training modules to individual performance agreement assessment outcomes
- introducing training and education campaigns around finance and procurement processes, including approach to market, tender evaluation, declarations of interest and contract management
- reviewing e-learning modules to determine if updates and/or new content are required

- providing bi-annual training for SES staff on internal controls around declarations of interest
- training relevant staff on our internal payments system.

To assist in further embedding and supporting the operation of the DTA's procurement framework, we strengthened our overarching Management Framework. The DTA Management Framework covers all policies, standards, and processes across the domains of people, risk, finance (including procurement), technology, and security. In 2022–23, we reviewed and updated each domain so that all aspects of effective management of the agency are easy to find, easy to follow, current and effective for the DTA to remain compliant, secure and sustainable.

Importantly, the audit was not a review of the DTA's whole-of-government digital sourcing responsibilities and, as such, the findings had no bearing on the DTA's whole-of-government agreements, panels, marketplaces or BuyICT platform.

Parliamentary committee inquiry

The Auditor-General report on the DTA's procurement of ICT-related services was one of 5 reports considered in the Commonwealth Procurement: Inquiry into Auditor-General Reports 6, 15, 30, 42 (2021–22) and 5 (2022–23). This inquiry by the Joint Parliamentary Committee of Public Accounts and Audit was announced in October 2022.

We provided a submission in November 2022, with:

- a status update on remediation actions within the DTA to address the Australian National Audit Office audit recommendations
- an outline of additional improvements being implemented and the journey of cultural and behavioural changes underway
- additional information relating to the DTA's whole-of-government digital and ICT sourcing.

We appeared before this inquiry on 16 December 2022.

The inquiry report is expected in early 2023–24.

Senate estimates

We appeared before the Senate Finance and Public Administration Legislation Committee on 14 February 2023 for 2022–23 Supplementary Budget Estimates.

We appeared before the Senate Finance and Public Administration Legislation Committee on 26 May 2023 for 2023–24 Budget Estimates.

Management of human resources

To lead the government's digital transformation efforts, our people have unique and wide-ranging skills, including in digital strategy and architecture, digital investment advice and sourcing, data analysis and data engineering, and enabling corporate services.

Managing and developing employees

Workforce planning

In 2022–23, the DTA applied the APS Job Family Framework to all positions. This has resulted in a better understanding of the types of work performed across the agency. The data collected from applying this framework will assist our workforce planning activities.

We began a high-level skills and capabilities analysis to understand the critical skill gaps within the agency, as well as the current and desired state of our workforce. This is enabling us to focus employee development on areas where we need to bolster capability, as well as undertake strategic recruitment to reach our desired skill level. Additionally, we enhanced and strengthened our existing Performance and Development Framework to continue to enable a high-performance work culture that supports our ability to deliver on our objectives for government.

Change management

The DTA's 12-month change program finished in December 2022. We established the program to support the DTA's transition to our new mandate and improve in areas identified in the 2021 APS Employee Census relating to change management, internal communication, connection to the DTA mandate, and SES leadership. As a result, the change program addressed the following areas:

- staff engagement – improved senior leadership communication to employees

- capability uplift – provided targeted training on core APS skills, knowledge transfer and collaboration within enabling areas and a coordinated Senior Executive Leadership series
- organisational culture – refreshed DTA values and behaviours and developed a values resource portal
- strategic opportunities – developed partnerships to enhance understanding of the DTA mandate and increase stakeholder engagement.

As of January 2023, the change program activities of highest value and impact were transitioned to key business areas for ongoing implementation.

Values and behaviours

The DTA values and behaviours complement the APS Values and Code of Conduct, which set out the standards of behaviour expected of all employees in the APS. Along with information readily available to all DTA employees outlining the values and behaviours, we have additional policies and procedures that further demonstrate these expectations. These include our Drugs and Alcohol Policy, Handling Misconduct Policy, Procedures for determining breaches of the APS Code of Conduct and the imposition of sanctions, and Conflict of Interest procedures.

Collaboration

We work together to achieve our goals

Respect

We make everyone feel safe, supported and included

Transparency

We build trust by being authentic and honest

Future focused

We use our expertise to support the government's digital agenda

Excellence

We strive for excellence in all we do

Training and development

We encourage continued learning and the ongoing development of our employees. In 2022–23, we held formal development opportunities to strengthen skills in data development, leadership, cultural awareness, wellbeing, procurement, security, and privacy awareness. Some of the training opportunities included:

- Future Leaders Program
- Women in Leadership Program
- Coaching for Women in Digital Program
- Crucial Conversations
- Code like a girl – Foundations of web development training.

The DTA provided health and wellbeing training opportunities to our employees during Health week in April 2023. The offerings included mindfulness, healthy eating, building mental fitness, and self-care. The wellbeing training activities were offered to all DTA employees to promote the importance of health and wellbeing.

Further, our study assistance program supported 15 staff to undertake formal study to improve their professional skills and knowledge relevant to their position and the work of the DTA.

Work health and safety

The health, safety and wellbeing of our workforce is important to us. In 2022–23, we undertook a range of initiatives to support our staff, including:

- conducting hazard inspections and addressing the findings
- providing a confidential and free counselling service to employees and their immediate family members through the Employee Assistance Program
- providing access to trained Mental Health First Aid Officers
- conducting workstation assessments and reasonable adjustments
- investing in early intervention support for employees experiencing an illness or injury
- continuing to promote a healthy lifestyle by providing access to free influenza vaccinations, promoting September and R U Okay Day as well as a dedicated week promoting and supporting employee health and wellbeing
- providing extensive communication and support for employees during the COVID-19 pandemic.

During 2022–23, there were 16 incidents reported, with no notifiable incidents reported to Comcare under section 38 of the *Work Health and Safety Act 2011* (WHS Act). No worker/s compensation claims were lodged. No investigations were conducted, and no notices were given under Part 10 of the WHS Act.

Diversity and inclusion

We are committed to building and maintaining an inclusive working environment based on trust, mutual respect and understanding. We value the contributions of people with different backgrounds, experiences, and perspectives. Our commitment is reinforced in our Diversity and Inclusion Strategy November 2022 to November 2024 and Reconciliation Action Plan May 2021 to August 2023.

Our Diversity and Inclusion Strategy was developed and launched in consultation with our Diversity and Inclusion Network and the Executive Diversity Champion. The strategy celebrates the progress made so far, outlines how we will prioritise diversity and inclusion, aligns with APS-wide strategies, and acknowledges diversity and inclusion as critical in creating a positive workplace. The strategy has 3 priorities, which are integral to building and promoting workplace diversity and inclusion within the DTA: leadership and capability; environment and culture; and engagement and retention.

The priorities include high-level initiatives that will set the DTA up for success and, by helping the agency become an employer of choice, achieve employment targets, and build the diversity confidence and capability of our employees.

Our employees have access to update their own records. While sharing diversity information is not mandatory, we encourage everyone to provide this information by communicating the benefits and de-identifying all published data. This information informs our policies, programs, and adjustments we can implement to ensure inclusiveness for all our employees.

In 2022–23, the DTA had 57 (25%) employees who were born overseas, one (0.4%) employee who identified as Aboriginal and/or Torres Strait Islander, and 10 employees (4%) who identified as having a disability.

Australia's Disability Strategy 2021–2031 is the overarching framework for inclusive policies, programs and infrastructure that will support people with disability to participate in all areas of Australian life. A range of reports on progress of the strategy's actions and outcome areas will be published and available at <https://www.disabilitygateway.gov.au/ads>.

Disability reporting is included the Australian Public Service Commission's State of the Service reports and the APS Statistical Bulletin. These reports are available at www.apsc.gov.au.

APS employee statistics

For 2022–23, our average staffing level (ASL) was 216.75. As at 30 June 2023, we had a total of 231 APS employees, which included ongoing and non-ongoing and full-time and part-time employees (based on headcount and excluding contractors).

A total of 78% of our workforce were based in our Canberra office, 9% were based in our Sydney office and 13% were dispersed across the country (including regional New South Wales).

In comparison, in 2021–22 our ASL was 217.75 and our APS employee headcount was 214.

See *Appendix B: Employee statistics* for details.

Staff movements

The DTA's total separation rate for 2022–23 was 33%, a substantial decrease from 2021–22, which was just over 60%. The decreased separation rate was a result of the workforce profile settling following the change in the DTA's mandate in July 2022 and associated machinery of government changes, as well as the efforts of our change program. Of the staff who separated from the DTA in 2022–23, 58% remained in the APS, which means that the skills and capabilities they developed within the DTA can be leveraged by other APS agencies.

The DTA had a recruitment rate of 45.8% in 2022–23 compared with 34% last year. This increase was expected, given our work to identify the skills, capabilities and vacancies across the agency.

Workplace agreements

The DTA Enterprise Agreement 2022–2025 applies to all non-SES employees. The agreement commenced on 21 February 2022 and operates for 3 years.

Non-salary benefits

DTA employees are provided with a range of non-salary benefits including:

- 18 weeks paid maternity and parental leave
- 20 days annual leave per year plus Christmas close-down from close of business on the last working day before Christmas Day until the first working day in January
- up to 18 days personnel/carer's leave per year
- access to flexible and remote working arrangements

- internal and external learning and development opportunities including study assistance
- access to an Employee Assistance Program
- higher duties allowance for performing work at a higher classification for 10 or more consecutive days
- flexible remuneration and salary packaging
- flextime and overtime for APS level employees
- time off in lieu for Executive Level employees
- fortnightly corporate citizen allowance for mental health first aid officers, first aid officers, wardens or health and safety representatives
- overtime meal allowance
- travel allowance and motor vehicle allowance
- relocation assistance as required
- restriction allowance.

Performance pay

The DTA did not pay performance bonuses to any employees in 2022–23.

Salary range

In 2022–23, salaries for our employees ranged from \$56,631 (APS2) to \$294,626 (SES Band 2).

Table 1: Salary range by classification, as at 30 June 2023

Classification*	Minimum (\$)	Maximum (\$)
APS1	50,336	55,277
APS2	56,631	62,770
APS3	64,406	69,583
APS4	72,189	78,020
APS5	80,482	87,699
APS6	88,746	104,229
EL1	114,880	127,349
EL2	133,271	157,978
SES (all Bands)	211,969	294,626

* There were no employees at the APS1 level and the SES salary range is based on actual salaries of SES employees, as at 30 June 2023.

Executive remuneration

The categories of officials covered by the disclosures include key management personnel and senior executives, and other highly paid staff.

The CEO's remuneration is determined by Remuneration Tribunal (Remuneration and Allowances for Holders of Full-time Public Office) Determination.

All other SES staff are covered by Agency Determinations, which are determined by the CEO under subsection 24(1) of the *Public Service Act 1999*, in accordance with the DTA's SES Remuneration and Performance Policy. This policy is designed to promote and foster a culture of high performance, collaboration, innovation and respect through both actions and behaviours, and provide a competitive salary for SES employees.

We monitor and evaluate the competitiveness of SES remuneration annually through the results of the APS Remuneration Report.

Governance arrangements for SES remuneration and movements in salary are determined by the CEO during the employee's annual review process and at the end of the performance cycle each year, as appropriate.

See *Appendix C: Executive remuneration* for details.

Environmental performance

We aim to minimise the impact of our day-to-day operations on the environment and support the principles of sustainable development in the *Environment Protection and Biodiversity Conservation Act 1999*. We employ a range of practical strategies to manage waste and be energy efficient, including:

- sustainable purchasing strategy when procuring high-use office supplies, as well as exclusive use of 100% carbon-neutral and recyclable print paper
- recycling bins – 1 for every 20 staff members
- recycling programs for printer toner cartridges, batteries and felt pens
- reduced power consumption strategies, and motion sensor lighting arrangements to reduce lighting after prolonged periods of inactivity.

Our Canberra office recognises the Commonwealth's Green Lease Schedule guidelines, and both our Canberra and Sydney offices hold a 5-star rating according to the National Australian Built Environment Rating System (NABERS).

The APS Net Zero 2030 policy requires agencies to reduce and transparently report on operational greenhouse gas emissions. The DTA's emissions for the reporting year are detailed in the following table.

