

PROTECTED CABINET

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Strategic Priorities

1. Overarching Strategic Environment

s. 22(1)(a)(ii)

3. Immigration

s. 22(1)(a)(ii)

1. Overarching Strategic Environment

Australia's security environment is evolving and we face a range of challenges across all of our areas of responsibility.

Foreign interference and espionage is our primary security threat – and Australia is the target of sophisticated and persistent activity from nation states. They do this primarily for political and economic leverage, with some actors pre-positioning for higher-end acts of sabotage and destruction (and the ability to coerce Australia accordingly). We have severe challenges in trying to mitigate those threats, particularly as the open and inclusive nature of our systems, institutions and communities make us particularly vulnerable to exploitation. s. 34(1)(a), s. 34(2)

However, technological advancements and increasingly proficient mis- and dis-information powered by Artificial Intelligence (AI) will make it challenging to stay ahead of threat actors and we will likely continue to be behind the curve. Greater awareness raising with key sectors, and better coordination nationally and internationally (including on attribution) are needed to keep pace.

The online environment is the most challenging vector for both espionage and criminal activity at scale – making cyber security across all parts of the economy a major priority. Some businesses and individuals do not take cyber security seriously enough or feel disempowered to adequately protect themselves from the evolving cyber threat landscape. Not doing the basic things to make it harder for cyber criminals and state-based actors to infiltrate systems is often at the heart of the problem. In the last year, Australia has suffered some of its largest data breaches as a result of cyber security incidents, and that trend will likely continue as technology and the digital economy continue to be even more integral to our lives, despite improved coordination under the leadership of the National Cyber Security Coordinator and closer partnerships with industry. The democratisation of sophisticated cyber techniques (once the domain of nation states), and AI-powered tools make the problem worse. As we have seen around the world, cyber-attacks can also have 'real world' consequences—shutting down Government services or disrupting critical infrastructure providers, like telecommunications or energy. Government and industry alike must be prepared to effectively respond to and rapidly bounce back from cyber security incidents when they happen—because they will continue to happen. Cyber security is everyone's business, and our public-private partnerships will be fundamental to achieving whole-of-economy uplift. The 2023-2030 Australian Cyber Security Strategy is putting in place a range of conditions necessary for us to drive the whole-of-economy changes needed, including through cyber security legislation, but implementation is key. s. 33(a)(i)

A centrepiece of making our economy harder to compromise is the work that we are doing on critical infrastructure. Through the implementation of preventative and response measures under the *Security of Critical Infrastructure Act 2018* across eleven sectors of the Australian economy and enhanced cyber security requirements for 168 Systems of National Significance, we have the levers in place to drive industry uplift in the most critical sectors. The legislative architecture that we have in place is genuinely world-leading and many countries look to us as an exemplar. But the changes required are difficult for industry partners to introduce – they require boards to prioritise security over profit margins, and often necessitate upgrades to legacy infrastructure or the way that companies operate their businesses. Through our Trusted Information Sharing Network and Critical Infrastructure Advisory Council, we have built world leading partnerships with industry to build best practice and a network used, for instance during the recent CrowdStrike software outage. We have built the conditions for success and need to double-down on those to continue to push industry in the right direction.

Ensuring that the next generation of technologies that we will rely upon are secure-by-design is also critical, so that we do not need to pull major levers and impose major market corrections for security reasons. The work that we are doing now to safeguard AI, smart city technology, future telecommunications technologies, bio-technology and quantum computing and protect the institutions developing those technologies will enable us to mitigate future vulnerabilities. s. 47E(d)

Outside of the threats we face from nation states, we are also dealing with an evolving community safety and counter-terrorism environment; exacerbated by decreasing social cohesion, decreasing confidence in government and institutions, and strong community reactions to international events. International and domestic interventions to counter religiously-motivated violent extremism have been largely successful, but politically and ideologically motivated violence is increasing. Instead of organised groups planning large-scale attacks, we now face a threat that involves a potentially increasing number of disturbed individuals motivated by multiple external factors to perpetrate violence in the community or against government targets. The diffuse nature of this threat is extremely hard to detect and harder to prevent.

s. 47C(1)

Effective national coordination between the Commonwealth and jurisdictions will be important, but the most critical component will be early intervention programs in communities, investment in mental health and education, which are needed to fix underlying issues in the community and target the root causes of societal fragmentation and eventual violence.

s. 47C(1)

Our migration system is a strategic asset that can be harnessed to support Australia's ability to deal with these crises. If properly managed, it can boost Australia's economic growth and social cohesion. The Government's Migration Strategy sets us on a path to return migration levels to a sustainable footing, ensure that we are targeting skill gaps in the Australian economy, mitigating misuse of the visa system, providing pathways for key international partners and improving the efficiency of the system as a whole. These steps could genuinely power Australia's transition to net zero, bolster industries that lack the requisite workforce, boost productivity and harmonise our culturally and linguistically diverse communities.

s. 47E(d)

Like immigration, the ability to efficiently and quickly process people and goods at the border is key to Australia's economic success – particularly in a world where supply chains are disrupted by conflict and geostrategic competition. Since the 2020 COVID-19 pandemic, we have seen a dramatic increase in

volume at the border, which the Australian Border Force has not been able to match through traditional approaches. We cannot keep attempting to grow the size of the workforce dealing with border management to meet the increasing challenges, and we need to meet these trends with modern (and predominantly technological) solutions. s. 47E(d), s. 33(a)(i)

Securing a longer term investment strategy, including the appropriate sequencing of sustainment will pay dividends. Similarly, we need to continue to invest in our ability to secure our civil maritime domain. Australia has one of the largest and most challenging civil maritime border environments in the world, consisting of 37,000 kilometres of coastline, much of which is in remote regions, an offshore zone covering 10 million square kilometres of ocean, and more than 60 international seaports.

s. 33(a)(i)

A key theme across all of the issues we are grappling with is that the Commonwealth does not hold the levers to mitigate threats and risks directly. We need to work in partnership with other Portfolios, government agencies, with businesses and with communities to have the effect we desire. Solving national security issues are no longer solely the provenance of national security agencies, and we need to be prepared to share more and partner better to make changes.

One of the things that equips us well to handle the challenges we face is the passion of our staff, and their connection to mission. We will continue to prioritise our resources against the highest areas of risk, manage our capital investment and be fiscally disciplined. In tandem, we will continue to pursue the long-term journey we have set for ourselves to change the culture of the organisation and build the capability that will enable us to succeed.

3. Immigration

s. 22(1)(a)(ii)

Reforming the migration system

Migration is central to Australia's national story and identity and has helped Australia tackle national challenges and build prosperity and security. Over the coming decades, Australia's migration system will need to maintain migration at sustainable levels, while being flexible and responsive to challenges. These include declines in productivity growth and labour force participation, labour shortages, ageing population, global competition for highly skilled migrants, and the changing nature of work itself. At the same time, the migration system itself depends on public confidence as a key enabler.

The current Government has taken substantial progress toward setting a strategic roadmap to reform the migration system into one that can meet challenges and harness the opportunities of the future. The 2023 *Review of the Migration System* led by Dr Martin Parkinson AC PSM found that Australia's migration program was not fit for purpose to deliver on the opportunities and challenges of the future. The reviewers found that the objectives of the program are unclear, and successive governments and policymakers have responded to challenges through piecemeal reforms which have not addressed fundamental underlying issues. Further, the Review found that Australia now has a migration program that fails to attract the most highly skilled migrants and fails to enable business to efficiently access workers. At the same time, there was clear evidence of systemic exploitation and the risk of an emerging permanently temporary underclass. Cumulatively, these factors erode public confidence in the migration system.

Following adverse media reporting on the abuse of migrant workers, Ms Christine Nixon, AO, APM, was appointed by the Minister for Home Affairs, Clare O'Neil MP on 16 January 2023 to undertake a *Rapid Review into the Exploitation of Australia's Visa System* (the Nixon Review). The Review found that gaps and weaknesses in Australia's visa system were allowing sexual and migrant worker exploitation, human trafficking and other organised crime, as well as misconduct by Registered Migration Agents (RMAs).

The Migration Strategy, informed by the Migration and Nixon Reviews, and released on 11 December 2023, outlines the Australian Government's commitment to build a migration system that matches the needs of the nation, delivering for Australia and migrants, underpinned by strengthened integrity. It contains 23 new policy commitments and 7 areas for future reform.

The Migration Strategy includes five core objectives to underpin Australia's migration system and help build a more prosperous and secure Australia:

- **Raising living standards** by boosting productivity, meeting skills shortages and supporting exports
- **Ensuring a fair go in the workplace** by complementing the jobs, wages and conditions of domestic workers and preventing migrant worker exploitation
- **Building stronger communities** by better planning for sustainable migration, and giving migrants the opportunity to invest in their lives in Australia through permanent residence and citizenship
- **Strengthening international relationships** by building stronger economic and social connections with our regional neighbours and international partners
- **Making the system work** by being fast, efficient and fair for migrants and employers.

Collectively, this will re-build confidence and trust in the migration system that supports Australia's national interest, underpinned with integrity.

A significant number of actions have been undertaken to implement the Migration Strategy, with more work in progress to implement Government commitments in 2024:

- **Targeting temporary skilled migration to address skills needs and promote worker mobility** by:
 - o Implementing the Skills in Demand visa by the end of 2024.
 - o Jobs and Skills Australia are consulting on a draft Core Skills Occupation List to underpin the Core Skills pathway of the new Skills in Demand visa.
 - o Indexation of income thresholds, further streamlining of market labour testing and establishment of a modernised sponsorship accreditation pathway are on track to be implemented in mid to late-2024.
- **Reshaping permanent skilled migration to drive long-term prosperity** by:
 - o Publishing a discussion paper in April 2024 on reform of the skilled visa points test to drive long term prosperity, supported by consultation with states and territories and key stakeholders.

- o Permanent closure of the Business Innovation and Investment Program in July 2024 to new applications.
- o Commencement of the new National Innovation visa in late 2024 for migrants who can drive growth in sectors of national importance.
- **Strengthening the integrity and quality of international education.**
 - o A range of new measures have been implemented to bolster the Department's student visa integrity capability, including a new Genuine Student requirement, restrictions on visa hopping, and higher English language proficiency requirements, and strengthening powers to issue suspension certificates to high-risk education providers, and changes to the Temporary Graduate visa.
- **Tackling worker exploitation and the misuse of the visa system.**
 - o Implementation of a public register of approved sponsors is on track to be implemented by the end of 2024, in line with the new Skills in Demand visa.
 - o Commenced work with the Australian Tax Office to design a data-matching arrangement that will detect unscrupulous employers who may be underpaying, or otherwise exploiting, temporary skilled visa holders.
 - o Commenced development of an information and education package to empower migrant workers through provision of accurate and appropriate information about workplace safeguards, protections and compliance measures related to migration rules.
- **Planning migration to get the right skills in the right places**
 - o From 2025–26, the Migration Program will move to a multi-year planning model for migration, with greater collaboration with states and territories.
 - o Public consultation on the size and composition of the first four-year cycle (covering 2025–26 to 2028–29) will commence later this year.
- **Supporting regional Australia and its workers**
 - o In June 2024, Government published a discussion paper – 'Supporting strong and sustainable regions – Review of Regional Migration Settings', with public submissions closed on 26 July 2024. Further regional consultation is underway.
- **Simplifying the migration system to improve the experience for migrants and employers**
 - o Skilled, family, visitor and student visa reforms will result in the reduction of the number of visa subclasses by 20 in 2024 and 2025.

