



**Portable
Long Service
Authority**

**Corporate Plan
2023-26**



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Message from the Chair and Chief Executive Officer

We are pleased to present the 2023-26 Corporate Plan of the Portable Long Service Authority (the Authority).

This is the Authority's second Corporate Plan and sets out the short- and medium-term priorities of the Authority as it embarks on the journey to build upon the solid foundations created during the first three years of the Authority's operations.

With over 3,000 registered employers and 280,000 registered workers, the Authority has transformed from being a 'keen start-up' to an independent statutory body that manages one of the largest portable long service leave schemes in Australia. Apart from a fast-paced high-volume operations centre based in Bendigo, the Authority is also responsible for the investment management of over \$300 million, which will be used to fund future claims for portable long service leave benefits by the current registered workers.

The Authority is pleased that after three years of operation most employers are complying with their obligations to enrol their workers in the Portable Long Service Benefits Scheme (the Scheme) and contribute appropriately on their behalf to our fund to provide portable long service benefits. However, there are still a number of employers and workers who are not registered. In the next three years, the Authority will direct more resources on identifying and communicating with covered employers and where necessary take action to ensure compliance. This is a complex task and the Authority will be collaborating with a range of stakeholders and other agencies to better identify areas of under-registration.

The Authority will also increase its engagement with workers, both those who are already registered (so that they can better understand their entitlements and the claims process and can be assured that their employer is properly contributing), as well as those that have not been registered by their employer but ought to be so that we can take suitable action against their employer. We will also continue our broader education and engagement process with

stakeholders about the portable long service obligations and benefits. The Authority will also make the establishment of an efficient and user-friendly process to manage the increasing number of claims for payment of long service leave benefits a priority as the Scheme matures.

We have learnt through the COVID-19 pandemic the need for our workforce to be agile and responsive to change over time. The Authority supports and encourages all its staff to develop diverse skills and capabilities so that there can be continuous improvement in our service to the public.

Finally, it is a complex and transformative time in Victoria's and Australia's history for portable long service leave. As the focus sharpens on insecure work, jurisdictions around Australia continue to explore expanding eligibility of portable long service leave to other industries and sectors. Without taking the focus off our core vision and purpose, the Authority will continue to monitor these developments; contribute to the national discussion where appropriate; benchmark our performance to other comparable portable long service leave schemes; all with the ultimate goal of ensuring that we continue to deliver the most effective and efficient portable long service leave scheme for all stakeholders.

We look forward to implementing the initiatives in the 2023-26 Corporate Plan.



Julius Roe
Chair, Governing Board



Joseph Yeung
CEO and Registrar

Who we are

The Authority is an independent statutory body established to administer the Scheme under the *Long Service Benefits Portability Act 2018 (the Act)*, to provide portability of long service benefits in the community services, contract cleaning and security industries.

The Scheme was created in response to the Victorian Parliament's Economic, Education, Jobs and Skills Committee inquiry into portability of long service leave entitlements. It enables covered workers to accrue long service benefits based on length of time employed in their respective industry, as opposed to length of time employed by one employer.

The Scheme commenced on 1 July 2019.

Vision



Delivering a quality Scheme to protect the benefits of those who are entitled to them.

Purpose



The Authority administers an effective Scheme through prudent, sustainable investment and supporting all stakeholders - including employers and workers alike - as well as educating and enforcing every stakeholder's role and interest in the Scheme.

Independence



The Authority is an independent statutory body with an official seal. Under the Act, the Authority may sue and be sued and acquire, hold and dispose of property.

The Authority employs staff who are Victorian Public Service (VPS) employees.

Functions



The Authority has several key functions pursuant to the Act:

- 1 Administering the Scheme in the covered industries.
- 2 Making payments of benefits.
- 3 Keeping registers of employers and workers.
- 4 Resolving disputes as to the timing of taking long service leave.
- 5 Consulting other industries that may be affected by decisions made under the Act in relation to covered industries.

Values



The Authority has adopted the Victorian public sector values, which underpin the behaviours that the government and community rightly expect of it. Acting consistently with these values strengthens the Authority's capacity to operate effectively and achieve our objectives. These values are:



Responsiveness

We are approachable and provide timely, useful and accurate information.



Respect

We respect our stakeholders, each other and ourselves.



Integrity

We have unbiased and honest interactions.



Leadership

We seek to have a positive influence and to empower others.



Impartiality

We are firm and consistent in our application of the law.



Human rights

We administer the law and deliver decisions, advice and policy that respect and support everyone's human rights.



Accountability

We fulfil our objectives in a clear, transparent and responsible manner.