Table 2: DTA greenhouse gas emissions inventory – location-based method 2022–23

Emission source	Scope 1 kg CO ₂ -e	Scope 2 kg CO ₂ -e	Scope 3 kg CO ₂ -e	Total kg CO ₂ -e
Electricity (location-based method)	N/A	182,785	15,024	197,809
Natural gas	-	N/A	-	-
Fleet vehicles	-	N/A	-	-
Domestic flights	N/A	N/A	64,311	64,311
Other energy	-	N/A	-	-
Total kg CO ₂ -e	-	182,785	79,335	262,120

Note: the table above presents emissions related to electricity usage using the location-based accounting method.
CO₂-e = Carbon Dioxide Equivalent.

Freedom of information

We publish a range of information in accordance with the Information Publication Scheme, including requests under the *Freedom of Information Act 1982*.

Other information we must publish on our website includes:

- who we are, including key people and our Enterprise Agreement
- what we do, including what we are aiming to achieve
- our reports to parliament, including our annual reports
- contact details for freedom of information (FOI) requests
- information we have given to members of the public when they have made an FOI request
- a plan for how we intend to publish the required information.

Details are at: www.dta.gov.au.



Financial performance

Financial performance overview60

Purchasing and procurement63

Financial statements 67

Financial performance overview

The DTA's primary source of operating revenue is departmental appropriation from the Australian Government. In addition, the DTA receives revenue through the ICT Coordinated Procurement Special Account operating the centralised ICT procurement for the Australian Government.

In 2022–23, the DTA recorded an operating surplus of \$28.2 million, driven mainly by budget underspends, savings achieved from whole-of-government ICT procurement and revenue received from other Commonwealth agencies. This compares with a surplus of \$2.5 million in 2021–22 that was predominantly driven by revenue received from other Commonwealth agencies. The increase in surplus in 2022–23 compared with the previous year is mainly due to the reduction in employee and supplier costs as we continue to reduce our reliance on contractors.

Our management of the ICT Coordinated Procurement Special Account continues to have a substantial impact on the DTA's balance sheet, with \$230.8 million of the DTA's \$305.2 million of assets and \$173.1 million of the DTA's \$204.4 million in liabilities associated with the special account.

Table 3: DTA resource statement, 2022–23

		Actual available appropriation for 2022–23 \$'000 (a)	Payments made for 2022–23 \$'000 (b)	Remaining balance 2022–23 \$'000 (a) – (b)
Ordinary annual services¹				
Prior year departmental appropriation		24,984	24,984	-
Departmental appropriation ²		76,240	27,100	49,140
s. 74 retained revenue receipts		2,618	2,618	-
Total		103,842	54,702	49,140
Total ordinary annual services	A	103,842	54,702	49,140
Special Accounts³				
Opening balance		140,125		
Non-appropriation receipts to Special Account		522,206		
Payments made			471,090	
Closing balance				191,241
Total Special Accounts	B	662,331	471,090	191,241
Total resourcing and payments for DTA	A+B	766,173	525,792	240,381

1 Ordinary annual services combines departmental appropriation and annual services retained revenue receipts under section 74 of the *Public Governance, Performance and Accountability Act 2013*.

2 *Appropriation Act (No.1) 2022–23, Supply Act (No. 1) 2022–2023 and Supply Act (No. 3) 2022–2023*.

3 Does not include 'special public money' held in accounts like 'services for other entities and trust moneys' special accounts.

Table 4: DTA expenses for Outcome 1, 2022–23

Outcome 1: Support the government's digital transformation, and simplify processes, reduce costs and generate reuse opportunities, through strategic and policy leadership, advice, strategic coordination and oversight of digital and ICT investment, and management of whole-of-government digital and ICT procurement.	Budget¹ 2022–23 \$'000 (a)	Actual expenses 2022–23 \$'000 (b)	Variation 2022–23 \$'000 (a) – (b)
Departmental expenses			
Departmental appropriation ²	77,086	54,131	22,955
Special Accounts	1,232	14,981	(13,749)
Expenses not requiring appropriation in the budget year	454	1,138	(684)
Total for Program 1.1	78,772	70,250	8,522
Total expenses for Outcome 1	78,772	70,250	8,522
	2021–22	2022–23	
Average staffing level (number)	218	217	

¹ Full-year budget, including any subsequent adjustment made to 2022–23 October Budget.

² Departmental appropriation combines ordinary annual services (Appropriation Act (No 1), Supply Act (No.1) and Supply Act (No.3)) and retained revenue receipts under section 74 of the *Public Governance, Performance and Accountability Act 2013*.

Purchasing and procurement

Our purchasing activities were undertaken in accordance with the PGPA Act, Commonwealth Procurement Rules and all Procurement Connected Policies, including the Indigenous Procurement Policy.

The CEO's Accountable Authority Instructions and supporting fiscal management procedures and operating guidelines support these principles by providing further direction to DTA officials when conducting procurements on behalf of our agency. The Accountable Authority Instructions are based on the principles of a competitive, non-discriminatory procurement processes, proper use of government resources, and making decisions in an accountable and transparent manner.

Our centralised procurement team provides guidance and advice for DTA officials undertaking procurement activities.

In 2022–23, we published the following on the AusTender website:

- the DTA's annual procurement plan
- details of publicly available business opportunities with a value of \$80,000 (inclusive of GST) or more
- details of all contracts awarded with a value of \$10,000 (inclusive of GST) or more.

In 2022–23, 81% of contracts and amendments above \$10,000 (inclusive of GST) were reported on the AusTender website within 42 calendar days or less, with the remaining 19% reported within 43 calendar days or more. Since April 2023, we have further implemented the Commonwealth Procurement Reporting Framework reporting processes to strengthen our controls to meet the AusTender reporting requirements.

By publishing on AusTender, we ensure that information is available to industry, including small and medium-sized enterprises while simplifying the way business interacts with government online.

Consultancy contracts

The DTA engages consultants where specialist or technical expertise or when independent research, review or assessment is required. We assess the engagement of consultants to ensure value for money and compliance with the PGPA Act and related regulations, the Commonwealth Procurement Rules, the DTA's Accountable Authority Instructions and relevant internal procedures and operational guidelines.

During 2022–23, 2 new reportable consultancy contracts were entered into involving actual expenditure of \$766,058.23 (inclusive of GST). There were no ongoing reportable consultancy contracts from a previous reporting period.

The following table shows the 2 organisations that received all the DTA's total expenditure on reportable consultancy contracts during 2022–23.

Table 5: DTA consultancy expenditure in 2022–23

Organisation	Actual 2022–23 spend (\$, inclusive of GST)	Proportion of 2022–23 total consultancy spend (%)
Kantar Public Australia Pty Ltd	638,000.00	83%
Corroboree Talent Limited	128,058.23	17%
Total	766,058.23	100%

Annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable consultancy contracts is available on the AusTender website.

Non-consultancy contracts

The DTA uses non-consultancy contracts for a wide range of goods, services, and skills to support the delivery of our agency's outcome. This includes software licences, change management advice and delivery, and contracted labour hire staff.

In 2022–23, 128 new non-consultancy contracts were entered into, with a total actual expenditure of \$12,897,843.81 (inclusive of GST). The number of ongoing reportable non-consultancy contracts entered into during a previous reporting period was 121, and the total actual expenditure in the reporting period on those ongoing contracts was \$15,541,454.43 (inclusive of GST). The following table shows the top 5 non-consultancy contracts (by value of expenditure) with the DTA during 2022–23.

Table 6: Top 5 non-consultancy contracts (by value of expenditure) in 2022–23

Organisation	Actual 2022–23 spend (\$, inclusive of GST)	Proportion of 2022–23 total non-consultancy spend (%)
35 South Advisors	2,634,347.17	9%
11 Moore Street Pty Limited	2,444,830.66	9%
Evolve & Amplify Pty Ltd	1,429,938.27	5%
ConceptSix	1,408,302.51	5%
Anchoram Consulting Pty Ptd	1,315,820.89	5%
Total	9,233,239.50	33%

Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of reportable non-consultancy contracts is available on the AusTender website.

Australian National Audit Office Access Clauses

There were no instances of contracts that precluded the Auditor-General from accessing the contractor's premises.

Exempt contracts

No contracts in 2022–23 were exempted by the CEO from being published on AusTender on the basis that they would disclose exempt matters under the *Freedom of Information Act 1982*.

Procurement initiatives to support small business

The DTA supports small business participation in the Australian Government procurement market. Small and medium enterprise (SME) and small enterprise participation statistics are available on the Department of Finance's website.

In addition, the DTA operates the BuyICT platform, including the Digital Marketplace. This initiative under the National Innovation and Science Agenda, aims to make it easier for smaller businesses to compete for the government's ICT products and services.

Our procurement practices support SMEs by adopting whole-of-government solutions to simplify interactions with SMEs. This includes:

- using the standardised Commonwealth Contracting Suite for low-risk procurements valued under \$200,000 – this reduces process costs for SMEs by creating contracting consistency and simplifying liability, insurance, and indemnity requirements
- implementing the Indigenous Procurement Policy, noting that many Indigenous businesses are also SMEs
- complying with the Australian Government’s Supplier Pay On-Time or Pay Interest Policy.

The DTA recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on The Treasury’s website.

Advertising and market research

During 2022–23, the DTA did not conduct any advertising campaigns or market research.

Legal services expenditure

Under the Legal Services Directions 2017, the DTA is required to report on legal services expenditure each financial year. All figures in the following table are exclusive of GST.

Table 7: Legal services expenditure, 2022–23

Item	Value (\$ GST exclusive)
Total (external + internal) expenditure	1,095,755.28
Total internal legal services expenditure	-
Total external legal services expenditure	1,095,755.28
External legal services expenditure	
Total value of briefs to counsel	-
Total value of disbursements (excluding counsel)	-
Total value of professional fees paid	1,095,755.28
Total external legal services expenditure	1,095,755.28

Digital Transformation Agency

Financial statements

Financial statements
for the period ended 30 June 2023



INDEPENDENT AUDITOR'S REPORT

To the Minister for Finance

Opinion

In my opinion, the financial statements of the Digital Transformation Agency (the Entity) for the year ended 30 June 2023:

- (a) comply with Australian Accounting Standards – Simplified Disclosures and the Public Governance, Performance and Accountability (Financial Reporting) Rule 2015; and
- (b) present fairly the financial position of the Entity as at 30 June 2023 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2023 and for the year then ended:

- Statement by the Chief Executive Officer and Chief Financial Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement; and
- Notes to and forming part of the financial statements, comprising an Overview and a summary of significant accounting policies and other explanatory information.

Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) to the extent that they are not in conflict with the Auditor-General Act 1997. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Chief Executive Officer is responsible under the Public Governance, Performance and Accountability Act 2013 (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Simplified Disclosures and the rules made under the Act. The Chief Executive Officer is also responsible for such internal control as the Chief Executive Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chief Executive Officer is responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result of an administrative restructure or for any other reason. The Chief Executive Officer is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the assessment indicates that it is not appropriate.

Auditor's responsibilities for the audit of the financial statements

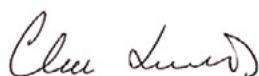
My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Clea Lewis

Executive Director

Delegate of the Auditor-General

Canberra

28 September 2023

Digital Transformation Agency

Statement by the Chief Executive Officer and Chief Financial Officer

In our opinion, the attached financial statements for the year ended 30 June 2023 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Digital Transformation Agency will be able to pay its debts as and when they fall due.