In addition, Government is delivering on its commitment to restore integrity to the migration system under the Government response to the Nixon Review (released 4 October 2024), to address migrant worker exploitation, and pursue reforms to prevent, deter and sanction individuals who seek to abuse Australia's visa system to exploit vulnerable migrants. This work serves as the foundational integrity improvements on which the Migration Strategy reforms will be built. Key actions and achievements include:

- Re-establishment of a centralised immigration compliance function within the Department (November 2023) to ensure migrant worker protections and employer compliance monitoring.
- Reforms to Australia's Protection visa system (announced 5 October 2023) to significantly reduce processing times and remove incentives for misuse by those seeking to extend their stay in Australia to work.
- Significant whole-of-government measures to strengthen the integrity and quality in Australia's international education sector.
- Commencement of the Strengthening Employer Compliance Act 2023 on 1 July 2024, including new criminal offenses for using a person's immigration status to exploit them in the workplace, a prohibition measure and increased penalties and compliance tools for the ABF to change employer behaviours.

s. 47C(1)

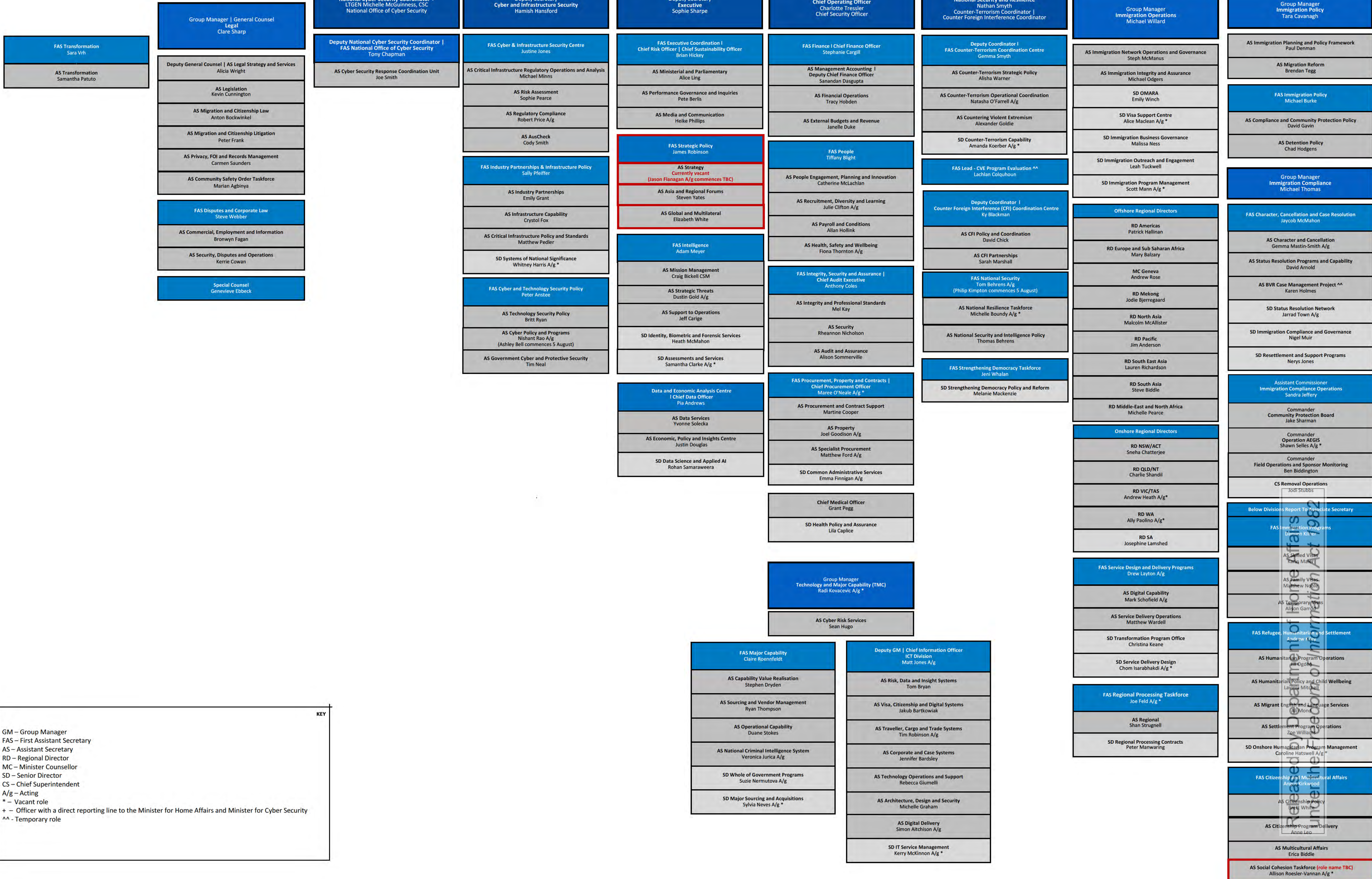
Taken together, these two significant packages of reforms comprise a complex program of work which the Department is managing through a Transformation Program Office. Work is also underway to continue to

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build the immigration policy capability necessary to ensure the system delivers in the national interest over the longer term. s. 47C(1)



Secretary Stephanie Foster PSM

Associate Secretary
Immigration
Emma Cassar

KEY

GM – Group Manager
 FAS – First Assistant Secretary
 AS – Assistant Secretary
 RD – Regional Director
 MC – Minister Counsellor
 SD – Senior Director
 CS – Chief Superintendent
 A/g – Acting
 * – Vacant role
 + – Officer with a direct reporting line to the Minister for Home Affairs and Minister for Cyber Security
 ^^ - Temporary role

Deputy Commissioner
Strategy and Capability
Kaylene DaleFirst Assistant Secretary
Strategy and Policy
Tharanie VithanageCommander
Governance and Strategic Partnerships
Ben EvansAssistant Secretary
Strategy, Capability and Investment
Andrew TankeyAssistant Secretary
Customs and Trade Policy
Kimberlee ClydesdaleAssistant Secretary
Traveller Policy and Modernisation
Alice StanleyAssistant Secretary
Customs and Border Modernisation
Ashley Bell

(Vacant from 2 August – acting arrangements TBC until Aaron O'Neill commences- expected 2 September)

First Assistant Secretary
Civil Maritime Capability
Nicole SpencerCommander
Civil Maritime Sustainment
Jeffie KaineAssistant Secretary
Civil Maritime Strategy and Policy
Rebecca Tanaskovic A/g *Senior Director
Civil Maritime Acquisitions
Ben Zacny A/g *Outsourced Provider
Civil Maritime Capability PMOAssistant Commissioner
Workforce, Safety and Assurance
Kylie RendinaCommander
Workforce Planning and Management
Lidia EllenbergCommander
Workforce Operational Policy and Practices
Linda CappelloCommander
Safety Capability and Support
Claire HalimCommander
ABF College
Jason ReganCommander
Chief of Staff ^ | Government Relations
David CoylesChief Superintendent
Workforce Transformation Management Office ^^
Roderick Thiele A/g *Deputy Commissioner
Regional Operations
Vanessa Holben PSMAssistant Commissioner
North
James Copeman A/gCommander
Operations QLD
James Ley A/gChief Superintendent
Operations NT
Tracie GriffinAssistant Commissioner
East
Rosemaree Cracknell A/g *Commander
Travel East
Graeme Campbell A/gCommander
Trade East
Asha Patwardhan A/g *Assistant Commissioner
South
James WatsonCommander
Travel South
Chris HolzheimerCommander
Trade South
Clint SimsAssistant Commissioner
West
Chris WatersCommander
Operations West
Ranjeev MaharajChief Superintendent
Operations SA
Bart EnglandAssistant Commissioner
Onshore Detention
Sarah NicolsonCommander
Detention Operations
Budhy TanddoChief Superintendent
Detention Governance, Strategy and Standards
Shabeena DavisChief Superintendent
Detention Contract Management
Fernando BahamondesDeputy Commissioner
National Operations
Tim FitzgeraldAssistant Commissioner
Customs Compliance, Enforcement and Targeting
Tony SmithCommander
Customs and Trade Compliance
Asha Rajah-ClarkeCommander
Border Targeting
Penny SpiesCommander
Customs Enforcement
John TaylorCommander
Compliance, Operations and Delivery
Ken McKernAssistant Commissioner
Operational Coordination and Planning
Sharon HueyCommander
ABF International
Claire ReesCommander
ABF Planning and Preparedness
Claudine CrossCommander
ABOC
Nerida ByrneCommander
Technical Support to Operations
Bjorn RobertsCommander
Border Systems and Program Management
Belinda ConnCommander
Maritime Border Command and
Operation Sovereign Borders
RADM Brett Sonter**Chief of Operations**
Commodore Troy Van TienhovenDeputy Commander
OSB JATF
Mark WhitechurchDeputy Commander
MBC
Neil HorneDeputy Commander
Marine Deployments and Support
Sally McAuliffeChief Superintendent
JATF OSB Operations and Coordination
Mel StewartIllicit Tobacco and E-Cigarette Commissioner +
Erin Dale A/g*Commander
Illicit Tobacco & E-Cigarette Governance, Strategy and Reporting ^^
Fatime Shyqyr

KEY

A/g – Acting

A/g * - Vacant role

^ – Reports directly to the Commissioner ABF

+ – Officer with a direct reporting line to the Minister for Home Affairs

^^ – Temporary role only

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Immigration Group Overview

Immigration Group is responsible for the delivery of Australia's immigration and citizenship programs, as well as multicultural affairs, and compliance by non-citizens with their visa conditions and any requirements to depart Australia. Within the delivery of these programs, the group also provides enabling functions such as policy, program management and integrity, systems management and updates, as well as client engagement and management of call centre and service delivery partner contracts.

Immigration Program

Australia's immigration program is broad and includes several specific visa programs across temporary visitor, student and work visas, permanent skilled and family visas and refugee and humanitarian visas – along with an extensive bridging visa program to ensure non-citizens remain lawful while resolving their status. Each visa program has a specific purpose, and in delivering these programs, we have complementary objectives:

- facilitate the entry and stay of those who legitimately seek to visit, study, work, be reunited with family, or obtain protection; and
- Prevent the entry or stay of non-citizens attempting to disguise their identity or intentions, or who otherwise pose a risk to the security or safety of the Australian community or to the national interest.

Every visa applicant must meet health, character and security requirements and Immigration Group has several functions dedicated to the management of these elements.

Non-citizens can seek merits review of visa cancellation or refusal decisions at the AAT. Immigration Group has a role to play in providing visa decision documentation to the AAT, and actioning decisions that require further visa processing. The immigration program is broken up into two components – the Migration Program and the Temporary Visa Program.