Organisational structure

Chief Executive Officer / Registrar

Finance



Operations

(Customer Service and Education, Compliance and Enforcement, Research and Engagement)



Legal, Governance and Secretariat



Facilities and Information Technology



Communications and Engagement



People and Culture



Business units

Finance



The Finance business unit underpins the Authority's operations whilst the Head of Finance has specific responsibilities under the *Financial Management Act 1994*. It is responsible for performance monitoring, responsible budgeting and a robust investment strategy, which ensures that the entitlements of registered workers are managed prudently and helps to ensure the sustainability of the Scheme.

Operations



Customer Service and Education

The Customer Service and Education team delivers the core registry and Scheme administration functions by responding to queries from workers and employers, assisting employers to apply for registration, assessing and determining registration applications along with submission and review of quarterly returns. During the next three years, the team will expand to include the processing of claims from workers who have accrued seven years of service.

Operations (continued)

Compliance and Enforcement

The Compliance and Enforcement team is responsible for ensuring compliance across the Authority's key compliance and enforcement areas, including pursuing employers who have failed to register, submit quarterly returns and/or pay levies.

The team applies strategic risk-based, intelligence-led principles to implement an effective and proportionate compliance and enforcement program to ensure all employers comply with the Scheme.

Research and Engagement

The Research and Engagement team undertakes research and provides data analysis support to inform the Authority's activities and implement a range of education and engagement initiatives to grow employer and worker registration.

Legal, Governance and Secretariat



Legal

Supports the Authority by providing practical legal advice that advances the Authority's objectives whilst being consistent with the law and regulatory environment. The unit provides both in-house commercial legal advice in conjunction with advice on the Authority's regulatory obligations.

Governance

Responsible for establishing good governance, including an integrity framework, ensuring comprehensive risk management practices, corporate planning and project management.

Secretariat

Supports and facilitates the efficient and effective running of the Governing Board, Audit and Risk Committee and relevant sub-committees established from time to time.

Facilities and Information Technology



Facilities

Manages the Authority's accommodation and other fixed asset leases, as well as supporting infrastructure, including telephony systems and facilities.

Information Technology

Ensures the Authority operates to its full potential by providing quality IT support - including IT security - to business units and staff, as well as management of the Authority's external portal for employers and workers.

Communications and Engagement



Leads communications and engagement with internal and external stakeholders to ensure that employers understand and are meeting their obligations. The Communications and Engagement business unit also ensures communications so workers are aware of their rights, engage with the website and portal and report non-compliant employers.

People and Culture



Supports the growth and development of the Authority's staff by helping create a safe and welcoming work environment. The team empowers staff to thrive and drive a positive culture but is also responsible for ensuring that the Authority has a robust performance development and performance management framework.

Our stakeholders

The Authority is accountable to the Minister for Industrial Relations and is a regulator for the Scheme covering employers and workers.

As part of the day-to-day operations, the Authority's stakeholders include Victorian government departments and agencies, union bodies and industry organisations representing workers and employers in the covered sectors, as well as similar portable long service benefit authorities in other Australian jurisdictions.

Employers and workers in the community services, contract cleaning and security industries are key stakeholders as it is vital that they understand their rights and obligations under the Scheme.

Over the next three years we will continue to:

- Strengthen relationships with existing stakeholders and build relationships with any new stakeholders.
- Continue to raise awareness amongst all stakeholders about the Scheme, the underlying legislation and the Authority's compliance and enforcement activities.
- Provide relevant information for stakeholders to understand their rights and obligations so that they can make informed decisions.
- Develop and implement a worker targeted awareness campaign as we progress towards being 'claims ready'.
- Embed compliance tools and programs to ensure workers' rights and benefits have been accurately recognised and non-complying employers are held accountable.
- Actively pursue prosecutions and civil claims against non-complying employers.



Operating environment

Under the Act, the Authority administers and operates the Scheme for covered employers and workers in Victoria's community services, contract cleaning and security industries.

Businesses employing workers in these industries must register themselves and all their covered workers with the Authority through our online portal.

Each quarter, registered employers are required to lodge a quarterly return to the Authority that details relevant worker information. The employer pays a levy that is invested by the Authority with the objective of meeting future long service payments to covered workers.

The Scheme allows covered workers to accrue long service leave and take it with them if they change employers but remain in the same industry.

Registered workers can access the Authority's online system at any time to check their balances or update their details. When workers become entitled, after at least seven years of service, they can apply for their portable long service benefit (which varies slightly across the three Schemes).