Chris Fechner

Chief Executive Officer

28 September 2023



Chris Huang CA

Acting Chief Operating Officer

28 September 2023

Digital Transformation Agency
Statement of Comprehensive Income
for the period ending 30 June 2023

	Notes	2023 \$'000	2022 \$'000	Original Budget \$'000
NET COST OF SERVICES				
Expenses				
Employee benefits	1.1A	33,424	31,323	39,539
Suppliers	1.1B	32,020	57,223	35,353
Depreciation	2.2A	3,679	8,084	3,744
Impairment loss on financial instruments		867	148	-
Write-down and impairment of other assets		8	342	-
Finance costs	1.1C	252	216	136
<i>Total expenses</i>		70,250	97,336	78,772
Own-source income				
Own-source revenue				
Revenue from contracts with customers	1.2A	26,187	26,632	9,438
Rental income	1.2B	-	138	-
Other revenue	1.2C	98	114	-
<i>Total own-source revenue</i>		26,285	26,884	9,438
Gains				
Other gains	1.2D	421	712	577
<i>Total gains</i>		421	712	577
<i>Total own-source income</i>		26,706	27,596	10,015
<i>Net cost of services</i>		43,544	69,740	68,757
Revenue from Government	3.1A	71,740	72,220	76,240
<i>Surplus attributable to the Australian Government</i>		28,196	2,480	7,483
OTHER COMPREHENSIVE INCOME				
Items not subject to subsequent reclassification to net cost of services				
Changes in asset revaluation surplus		-	382	-
<i>Total comprehensive income attributable to the Australian Government</i>		28,196	2,862	7,483

The above statement should be read in conjunction with the accompanying notes.

Digital Transformation Agency
Statement of Financial Position
for the period ending 30 June 2023

	Notes	2023 \$'000	2022 \$'000	Original Budget \$'000
ASSETS				
Financial Assets				
Cash and cash equivalents	2.1A	192,081	140,382	142,583
Trade and other receivables	2.1B	84,004	57,509	64,040
<i>Total financial assets</i>		276,085	197,891	206,623
Non-financial Assets				
Leasehold improvements ¹	2.2A	28,149	31,350	32,894
Plant and equipment	2.2A	599	1,053	801
Prepayments		413	776	776
<i>Total non-financial assets</i>		29,161	33,179	34,471
<i>Total assets</i>		305,246	231,070	241,094
LIABILITIES				
Payables				
Suppliers	2.3A	176,016	118,806	30,259
Other payables	2.3B	1,171	1,175	99,579
<i>Total payables</i>		177,187	119,981	129,838
Provisions				
Employee provisions	4.1A	9,536	9,289	9,721
Make good provisions	2.5A	-	770	770
<i>Total provisions</i>		9,536	10,059	10,491
Interest Bearing Liabilities				
Leases	2.4A	17,644	19,191	21,241
<i>Total interest bearing liabilities</i>		17,644	19,191	21,241
<i>Total liabilities</i>		204,367	149,231	161,570
<i>Net assets</i>		100,879	81,839	79,524
EQUITY				
Contributed equity		(15,744)	(6,588)	(6,588)
Asset revaluation reserve		618	618	618
Retained surplus		116,005	87,809	85,494
<i>Total equity</i>		100,879	81,839	79,524

The above statement should be read in conjunction with the accompanying notes.

¹ Right-of-use assets are included in Leasehold improvements.

Digital Transformation Agency
Statement of Changes in Equity
for the period ending 30 June 2023

	2023 \$'000	2022 \$'000	Original Budget \$'000
TOTAL EQUITY - OPENING BALANCE			
Balance carried forward from previous period			
Contributed equity	(6,588)	4,919	(6,588)
Asset revaluation reserve	618	236	618
Retained earnings	87,809	85,333	87,161
Retained earnings - opening balance adjustment	-	(4)	-
<i>Adjusted opening balance</i>	81,839	90,484	81,191
COMPREHENSIVE INCOME			
Retained earnings			
Surplus for the period	28,196	2,480	7,483
Asset revaluation reserve			
Other comprehensive income	-	382	-
<i>Total comprehensive income</i>	28,196	2,862	7,483
CONTRIBUTED EQUITY			
Transactions with owners - contributed equity			
Distributions to owners			
Returns of capital:			
Return of equity - WoAG ICT savings ¹	(9,156)	(11,182)	(9,150)
PGPA s75 transfer of prior year appropriation ²	-	(825)	-
Contributions by owners			
Transfer from Department of Finance2	-	500	-
<i>Total transactions with owners</i>	(9,156)	(11,507)	(9,150)
TOTAL EQUITY			
Contributed equity	(15,744)	(6,588)	(6,588)
Asset revaluation reserve	618	618	618
Retained earnings	116,005	87,809	85,494
<i>Closing balance as at 30 June</i>	100,879	81,839	79,524

The above statement should be read in conjunction with the accompanying notes.

¹ In 2023, as part of managing whole of Australian Government (WoAG) ICT procurement arrangements the Digital Transformation Agency (DTA) returned \$9.156 million in savings to the Consolidated Revenue Fund (2022: \$11.182 million).

² Restructuring arrangements in 2022 included a PGPA Act section 75 determination for prior year appropriation as a result of the Prime Minister's agreement made on 5 July 2021 and the transfer in of the Major Office Machinery Panel Arrangement. Further information on restructuring is included in Note 6.2A.

Digital Transformation Agency
Cash Flow Statement
for the period ending 30 June 2023

	Notes	2023 \$'000	2022 \$'000	Original Budget \$'000
OPERATING ACTIVITIES				
Cash received				
Appropriations		55,285	104,176	79,350
Net GST received		35,394	37,752	4,000
Rendering of services		526,624	531,445	337,116
<i>Total cash received</i>		617,303	673,373	420,466
Cash used				
Employees		35,237	37,826	39,539
Suppliers		516,411	546,305	366,454
Interest payments on lease liabilities ¹		252	191	136
Transfers to the OPA		2,618	7,329	9,150
<i>Total cash used</i>		554,518	591,651	415,279
<i>Net cash from operating activities</i>		62,785	81,722	5,187
INVESTING ACTIVITIES				
Cash used				
Purchase of leasehold improvements		-	9,848	-
Payments of makegood		349	-	-
Purchase of plant and equipment		33	672	-
<i>Total cash used</i>		382	10,520	-
<i>Net cash used by investing activities</i>		(382)	(10,520)	-
FINANCING ACTIVITIES				
Cash received				
Contributed equity:				
Restructuring - transfer of special account cash		-	500	-
<i>Total cash received</i>		-	500	-
Cash used				
Distributions of equity:				
Return of equity - WoAG ICT savings		9,156	11,182	-
Principal payments of lease liabilities ¹		1,548	3,617	2,986
<i>Total cash used</i>		10,704	14,799	2,986
<i>Net cash used by financing activities</i>		(10,704)	(14,299)	(2,986)
<i>Net increase in cash held</i>		51,699	56,903	2,201
Cash and cash equivalents at the beginning of the reporting period	2.1A	140,382	83,479	140,382
<i>Cash and cash equivalents at the end of the reporting period</i>	2.1A	192,081	140,382	142,583

The above statement should be read in conjunction with the accompanying notes.

¹ Total cash outflow for leases for the year ended 30 June 2023 was \$1.953 million (2022: \$3.820 million) including \$1.548 million in principal repayments, \$0.252 million in interest expense and \$0.153 million in short-term leases.

Digital Transformation Agency
Budget Variance Commentary
for the period ending 30 June 2023

Budgetary Reporting	
<p>The DTA's financial statements report the original budget as published in the Department of Finance 2022-23 October Portfolio Budget Statements.</p> <p>Explanations of major variances between the actual and original budgeted amounts for 2023 (that are greater than +/- 10 per cent of the original budget for a line item and greater than +/- \$1 million) are provided below.</p>	
Cause of major variances	Affected line items
<p>Whole of Australian Government (WoAG) ICT Procurement arrangements</p> <p>DTA manage several WoAG ICT arrangements. In 2023 agencies increased their usage in Microsoft, AWS and SAP arrangements in particular and resulted in increased administration and savings amounts recognised as revenue compared to budget.</p> <p>All other associated contract costs relating to payments to suppliers are recognised as pass-through arrangements and can only be seen in the Cash Flow Statement. Collections of contract amounts from agencies (pass-through amounts) are recognised in June for payment early in the new financial year resulting in higher cash and cash equivalents and supplier payables than estimated.</p>	<p><u>Statement of Comprehensive Income</u> Suppliers Revenue from contracts with customers <u>Statement of Financial Position</u> Cash and cash equivalents Suppliers payable <u>Cash Flow Statement</u> Rendering of services Suppliers</p>
<p>Budget Underspend</p> <p>Employee and supplier costs were lower than anticipated due to delays in:</p> <p>Cyber Hubs activities in preparation for restructuring arrangements in 2023-24;</p> <p>MyGov activities delayed in anticipation of outcomes of the user audit completed during the financial year; and</p> <p>Digital identity with budget moved to the 2024 financial year with a PGPA s51 reduction applied in 2022-23.</p>	<p><u>Statement of Comprehensive Income</u> Suppliers Employee benefits Revenue from Government <u>Statement of Financial Position</u> Trade and other receivables <u>Statement of Changes in Equity</u> Retained surplus <u>Cash Flow Statement</u> Appropriations Employees Suppliers</p>
<p>Leases</p> <p>Delays in implementing the DTA's property requirements have resulted in lower than estimated leasehold improvements assets and lease liabilities.</p>	<p><u>Statement of Financial Position</u> Leasehold improvements Leases</p>
<p>GST</p> <p>Delays in GST Business Activity Statement payments from the ATO has resulted in higher than anticipated GST receivable and lower section 74 receipts recognised in the cashflow as transfers to the OPA. In addition, Net GST received in the Cash Flow Statement is higher as the total GST expected to be received is not estimated as part of the budget process as this is effectively a pass-through arrangement in Government.</p>	<p><u>Statement of Financial Position</u> Trade and other receivables <u>Cash Flow Statement</u> Appropriations Transfers to the OPA</p>

Digital Transformation Agency
Notes to and forming part of the financial statements
for the period ending 30 June 2023

Overview	77
1. Financial Performance	79
1.1 Expenses	79
1.2 Own-Source Revenue and Gains	80
2. Financial Position	82
2.1 Financial Assets	82
2.2 Non-Financial Assets	83
2.3 Payables	85
2.4 Leases	85
2.5 Other Provisions	85
3. Funding	86
3.1 Appropriations	86
3.2 Special Account	87
3.3 Net Cash Appropriation Arrangement	88
4. People and Relationships	89
4.1 Employee Provisions	89
4.2 Key Management Personnel Remuneration	90
4.3 Related Party Disclosures	90
5. Managing Uncertainties	90
5.1 Contingent Asset and Liabilities	90
5.2 Financial Instruments	91
6. Other Information	92
6.1 Current/non-current distinction for assets and liabilities	92
6.2 Restructuring	93

Overview

Objectives of the Digital Transformation Agency

The Digital Transformation Agency (DTA) is an Australian Government controlled entity. It is a not-for-profit entity. The DTA's outcome is to support the government's digital transformation, and simplify processes, increase realised value, reduce costs and generate reuse opportunities, through strategic and policy leadership, advice, strategic coordination and oversight of digital ICT investment, and management of whole-of-government digital and ICT procurement.

The continued existence of the entity in its present form and with its present programs is dependent on government policy and on continuing funding by Parliament for the entity's administration and programs.

Basis of preparation of the financial statements

The financial statements are general purpose financial statements and are required by section 42 of the Public Governance, Performance and Accountability Act 2013.

The financial statements have been prepared in accordance with:

Public Governance, Performance and Accountability (Financial Reporting) Rule 2015 (FRR); and

Australian Accounting Standards and Interpretations – including simplified disclosures for Tier 2 Entities under AASB 1060 issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except where certain assets and liabilities are recorded at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

The financial statements are presented in Australian dollars and values are rounded to the nearest thousand dollars unless otherwise specified.

New Australian accounting standards

All new, revised or amending standards and interpretations that were issued prior to sign-off date are applicable to the current reporting period and did not have a material effect on the DTA's financial statements. This includes two amending standards (AASB 2021-2 and AASB 2021-6) that were adopted earlier than the application date as stated in the standard.

These amending standards have been adopted for the 2022-23 reporting period in accordance with the FRR. The details of the changes in accounting policies and adjustments are disclosed in the relevant notes to the financial statements. These amending standards are not expected to have a material impact on the entity's financial statements for the current or future reporting periods.