Migration Program

The permanent Migration Program is comprised of three streams: Skilled, Family and Special Eligibility. The size and composition of the program is set annually by government, informed by consultation with state and territory governments, academia, industry, unions and community organisations.

The 2024-25 program has been set at 185,000 places, with the following composition:

- **Skilled stream** (132,200 places, approximately 71% of the program) – this stream has been designed to improve the productive capacity of the economy and fill skill shortages in the labour market, particularly those in regional Australia.
- **Family stream** (52,500 places, approximately 28% of the program) – this stream is predominantly made up of Partner visas, enabling Australians to reunite with family members from overseas and provide them with pathways to citizenship.
- **Special Eligibility stream** (300 places) – this stream covers visas for those in special circumstances, including permanent residents returning to Australia after a period overseas.

Temporary visa Program

Australia's temporary visa programs allow people to come to Australia for specific purposes, including to visit, study and work. These temporary visa programs deliver substantial economic and cultural benefits for both migrants and Australians. In particular, the student and visitor visa programs are key enablers to Australia's international education and tourism sectors.

While most temporary visa holders depart Australia after their initial period of stay, a portion apply for an extension of temporary stay, while others opt for permanent stay through the Migration Program.

Bridging visas allow visa holders to stay lawfully in Australia while waiting for the Department's outcome of their visa application or review of a visa decision.

Key temporary visa programs

- **Visitor visas** enable tourists and business visitors to travel to Australia for a temporary purpose. The department finalised over 5.2 million visitor visas in 2023-24.
- **Student visas** enables genuine students from overseas to study at an Australian educational institution. The department finalised approximately 688,000 student visas in 2023-24.

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- **Working holiday maker visas** promote cultural exchange and boost people-to-people connections between young adults from Australia and partner countries. The department finalised close to 230,000 working holiday maker visas in 2023-24.
- **Temporary skilled visas** enable overseas workers to come to Australia and fill temporary shortages in our labour market. The department finalised close to 107,000 temporary skilled visas in 2023-24.
- **Other temporary skilled visas** include special category visas for New Zealand citizens and specialist programs such as the (now closed) Pandemic Event Visa. The department finalised almost 2.4 million other temporary visas in 2023-24.
- **Bridging visas** are usually granted in associated with a substantive visa application, to keep a person lawful in Australia while a new visa application is processed. As at 30 June 2024, close to 323,000 people held a bridging visa.
- **Temporary migrants** are a major source of permanent Skilled stream visa applications, with a number of visas providing a pathway from temporary to permanent residence for those who have demonstrated their ability to contribute to the Australian economy.

Humanitarian Program

Australia has a generous Humanitarian Program (20,000 places) that enables us to help refugees and people in humanitarian need inside and outside Australia. In 2024-25, the Humanitarian program is set to 20,000 places, replicating the allocation for 2023-24.

The **offshore** component of the Humanitarian Program prioritises humanitarian entrants and refugees of nationalities from three major regions:

- the Middle East, such as Iraq, Syria and Iran
- Asia, such as Myanmar and Afghanistan
- Africa, such as Burundi, the Democratic Republic of the Congo, Eritrea, Ethiopia, Somalia, South Sudan and Sudan.

The **onshore** component of the Humanitarian Program is delivered through the Protection visa program (see separate brief on Protection visas).

Citizenship Program

The most common way of becoming an Australian citizen is through the conferral pathway, which accounts for over 90% of applications in a given year. Applications for Australian citizenship generally fall within four categories;

- conferral (for permanent residents seeking to become Australians)
- descent (for children of Australian citizens, born overseas)
- adoption (for children adopted from overseas by Australian parents)
- resumption (for former Australian citizens)

In 2023-24, more than 230,000 people applied for Australian citizenship by conferral, an increase of 47% from the previous year.

The increase was driven by the new direct pathway to Australian citizenship for New Zealanders, which commenced 1 July 2023 and over 60,000 New Zealanders have applied.

Although finalisation rates were largely steady year-on-year (193,000 in 2023-24), the on-hand caseload grew by 48%, from 79,548 on 30 June 2023, to almost 118,000 on 30 June 2024 - driven by the twin pressure of increased lodgements and reduced 'front-line' staffing in response to departmental budget constraints.

As a result, processing time has also increased, with 90% of applications finalised within 10 months as at June 2024 (against a performance target time of 90% within 6 months).

Citizenship by conferral requires the person to attend an Australian Citizenship Ceremony in order to acquire citizenship. The department works closely with 537 local government authorities to delivery citizenship ceremonies and celebrates Australian Citizenship Day on 17 September each year. This year is the 75th anniversary of Australian Citizenship.

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The number of approved applicants waiting to attend a ceremony is at the lowest level in more than 3 years, at just over 43,000 on 30 June 2024, and over 90% of those waiting having waited less than 6 months from date of approval.

Compliance Program

The Department has recently brought together functions from the Australian Border Force (including the ABF Intelligence function) into Immigration Group to better align and integrate activity, and enhance collective effort – especially on migrant worker exploitation, community protection, and other malicious activity conducted by, or targeted against, non-citizens in Australia.

Status Resolution Program

The Department's Status Resolution program assists non-citizens who require assistance to resolve their immigration status. Officers working in the Status Resolution program engage with non-citizens to promote self-agency, assisting individuals to self-resolve their immigration status in a timely and appropriate manner.

While the department encourages people to resolve their immigration status as quickly as possible, some non-citizens do not engage and become unlawful (referred to as unlawful non-citizens (UNCs)). Latest figures suggest there are around 70,000 UNCs in the community – this figure has remained relatively stable over the past decade (with the exception of the COVID-affected years).

Individuals – including those who are unlawful non-citizens due to cancellation or expiry of their visa – may enter the Status Resolution program by voluntarily approaching the Department seeking assistance to resolve their immigration status or through location and enforcement activities conducted by the ABF and/or police.

A person's immigration status is considered resolved if they are granted a substantive visa (any visa other than a bridging visa), citizenship or they depart Australia.

Visa Cancellation Program

All persons who wish to travel to, enter or remain in Australia must meet the requirements of the *Migration Act 1958* and the *Migration Regulations 1994* and are subject to health, identity, character and security checks. These checks may be repeated when new information comes to light, or at any time during the person's journey to or stay in Australia.

In addition to the capacity to cancel visas and refuse visa applications or entry to Australia, the visa cancellation framework supports the Department's core objectives of ensuring the integrity of Australia's borders and visa programs.

Immigration Compliance Operations

The Department and Australian Border Force (ABF) manage immigration risks across a continuum – from an individual first engaging the Department or ABF, to making a visa decision, approving uplift ahead of the border with airlines, making a decision at the border and then finally post-border compliance and enforcement activity. The immigration system is complex and efforts are always focused on identifying risk and treating that risk at the most effective part of the continuum.

The Department's immigration structure integrates activity, to enhance collective effort across the immigration continuum. The range of operational activity managed under the immigration program includes field operations, removals, detentions, investigations, regulation monitoring, compliance, community protection, engagement and education.

Multicultural Affairs

More than half of Australian residents (51.5 per cent) were either born overseas or have at least one parent born overseas. The Department drives delivery of multicultural policy and program settings, community engagement via the Community Liaison Officer (CLO) network, and supports the Minister's engagement via meetings and community events.

The Department's CLO network supports Australia's vibrant multicultural society by building and maintaining relationships with a wide range of cultural, ethnic and faith communities. It consists of 50 regionally based staff, who drive engagement to understand community sentiment, improve understanding of Government programs and policies, and provide a feedback loop to the Government on challenges to social inclusion and barriers to participation.

- In 2023-24, the CLO network undertook more than 8,700 engagements with community stakeholders.

On 24 July 2024, Minister for Immigration Citizenship and Multicultural Affairs (MICMA) released the Multicultural Framework Review (MFR) report, and Government Response. To complement the release of

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these documents, the Minister announced budget measures totalling \$104 million, including \$85.8 million of community grant programs.

Administrative Appeals Tribunal (AAT)

Non-citizens can seek merits review of visa cancellation or refusal decisions at the AAT. The AAT provides independent merits review of decisions made under Commonwealth law, and must comply with relevant ministerial directions.

The AAT can exercise all the powers and discretions available to the original decision-maker and we has the power to:

- affirm a decision
- vary a decision
- set aside a decision and substitute a new decision, or
- remit a decision to the decision-maker for reconsideration.

The Minister has existing powers under the Migration Act 1958 to set-aside decisions made by the AAT to set-aside the cancellation or refusal of a visa (meaning that a visa is again cancelled or refused).

On 16 December 2022, the Australian Government announced that it would reform Australia's system of administrative review. The reforms will abolish the AAT and replace it with the Administrative Review Tribunal (ART), a new federal administrative review body that is user-focused, efficient, accessible, independent and fair.

The ART is set to commence on 16 October 2024 and the department is working closely with the Attorney General's department to support implementation and transition to the new body. The ART will allow for a greater range of flexible hearing powers to be used in migration cases to ensure timelier finalisation of matters, particularly those involving manifestly unfounded claims.

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Stephanie Foster PSM

Secretary

Stephanie Foster PSM was appointed as Secretary of the Department of Home Affairs on 28 November 2023.



Stephanie joined the Department of Home Affairs in October 2022 as Associate Secretary Immigration. Stephanie led the delivery of Immigration Operations, Immigration Policy, Refugee Policy and Programs, Citizenship and Multicultural Affairs, Legal and Service Design and Delivery Programs.

Prior to this, Stephanie was Deputy Secretary Governance at the Department of the Prime Minister and Cabinet in December 2017, where she was responsible for the effective operations of the Executive Branch of Government, management of Cabinet and Cabinet Committees, and advancing the Government's legislative program.

In 2021, Stephanie led a review into practices in parliamentary workplaces related to serious incidents and subsequently implemented recommendations, including the establishment of the Parliamentary Workplace Support Service. Stephanie also implemented Government recommendations in the Set the Standard: Report on the Independent Review into Commonwealth Parliamentary Workplaces aimed at making Commonwealth parliamentary workplaces safer and more respectful.

Stephanie began her journey in the APS in 1987 as a graduate at the Defence Signals Directorate where she went on to spend 16 years working in a range of analytic and management roles. Stephanie spent four years as First Assistant Secretary of Defence's International Policy Division, providing policy support to overseas operations in Iraq, Afghanistan, Solomon Islands and East Timor, and managed the Defence Cooperation Program and the Global Network of Defence Attachés.

Stephanie has a Bachelor of Arts (Honours) from Monash University. Stephanie was awarded the Public Service Medal in 2008 for her policy support to Australian Defence Force deployments overseas, and the French Officier de l'Ordre National du Merite in 2010 for her work to develop defence relations between France and Australia.

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Michael Outram APM

Commissioner

Michael Outram APM was sworn in as the Commissioner of the Australian Border Force (ABF) on 14 May 2018.

Michael joined the Australian Customs and Border Protection Service on 9 March 2015 and was sworn in as the ABF's Deputy Commissioner Operations on 1 July 2015.