The Authority has a Governing Board that reports to the Minister for Industrial Relations. The Governing Board comprises:

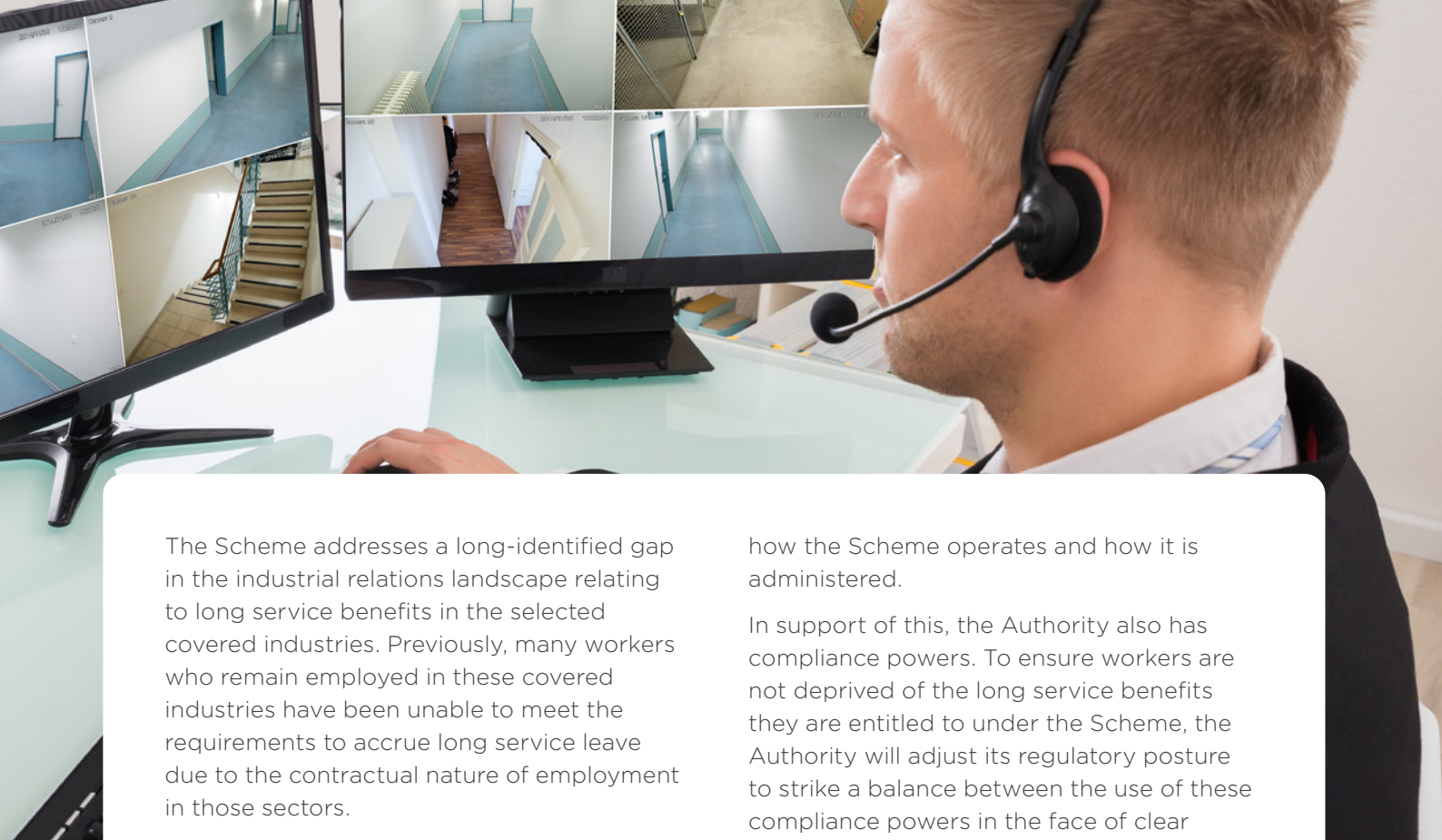
- a Chairperson
- a Deputy Chairperson
- three members nominated by employee organisations
- three members nominated by employer organisations, and
- the CEO / Registrar (as a non-voting member).

In accordance with the Act, the Governing Board:

- sets the levy to be paid by employers and contract workers
- is responsible for the governance, strategic planning and risk management of the Authority
- advises the Minister on agreements for corresponding schemes across Australia and may perform functions and exercise the powers of the Authority that it deems appropriate.

The CEO / Registrar, who is a member of the Governing Board, is also responsible for the day-to-day management of the Authority and its operations.