Standard/ Interpretation	Nature of change in accounting policy, transitional provisions, and adjustment to financial statements
AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates (AASB 2021-2); and	AASB 2021-2 amends AASB 7, AASB 101, AASB 108, AASB 134 and AASB Practice Statement 2. The amending standard requires the disclosure of material, rather than significant, accounting policies, and clarifies what is considered a change in accounting policy compared to a change in accounting estimate.
AASB 2021-6 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards (AASB 2021-6)	AASB 2021-6 amends the Tier 2 reporting requirements set out in AASB 1049, AASB 1054 and AASB 1060 to reflect the changes made by AASB 2021-2.

Taxation

The DTA is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and Goods and Services Tax (GST).

Events after the reporting period

Machinery of Government (MoG) changes affecting the DTA were implemented from 1 July 2023. The Digital Identity function was transferred to Department of Finance by decision of the Prime Minister on 23 May 2023 and the Cyber Hubs function was transferred to the Department of Home Affairs in accordance with the cabinet decision dated 28 February 2023.

There are no known events occurring after the reporting period that could impact on the DTA's 2022-23 financial statements.

1. Financial Performance

This section analyses the financial performance of the DTA for the year ended 30 June 2023.

1.1 Expenses

	2023	2022
	\$'000	\$'000
Note 1.1A: Employee benefits		
Wages and salaries	23,478	22,542
Superannuation:		
Defined contribution plans	3,329	3,185
Defined benefit plans	1,127	1,386
Leave and other entitlements	4,800	3,162
Separation and redundancies	164	152
Other ¹	526	896
<i>Total employee benefits</i>	33,424	31,323

¹ Other relates to employee allowances including higher duties, individual flexible arrangements, emergency warden, departmental liaison and first aid officer.

Accounting Policy

Accounting policies for employee related expenses are contained in the People and Relationships section.

Note 1.1B: Suppliers

Goods and services supplied or rendered

Consultants	624	18
Contractors ¹	22,183	44,837
Legal	1,068	2,482
Information technology and communication	3,299	5,097
Payments to other government agencies	159	163
Property, equipment, repairs and maintenance	671	1,384
Secondments	352	497
Shared services charges	894	657
Training, recruitment and other staff costs	1,751	1,494
Travel	503	128
Other ²	223	368
<i>Total goods and services supplied or rendered</i>	31,727	57,125
Goods supplied	55	604
Services rendered	31,672	56,521
<i>Total goods and services supplied or rendered</i>	31,727	57,125
Other suppliers		
Short-term leases ³	169	12
Workers compensation expenses	124	86
Total other supplier expenses	293	98
Total suppliers	32,020	57,223

¹ During the 2022-23 financial year, contractors reduced along with other supplier costs due to a concerted effort to reduce reliance on suppliers and generally bring work in-house.

² Other relates to Comcover premiums, conference fees, user research costs, graphic design, public relations and office supplies.

³ Short-term lease expense relates to the interim arrangements for the Sydney office until the lease is executed. The DTA has no short-term lease commitments in 2023 (2022: \$0.062 million).

	2023	2022
	\$'000	\$'000
Note 1.1C: Finance costs		
Interest on lease liabilities	252	191
Unwinding of discount	-	25
Total finance costs	252	216

The above lease disclosures should be read in conjunction with the accompanying notes 1.1B, 1.2D, 2.2A and 2.4A.

1.2 Own-Source Revenue and Gains

Note 1.2A: Revenue from contracts with customers		
Rendering of services	26,187	26,632
Total revenue from contracts with customers	26,187	26,632

Revenue from contracts in connection with:		
WoAG ICT procurement fees	25,838	25,114
ICT Skills Program	-	491
Defence Cyber GAP Program	-	141
Observatory	313	-
Other	36	886
Total revenue from contracts with customers	26,187	26,632

Timing of transfer of services:		
Over time	19,701	13,919
Point in time	6,486	12,713
Total revenue from contracts with customers	26,187	26,632

Disaggregation of revenue from contracts with customers

The majority of the DTA's revenue relates to services performed for other Commonwealth entities, primarily in fees relating to the management of WoAG ICT procurement arrangements.

Most of the contracts entered into by the DTA with customers are for goods and services that are recognised over time, that is, longer term contracts that are recognised over more than one period rather than at a particular point in time.

	2023 \$'000	2022 \$'000
Note 1.2B: Rental Income		
Operating lease		
Sublease of Right of Use Asset	-	138
Total rental income	-	138
Note 1.2C: Other Revenue		
Resources received free of charge - audit services	98	98
Other ¹	-	16
Total of Other revenue	98	114

¹ Other in 2022 relates to sales of low value assets and royalties received.

Accounting Policy

Resources received free of charge

Resources received free of charge are recognised as revenue when, and only when, a fair value can be reliably determined, and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense. Resources received free of charge are recorded as either revenue or gains depending on their nature.

Rendering of services

Revenue from the sale of goods is recognised when control has been transferred to the buyer.

Note 1.2D: Other Gains

Gains on lease modifications	-	71
Gain on derecognition of make good	421	641
Total other gains	421	712

2. Financial Position

This section analyses the DTA's assets used to generate financial performance and the operating liabilities incurred as a result.

Leasehold improvements and plant and equipment are carried at fair value in accordance with AASB 13 Fair Value Measurement. The remaining assets and liabilities disclosed in the statement of financial position do not apply the fair value hierarchy.

Employee related information is disclosed in the People and Relationships section.

2.1 Financial Assets

	2023	2022
	\$'000	\$'000
Note 2.1A: Cash and Cash Equivalents		
Cash on hand or on deposit	840	257
Special account - cash at bank	67,309	2,470
Special account - held in the OPA	123,932	137,655
<i>Total cash and cash equivalents</i>	192,081	140,382
Note 2.1B: Trade and Other Receivables		
Goods and services receivables		
Goods and services ¹	29,231	28,977
<i>Total goods and services receivables</i>	29,231	28,977
Appropriations receivables		
Existing programs	43,800	24,727
<i>Total appropriations receivable</i>	43,800	24,727
Other receivables		
Statutory receivables	10,959	3,281
Other receivables ²	1,109	753
<i>Total other receivables</i>	12,068	4,034
<i>Total trade and other receivables (gross)</i>	85,099	57,738
Less expected credit loss allowance ¹	(1,095)	(229)
<i>Total trade and other receivables (net)</i>	84,004	57,509

Credit terms for goods and services were within 30 days (2022: 30 days).

¹ Receivables have been assessed for impairment at the end of each reporting period under the simplified approach for expected credit loss (ECL) model. Currently there is an allowance for impairment at 30 June 2023 of \$1.095 million (2022: \$0.229 million).

² Other receivables include employee related debts including leave balance transfers to other government agencies.

Refer Note 2.3A for information relating to contract liabilities.

Accounting Policy

Financial Assets

Trade receivables and other receivables that are held for the purpose of collecting the contractual cash flows where the cash flows are solely payments of principal and interest, which are not provided at below-market interest rates, are subsequently measured at amortised cost using the effective interest method adjusted for any loss allowance. Contractual receivables arising from the sale of goods and rendering of services have 30-day trading terms and are initially recognised at the nominal amounts due. Receivables that are statutory in nature are amounts determined under legislation or by court order.

2.2 Non-Financial Assets

Note 2.2A: Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment

	Leasehold improvements \$'000	Plant and equipment \$'000	Total \$'000
As at 1 July 2022			
Gross book value	32,361	2,132	34,493
Accumulated depreciation and impairment	(1,011)	(1,079)	(2,090)
Total as at 1 July 2022	31,350	1,053	32,403
Additions			
Purchase	-	33	33
Depreciation expense	(1,179)	(478)	(1,657)
Depreciation on right-of-use assets	(2,022)	-	(2,022)
Disposals	-	(8)	(8)
Other movements of right-of-use assets	1	-	1
Other movements	(1)	(1)	(2)
Total as at 30 June 2023	28,149	599	28,748
Total as at 30 June 2023 represented by			
Gross book value			
Fair value	32,360	2,018	34,378
Accumulated depreciation and impairment	(4,211)	(1,419)	(5,630)
Total as at 30 June 2023	28,149	599	28,748
Carrying amount of right-of-use assets	17,184	-	17,184

No significant items of property, plant and equipment are expected to be sold or disposed of within the next 12 months.

As at 30 June 2023, the value of contractual commitments for the acquisition of leasehold improvements and plant and equipment is Nil (2022: Nil).

Accounting policy

Asset recognition threshold

Property, plant and equipment is the generic term that covers leasehold improvements and plant and equipment. Purchases of property, plant and equipment are recognised initially at cost in the Statement of Financial Position, except for purchases costing less than \$2,000, which are expensed in the year of acquisition.

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to 'make good' provisions in property leases taken up by the DTA where there is an obligation to restore the asset to its original condition. These costs are included in the value of the DTA's leasehold improvements with a corresponding provision for the 'make good' recognised.

Leased Right-of-Use (ROU) Assets

Leased ROU assets are capitalised at the commencement date of the lease and comprise the initial lease liability amount, initial direct costs incurred when entering into the lease less any lease incentives received. These assets are accounted for by Commonwealth lessees as separate asset classes to corresponding assets owned outright but included in the same column as the corresponding underlying assets would be presented if they were owned.

An impairment review is undertaken for any ROU asset to determine if indicators of impairment exist, and an impairment loss recognised against any ROU asset that is impaired.

Revaluations

Following initial recognition at cost, property, plant and equipment are carried at fair value (or an amount not materially different from fair value).

Fair values for each class of asset are determined as shown below:

Asset Class	Fair value measurement	2023	2022
		\$'000	\$'000
Leasehold improvements	Current replacement cost - Level 3	10,965	12,144
Plant and equipment	Market selling price – Level 2	493	722
Plant and equipment	Market selling price – Level 3	24	13
Plant and equipment	Current replacement cost – Level 3	82	317

In 2022 a valuation of property, plant and equipment assets was undertaken by Jones Lang Lasalle (JLL).

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the DTA using, in all cases, the straight-line method of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

Leasehold improvements ¹	Lease term	Lease term
Plant and equipment	3 to 10 years	3 to 10 years

¹ The depreciation rates for ROU assets are based on the commencement date to the end of the lease term.

Impairment

All assets were assessed for impairment during 2023. Where indications of impairment exist, the asset's recoverable amount is estimated, and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

A write-down was recognised in 2023 of \$0.008 million relating to plant and equipment assets as part of the annual stocktake process (2022: \$0.342 million).

2.3 Payables

	2023	2022
	\$'000	\$'000
Note 2.3A: Suppliers		
Contract liabilities ¹	138,152	88,547
Trade creditors and accruals	37,864	30,259
<i>Total suppliers</i>	176,016	118,806

Settlement is usually made within 7 days.

¹ The contract liabilities are associated with WoAG ICT Procurement contracts.

Note 2.3B: Other payables		
Salaries and wages	790	588
Superannuation	125	96
Statutory payable	69	37
Leave transfers to other agencies	97	410
Other payables	90	44
<i>Total other payables</i>	1,171	1,175

2.4 Leases

Note 2.4A: Leases		
Lease Liabilities - Buildings	17,644	19,191
<i>Total leases</i>	17,644	19,191

Total cash outflow for leases for the year ended 30 June 2023 was \$1.953 million (2022: \$3.820 million).

Maturity analysis - contractual undiscounted cash flows		
Within 1 year	1,881	1,799
Between 1 to 5 years	10,746	10,288
More than 5 years	6,117	8,456
<i>Total leases</i>	18,744	20,543

The DTA currently has 1 lease arrangement for office space and car parking (2022: 1).

The above lease disclosures should be read in conjunction with the accompanying notes 1.1B, 1.1C, 1.2D and 2.2A.

2.5 Other Provisions

Note 2.5A: Provision for Make Good Obligations	
As at 1 July 2022	770
Amounts used	(349)
Amounts reversed	(421)
Revaluation or change in discount rate	-
Unwinding of discount	-
<i>Total as at 30 June 2023</i>	-

As at 30 June 2023 the DTA had one lease arrangement for the leasing of office premises with no requirement to make good at the end of the lease term.

Accounting Policy

Provisions for the restoration of leased premises (make good) are based on future obligations relating to the underlying assets. The provision is disclosed at the present value of the obligation utilising the appropriate Government bond rate.

