

## **Preamble**

Both Departments agree to establish a shared services centre for the provision of shared corporate services. The new shared services centre will be the creation of, and service provider for both Departments.

Both Secretaries will be represented on the Shared Services Governance Committee for the centre, which will be created by the end of January. The Shared Services Centre will have its own Chief Executive Officer (CEO), who will lead the development of its business ethos and operating model, its culture, values and accountability structures. Its aim will be to be at the top of the field in the provision of shared services, operating at world's best standard.

The new Shared Services Centre will have its own headquarters, close to but separate from each Department.

[Deputy Secretaries appointed by each Secretary] will steer the creation of a governance process to implement these arrangements, including the creation of the Shared Services Governance Committee and the recruitment of an interim and then substantive CEO.

## **Description**

As outlined in the preamble we will establish a Shared Service Centre to provide corporate and IT services to both Departments.

This new Shared Services Centre will be managed via a joint governance committee, serve other organisations on a purchase of service basis and will develop a priority and service culture based on excellence – “best in service, world class service.”

It will continue service provision to the MOU clients which the former DEEWR supported, portfolio and non-portfolio agencies, focussing on service continuity for them as well as Employment and Education. It will have potential to provide corporate services more broadly should other agencies be interested in joining.

## **Heads of Agreement and Implementation**

The Departments will jointly establish a new Shared Services Centre.

The governance committee for the centre will comprise Employment and Education Secretaries, a client agency representative and an independent member. The Australian Public Service Commission and the Department of Finance will also be invited to become members of the governance committee. The Chief Executive Officer (CEO) will be an ex officio member. The Employment Secretary will chair the governance committee and the CEO will be an employee of the Department of Education. The new centre to be fully operational from 1 July 2014.

Establishment and risk plans, staffing and business model planning will be prepared for the Shared Services Centre from early in 2014, led by the interim CEO under the guidance of the Shared Services Governance Committee.

Services to be provided by the shared services centre will include a range of the former DEEWR corporate and shared functions.

By agreement of the Secretaries of Education and Employment, staff of the Shared Services Centre will be under the direction of the CEO. The CEO's operational and staffing budgets will be his or her responsibility. Accountability for the CEO's performance will be both to the Shared Services Governance Committee and, by way of a performance agreement, to both the Secretaries of Employment and Education jointly.

Principles applying to the Shared Services Centre include:

- Any policy changes to either department impacting on the size of their required Corporate service will be the responsibility of the impacted department to manage in collaboration with the other department via the established governance mechanisms
- Any whole of Government efficiency dividend will be applied proportionately via a decision of the Shared Services Governance Committee
- The SES in the Shared Services Centre are currently all on DEEWR s24(1) agreements and we will give the CEO of the Shared Services Centre the capacity to manage SES within the Shared Services Centre on the same performance management arrangements.
- The intention of both Secretaries is to maintain consistent remuneration arrangements and performance management arrangements for staff within the Shared Services Centre.

### **Shared Services Functions**

- IT – infrastructure
- IT – corporate systems
- Payroll
- Finance services
- Property services
- Theatre/events, etc
- Library
- Investigations
- Contact Centres
- PWS/PDMS
- Service Desk and Switchboard
- Program management office, IT workforce capability, Project Management Service Support.