An Audit and Risk Committee also provides support and assurance as well as advice to the Governing Board. Other sub-committees are established from time to time to oversee particular projects as they arise and the Governing Board considers it appropriate.



The Scheme addresses a long-identified gap in the industrial relations landscape relating to long service benefits in the selected covered industries. Previously, many workers who remain employed in these covered industries have been unable to meet the requirements to accrue long service leave due to the contractual nature of employment in those sectors.

The Authority has an important role in administering the Scheme. It does this by supporting its stakeholders to understand

how the Scheme operates and how it is administered.

In support of this, the Authority also has compliance powers. To ensure workers are not deprived of the long service benefits they are entitled to under the Scheme, the Authority will adjust its regulatory posture to strike a balance between the use of these compliance powers in the face of clear wrongdoing, versus educating employers who steadfastly determine not to register covered workers.

Data security and the ever-increasing instances of cyber-attacks is a growing risk for organisations. The Authority continues to invest in ensuring it has strong and resilient technological solutions and controls in place to reduce and limit the effects of cyber-attacks and/or loss of data.

External environment and **general economic conditions** will also affect the investment performance of the Scheme that is used to fund worker liabilities. The effects of the COVID-19 pandemic, particularly on covered industries such as cleaning and security will continue to have an impact, including an increase in the number of employers who go into liquidation and may not report, or pay, for their workers' entitlements. The Authority will continue to take strong and responsive compliance action to ensure workers' service records are obtained and recorded, including when notified by workers that their service credits may be missing, or the worker is not registered.

The **investment performance** along with other changes in demographic assumptions such as unemployment rates will also have an effect on the levy rate that is required to be charged to employers to fund the underlying Scheme. The appointed actuary both scrutinises and supports the Authority to ensure that funding and liquidity measures are appropriate and adequate.

The triannual **actuarial review** of the Authority was conducted by the independent actuary in 2020-21. The next actuarial review is due for completion by 30 June 2024.

In March 2023, Industrial Relations Victoria within the Department of Premier and Cabinet, commenced a three-year Act review. The Authority will wait to see the outcome of the review and, if there are any amendments to the governing legislation, will implement and operationalise them accordingly.

Risk management

As a statutory body, the Authority is required to comply with various requirements under legislation. Key legislation that governs the risk management of the Authority includes the various legislative obligations set out in the Act and the *Financial Management Act 1994*.

Effective risk management practices assist the Authority with meeting those obligations and ensures that the Authority's strategic objectives can be achieved in a controlled setting.

The Authority continues to integrate risk management into its strategic, business planning and decision-making processes. This integration means that the Authority takes informed risks and makes decisions that are consistent with the amount of risk that the Authority is willing to accept in order to meet its objectives as part of its routine work.

The Authority has a moderate appetite for risk and will consider the costs and benefits when taking risks, preferring balanced outcomes. Staff are supported to manage risks within the risk appetite, through regular risk identification and assessment.

Principles for decision-making

Strategic

- Protect and sustainably grow funds under our management while equitably administering the Scheme and building trust with our stakeholders.



Financial

- Exercise prudent organisational financial management that assists our ability to sustainably support the organisation.
- Proactively seek registrations and levy payments to protect workers' benefits and support the Authority's financial position.



Service delivery

- Strive to have positive interactions that help to build awareness, education and engagement.
- We give people accurate information that serves our objectives.



Information technology

- Ensure we have technology solutions that encourage interaction and efficient registrations while providing ongoing service.
- Ensure we have secure technology solutions that encourage engagement with employers and workers, as well as provide for an efficient registration and customer service experience.



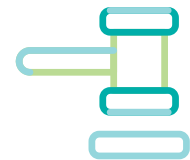
Operations

- Take an inclusive approach to the Scheme's coverage consistent with law. Through the provision of accurate and accessible information and our enforcement strategy we seek that all covered employers are registered and that they include workers in their returns to the full extent of the Scheme's coverage.
- Embed a range of compliance tools and programs using intelligence-led, risk-based and outcome focused enforcement methods to identify and deter non-compliance and hold all employers to account for non-compliance.
- To be ready with our people, processes and systems to administer claims to covered workers on and from 1 July 2026.



Compliance and legal

- Comply with the Authority's compliance and legal obligations. Avoid material and systemic compliance failures through sound internal controls. Intentional misbehaviour will not be tolerated.
- Actively pursue prosecutions and civil claims against unresponsive non-complying employers.



People

- Maintain a safe and healthy workplace.
- Invest in initiatives that recognise the value of employees' contributions, develops their performance, and encourages resilient, solutions-focused staff.