3. Funding

This section identifies the DTA's funding structure.

3.1 Appropriations

Note 3.1A: Annual Appropriations ('Recoverable GST exclusive')

Annual appropriations for 2023

	Appropriation Act		PGPA Act		Appropriation applied in 2023 (current and prior years)	Variance ²
	Annual Appropriation ¹	\$'000	Section 74 receipts	Section 75 Transfers	Total appropriation	\$'000
Departmental						
Ordinary annual services		76,240	2,618	-	78,858	24,156
Total departmental		76,240	2,618	-	78,858	24,156

¹ In annual appropriation, \$4,500 million was withheld from Supply Act (No. 3) 2022-23 under s51 of the PGPA Act relating to a movement of funds for Digital Ident

² The variance in departmental ordinary annual services is mainly attributable to a timing difference with an increase in supplier payables in 2023.

Annual appropriations for 2022

	Appropriation Act				Appropriation applied in 2022 (current and prior years)	Variance ²
	Annual Appropriation	\$'000	Section 74 receipts	Section 75 Transfers ¹	Total appropriation	\$'000
Departmental						
Ordinary annual services		79,785	7,329	(7,565)	79,549	(25,365)
Total departmental		79,785	7,329	(7,565)	79,549	(25,365)

¹ Section 75 transfers relate to restructuring arrangements disclosed in Note 6.2.

² The variance in departmental ordinary annual services is mainly attributable to the section 75 transfers and purchases of non-financial assets as part of transition to new leasing arrangements in 2022.

Revenue from Government

Amounts appropriated for departmental ordinary annual services for the year (adjusted for any formal additions and reductions) are recognised as Revenue from Government when DTA gains control of the appropriation. Appropriations receivables are recognised at their nominal amounts.

	2023 \$'000	2022 \$'000
Note 3.1B: Unspent Annual Appropriations ('Recoverable GST exclusive')		
Departmental		
<i>Appropriation Act (No. 1) 2021-22</i>	-	24,727
<i>Appropriation Act (No. 1) 2021-22 - cash held by the department</i>	-	257
<i>Appropriation Act (No. 1) 2022-23</i>	6,403	-
<i>Appropriation Act (No. 1) 2022-23 - cash held by the department</i>	840	-
<i>Supply Act (No. 1) 2022-23</i>	3,854	-
<i>Supply Act (No. 3) 2022-23</i>	38,043	-
Total departmental	49,140	24,984

3.2 Special Account

(Recoverable GST Exclusive)	ICT Coordinated Procurement Special Account ¹	
	2023 \$'000	2022 \$'000
Note 3.2A: Special Accounts		
Balance brought forward from previous period	140,125	82,484
Departmental increases		
Increases	522,206	521,860
Total increases	522,206	521,860
Available for payments	662,331	604,344
Departmental decreases		
Departmental decreases	(471,090)	(464,219)
Total decreases	(471,090)	(464,219)
Total balance carried to the next period	191,241	140,125
Balance represented by:		
Cash at bank	67,309	2,470
Cash held in the Official Public Account	123,932	137,655
Total balance carried to the next period	191,241	140,125

¹ Appropriation: Public Governance, Performance and Accountability Act 2013 (PGPA Act) section 78.
Establishing Instrument: PGPA Act Determination (Establishment of ICT Coordinated Procurement Special Account) 2017.
Purpose: The ICT Coordinated Procurement Special Account has been established for the purpose of administering the operations of centralised ICT procurement for the Australian Government.

3.3 Net Cash Appropriation Arrangement

	2023	2022
	\$'000	\$'000
Total comprehensive income - as per the Statement of Comprehensive Income	28,196	2,862
Plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections)	1,657	4,459
Plus: depreciation of ROU assets	2,022	3,625
Less: lease principal repayments	(1,548)	(3,617)
Net Cash Operating Surplus	30,327	7,329

The inclusion of depreciation/amortisation expenses related to ROU assets and the lease liability principal repayment amount reflects the cash impact on implementation of AASB 16 Leases, it does not directly reflect a change in appropriation arrangements.

4. People and Relationships

This section describes a range of employment and post-employment benefits provided to our people and our relationships with other key people.

4.1 Employee Provisions

	June	
	2023	2022
	\$'000	\$'000
Note 4.1A: Employee Provisions		
Long Service Leave	6,347	5,890
Annual Leave	3,189	3,399
<i>Total employee provisions</i>	9,536	9,289

Accounting Policy

Liabilities for short-term employee benefits and termination benefits due within twelve months of the end of the reporting period are measured at their nominal amounts.

Leave

The liability for employee benefits includes provision for annual leave and long service leave. The leave liabilities are calculated based on employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including the DTA's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination. The provision is disclosed at the present value of the obligation using the shorthand method that utilises the appropriate Government bond rate.

No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of the DTA is estimated to be less than the annual entitlement for sick leave.

Superannuation

The DTA's staff are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), the PSS accumulation plan (PSSap) or another fund of their choice.

The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap is a defined contribution scheme. The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes.

The DTA makes employer contributions to the employees' superannuation scheme. For Commonwealth defined benefits schemes, these rates are determined by an actuary to be sufficient to meet the current cost to the Government. The DTA accounts for the contributions as if they were contributions to defined contribution plans.

4.2 Key Management Personnel Remuneration

Note 4.2A: Key Management Personnel Remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the DTA, directly or indirectly, including any director (whether executive or otherwise). KMP remuneration is reported in the table below:

	2023	2022
	\$'000	\$'000
Short-term employee benefits	1,341	1,544
Post-employment benefits	196	221
Other long-term employee benefits	39	35
Termination benefits	55	-
<i>Total key management personnel remuneration expenses^{1 2 3}</i>	1,631	1,800

¹ The DTA has determined the KMP to be the Chief Executive Officer (CEO), all Senior Executive Service band 2 officers and the Chief Operating Officer.

² The total number of KMP that are included in the above table is 5 (2022: 8) representing the people who individually occupied the KMP positions during the year.

³ The above KMP remuneration excludes the remuneration and other benefits of Portfolio Ministers. The Portfolio Ministers' remuneration and other benefits are set by the Remuneration Tribunal and are not paid by the entity.

4.3 Related Party Disclosures

Related party relationships:

The DTA is an Australian Government controlled entity. Related parties to the DTA are Key Management Personnel, including the Portfolio Ministers and other Australian Government entities, as well as certain close family members and controlled entities of KMP.

Transactions with related parties:

Given the breadth of Government activities, related parties may transact with the government sector in the same capacity as ordinary citizens. Such transactions include the payment or refund of taxes. These transactions have not been separately disclosed in this note.

In considering relationships with related entities, and transactions entered into during the reporting period by the DTA, it has been determined that there are no related party transactions to be separately disclosed.

5. Managing Uncertainties

This section analyses how the DTA manages financial risks within its operating environment.

5.1 Contingent Asset and Liabilities

Note 5.1A: Contingent Assets and Liabilities

The DTA is not aware of any material quantifiable or unquantifiable contingent assets or liabilities as at the signing date that would require disclosure in the financial statements.

Accounting Policy

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the notes. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

5.2 Financial Instruments

	2023 \$'000	2022 \$'000
Note 5.2A: Categories of Financial Instruments		
Financial assets		
Financial assets at amortised cost		
Cash and cash equivalents	192,081	140,382
Goods and services receivable	28,136	28,748
Total financial assets at amortised cost	220,217	169,130
Total financial assets	220,217	169,130
Financial liabilities		
Financial liabilities measured at amortised cost		
Trade creditors and accruals	37,864	30,259
Total financial liabilities measured at amortised cost	37,864	30,259
Total financial liabilities	37,864	30,259

Note 5.2B: Net Gains or Losses on Financial Assets and Liabilities

The DTA has recorded a loss on financial assets at amortised cost of \$0.867 million in 2023 (2022: \$0.148 million) on the recalculation of expected credit losses.

Accounting Policy

Financial assets at amortised cost

Financial assets included in this category need to meet two criteria:

- a) The financial asset is held in order to collect the contractual cash flows; and
- b) The cash flows are solely payments of principal and interest on the principal outstanding amount.

Amortised cost is determined using the effective interest rate method.

Effective interest method

Income is recognised on an effective interest rate basis for financial assets that are recognised at amortised cost.

Financial liabilities at amortised cost

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received, irrespective of having been invoiced.

Key accounting judgements and estimates

Impairment of financial assets

Financial assets are assessed for impairment at the end of each reporting period based on Expected Credit Losses (ECL), using the general approach which measures the loss allowance based on an amount equal to lifetime expected credit losses where risk has significantly increased, or an amount equal to 12 month expected credit losses if risk has not increased. Impairment loss allowances are recognised for contractual and statutory receivables. The allowance for contractual receivables is determined based on historical credit loss experience which is used to estimate future ECLs. The allowance based on historical credit loss experience is adjusted for forward-looking factors specific to individual debtors. The recoverable amount for statutory receivables is assessed either for individual debtors when a loss event is identified or based on historical loss experience when debtors are assessed collectively. Impairment losses are recognised in the statement of comprehensive income.

6. Other Information

6.1 Current/non-current distinction for assets and liabilities

	2023	2022
	\$'000	\$'000
Note 6.1A: Current/non-current distinction for assets and liabilities		
Assets expected to be recovered in:		
No more than 12 months		
Cash and cash equivalents	192,081	140,382
Trade and other receivables	84,004	57,509
Prepayments	399	740
Total no more than 12 months	276,484	198,631
More than 12 months		
Leasehold improvements	28,149	31,350
Plant and equipment	599	1,053
Prepayments	14	36
Total more than 12 months	28,762	32,439
Total assets	305,246	231,070
Liabilities expected to be settled in:		
No more than 12 months		
Suppliers	176,016	118,806
Other payables	1,171	1,175
Employee provisions	3,757	3,924
Make good provisions	-	770
Leases	1,651	1,546
Total no more than 12 months	182,595	126,221
More than 12 months		
Employee provisions	5,779	5,365
Leases	15,993	17,645
Total more than 12 months	21,772	23,010
Total liabilities	204,367	149,231

6.2 Restructuring

Note 6.2A: Restructuring

Net assets received from or relinquished to another Australian Government entity under a restructuring of administrative arrangements are adjusted at their book value directly against contributed equity.

No restructuring arrangements occurred in 2023.

In 2022, the Prime Minister's agreement made on 5 July 2021 regarding proposed Machinery of Government changes to support the revised mandate of the DTA taking effect on 1 July 2021 included the following functions:

Transferred to:

- Australian Bureau of Statistics (funding only) - data.gov.au;
- Australian Public Service Commission (APSC) - the Australian Government Style Manual and Digital Professions;
- Australian Taxation Office (funding only) - Digital Identity (integrated delivery management);
- Department of Prime Minister and Cabinet (funding only) - Australia.gov.au (determining content);
- Department of Finance - Government Domain Names;
- Department of Health - COVIDSafe app;
- Geoscience Australia (funding only) - National Map;
- Service Australia (funding only) - Digital Identity (integrated delivery management), myGov Enhancement, Australia.gov.au (delivery);

Transferred from:

- Department of Finance (funding only) - ICT Investment Approval Process and WoAG Procurement of Major Office Machines. Revenue recognised in 2022 relating to this function was \$1.279 million.

	2022	2022	2022
	APSC	Department of Finance	Department of Health
	\$'000	\$'000	\$'000
Functions relinquished			
Assets relinquished			
Appropriation receivable	825	97	14
<i>Total asset relinquished</i>	825	97	14
Liabilities relinquished			
Employee provisions	825	97	14
<i>Total liabilities relinquished</i>	825	97	14
<i>Net assets relinquished</i>	-	-	-



Appendices

Appendix A: List of requirements96

Appendix B: Employee statistics103

Appendix C: Executive remuneration..... 114

Appendix D: Glossary and abbreviations117

Appendix E: Alphabetical index..... 118

Appendix A: List of requirements

Below is the table set out in Schedule 2 of the PGPA Rule. Section 17AJ(d) requires this table be included in entities' annual reports as an aid of access.