Michael has 44 years of experience in a diverse range of law enforcement organisations and settings, including community policing, intelligence operations, protective and major event security, public order management, the investigation of serious crime and border management.

Between 2011 and 2015, as an Assistant Commissioner with the Australian Federal Police (AFP), Michael was responsible for the AFP's national protective security function. During this time Michael led the AFP's planning and support for the G20 Summit in Brisbane and the AFP's response to the downing of Malaysian Airlines Flight 17 over the Ukraine.

Michael joined the AFP from the Australian Crime Commission (ACC). In 2004, Michael was appointed as the ACC's Executive Director, Serious and Organised Crime and he was responsible for the national and international investigative and intelligence functions of the Agency.

Michael's career in Australia started in 2002 at the Independent Commission Against Corruption in New South Wales. His migration to Australia followed a secondment in 2000, to the New South Wales Police Service. He was seconded from the London Metropolitan Police Service in the UK, where he joined as a police cadet in 1980 and served as a police officer from 1982.

Michael was awarded the Australian Police Medal in 2014 in recognition of his outstanding service in law enforcement. In 2014 he was also awarded a Master of Business & Technology degree by the University of New South Wales and a university prize for academic achievement. In April 2018, Michael completed the Harvard Kennedy School executive education programme 'Leadership in Crises', which he attended having won a Sir James Wolfensohn Public Service Scholarship.

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Dr Emma Cassar PSM

Associate Secretary Immigration

Dr Emma Cassar commenced as Associate Secretary Immigration on 25 March 2024. In this role, Emma is responsible for policy, program management and service delivery functions for Australia's temporary and permanent migration, refugee and humanitarian, immigration compliance, and citizenship programs.



Emma joined the Department of Home Affairs on secondment arrangement from Victorian State Government, where she was most recently Deputy Secretary Social Policy and Intergovernmental Relations with the Department of Premier and Cabinet, a role she assumed in March 2023.

Emma's career spans more than 20 years in local and international roles, in government, private and not for profit organisations. Over recent years, Emma has served as Commissioner of Corrections Victoria, Deputy State Controller for the COVID-19 Accommodation program, and Victoria's COVID-19 Quarantine Commissioner. In 2024, Emma received a public service medal for outstanding public service and leadership in Victoria's response to the COVID-19 pandemic.

Emma holds a Doctorate in Forensic Psychology from the University of Melbourne.

Lieutenant General Michelle McGuinness CSC

National Cyber Security Coordinator

Lieutenant General Michelle McGuinness, CSC was appointed as Australia's National Cyber Security Coordinator (the Coordinator) on 26 February 2024.



As the Coordinator, LTGEN McGuinness leads national cyber security policy, the coordination of responses to major cyber incidents, whole of government cyber incident preparedness efforts, and the strengthening of Commonwealth cyber security capability.

LTGEN McGuinness has served in the Australian Defence Force for 30 years in a range of tactical, operational, and strategic roles in Australia and internationally.

Prior to this appointment, LTGEN McGuinness most recently served as Deputy Director Commonwealth Integration in the United States Defense Intelligence Agency. In this role, she led policy and cultural reform, and technological integration, including interoperability across information technology, systems and data.

Charlotte Tressler

Chief Operating Officer

Charlotte Tressler was appointed as Chief Operating Officer (COO) in February 2024.



Charlotte leads the Group responsible for the corporate and assurance services, including financial performance and budgets, people, human resources, integrity, security, health services, property, procurement and contracts, information communication technology and major capability services. A key objective for the Group is delivering on the Secretary's refreshed vision, particularly the cultural reform, and enabling the Department to deliver its important work.

Charlotte is an experienced COO who has delivered corporate and enabling services to a number of departments and agencies in the Commonwealth. Her career started in the private sector as a financial management consultant which provided her with a strong foundation for these numerous corporate roles.

Most recently, Charlotte was the COO for the Australian Federal Police (AFP) (2020 to 2024), responsible for strategy and performance, people, finance, learning, legal and information technology. She also spent three years at the Department of Prime Minister and Cabinet as both the Chief Financial Officer and Chief Operating Officer (2016 to 2019).

Prior to joining the AFP in 2020, Charlotte was the Head of the Coronavirus Business Liaison Unit (BLU) with The Treasury, responsible for engaging with the business community on the impacts of COVID-19 to inform Government's response. This engagement followed a period as Head of Division for AusIndustry – Support for Business within the Department of Industry, Science, Energy and Resources.

Charlotte is also experienced in leading transformational change, including as Head of Portfolio Strategic Reform for the (then) Department of Immigration and Border Protection, on the integration of customs and immigration and the establishment of the Australian Border Force.

Charlotte holds a Bachelor of Commerce from the Australian National University, Executive Masters of Public Administration and is a graduated member of the Australian Institute of Company Directors (GAICD).

Sophie Sharpe

Deputy Secretary Executive

Sophie Sharpe was appointed as Deputy Secretary Executive on 1 November 2022.



Sophie leads the Group responsible for providing direct support to the Secretary of Home Affairs and Home Affairs portfolio ministers. Executive Group's functions include parliamentary and cabinet support, media and communication, international engagement and coordination, intelligence services to border and migration programs, data and economic analysis, enterprise performance and governance, inquiries coordination, strategic issues management, capability planning and risk, and strategic planning and coordination.

Prior to her role as Deputy Secretary Executive, Sophie held the roles of Group Manager Executive and International, First Assistant Secretary Executive Division, and Chief of Staff to the Secretary in the Department.

Sophie was also the Assistant Secretary, Strategic Coordination in the Centre for Counter-Terrorism Coordination in the Department of Home Affairs and Department of the Prime Minister and Cabinet (PM&C) where she was responsible for advising on counter-terrorism strategic policy, operations and intelligence, facilitating international counter-terrorism cooperation and advising on counter-terrorism legislative measures.

Before joining the Department in 2017, Sophie had been with PM&C since 2009 where she was also the Executive Officer to the then Secretary, Dr Martin Parkinson. In 2014-15 Sophie enjoyed accompanying her husband on posting to Washington, where she worked for the Department of Defence and Australian Federal Police (AFP). Sophie has also previously held various national security roles, including within the AFP as Coordinator Counter-Terrorism and in the Law Enforcement Cooperation Program and within the Specialist Response and Security division. Sophie has also worked within the Attorney-General's Department working on counter-terrorism related activities.

Sophie has a Bachelor in Asian Studies (specialising in Bahasa Indonesia).

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Hamish Hansford

Deputy Secretary Cyber and Infrastructure Security

Hamish Hansford was appointed as Deputy Secretary of Cyber and Infrastructure Security Group on 1 May 2023.

Hamish leads the Group responsible for bringing together cyber security and critical infrastructure policy, cyber response and coordination functions, identity security and protection, and background checking under the AusCheck scheme (including aviation and maritime security).



CIS Group also provides support and surge functions to the National Cyber Security Coordinator through the National Office of Cyber Security.

Prior to this, Hamish was Group Manager and Inaugural Head of the Cyber and Infrastructure Security Centre, a role he held from 1 September 2021, where he was responsible for reforms to the *Security of Critical Infrastructure Act 2018* and led the principal regulatory authority for all critical infrastructure in Australia.

Immediately prior to this role, Hamish was the First Assistant Secretary of the Cyber, Digital and Technology Policy Division, where he led the delivery and implementation of Australia's Cyber Security Strategy 2020, cybercrime policy, online harms policy including combating terrorist use of the internet and child exploitation, as well as critical and emerging technology and data security policy.

Prior to this, Hamish was the First Assistant Secretary of National Security and Law Enforcement Policy Divisions where he delivered Australia's first ever modern slavery act, surveillance, investigatory powers and lawful access reforms, as well as hardening of Australia's counter money laundering, illicit firearms, terrorist financing and child exploitation regimes.

Hamish has held Senior Executive positions in the former Department of Immigration and Border Protection and the former Australian Crime Commission. Hamish has also served in a range of intelligence, policy, planning, and program delivery roles in the Department of the Prime Minister and Cabinet, Attorney General's Department, the Australian Senate and the former Office of Transport Security.

Hamish started his career in the National Museum of Australia.

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Nathan Smyth

Deputy Secretary National Security and Resilience

Nathan Smyth was appointed as Deputy Secretary National Security and Resilience on 17 July 2023.



Nathan leads the Group responsible for domestic and international engagement on national security, while broadening our approach to countering terrorism and foreign interference, and strengthening our democratic and national resilience. Concurrently, Nathan was appointed as the Commonwealth's Counter-Terrorism Coordinator and National Counter Foreign Interference Coordinator. Nathan is focused on developing a more secure and resilient nation.

Before taking up his current position, Nathan served as Deputy Secretary Employment and National Workforce within the Department of Employment and Workplace Relations. In that role, Nathan was responsible for the transformative change to the delivery of employment services, including the delivery and implementation of the new employment services model and the Seasonal Worker Program, which provides access to Australian work opportunities by nine Pacific Island countries and Timor-Leste.

Nathan has held a range of senior positions across government, including at the Department of Health, where he was responsible for the implementation and oversight of Tobacco Plain Packaging; the Department of Infrastructure and Regional Development; the Department of Finance; and the Department of Foreign Affairs and Trade.

Nathan holds a Bachelor Degree (Political Science) from the University of New South Wales and a Master of Business Administration from the University of Sydney and the University of New South Wales.

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Vanessa Holben PSM

Deputy Commissioner Regional Operations

Vanessa Holben PSM was appointed as Deputy Commissioner Regional Operations for the Australian Border Force (ABF) on 2 February 2023.



As Deputy Commissioner, Vanessa is responsible for national capability relating to air/sea cargo and international mail, air/sea traveller facilitation and intervention, and littoral and district office functions.

Vanessa has led Customs Group as the Deputy Comptroller General and Group Manager, where she had responsibility for ensuring Australia's customs and border policy settings allowed for the unimpeded movement of legitimate goods across the border, preventing the movement of prohibited goods and detecting, deterring and disrupting criminal and national security threats at borders.

Vanessa also had responsibility for whole of agency ministerial, governance, risk and assurance functions to support and facilitate the ABF's high-level governance framework, coordination of ministerial and parliamentary engagements and implementing the risk management framework and assurance program across the ABF.

Prior to this, Vanessa was the First Assistant Secretary of the National Coordination Mechanism (NCM) within the Department of Home Affairs. The NCM was established to coordinate and facilitate non-health response measures to the COVID-19 pandemic, through strategic and operational engagement with stakeholders across the Commonwealth, states and territories, industry and the private sector. Vanessa has also held the role of First Assistant Secretary Aviation and Maritime Security, the security regulator for the aviation, maritime and offshore oil and gas sectors. In this role, Vanessa was responsible for providing advice and assurance to Government on transport security policy, regulation, compliance and practice.