PGPA Rule reference	Part of report	Description	Requirement
17AD(g)	Letter of transmittal		
17AI	Preliminary pages	A copy of the letter of transmittal signed and dated by accountable authority on date final text approved, with statement that the report has been prepared in accordance with section 46 of the Act and any enabling legislation that specifies additional requirements in relation to the annual report.	Mandatory
17AD(h)	Aids to access		
17AJ(a)	Preliminary pages	Table of contents (print only).	Mandatory
17AJ(b)	Appendix D	Alphabetical index (print only).	Mandatory
17AJ(c)	Appendix C	Glossary of abbreviations and acronyms.	Mandatory
17AJ(d)	Appendix A	List of requirements.	Mandatory
17AJ(e)	Inside front cover	Details of contact officer.	Mandatory
17AJ(f)	Inside front cover	Entity's website address.	Mandatory
17AJ(g)	Inside front cover	Electronic address of report.	Mandatory
17AD(a)	Review by accountable authority		
17AD(a)	Chapter 1	A review by the accountable authority of the entity.	Mandatory
17AD(b)	Overview of the entity		
17AE(1)(a)(i)	Chapter 1	A description of the role and functions of the entity.	Mandatory
17AE(1)(a)(ii)	Chapter 1	A description of the organisational structure of the entity.	Mandatory
17AE(1)(a)(iii)	Chapter 1	A description of the outcomes and programmes administered by the entity.	Mandatory
17AE(1)(a)(iv)	Chapter 1	A description of the purposes of the entity as included in corporate plan.	Mandatory
17AE(1)(aa)(i)	Chapter 1	Name of the accountable authority or each member of the accountable authority	Mandatory
17AE(1)(aa)(ii)	Chapter 1	Position title of the accountable authority or each member of the accountable authority	Mandatory
17AE(1)(aa)(iii)	Chapter 1	Period as the accountable authority or member of the accountable authority within the reporting period	Mandatory

PGPA Rule reference	Part of report	Description	Requirement
17AE(1)(b)	N/A	An outline of the structure of the portfolio of the entity.	Portfolio departments – mandatory
17AE(2)	N/A	Where the outcomes and programs administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, include details of variation and reasons for change.	If applicable, Mandatory
17AD(c)	Report on the Performance of the entity		
	Annual performance Statements		
17AD(c)(i); 16F	Chapter 2	Annual performance statement in accordance with paragraph 39(1)(b) of the Act and section 16F of the Rule.	Mandatory
17AD(c)(ii)	Report on Financial Performance		
17AF(1)(a)	Chapter 4	A discussion and analysis of the entity's financial performance.	Mandatory
17AF(1)(b)	Chapter 4	A table summarising the total resources and total payments of the entity.	Mandatory
17AF(2)	N/A	If there may be significant changes in the financial results during or after the previous or current reporting period, information on those changes, including: the cause of any operating loss of the entity; how the entity has responded to the loss and the actions that have been taken in relation to the loss; and any matter or circumstances that it can reasonably be anticipated will have a significant impact on the entity's future operation or financial results.	If applicable, Mandatory.
17AD(d)	Management and Accountability		
	Corporate Governance		
17AG(2)(a)	Chapter 3	Information on compliance with section 10 (fraud systems)	Mandatory
17AG(2)(b)(i)	Letter of transmittal	A certification by accountable authority that fraud risk assessments and fraud control plans have been prepared.	Mandatory
17AG(2)(b)(ii)	Letter of transmittal	A certification by accountable authority that appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud that meet the specific needs of the entity are in place.	Mandatory
17AG(2)(b)(iii)	Letter of transmittal	A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud relating to the entity.	Mandatory
17AG(2)(c)	Chapter 3	An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance.	Mandatory

PGPA Rule reference	Part of report	Description	Requirement
17AG(2)(d) – (e)	N/A	A statement of significant issues reported to Minister under paragraph 19(1)(e) of the Act that relates to noncompliance with Finance law and action taken to remedy noncompliance.	If applicable, Mandatory
Audit Committee			
17AG(2A)(a)	Chapter 3	A direct electronic address of the charter determining the functions of the entity's audit committee.	Mandatory
17AG(2A)(b)	Chapter 3	The name of each member of the entity's audit committee.	Mandatory
17AG(2A)(c)	Chapter 3	The qualifications, knowledge, skills or experience of each member of the entity's audit committee.	Mandatory
17AG(2A)(d)	Chapter 3	Information about the attendance of each member of the entity's audit committee at committee meetings.	Mandatory
17AG(2A)(e)	Chapter 3	The remuneration of each member of the entity's audit committee.	Mandatory
External Scrutiny			
17AG(3)	Chapter 3	Information on the most significant developments in external scrutiny and the entity's response to the scrutiny.	Mandatory
17AG(3)(a)	Chapter 3	Information on judicial decisions and decisions of administrative tribunals and by the Australian Information Commissioner that may have a significant effect on the operations of the entity.	If applicable, Mandatory
17AG(3)(b)	Chapter 3	Information on any reports on operations of the entity by the AuditorGeneral (other than report under section 43 of the Act), a Parliamentary Committee, or the Commonwealth Ombudsman.	If applicable, Mandatory
17AG(3)(c)	Chapter 3	Information on any capability reviews on the entity that were released during the period.	If applicable, Mandatory
Management of Human Resources			
17AG(4)(a)	Chapter 3	An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives.	Mandatory
17AG(4)(aa)	Chapter 3	Statistics on the entity's employees on an ongoing and nonongoing basis, including the following: (a) statistics on fulltime employees (b) statistics on parttime employees (c) statistics on gender (d) statistics on staff location	Mandatory

PGPA Rule reference	Part of report	Description	Requirement
17AG(4)(b)	Appendix B	<p>Statistics on the entity's APS employees on an ongoing and nonongoing basis; including the following:</p> <ul style="list-style-type: none"> Statistics on staffing classification level Statistics on fulltime employees Statistics on parttime employees Statistics on gender Statistics on staff location Statistics on employees who identify as Indigenous. 	Mandatory
17AG(4)(c)	Chapter 3	Information on any enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the Public Service Act 1999.	Mandatory
17AG(4)(c)(i)	Chapter 3	Information on the number of SES and nonSES employees covered by agreements etc identified in paragraph 17AG(4)(c).	Mandatory
17AG(4)(c)(ii)	Chapter 3	The salary ranges available for APS employees by classification level.	Mandatory
17AG(4)(c)(iii)	Chapter 3	A description of nonsalary benefits provided to employees.	Mandatory
17AG(4)(d)(i)	N/A	Information on the number of employees at each classification level who received performance pay.	If applicable, Mandatory
17AG(4)(d)(ii)	N/A	Information on aggregate amounts of performance pay at each classification level.	If applicable, Mandatory
17AG(4)(d)(iii)	N/A	Information on the average amount of performance payment, and range of such payments, at each classification level.	If applicable, Mandatory
17AG(4)(d)(iv)	N/A	Information on aggregate amount of performance payments.	If applicable, Mandatory
Assets Management			
17AG(5)	N/A	An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities	If applicable, mandatory
Purchasing			
17AG(6)	Chapter 4	An assessment of entity performance against the Commonwealth Procurement Rules.	Mandatory

PGPA Rule reference	Part of report	Description	Requirement
Reportable consultancy contracts			
17AG(7)(a)	Chapter 4	A summary statement detailing the number of new reportable consultancy contracts entered into during the period; the total actual expenditure on all such contracts (inclusive of GST); the number of ongoing reportable consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST).	Mandatory
17AG(7)(b)	Chapter 4	A statement that 'During [reporting period], [specified number] new reportable consultancy contracts were entered into involving total actual expenditure of \$[specified million]. In addition, [specified number] ongoing reportable consultancy contracts were active during the period, involving total actual expenditure of \$[specified million]'.	Mandatory
17AG(7)(c)	Chapter 4	A summary of the policies and procedures for selecting and engaging consultants and the main categories of purposes for which consultants were selected and engaged.	Mandatory
17AG(7)(d)	Chapter 4	A statement that 'Annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable consultancy contracts is available on the AusTender website.'	Mandatory
Reportable non-consultancy contracts			
17AG(7A)(a)	Chapter 4	A summary statement detailing the number of new reportable non-consultancy contracts entered into during the period; the total actual expenditure on such contracts (inclusive of GST); the number of ongoing reportable non-consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST).	Mandatory
17AG(7A)(b)	Chapter 4	A statement that 'Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of reportable non-consultancy contracts is available on the AusTender website.'	Mandatory
17AD(daa)	Additional information about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts		
17AGA	Chapter 4	Additional information, in accordance with section 17AGA, about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts.	Mandatory

PGPA Rule reference	Part of report	Description	Requirement
Australian National Audit Office Access Clauses			
17AG(8)	Chapter 4	If an entity entered into a contract with a value of more than \$100,000 (inclusive of GST) and the contract did not provide the AuditorGeneral with access to the contractor's premises, the report must include the name of the contractor, purpose and value of the contract, and the reason why a clause allowing access was not included in the contract.	If applicable, Mandatory
Exempt contracts			
17AG(9)	Chapter 4	If an entity entered into a contract or there is a standing offer with a value greater than \$10,000 (inclusive of GST) which has been exempted from being published in AusTender because it would disclose exempt matters under the FOI Act, the annual report must include a statement that the contract or standing offer has been exempted, and the value of the contract or standing offer, to the extent that doing so does not disclose the exempt matters.	If applicable, Mandatory
Small business			
17AG(10)(a)	Chapter 4	A statement that '[Name of entity] supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance's website.'	Mandatory
17AG(10)(b)	Chapter 4	An outline of the ways in which the procurement practices of the entity support small and medium enterprises.	Mandatory
17AG(10)(c)	Chapter 4	If the entity is considered by the Department administered by the Finance Minister as material in nature – a statement that '[Name of entity] recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury's website.'	If applicable, Mandatory
Financial Statements			
17AD(e)	Chapter 4	Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act.	Mandatory
Executive Remuneration			
17AD(da)	Chapter 3 Appendix C	Information about executive remuneration in accordance with Subdivision C of Division 3A of Part 23 of the Rule.	Mandatory

PGPA Rule reference	Part of report	Description	Requirement
17AD(f)	Other Mandatory Information		
17AH(1)(a)(i)	N/A	If the entity conducted advertising campaigns, a statement that 'During [reporting period], the [name of entity] conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available at [address of entity's website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance's website.'	If applicable, Mandatory
17AH(1)(a)(ii)	Chapter 4	If the entity did not conduct advertising campaigns, a statement to that effect.	If applicable, Mandatory
17AH(1)(b)	N/A	A statement that 'Information on grants awarded by [name of entity] during [reporting period] is available at [address of entity's website].'	If applicable, Mandatory
17AH(1)(c)	Chapter 3	Outline of mechanisms of disability reporting, including reference to website for further information.	Mandatory
17AH(1)(d)	Chapter 3	Website reference to where the entity's Information Publication Scheme statement pursuant to Part II of FOI Act can be found.	Mandatory
17AH(1)(e)	N/A	Correction of material errors in previous annual report	If applicable, mandatory
17AH(2)	Chapter 3 Chapter 4	Information required by other legislation	Mandatory

Appendix B: Employee statistics

Table 8: All ongoing employees current report period (2022–23)

	Man/Male		Woman/Female		Non-binary		Prefers not to answer		Uses a different term		Total
	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Total
NSW	10	-	8	4	-	-	-	-	-	-	22
Qld	1	-	7	1	-	-	-	-	-	-	9
SA	3	1	-	1	-	-	-	-	-	-	5
Tas	1	-	-	-	-	-	-	-	-	-	1
VIC	3	-	4	-	-	-	-	-	-	-	7
WA	1	-	2	-	-	-	-	-	-	-	3
ACT	78	1	87	9	-	-	-	-	-	-	175
NT	-	-	-	-	-	-	-	-	-	-	-
External Territories	-	-	-	-	-	-	-	-	-	-	-
Overseas	-	-	-	-	-	-	-	-	-	-	-
TOTAL	97	2	108	15	-	-	-	-	-	-	222

Table 9: All ongoing employees previous report period (2021–22)

	Man/Male			Woman/Female			Non-binary			Prefers not to answer			Uses a different term			Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	
NSW	6	-	6	6	1	7	-	-	-	-	-	-	-	-	-	13
Qld	1	-	1	3	-	3	-	-	-	-	-	-	-	-	-	4
SA	4	-	4	2	-	2	-	-	-	-	-	-	-	-	-	6
Tas	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vic	3	-	3	3	-	3	-	-	-	-	-	-	-	-	-	6
WA	-	-	-	1	-	1	-	-	-	-	-	-	-	-	-	1
ACT	81	1	82	86	9	95	-	-	-	-	-	-	-	-	-	177
NT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
External Territories	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Overseas	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	95	1	96	101	10	111	-	-	-	-	-	-	-	-	-	207

Table 10: All non-ongoing employees current report period (2022–23)

	Man/Male		Woman/Female		Non-binary		Prefers not to answer		Uses a different term		Total
	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Total
NSW	3	-	3	1	-	-	-	-	-	-	4
Qld	-	-	-	-	-	-	-	-	-	-	-
SA	-	-	-	-	-	-	-	-	-	-	-
Tas	-	-	-	-	-	-	-	-	-	-	-
Vic	-	-	-	-	-	-	-	-	-	-	-
WA	-	-	-	-	-	-	-	-	-	-	-
ACT	4	-	4	1	-	-	-	-	-	-	5
NT	-	-	-	-	-	-	-	-	-	-	-
External Territories	-	-	-	-	-	-	-	-	-	-	-
Overseas	-	-	-	-	-	-	-	-	-	-	-
TOTAL	7	-	7	1	1	2	-	-	-	-	9

Table 11: All non-ongoing employees previous report period (2021–22)

	Man/Male			Woman/Female			Non-binary			Prefers not to answer			Uses a different term			Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	
NSW	1	-	1	-	-	-	-	-	-	-	-	-	-	-	-	1
Qld	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tas	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vic	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
WA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ACT	3	-	3	3	-	3	-	-	-	-	-	-	-	-	-	6
NT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
External Territories	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Overseas	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	4	-	4	3	-	3	-	-	-	-	-	-	-	-	-	7

Table 12: APS Act ongoing employees current report period (2022–23)

	Man/Male			Woman/Female			Non-binary			Prefers not to answer			Uses a different term			Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	
SES 3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SES 2	1	-	1	1	-	1	-	-	-	-	-	-	-	-	-	2
SES 1	7	-	7	3	-	3	-	-	-	-	-	-	-	-	-	10
EL 2	23	1	24	22	1	23	-	-	-	-	-	-	-	-	-	47
EL 1	33	1	34	33	6	39	-	-	-	-	-	-	-	-	-	73
APS 6	24	-	24	23	6	29	-	-	-	-	-	-	-	-	-	53
APS 5	4	-	4	12	2	14	-	-	-	-	-	-	-	-	-	18
APS 4	1	-	1	13	-	13	-	-	-	-	-	-	-	-	-	14
APS 3	3	-	3	1	-	1	-	-	-	-	-	-	-	-	-	4
APS 2	1	-	1	-	-	-	-	-	-	-	-	-	-	-	-	1
APS 1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	97	2	99	108	15	123	-	-	-	-	-	-	-	-	-	222

Table 13: APS Act ongoing employees previous report period (2021–22)

	Man/male			Woman/female			Non-binary			Prefers not to answer			Uses a different term			Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	
SES 3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SES 2	1	-	1	1	-	1	-	-	-	-	-	-	-	-	-	2
SES 1	6	-	6	3	-	3	-	-	-	-	-	-	-	-	-	9
EL 2	28	-	28	19	1	20	-	-	-	-	-	-	-	-	-	48
EL 1	28	1	29	40	3	43	-	-	-	-	-	-	-	-	-	72
APS 6	22	-	22	20	4	24	-	-	-	-	-	-	-	-	-	46
APS 5	6	-	6	11	2	13	-	-	-	-	-	-	-	-	-	19
APS 4	1	-	1	7	-	7	-	-	-	-	-	-	-	-	-	8
APS 3	2	-	2	-	-	-	-	-	-	-	-	-	-	-	-	2
APS 2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
APS 1	1	-	1	-	-	-	-	-	-	-	-	-	-	-	-	1
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	95	1	96	101	10	111	-	-	-	-	-	-	-	-	-	207

Table 14: APS Act non-ongoing employees current report period (2022–23)

	Man/Male		Woman/Female		Non-binary		Prefers not to answer		Uses a different term		Total
	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	
SES 3	-	-	-	-	-	-	-	-	-	-	-
SES 2	-	-	-	-	-	-	-	-	-	-	-
SES 1	-	-	-	-	-	-	-	-	-	-	-
EL 2	1	-	1	-	-	-	-	-	-	-	2
EL 1	2	-	-	1	-	-	-	-	-	-	3
APS 6	1	-	-	-	-	-	-	-	-	-	1
APS 5	1	-	-	-	-	-	-	-	-	-	1
APS 4	2	-	-	-	-	-	-	-	-	-	2
APS 3	-	-	-	-	-	-	-	-	-	-	-
APS 2	-	-	-	-	-	-	-	-	-	-	-
APS 1	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-
TOTAL	7	-	1	1	-	-	-	-	-	-	9

Table 15: APS Act non-ongoing employees previous report period (2021–22)

	Man/Male			Woman/Female			Non-binary			Prefers not to answer			Uses a different term			Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	
SES 3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SES 2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SES 1	-	-	-	1	-	1	-	-	-	-	-	-	-	-	-	1
EL 2	-	-	-	1	-	1	-	-	-	-	-	-	-	-	-	1
EL 1	1	-	1	-	-	-	-	-	-	-	-	-	-	-	-	1
APS 6	1	-	1	-	-	-	-	-	-	-	-	-	-	-	-	1
APS 5	2	-	2	1	-	1	-	-	-	-	-	-	-	-	-	3
APS 4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
APS 3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
APS 2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
APS 1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	4	-	4	3	-	3	-	-	-	-	-	-	-	-	-	7

Table 16: APS Act employees by full-time and part-time status current report period (2022–23)

	Ongoing			Non-ongoing			Total
	Full-time	Part-time	Total ongoing	Full-time	Part-time	Total non-ongoing	
SES 3	-	-	-	-	-	-	-
SES 2	2	-	2	-	-	-	2
SES 1	10	-	10	-	-	-	10
EL 2	45	2	47	2	-	2	49
EL 1	66	7	73	2	1	3	76
APS 6	47	6	53	1	-	1	54
APS 5	16	2	18	1	-	1	19
APS 4	14	-	14	2	-	2	16
APS 3	4	-	4	-	-	-	4
APS 2	1	-	1	-	-	-	1
APS 1	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
TOTAL	205	17	222	8	1	9	231

Table 17: APS Act employees by full-time and part-time status previous report period (2021–22)

	Ongoing			Non-ongoing			Total
	Full-time	Part-time	Total ongoing	Full-time	Part-time	Total non-ongoing	
SES 3	-	-	-	-	-	-	-
SES 2	2	-	2	-	-	-	2
SES 1	9	-	9	1	-	1	10
EL 2	47	1	48	1	-	1	49
EL 1	68	4	72	1	-	1	73
APS 6	42	4	46	1	-	1	47
APS 5	17	2	19	3	-	3	22
APS 4	8	-	8	-	-	-	8
APS 3	2	-	2	-	-	-	2
APS 2	-	-	-	-	-	-	-
APS 1	1	-	1	-	-	-	1
Other	-	-	-	-	-	-	-
TOTAL	196	11	207	7	-	7	214

Table 18: APS Act employment type by location current report period (2022–23)

	Ongoing	Non-ongoing	Total
NSW	22	4	26
Qld	9	-	9
SA	5	-	5
Tas	1	-	1
Vic	7	-	7
WA	3	-	3
ACT	175	5	180
NT	-	-	-
External Territories	-	-	-
Overseas	-	-	-
TOTAL	222	9	231

Table 19: APS Act employment type by location previous report period (2021–22)

	Ongoing	Non-ongoing	Total
NSW	13	1	14
Qld	4	-	4
SA	6	-	6
Tas	-	-	-
Vic	6	-	6
WA	1	-	1
ACT	177	6	183
NT	-	-	-
External Territories	-	-	-
Overseas	-	-	-
TOTAL	207	7	214

Table 20: APS Act Indigenous employment current report period (2022–23)

	Total
Ongoing	1
Non-ongoing	1
TOTAL	2

Table 21: APS Act Indigenous employment previous report period (2021–22)

	Total
Ongoing	-
Non-ongoing	-
TOTAL	-

Appendix C: Executive remuneration

During the reporting period ending 30 June 2023, the DTA had 5 executive who met the definition of key management personnel. Names and length of term as key management personnel are provided below.

Table 22: Names and length of term of key management personnel, 30 June 2023

Name	Position	Term as key management personnel
Chris Fechner	Chief Executive Officer	Full year
Wayne Poels	General Manager, Digital Investment Advice and Sourcing	Full year
Lucy Poole	General Manager, Digital Strategy, Architecture and Discovery	Full year
George-Philip de Wet	Chief Operating Officer	Full year
Scott Cass-Dunbar	Chief Strategy Officer	Part year – ceased on 18/07/2022

In notes to the financial statements for the period ending 30 June 2023, the DTA disclosed the following key management personnel expenses.

Table 23: Total key management personnel remuneration for the reporting period

Type of benefit	Amount (\$)
Short-term benefits	
Base salary	1,328,507
Bonus	-
Other benefits and allowances	12,975
Total short-term benefits	1,341,482
Post-employment benefits	
Superannuation	195,782
Total post-employment benefits	195,782
Other long-term benefits	
Long service leave	38,938
Total other long-term benefits	38,938
Termination benefits	54,832
Total key management personnel remuneration	1,631,034

Table 24: Information about remuneration for key management personnel (2022–23)

Name	Position title	Short-term benefits (\$)			Post employment benefits (\$)	Other long-term benefits (\$)		Termination benefits (\$)	Total remuneration (\$)
		Base salary	Bonuses	Other benefits and allowances		Long service leave	Other long-term benefits		
Chris Fechner	Chief Executive Officer	493,679	-	4,432	52,662	14,675	-	-	565,448
Lucy Poole	General Manager, Digital Strategy, Architecture and Discovery	302,828	-	2,919	53,985	8,599	-	-	368,331
Wayne Poels	General Manager, Digital Investment Advice and Sourcing	290,353	-	2,919	52,444	8,599	-	-	354,315
George-Phillip de Wet	Chief Operating Officer	240,550	-	2,705	36,691	7,065	-	-	287,011
Scott Cass-Dunbar	Chief Strategy Officer	1,097	-	-	-	-	-	54,832	55,929
Total		1,328,507	-	12,975	195,782	38,938	-	54,832	1,631,034

Table 25: Information about remuneration for senior executives (2022–23)

Total remuneration bands	Short-term benefits (\$)				Post employment benefits (\$)	Other long-term benefits (\$)		Termination benefits (\$)	Total remuneration (\$)
	Number of senior executives	Average base salary	Average bonuses	Average other benefits and allowances		Average long service leave	Average other longterm benefits		
0–220,000	20	35,172	-	205	6,916	1,559	-	2,742	46,594
220,001–245,000	2	192,125	-	1,329	27,848	5,568	-	-	226,870
245,001–270,000	3	210,983	-	2,274	36,558	5,574	-	-	255,389
270,001–295,000	4	235,914	-	2,136	40,203	5,936	-	-	284,189
295,001–320,000	-	-	-	-	-	-	-	-	-
320,001–345,000	-	-	-	-	-	-	-	-	-
345,001–370,000	2	296,590	-	2,919	53,214	8,599	-	-	361,322
370,001–395,000	-	-	-	-	-	-	-	-	-
395,001–420,000	-	-	-	-	-	-	-	-	-
420,001–445,000	-	-	-	-	-	-	-	-	-
445,001–470,000	-	-	-	-	-	-	-	-	-
470,001–495,000	-	-	-	-	-	-	-	-	-
495,001–520,000	-	-	-	-	-	-	-	-	-
520,001–545,000	-	-	-	-	-	-	-	-	-
545,001–570,000	1	493,679	-	4,432	52,662	14,675	-	-	565,448

Note: This table includes officers in a substantive SES role and officers acting in SES roles for any period during the financial year. For acting roles, the reported amounts reflect remuneration during these periods only.