Vanessa has held other senior executive roles in the ABF including Assistant Commissioner responsible for offshore regional processing arrangements, regional capacity building efforts, and the onshore immigration detention network. In January 2022, Vanessa was awarded a Public Service Medal (PSM) in recognition of her outstanding contributions in support of Australia's response to the COVID-19 pandemic while leading the NCM. Vanessa holds a Bachelor of Arts, majoring in Criminology and is a graduate of the Australian Institute of Company Directors.

Tim Fitzgerald

Deputy Commissioner National Operations

Tim Fitzgerald was appointed as Deputy Commissioner National Operations for the Australian Border Force (ABF) on 17 November 2022.



As Deputy Commissioner, Tim has responsibility for Detention and National Removals, Maritime Border Command and Operation Sovereign Borders. Tim leads strategic and operational planning, civil maritime, technical and surveillance capability support to achieve ABF outcomes.

Tim ensures Australia's customs and border policy settings support the efficient movement of legitimate goods across the border while detecting and preventing the movement of prohibited goods.

Tim was previously Assistant Commissioner for North and Detention Command in the ABF. The Command is responsible for Regional Commands Queensland and Northern Territory including the Torres Strait along with National Removals, and Onshore Immigration Detention Centres throughout Australia including Christmas Island.

Prior to this, Tim was Commander, Australian Border Operations Centre, Regional Commander NSW, and Assistant Secretary, Trusted Trader & Trade Enforcement.

Tim has extensive experience with Customs and Border Protection having worked for the service for over 35 years. Tim commenced his career in Sydney, working in areas such as the International Airport, Shipping Control and Air Cargo.

Tim later undertook the roles of Director Enforcement Operations NSW and Taskforce Polaris (a multi-agency Taskforce examining and investigating organised crime on the waterfront in NSW), Director Investigations NSW, Director Intelligence and Targeting and Counsellor Customs, London Post. These roles required extensive liaison with other law enforcement and border management agencies including Commonwealth Director of Public Prosecutions and Australian Government Solicitor.

Tim has completed a Diploma in Government Fraud Control Investigation; and Certificate IV in Australian International Trade and Facilitation. Tim has undertaken training which includes the Hong Kong ICAC Chief Investigators Course; Customs International Executive Management Program; and the National Security College Course. In addition, Tim has successfully completed the Customs Brokers Licensing Advisory Committee examination.

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Kaylene Dale

Deputy Commissioner, Strategy and Capability

Kaylene Dale was appointed as Deputy Commissioner, Strategy and Capability for the Australian Border Force (ABF) on 1 February 2023.



As Deputy Commissioner, Kaylene leads the ABF's strategy for modern modernisation and key capabilities including the ABF workforce, business systems, civil maritime and surveillance, operational coordination and planning to deliver effectively for the Government, domestic and international partners, industry and the Australian community.

Kaylene is an experienced senior leader in the Australian Public Service and has an extensive background in border management, having started in the Australian Customs Service in 2000.

Throughout Kaylene's career in the ABF and the Department of Home Affairs, she has been responsible for a wide range of functions, including border operations and enforcement, civil maritime security, strategic planning, risk management and governance, integrity and professional standards, and emergency management.

In 2021–22, Kaylene led the Office for Women in the Department of the Prime Minister and Cabinet, with a focus on advancing women's workforce participation, women's economic security and safety.

Kaylene completed a Masters of Public Administration in 2010 (Australia and New Zealand School of Government) and Masters in Applied Criminology in 2020 (University of Cambridge, UK).

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Our Transformation Agenda

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Our vision

We build our nation and secure our future by fostering an environment where we can all succeed through a culture of excellence, integrity, openness and collaboration.

Exemplary leadership

Our leaders epitomise excellence: they set high standards, they are authentic, they inspire, care for and invest in their people, and they model integrity, openness and collaboration.

Investment in capability at all levels

- Deliver a leadership program for the EL cohort as part of leadership development for all levels
- Develop an 360 feedback program to enhance performance feedback, initially for SES and ELs
- Invest in professional capability development for staff at all levels

Drive culture at every level

- Foster a respectful, inclusive and safe workplace
- Define the values and culture that represents One Home Affairs including One ABF
- Extend and embed SES engagement

Get our governance right

- Articulate a clear strategic direction that unifies the organisation
- Actively manage performance and risk to optimise outcomes
- Hold ourselves accountable to deliver our outcomes within budget

Game-changing agenda

We deliver enduring, positive change to Australia's Security, Unity and Prosperity.

Anticipating and building capability for future challenges

- Develop a sophisticated foresighting capability
- Deliver a workforce strategy that positions us into the future
- Recruit and develop deep expertise in our core functions

World-leading delivery/policies

- Deliver on the aspiration of our cyber and migration strategies
- Adapt our national security posture to contemporary threats
- Modernise our border to drive economic outcomes and reduce harm to the community

Enabling for success

- Develop a strategy and win support to upgrade our technology
- Enhance our enablers to better support our staff and business outcomes
- Embed innovation in all we do

Collaboration at our core

Our success depends on harnessing capability across government, business and the community: collaboration must be at the core of everything we do.

One Home Affairs including One ABF

- Communicate a singular and strategic narrative for Home Affairs
- Embed One Home Affairs behaviours throughout the organisation
- Work across boundaries to deliver integrated outcomes

Integrated across Government

- Build genuine partnerships to deliver our cross-cutting agenda
- Foster trust by engaging early, being open and authentic
- Recognise and reward staff who collaborate effectively across government

Seamless partnerships with industry and community

- Genuine co-design and shared ownership on policies and programs
- Offer industry a 'single window', and community 'no wrong door'
- Build trust with industry to facilitate information sharing to deliver on our mission



Australian Government
Australian Public Service Commission

Capability Review

Department
of Home Affairs

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Capability Review - Department of Home Affairs

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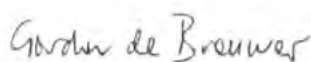
APS Commissioner's foreword

The 2019 report *Our Public Service, Our Future. Independent Review of the Australian Public Service* (the Thodey review) recommended regular capability reviews for all departments and major agencies across the service. As part of its plan for Australian Public Service (APS) reform, the Australian Government has committed to a pilot Capability Review program.

Capability reviews are an independent, forward-looking activity that assesses an agency's ability to meet future objectives and challenges. The aim is to facilitate discussions around an organisation's desired future state, highlight organisational capability gaps and identify opportunities to address them.

I thank the Department of Home Affairs for participating in the capability review. The enthusiasm of staff to showcase their work and the open and collaborative style of the executive has made for a compelling review process. From Ms Stephanie Foster PSM, Secretary of the Department of Home Affairs, and Mr Michael Outram APM, Commissioner of the Australian Border Force (ABF), to the individual officers who participated, in a time of significant change for the department, the review was embraced as an opportunity to look closely at what capabilities and systems work well and to think critically about what the department wants to improve.

I thank Dr Ian Watt AC, Ms Liza Carroll PSM, Ms Maree Bridger and Dr Mark Bazzacco, who led the Review, as well as the teams that supported them from the Australian Public Service Commission and the Department of Home Affairs.



Dr Gordon de Brouwer

Australian Public Service Commissioner

Senior review team's foreword

We are very pleased to have led this capability review of the Department of Home Affairs. With the appointment of a new secretary it is an exciting time of change and possibility for the organisation. It is also an ideal time to reflect on the department's current capability and identify areas of strength and areas where it needs to improve capability for the future.

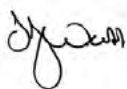
We thank Secretary Foster, ABF Commissioner Outram and their leadership team for their time and willingness to engage in the review process. We also recognise the effort the department went to encourage people with a wide range of views and perspectives to contribute to the review. We appreciate the input we received from a large and diverse range of stakeholders within and outside the department through interviews, workshops, an all-staff survey and site visits. The variety of input was important because of the breadth of the department's functions and the size and varied roles of the workforce.

The department has a dedicated workforce that is highly mission focused, and very aware of and committed to their tasks. The department can build on this strength, and we have highlighted some areas for focus to better position itself for the challenging future it faces.

The review notes a range of areas for improvement in the department including prioritising its focus on addressing stronger joined-up governance arrangements, clarifying and improving the working arrangements between the ABF and the broader department, and leadership development. It is critical leaders at all levels in the department actively and collaboratively support the agenda of transformational change set by the new leadership team.

The leadership team has started on this journey, already initiating change in line with the key findings of this review. This gives considerable optimism for the organisation's future. We look forward to observing the progress of this work over the coming months and years.

It has been a pleasure to work with the department on this review and we thank all staff and stakeholders for their extensive engagement with us. We also thank the Australian Public Service Commission team that supported us through the review. They made an extensive and invaluable contribution.



Ian Watt AC



Liza Carroll PSM



Maree Bridger



Mark Bazzacco

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Context

About the review

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

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

This is the fifth capability review undertaken during the pilot program.

The Capability Review Framework is made up of 2 parts:

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

The framework was most recently updated in September 2023. This update simplified the structure, reduced duplication between elements and added new elements in areas identified as gaps in the previous framework. The updated framework places greater emphasis on collaboration, including internal collaboration and agency engagement with the public and industry.

Appendix B has more information on these domains and associated elements.

The review assesses the agency's current capabilities and preparedness to deliver critical capabilities in the medium-term. It gives the agency a maturity rating against each of the 18 capability elements to indicate the most important areas for growth and improvement.

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

As part of the review process, the Department of Home Affairs completed a self-assessment of its maturity against the elements, to indicate its own understanding of its capability strengths and opportunities for improvement. In addition, the review received 2 letters from the secretary and a letter from the ABF Commissioner outlining their assessments of the department's capability, the actions they had already begun to enhance capability, and plans for further changes.

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

Reviewers interviewed over 50 internal and external stakeholders and held 9 workshops with more than 170 members of staff between November 2023 and March 2024. In addition, over 3,100 staff responded to an all-staff survey conducted for this review.

Reviewers also conducted site visits outside Canberra to better understand the frontline services and operations of the department including challenges faced by staff and stakeholders.

This was supported by desktop research and analysis of latest APS workforce data sets including the APS Employee Database (APSED), the APS Employee Census and the APS Agency Survey.

About the agency

The Department of Home Affairs (which includes the ABF) is one of the largest and more diverse organisations in the Australian Government. Its functions cover national security, migration, social cohesion and national resilience. Its guiding purpose is to help enable a prosperous, secure and united Australia.

Every day the department carries out functions that help protect and build Australia's social and economic prosperity, and the stable and secure conditions that underpin it. For example, the department manages migration, humanitarian and refugee programs that enrich the nation's cultural fabric and help ensure Australia can access the workforce needed now and into the future. At the same time, the ABF helps ensure legitimate business and travel is not undermined by the importation of drugs, weapons and other prohibited goods, or the movement of people outside established migration settings. The department helps to make sure Australia continues to be an attractive place to live, learn and do business by helping to protect critical infrastructure from cyber attacks and other disruptions.

The department was established on 20 December 2017 by bringing together the former Department of Immigration and Border Protection with national security functions from the Attorney-General's Department, transport security from the Department of Infrastructure and Regional Development, multicultural affairs from the Department of Social Services, and counter-terror coordination and cyber security policy functions from the Department of the Prime Minister and Cabinet. In 2017 the department assumed responsibility for coordinating government's cyber security responsibilities. In 2022, Administrative Arrangements Order changes saw protective security services and criminal law enforcement policy functions move to the Attorney-General's Department and emergency management functions move to the National Emergency Management Agency.