The DTA had no other highly paid staff in 2022–23.

Appendix D: Glossary and abbreviations

Term	Meaning
APS	Australian Public Service
APSC	Australian Public Service Commission
Australian Government Architecture	A collection of whole-of-government standards, policies, designs and capabilities
CEO	Chief Executive Officer
Cloud	Internet storage and access to data and programs
Digital capability	A conceptual representation of the different functions that government requires to deliver its digital and ICT strategic outcomes
Digital identity	Created after a person's identity is verified online, without the need to visit a government office. A digital identity can be used over and over again to securely and consistently access a range of government services
ICT	Information and communications technology
IIAP	ICT Investment Approval Process
IOF	Whole-of-government Digital and ICT Investment Oversight Framework, which provides a way for the DTA to support the government to manage its digital and ICT-enabled investments, from early planning through to project delivery and realisation of planned benefits
Reuse	Reuse of digital and ICT capabilities is a recognised priority across the APS
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i>
SES	Senior Executive Service
SME	Small to medium enterprise

Appendix E: Alphabetical index

A

abbreviations, 117

Aboriginal and/or Torres Strait Islander employees, 53, 113

accountable authority, 14, *see also* Chief Executive Officer

Accountable Authority Instructions, 44, 46, 63

accountable authority statement, 14

administrative tribunal decisions, 47

advertising and market research, 66

advice to Minister and agencies, 3, 4, 10, 20, 25–33

annual performance statement *see* performance report

architecture (whole-of-government) *see* Australian Government Architecture

artificial intelligence (AI), 3, 18, 24, 39

assurance, 4, 30

Assurance Framework for Digital and ICT Investments, 4, 30

Atkinson, Christopher, 46

Audit Committee, 45–46

audits

- financial statements audit, 68–69
- internal, 47
- myGov user audit, 19–20
- performance audit of DTA, 48–49

AusTender, 35, 63, 65

Australian Bureau of Statistics (ABS) digital transformation, 33

Australian Government Architecture, 3, 16–17, 21, 22, 31, 35

Australian Information Commissioner, 47

Australian National Audit Office, 47

- access clauses in contracts, 65
- financial statements audit report, 68–69
- performance audit of DTA, 48–49

Australian Public Service

- Employee Census, 41, 50
- Job Family Framework, 50
- Net Zero 2030 policy, 56
- Values and Code of Conduct, 44, 51

Australian Public Service Commission capability reviews, 47

Australian Signals Directorate, 5

Australian Taxation Office, 39

availability of services, 35

B

benchmarking

- DTA, 41
- international benchmarking, 20–21
- whole-of-government procurement arrangements, 37

Benefits Management Policy, 29, 32

Budget, 28–29, 33

Budget Estimates, 50

BuyICT platform, 5, 35, 36, 37, 38, 65

C

capability development within DTA, 50, 51

capability reviews, 47

change management, 50–51

Chief Executive Officer, 8, 20, 44, 45
 remuneration, 56
 review by, 3–5
 role, 8

Chief Operating Officer, 9

Comcare, 53

committees (DTA), 44–46

Commonwealth Ombudsman, 47

Commonwealth Procurement: Inquiry into Auditor-General Reports 6, 15, 30, 42 (2021–22) and 5 (2022–23), 49

Commonwealth Procurement Rules, 63

communication with agencies, 29, *see also* stakeholder engagement

compensation claims, 53

consultancies, 63–64

contestability, 4, 28, 29

contract value (government), 37

contracts (DTA), 63–66

corporate governance, 44–47

Corporate Plan, 46

corporate planning and reporting, 46, *see also* performance report

Customer Service Desk, 35

cyber security, 5

D

Data and Digital Government Strategy, 4, 17–18, 20, 21, 23, 25, 26

Data and Digital Ministers Meeting, 18

Data Centre Panel, 4, 34–35, 38

data collection and analysis, 5

de Wet, George-Philip, 7, 9

definitions (glossary), 117

Department of Defence, 39

Department of Finance, 5, 18, 19, 23, 26, 27

Department of Home Affairs, 5, 39

Department of Industry, Science and Resources, 3, 18, 24

digital and ICT investment *see* investment prioritisation

Digital Capability Assessment Process, 28–29, 32

Digital Capability Standards, 28

Digital Government Readiness and Maturity Indicator, 20–21

Digital Identity, 18–19

Digital Investment Overview, 4, 27

Digital Leadership Committee, 17, 20

digital marketplaces, 4–5, 34, 36, 65

Digital Review, 32

Digital Service Standard, 21

digital sourcing, 4–5, 34–39
 IBM, 4–5, 35, 39

Digital Sourcing Network, 5, 36

Digital Transformation Agency
 functions, 6
 functions transferred to other agencies, 5, 19
 key elements of work, vi–vii
 organisational structure, 7
 overview, 3–10
 purpose statement, 6, 14
 role, 6
 strategic objectives, 14

disability reporting, 53

diversity and inclusion, 53

E

efficiencies, 36

employees *see* human resources management

enterprise agreement, 54–55

enterprise architecture *see* Australian Government Architecture

environmental performance
 data centre provider sustainable practices, 38
 DTA, 56–57
Executive Board, 7, 8–9, 44, 46
executive remuneration, 56, 114–116
exempt contracts, 65
expenses for outcome, 62
external scrutiny, 47

F

Fechner, Chris, 7, 8
 CEO's review, 3–5
 see also Chief Executive Officer
feedback processes *see* stakeholder engagement
financial performance
 expenses for outcome, 62
 legal services expenditure, 66
 overview, 60–62
 purchasing and procurement, 63–65
 resource statement, 61
financial statements, 67–93
 audit report, 68–69
fraud control, i, 46–47
freedom of information, 57, 65

G

Gallagher, Senator the Hon Katy, 6, 19
Gaukroger, Allan, 45
General Managers, 8–9
generative AI *see* artificial intelligence (AI)
gifts and benefits policy, 48
glossary, 117

governance
 DTA *see* corporate governance
 ICT *see* Assurance Framework for Digital and ICT Investments
Government Architecture Design Advisory forum, 17,
 see also Australian Government Architecture
greenhouse gas emission management, 38
 DTA inventory, 57

H

human resources management, 40–41, 50–56
 capability development, 50, 51
 change management, 50–51
 diversity and inclusion, 53
 Performance and Development Framework, 50
 recruitment, 40, 54
 remuneration, 55–56
 staff retention and turnover, 40, 54
 staff satisfaction and wellbeing, 41, 52
 staff statistics, 54, 103–113
 training and development, 48–49, 52
 values and behaviours, 44, 51
 work health and safety, 52–53
 workforce planning, 50
 workforce skills analysis, 50
 workplace agreements, 54–55

I

IBM products and services, 5, 35, 39
ICT Investment Approval Process (IIAP), 29, 33, *see also* investment prioritisation
identity verification *see* Digital Identity
Indigenous Procurement Policy, 36, 63
Information Commissioner, 47
Information Publication Scheme, 57
Integrated Digital Investment Plans, 26

Intermedium, 21
 internal audit arrangements, 47
 internal controls improvement, 48
 international benchmarking, 20–21
 Investment Oversight Framework (IOF), 3, 4, 5, 17, 21, 26, 27, 30–32, 41
 investment prioritisation, 4, 25–33

J

Joint Parliamentary Committee of Public Accounts and Audit, 49
 judicial decisions, 47

K

key management personnel, 56
 remuneration, 114–116

L

legal services expenditure, 66
 Lessons Learned documents, 30
 letter of transmittal, i
 life events program, 19

M

machinery of government changes, 5, 54
 Management Framework, 49
 market research, 66
 McKeon, Peter, 46
 McMinn, Janine, 45
 Michelle, Karen, 45
 Minister for Finance, 47
 minister responsible, 6, 47

myGov digital service, 22
 audit, 19–20
 myGovID, 18–19

N

National Greenhouse and Energy Reporting Act 2007, 38
 National Innovation and Science Agenda, 65
 net zero emissions, 35, 38, 56–57
 New South Wales Government, 18
 non-consultancy contracts, 64–65
 non-salary benefits, 52, 54–55
 notifiable incidents (WHS), 53

O

objectives *see* purpose statement
 Ombudsman, 47
 operating result *see* financial performance
 operations *see* real world use of projects
 Organisation for Economic Co-operation and Development (OECD)
 Digital Government Index ranking, 20–21
 Digital Government Policy Framework, 21
 Survey of Digital Government 2.0, 21
 Organisational Performance Framework, 44, 46
 organisational structure, 7
 outcome and program, 10
 expenses for outcome, 62
 resource statement, 61
 see also performance report
 outlook (year ahead), 5
 overview of DTA, 3–10

P

parliamentary committees, 47, 49–50

Performance and Development Framework (DTA workforce), 50

performance audit of DTA procurement, 48–49

performance measures, 15, 16, 17, 20, 25, 27, 28, 30, 31, 34, 36, 40, 41

performance pay, 55

performance report

- statement of preparation, 14
- Strategic objective 1, Lead government's digital transformation strategy, 16–24
- Strategic objective 2, Oversee the short, medium and long-term whole-of-government digital and ICT investment portfolio, 25–33
- Strategic objective 3, Manage whole-of-government digital and ICT strategic sourcing and contracts, 34–39
- Strategic objective 4, Be a valued employer with the expertise to achieve our purpose, 40–41
- summary, 15
- see also environmental performance; financial performance

Poels, Wayne, 7, 9

policies and guidelines (DTA), 44, 46

Poole, Lucy, 7, 8

Portfolio Budget Statement, 46

- outcome and program, 10
- see also performance report

portfolio membership, 6

prioritisation process see investment prioritisation

procurement (DTA), 63–66

- performance audit, 48–49

procurement (government), 5, 34–39, see also BuyICT platform; digital marketplaces; investment prioritisation

program see outcome and program

Protected Utility Blueprint oversight function, 5

Public Governance, Performance and Accountability Act 2013, i, 14, 44, 47, 63, 70

Public Governance, Performance and Accountability Rule 2014, i

Public Service Act 1999, 44

- s 24(1) determinations, 56

purchasing and procurement (DTA), 63–66

purpose statement, 6, 14

Q

quantum computing, 39

R

real world use of projects, 5, 26

Reconciliation Action Plan, 53

recycling, 56

register of declared interests, 48

related party disclosures, 90

remuneration, 55–56

- Audit Committee, 45–46

- executives and key management personnel, 56, 114–116

resource statement, 61

reuse, 6, 10, 22, 25, 34–35, 39

risk management, 46–47, 48

role and functions

- CEO, 8

- DTA, 6

- functions transferred to other agencies, 5, 19

S

salaries *see* remuneration

savings, 36

Secretaries' Board, 20

Secretaries' Digital and Data Committee, 17, 20, 27, 32

Senate Estimates, 50

senior executive remuneration, 56, 114–116

service availability, 35

Services Australia, 19–20, 39

Shorten, the Hon Bill, 19

small to medium enterprises participation in procurement, 36, 65–66

sourcing advice *see* digital sourcing

staff *see* human resources management

stakeholder engagement, 10, 29, 31, 33, 41

strategic objectives, 14

strategic planning (government), 4, *see also* Data and Digital Government Strategy

study assistance, 52

surveys, 5, 26, 29, *see also* stakeholder engagement

sustainable practices, 38

T

terminology (glossary), 117

training and education improvement, 48–49

Trusted Digital Identity Framework, 18–19

V

values, 44, 51

W

waste management, 56

website address (DTA), 57

whole-of-government arrangements *see* Australian Government Architecture; digital sourcing; Investment Oversight Framework (IOF)

work health and safety, 52–53

workers compensation claims, 53

workforce *see* human resources management

workplace agreements, 54

Y

year ahead, 5