The department is organised across 6 main vertical groupings, each led by a deputy secretary: national office of cyber security; cyber and infrastructure security; executive; operations; national security and resilience; and, in the case of immigration group, an associate secretary. In addition, the ABF is organised across 3 main vertical groupings, each led by a deputy commissioner: strategy and capability; regional operations; and national operations.

The ABF was established as part of the then Department of Immigration and Border Protection on 1 July 2015, assuming the functions of the former Australian Customs and Border Protection Service and the immigration related operational functions of the department, including field operations, removals and detention. The ABF enforces Australian law at the border, from facilitating legitimate trade and travel to immigration and customs enforcement.

The ABF Commissioner is a statutory appointee, and the Secretary of the Department of Home Affairs is the accountable authority for the department. In November 2023, Ms Stephanie Foster PSM was appointed Secretary of the Department of Home Affairs, following the termination of the previous secretary's employment. The Commissioner of the ABF is Mr Michael Outram APM.

The department serves 3 ministers:

- the Hon Clare O'Neil MP – Minister for Home Affairs and the Minister for Cyber Security
- the Hon Andrew Giles MP – Minister for Immigration, Citizenship, and Multicultural Affairs
- Senator the Hon Murray Watt – Minister for Emergency Management.

Budget

The total funding for 2023–24 is \$6.3 billion as at the 2023–24 Portfolio Additional Estimates Statements. This includes departmental funding plus administered funding to be allocated to specific purposes. The department generates more than \$22 billion in administered revenue each financial year, which makes it the second largest revenue collector in the Australian Government.

The department's operations are vulnerable to unforeseen global political and economic shocks. It reported an operating loss of \$109.2million in 2022–23 but is forecasting a balanced budget outcome in 2023–24, mainly due to \$110 million of critical supplementation and funding for new activities secured in the 2023–24 Mid-Year Economic and Fiscal Outlook (MYEFO).

	2022–23 Actual (\$ million)	2023–24 Budget (\$ million)	2024–25 Estimate (\$ million)	2025–26 Estimate (\$ million)	2026–27 Estimate (\$ million)
Departmental operating expenses	2,884	3,319	2,898	2,827	2,837
Departmental capital	186	249	206	228	201
Own source revenue	290	260	194	196	194
Total departmental	3,360	3,828	3,298	3,251	3,232
Administered expenses	1,828	2,434	1,747	1,654	1,669
Administered capital	21	30	25	26	26
Total administered	1,850	2,434	1,772	1,679	1,695
Total Department of Home Affairs	5,210	6,262	5,070	4,930	4,928

Source: Department of Home Affairs

Staffing profile

The following information is drawn from the APS Employment Database as of 31 December 2023, unless stated otherwise.

The distribution of staff reflects the department's dispersed operating profile. There are significant numbers of staff in each state and territory. The department also has a presence in 52 locations in 45 countries including 9 offshore Regional Directors supported by locally engaged non-APS staff.

Staff numbers

Number of employees (headcount)	15,140
---------------------------------	--------

ABF*	6,537
Other functions of the department*	8,685

*Source: Department of Home Affairs 2022–23 Annual Report

Staff locations

ACT	NSW	VIC	QLD	SA	WA	Tasmania	NT	Overseas
5,562 (36.7%)	2,611 (17.2%)	2,614 (17.3%)	1,631 (10.8%)	858 (5.7%)	1,306 (8.6%)	201 (1.3%)	173 (1.1%)	184 (1.2%)

Distribution of classifications

APS1–3, Trainee and Graduate	APS4	APS5	APS6	EL	SES
22.8%	15.0%	18.1%	21.2%	21.8%	1.1%

Diversity

Characteristic	Percentage of total staff
Women	52.8%
Men	47.0%*
Non-binary/other	0.11% (ABF), 0.13% (rest of department)*
First Nations	2.3%
Employees with disability	2.7%
Non-English speaking background	22.5%

*Source: Department of Home Affairs 2022–23 Annual Report

Excellence horizon

The excellence horizon describes how the Department of Home Affairs' operating context may change in the 4 years from now (to 2028) and identifies the critical organisational capabilities it is likely to need to successfully deliver outcomes and government priorities in this changed environment. This high-level forecast is informed by the review's assessment plus analysis of other trend data, forecasts and horizon scanning.

The department will need to focus on the following priorities across this timeframe:

- helping protect Australia from national security and criminal threats, and supporting national resilience through effective national coordination, policy and strategy development, cyber resilience of public and private organisations, emergency management, and regional cooperation
- supporting a prosperous and united Australia through effective coordination and delivery of immigration and a multicultural and social cohesion agenda and using policy levers to achieve economic goals
- advancing a prosperous and secure Australia through facilitation and modernisation of legitimate trade and travel, and effective customs, immigration (including visa programs and settlement), maritime and enforcement activities across the border continuum.

The Minister for Home Affairs, the Hon Claire O'Neil MP, told the National Press Club in 2022 that 'Australia faces the most dangerous set of strategic circumstances since the Second World War'. Australia won't necessarily face these circumstances or disruptions one at a time but sometimes in parallel, creating a compounding or cascading effect.

'Imagine a future January, where we see a Black Saturday-size bushfire in the south-east, a major flood in the north, then overlay a cyber attack on a major hospital system in the west. Our country would be fully absorbed in the management of domestic crises. Then consider how capable we would be of engaging with a security issue in our region.'

Minister for Home Affairs, National Press Club Speech, December 2022.

Some of the key disruptions that may affect the department include:

- increasingly frequent and severe natural disasters linked to climate change
- global movements of people displaced by climate change, political upheaval and conflict
- cyber warfare impacting Australians on an ongoing basis, not just when Australia actively joins a conflict
- increased geopolitical uncertainty and competition between nations
- declining trust and threats to democracy as a political system, through growing foreign covert influence and interference
- disruptions impacting on global trade routes and supply chains
- technology increasingly being used to exploit the border and make it harder for detection and disruption

The following environmental and contextual trends will shape the opportunities and organisational capabilities the department will need to meet the expectations of the government and Australians over the next 4 years.

Trends	Opportunities and organisational capability needs
Espionage and foreign interference have replaced terrorism as the most significant domestic security issue Australia faces. Foreign actors seek to exploit, for example, the declining trust in government and undermine democracy as a political system. The Director General of the Australian Security Intelligence Organisation (ASIO) recently said: 'Australia is facing an unprecedented challenge from espionage and foreign interference and we as a nation may not fully appreciate the damage it inflicts on Australia's security, democracy, sovereignty, economy and social fabric,' (ASIO Annual Threat Assessment, 2024). This trend is also being shaped by shifting geopolitics, emerging technologies, and broader social trends that include online radicalisation and the growth in extreme views, conspiracies and grievances.	• Shifting capability and resources to areas of the greatest risk and strategic priority. • Making the most of collective intelligence and capability across the Australian Government and its partners within and outside government. • Forecasting, preparing and practicing for the next big threat. • Solidifying the resilience of the public and private sector and Australia's democracy to deal with shocks and crises. • Staying ahead of foreign actors and their tradecraft.
Cyber attacks are taking place in high volumes and an attack on an unprecedented scale is likely. This presents significant risks to national security including to critical infrastructure, governments, businesses and individuals. Cyber attacks have already caused social, economic and security impacts and there is high risk of further shocks well into the future. In response, the government aspires to make Australia the world's most cyber-secure country by 2030.	• Building a reliable pipeline of skilled cyber security and intelligence practitioners. • Building strong and effective relationships between all parts of the protective system (public and private) and critical infrastructure. • Increasing education and awareness across governments, businesses and individuals. • Becoming an exemplar agency for strength in cyber security. • Building a technology and data capability of the highest order. • Clarifying roles and responsibilities within and outside government, especially in relation to crisis response.

Trends	Opportunities and organisational capability needs
The national Migration Program faces complicating factors, such shifts in economic priorities, new skills shortages, an altered legal environment when it comes to illegal arrivals and repatriation, and unforeseen geopolitical disruptions. It will also continue to have high case volumes.	• Building strategic forecasting capability. • Building a reliable pipeline of legal and economic policy/economist practitioners. • Creating a more responsive, adaptive and effective migration systems with advanced analytics through policy modelling, impact analysis and monitoring for policy efficacy in close to real time. • Preparing for new challenges from illegal migration.
The volume of people, cargo, mail and other goods entering Australia will continue to grow and, without a change in approach, will far exceed the capacity of the department's services and operations in the near-term. For example, cargo imports are expected to grow by 70% over the next 10 years. In a fiscally constrained environment, the department cannot keep increasing resources and people to meet demand.	• Enabling transformational not incremental change in operations and service delivery. • Developing skilled practitioners in the application of artificial intelligence, automation and robotics. • Ensuring intelligence-led approaches supported by contemporary, technology-enabled infrastructure. • Monitoring for trends and patterns for improved targeting to amplify and leverage the expertise of intelligence functions and front line staff, enabling strategic decision making at all levels. • Taking a long-term (10+ years) approach to management of capital. • Building workforce capability that is effective under new ways of working and operating conditions.
Climate change is a cross-government issue affecting key areas of the department's responsibilities including migration and protecting Australia from threats. There is also an economic imperative to make the most of Australia's natural advantages and become a hub for renewable energy production. This will require the right skills from here and overseas.	• Building strategic forecasting capability. • Building organisational resilience to respond to crises while simultaneously delivering business-as-usual. • Building effective partnerships across government, private and non-government sectors. • Using policy levers to ensure a reliable pipeline of renewable energy skills and capabilities.

Trends	Opportunities and organisational capability needs
Data and digital technologies continue to reshape society and the economy. Australia must ensure the right policy settings are in place to harness the benefits of technological change and create more and equitably shared opportunities for Australians. The department has a role in making sure Australia is a secure, stable and attractive place for digital business to operate, despite growing cyber threats.	• Building a pipeline of skilled data and cyber security practitioners. • Clarifying roles and responsibilities within and outside government, especially in relation to crisis response. • Building strong and effective relationships with Commonwealth partners and the private sector. • Building modern and flexible business systems that harness the benefits of technological change. • Developing user-focused policy capability that considers the full range of user needs, tools and digital abilities. • Building a strategic forecasting and systems thinking capability.
The next 4 years will be characterised by economic uncertainty. The 2023–24 Federal Budget forecasts the next 2 years will be the weakest for global growth in over 2 decades (outside of the COVID-19 pandemic and the Global Financial Crisis).	• Ensuring prioritised and efficient use of existing resources. • Embedding long-term budget forecasting and capital management discipline. • Modelling and preparing for severe financial shocks.

Executive summary

The Department of Home Affairs is a large organisation with a broad and nationally important set of responsibilities. Staff in the department are deeply committed to the mission they have been tasked to deliver. Their dedication and resilience is one of the most persistent themes this capability review encountered.

The department has undergone much change over recent years, driven both internally and externally through machinery of government changes, internal structural changes, global events and geopolitical shifts. In workshops with staff, it was clear that the ability to deliver in the face of these disruptions is a point of pride for the workforce. Staff are described as having a 'can-do' attitude and are confident in their ability to meet challenges head on.

During this review, the department underwent further change, with the appointment of a new secretary. A period of uncertainty preceded the appointment. However, the new leadership team has committed to using this as an opportunity for the department to think about the kind of organisation it wants to be in the future, and to discard some old ways of doing things that no longer work effectively. The new secretary has initiated a process to bring staff into the conversation about changing the department's culture and leveraging the collective wisdom of the department's large and diverse workforce.

Due to the scale and breadth of the department's remit, it has been challenging for the review to make common findings or assessments of maturity that account for all levels of capability across the organisation. With any organisation of this size there will be pockets of very good capability and areas that are struggling. For the purposes of this review, we have adhered to the Capability Review Framework and provided an assessment of capability we feel best reflects the overall level of organisational maturity, acknowledging that this obscures some of the inherent variability and diversity of a workforce in excess of 15,000 people.

The review also recognises that the ABF is an integral part of the Department of Home Affairs and has considered the capability of the organisation as a whole. All references to the department should be considered to incorporate the ABF, unless specified otherwise. The department's new governance reforms to better integrate the ABF into overall decision-making are detailed below.

In this period of transition and cultural change, we hope these review findings and insights will help the department to prioritise changes for the future. This executive summary highlights the changes the review considers needs to be undertaken. While there a significant number identified, the review considers the 3 most important changes are: 1) bridging the current division between the ABF and the rest of department, and building a better-coordinated and more cohesive organisation; 2) developing a better set of governance arrangements and embedding them; and 3) developing a stronger leadership team with better leadership capability. The current leadership team is already taking steps in these directions. Finally, while many of the suggestions made by the review need to start being addressed over the next 12 months, most will take longer to fully implement and embed.

Leadership and culture

Strategic, collaborative and cohesive leadership are fundamental pillars of a successful organisation. Efficient and effective governance and organisational structures enable leaders to better shape the organisation to achieve its priorities, while maintaining a positive and attractive workplace.

To move forward as a unified enterprise, the department needs to develop and articulate a new purpose and strategic direction that considers the challenges and opportunities ahead and emphasises the need for staff to work together. Without enterprise-level strategy setting and execution (for both policy and enabling strategy) the department risks being poorly positioned to foresee, plan and prepare for future challenges and opportunities. It also risks remaining conditioned to respond to the crisis of the day, rather than balancing leadership effort between reacting to issues, and identifying and avoiding or mitigating future risks.

To support this shift, leadership needs to be seen to work together effectively to deliver departmental outcomes and embed cultural change. This requires a senior leadership group that is collectively responsible for effective decision-making, particularly on cross cutting priorities, people, risk, budget and investment. Collaborative leadership across the department should also encourage and reward staff at all levels to look beyond their day-to-day operations and consider future risks, challenges and opportunities. The new Senior Leadership Committee brings together the Senior Leadership Team (the secretary and deputy secretaries), the commissioner and deputy commissioners.

Collaborative and cohesive department leadership, supported by strong whole-of-department governance helps ensure the department can work cohesively to deliver outcomes in the most effective and efficient way. The past approach to governance did not deliver consistent or effective whole-of-department direction setting and oversight to support buy-in by senior staff across the department. The department's current leadership is taking proactive steps to drive transformation from the top.

The new whole-of-enterprise leadership committees include Major Projects and Investment; Performance, Risk and Budget; People Culture and Safety; Leadership and Development Council; and the previously established Audit and Risk Committee, reporting to the Senior Leadership Committee, which will meet monthly. This is also a positive step. It will take time for these changes to mature and become effective. Success of the new arrangements will partly rely on transparent communication with staff, buy-in and active role modelling by all leaders as well as actively monitoring and fine tuning the new arrangements as they are implemented.

At a high level, the organisation functions as one entity and the secretary and commissioner are committed to consistency of the broad values and principles that drive the organisation's culture, while allowing for the ABF to have its own unique requirements. That notwithstanding, the ABF has some unique roles and characteristics that require particular leadership approaches, internal governance practices and cultural settings. These include capabilities and requirements such as the conduct of ABF operations, the use of force, the carriage of weapons and the power to search and seize. The secretary and commissioner recognise the need for an ABF identity within the broader departmental structure, noting also the direct reporting line from the commissioner to the Minister for Home Affairs on operational matters.

The department has also initiated a review integrity of systems to ensure they are fit-for-purpose and appropriate. It recently started initiatives to improve risk management, such as a more robust management of conflicts of interest, a review of procurement processes and frameworks, and implementing recommendations of the *Review of Integrity Concerns and Governance Arrangements for the Management of Regional Processing Administration by the Department of Home Affairs* (the Richardson review). This is discussed further in the Enabling functions domain.

Potential priority areas for capability improvement

Develop and support improved mechanisms for the Senior Leadership Team to deliver departmental outcomes and help embed necessary cultural change.

Embed the new governance to deliver effective whole-of-department direction setting and oversight.

Develop a unified purpose and strategic priorities that support policy, operations and enabling functions across the department.

Develop ways of working that encourage and reward staff at all levels to look beyond their day-to-day operations and consider future challenges and opportunities.

Collaboration

The department needs to rely on its collective skills, experience and capabilities to face a future where disruptions and disasters are likely to be more frequent and severe. Building relationships that maximise the sum of these skills and capabilities is critical for future success.

The review looked at the department's collaboration capability from 3 different angles: with partners outside government; with partners inside government; and within the organisation itself. Across all 3 there is a need for the department's leaders to model and reward genuine collaborative behaviour, to embed genuine partnerships as a default operating style. Decision-makers should also consider the disruptive impact that structural and personnel changes have on relationships internally and externally.

The review found the department has effective relationships with its non-government stakeholders, such as partners from the private sector, non-profit sector and peak bodies and associations. However, there remains an opportunity to improve these relationships by mitigating single person risk, making the department easier for external stakeholders to navigate, and fostering and rewarding genuine collaboration over largely one-way consultation. The department should reflect and learn from work areas that have been identified as strong collaborators in this review.

The department's relationships with other public sector bodies are variable in their effectiveness. The review found operational and tactical relationships tended to be strong, but this was not a consistent operating style across the department. There is a particular opportunity and need for the department to build confidence and leverage better collaboration with central agencies and the National Intelligence Community.

Internal collaboration beyond immediate work areas requires immediate attention. The review found that historically collaborative behaviour has not been modelled or rewarded in the department. Without collaboration between work areas, the department will duplicate effort, waste time and resources, and underutilise the skills and experience of its staff. Critical risks and opportunities will end up buried at junior levels within silos. A lack of integrated tools and technology is also getting in the way of sharing information and building networks.

Recognising this capability as a priority, the secretary has identified collaboration as a key pillar for transformation of the department.

Potential priority areas for capability improvement

Develop and support strengthened internal collaboration between different areas of the department.

Support genuine partnering and collaboration with other Australian Government agencies beyond the tactical or operational level.

Delivery

The department has a difficult and complex set of responsibilities, which are subject to sudden shocks and crises. As set out in the excellence horizon, global and domestic disruptions are expected to become more frequent in the future. The department needs to make the most of the delivery levers at its disposal to ensure it can operate in a way that is sustainable and effective in the long-term.

Strategic policy capability is a priority for improvement. This capability is critical to anticipating, mitigating and avoiding future crises. It will need to follow through by ensuring strategic policy work is joined-up, creativity is nurtured, information sharing is encouraged, and leadership is seen to model and reward critical thinking. At an operational level, the strategic policy team's work must be connected with those areas focusing on future operational capability, to ensure coordinated use of data, intelligence, future technologies and risk-based models, and to maximise opportunities.

The department should also prioritise review and evaluation to support its policy and operational activity. Currently this capability is very much a secondary focus in many parts of the department. While there are pockets of activity, there is not a culture of regularly learning from the past or taking the time to review and reconsider areas for improvement.

The review found there is also room for improvement in the department's relationships with ministers and their advisers. The department has an opportunity to make sure it is offering proactive, well developed advice, that is informed by a whole-of-system view, and which leverages its full range of community and business-facing functions. As the department is responsible for many challenging issues, often of interest to parliamentarians and parliamentary committees, it could also review and consider ways to improve how it works with parliament.

Potential priority area for capability improvement

Focus on improving review and evaluation and ways to anticipate, mitigate and/or avoid future crises.

Workforce

The skills and capabilities the department needs today will not necessarily be what it needs in 2, 4 or 10 years. However, capability takes time to develop and the department needs to better anticipate and prepare for the workforce it will need in the future.

The capability review has been impressed by staff's connection to the department's mission. The new leadership's commitment and early actions to address cultural change are also positive first steps towards improving other aspects of workforce culture. The review has noticed early positive sentiment from staff towards the changes. Establishing a new People, Culture and Safety Committee will provide a central forum for senior leaders to focus on workforce challenges.

The department acknowledges it has high SES turnover and risks losing key skills and capabilities as a result. A new Leadership Development Council has begun reducing the number of SES vacancies, and will develop ways to uplift the capability of SES. This will all be underpinned by the department's transformation agenda, driven by a newly established division dedicated to driving and embedding change.

There are significant workforce capability gaps. Strategic workforce planning is not yet adequate to address these shortcomings now or in the future. The department needs a comprehensive and adaptive workforce strategy to ensure its workforce is ready to deal with current and future challenges. Notwithstanding positive recent changes, staff are concerned about the department's culture. The department needs to lift training and development in all areas and at all levels. Staff are exposed to complex physical and psychological safety risks given the nature of the work in operational areas. Improved work health and safety systems are needed to support staff to easily report concerns.

Potential priority areas for capability improvement

Support the development of a comprehensive workforce strategy to address current and future capability gaps, and invest in training and development including leadership development, management and public service craft.

Drive cultural change throughout the department through effective implementation and clear, ongoing communication with all staff about the transformation agenda recently initiated by the department's Senior Leadership Team (including the ABF and broader department).

Enabling functions

A contemporary and strong strategic centre of enabling functions underpins the success of all other organisational capabilities. As the department goes through organisational transformation it is imperative that it can rely on a strong enabling core to help embed these changes.

A lack of sufficient attention to budget, financial management and prioritisation of resources has to-date hampered the department. Budget issues are compounded by a challenging capital situation and degraded assets. Individual managers have not always been held accountable for their budget outcomes, exacerbated by frequent restructuring, changes in senior leadership and the prospect of MYEFO 'top ups'. Staff feel like the department is repeatedly taking on new priorities without additional resources and this is undermining the delivery of existing

goals. This requires action, using the new governance model (described on page 14) to ensure accountability and prioritisation.

Despite the department's dependence on a significant information and communications technology (ICT) footprint, it does not have a single, shared and executable plan for the future of its ICT or data assets, which increases its risk exposure. The department needs to find effective mechanisms to collectively and transparently prioritise its existing work program and ways to modernise its operations, to capitalise on opportunities to make tasks and processes more efficient.

Core enabling functions are reasonably effective in providing support across the organisation but many services are seen as transactional and process-driven. A strategic approach to delivery of enabling functions across the department is not evident. The procurement and contract management area will require particular focus for capability uplift, owing to the scale of the department's capital re-equipment needs, outsourced labour force, operations and the high-risk nature of this work.

The new leadership team is taking positive steps to improve enabling capabilities such as new, more coherent governance arrangements, including a Major Projects and Investments Committee, a focus on the leadership team's budget capability, a deeper examination of its budget and resourcing processes, the enforcement of budget discipline and a review of its procurement capability. This activity is also essential to building confidence with central agencies.

Potential priority areas for capability improvement

Give greater attention to improving financial management of departmental resources including budget prioritisation, direction setting, accountability and discipline.

Focus on ways to improve the capital plan and budget and its ongoing ability to sustain essential operational, physical and ICT assets.

Establish an executable vision, plan and governance to deliver required future ICT and data assets.

Detailed assessment of agency capability

This section provides an assessment of agency capability based on the Capability Review Framework. A full version of the framework is at **Appendix B**.

Rating scale

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

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The Senior Review Team's assessment of the department's organisational capability is outlined below.

Leadership and culture

Element	Maturity rating
Purpose, vision and strategy	Developing
Leadership and governance	Developing
Integrity, values and culture	Developing

Collaboration

Element	Maturity rating
Internal collaboration	Emerging to Developing
Public sector	Developing
Non-government partnerships	Developing to Embedded

Delivery

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

Workforce

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

Enabling functions

Element	Maturity rating
Financial management	Developing
Technology and data	Developing
Core enabling functions	Developing

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Leadership and culture

Element		Maturity rating
Purpose, vision and strategy	The capability to articulate a purpose, vision and strategy based on government priorities and legislative responsibilities, and successfully communicate this to staff and stakeholders.	Developing
Leadership and governance	The capability of the agency to provide cohesive leadership and direction, and to establish organisational structures that are efficient and effective.	Developing
Integrity, values and culture	The capability to embed integrity and APS values in the work of the agency. The agency engages with risk appropriately and embodies integrity in everything it does.	Developing

Good leaders set the vision, strategic direction and model the behaviours and values they want to see in an organisation. They bring a workforce together behind a common set of goals to ensure everyone is heading in the same direction. Collaborative supportive leadership is especially critical to an organisation going through a cultural transition, as is the Department of Home Affairs. It will be pivotal to the success of the department's cultural reforms that all leaders consistently communicate and model the qualities they want to see in the workforce.

Purpose, vision and strategy

The department has an opportunity to come together around a refreshed common purpose and supporting enabling and policy strategies to deliver improved organisation-wide outcomes. As the department begins its transformation agenda and cultural reset, this should signal a change in direction and describe the end-state organisation it aspires to become, for the benefit of its staff.

While the department previously articulated a common purpose and very high-level vision, this has not translated into strategic direction setting. Gaps persist in how the department develops and executes broader organisational strategy, including in enabling strategies (such as digital and workforce) and strategic policies. Many individual units appear to have a common sense of the direction and priorities for their individual work area. For example, 65% of staff within the department agree the SES clearly articulates the direction and priorities of their area, which is broadly in line with the APS overall (2023 APS Employee Census). However, a sense of the broader departmental direction and strategy remains less apparent, with only 57% of staff agreeing the SES clearly articulate the direction and priorities for the agency, which is 6 percentage points below the results for the APS overall (2023 APS Employee Census). One internal stakeholder said, 'part of the problem is that we are so diverse that we don't have a single North Star we work towards. Everyone works in their own silos to an extent'. This view was repeated by other stakeholders, including other government agencies that felt they needed to engage with multiple parts of the department to ensure a message or an issue was appropriately shared.

'[The department] was like a puzzle with no picture.' External stakeholder

Siloed operations contribute to the department not delivering a cohesive future-focused strategy and set of priorities for the organisation. This was well described by one external stakeholder who said ‘they lack strategic foresight. Where is the part of the department that says, this is what’s coming and how do we get in front of it?’. While the department is responsive to specific directions set by government and reacts to crises, this sometimes comes at the expense of a focus on the broader strategic direction, to ensure it can meet the challenges of the future irrespective of the government of the day. The previous command and control leadership style has not encouraged leaders to collaborate and prioritise whole-of-department strategy setting and execution.

Without a clear and cohesive strategy, the department is poorly positioned to foresee, plan and prepare for future challenges and opportunities. Without change, the focus will remain on responding to the crisis of the day rather than balancing leadership effort between reacting to issues and identifying and mitigating future risks. The review saw little evidence of existing approaches to resolve this lack of enterprise-level strategy setting and execution.

New collective whole-of-department governance arrangements will be important in driving this work forward (see page 14). Success in uplifting capability in this area will require a combination of recruiting staff with the right skills, increasing capability for existing staff, and leaders visibly embracing and reinforcing a whole-of-department strategic direction.

To create a greater shared purpose and strategy, the Senior Leadership Committee also needs to provide more effective direction setting, beyond the expectations of their immediate workgroup. There would be benefit in setting and communicating a strategy framework and process to empower staff to collaborate beyond their immediate workgroup and across the organisation around agreed strategic outcomes. This would assist the SES to address broader departmental priorities. A strategy framework, aligned with the department’s new governance arrangements, would encompass both departmental enabling and policy development and execution. This will require an uplift in leaders’ collective effort, visible role modelling, greater intra-agency collaboration, and capability to develop both enabling strategy and strategic policy.

Ideally, this enterprise-level strategy and planning would be informed by more than internal views, including views of the department’s users, ministers, other agencies and partners. This is explored further in the Collaboration (page 27) and Delivery domains (page 32).

Leadership and governance

Collaborative and cohesive leadership, supported by strong whole-of-department governance, ensures the department can work together to deliver outcomes in the most effective and efficient way possible. Previous leadership and governance was not properly effective. As outlined in the introduction, the department is diverse. This diversity, plus arrangements for ABF within the department, makes leadership and governance more complex.

Current ways of working do not do enough to encourage and reward staff to look beyond their day-to-day operations and consider future challenges and opportunities. This is exacerbated by high turnover of senior executive staff, less experienced leaders across the department and a lack of collective leadership. As previously

mentioned, the approach to governance until recently has not delivered consistent and effective whole-of-department direction setting and oversight.

Leaders and staff consistently raised working arrangements between the department and the ABF as a common challenge. Some staff often do not consider the ABF to be part of the Department of Home Affairs. This perception has been reinforced by the separation of governance arrangements, which is now starting to change. The models of leadership and governance have come from the organisation's history. Since its creation in 2017, the department has been led from the centre with a command and control culture, which limited collaboration and collective leadership.

'We went too far to command and control and a rules basis. People weren't empowered, decision-making was pushed too high. It was too risk averse.' Internal stakeholder

Challenges associated with internal cross-agency collaboration and senior executive leadership turnover and capability contribute to weak collective leadership. This reinforces a negative perception of effectiveness of SES' relationships, both internally with staff and between SES leaders. This perception extends externally, particularly among other government agencies. Senior leaders across the department have become disempowered, in part because of centralised decision-making. They are seen as hesitant to make decisions, take risks, provide a counterpoint view, share new ideas or participate in a productive debate. One internal stakeholder said, 'people's capability to make a decision wasn't developed, and now they can't make a decision unless there is a rule'. This cascades down to staff at lower levels not feeling empowered to make decisions, challenge approaches, be curious or share new ideas. Better alignment with the principle that decisions should be made by staff at the lowest practical level would help here (refer to the [Optimal Management Structures guidance](#) for the APS for further information).

Addressing the leadership and accountability challenges requires better governance and investment in key leadership competencies to deliver the transformational and cultural change needed. Clearly identifying, building and rewarding the leadership skills and behaviours valued by the department would be beneficial.

The rate of SES separations is well above the APS average for both new and experienced SES officers and is trending higher. The department's SES-only separation rate is 18.8%, which is up from 16.8% in 2018–19, and higher than the APS average rate of 16.9%. SES separations peaked in 2021–22 at 20.7%. The department needs to better understand and respond to the causes of this turnover. This may include issues relating to workloads, constant crisis management, disempowering leaders and a lack professional development opportunities. Action in this area would help improve attraction and retention of talented SES in the future.

'We find they are continually subjected to high turnover and changing staff. Quite honestly, we have to discuss between us who our main contacts are.' External stakeholder

There seems to be high turnover ... particularly in senior roles in the last year. It's noticeable.' External stakeholder

Improved governance should improve collective and collaborative leadership of the department, and rally staff around a common purpose. But governance alone can only achieve so much and must be supported with a willingness and visible action by the broader Home Affairs and ABF leadership teams to work as a collective. Role modelling by leaders, formal mechanisms to incentivise change, developing talent and skills in leaders, and building understanding and support for the transformation change will be very important.

Steps are underway to improve governance arrangements. A new governance structure is detailed on page 14. Success of the new arrangements will partly rely on transparent communication with staff, buy-in and active role modelling by all leaders, as well as actively monitoring and fine tuning the new arrangements as they are implemented.

New governance arrangements and the associated transformation program will require careful planning, methodical staged implementation and monitoring, and a comprehensive communication strategy. Transformation experience across the public and private sector suggests there is a high risk of 'snap back' to old ways of working unless changes are carefully managed, communicated and role modelled persistently by all members of the leadership team. Staff will need to feel engaged and heard as part of the transformation process if the department is to improve staff engagement. It will take time to realise the benefits of these activities but this is essential.

Integrity, values and culture

Integrity will remain an area for attention. The department's integrity framework is not always working as needed. There has also been a heightened focus on integrity matters due to a very public integrity failure at the highest level, which may have affected public and staff perceptions of the department's integrity. It may also lead to staff questioning the use and effectiveness of the current integrity framework.

In interviews, external stakeholders said they generally trust the department to deal with them ethically and in good faith. According to an all-staff survey conducted for this review, 87% of staff agree that people in their workgroup uphold APS values, with only a small proportion of respondents disagreeing (5%). In response to the 2023 APS Employee Census, a similar proportion of staff (4%) said they had witnessed another APS employee in their department engage in behaviour they thought may be serious enough to be viewed as corruption. This proportion is in line with the result for the APS overall. Of these respondents, 57% said they did not report the potentially corrupt behaviour they witnessed, which is a lower rate of non-reporting than the APS average.

The department has a detailed integrity framework within its Professional Standards Framework. However, the Professional Standards Framework is complex, multi-layered and makes it difficult for staff to easily understand their personal obligations in a practical way. Approaches to improve its practical effectiveness and consistent application across the organisation would be highly desirable.

The department is reviewing its whole integrity system to ensure it is fit-for-purpose and appropriate, given it was set up during a different time and context. The review is focusing on achieving a best practice integrity system, improving associated processes and systems, improving accountability mechanisms for leaders, educating staff and evaluating the integrity system to ensure continued improvement. The handling of conflicts of interest has