Regulatory approach

In the Authority's first three years of operation, the regulatory approach was primarily focused on education and support for employers to familiarise themselves with the Scheme, to assist them to apply for registration, submit their quarterly returns and register their workers.

This has been successful with the Authority exceeding its employer and worker registration targets with most employers complying with their legal obligations under legislation. However, there remain employers who the Authority has identified that are not complying or not fully complying with their legislative obligations.

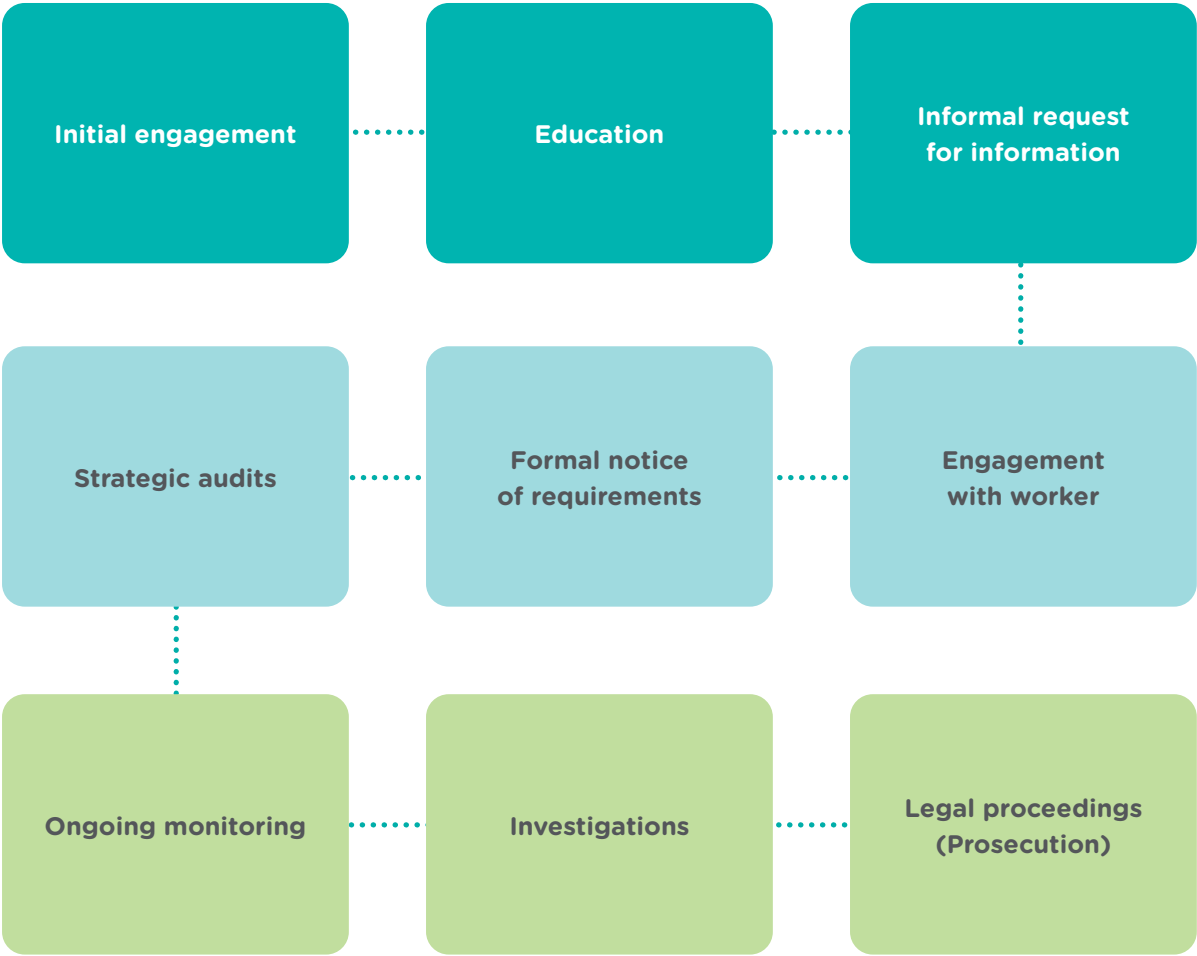
The Authority has identified and will commence strong compliance and enforcement activities over the following four strategic areas of regulatory focus over the next three years:

- 1 Registration of non-complying employers:** these are employers who are covered by the Scheme but remain unaware (or that are willfully refusing) to register their workers to give them their legal entitlements.
- 2 Registration of workers:** this includes all workers who are covered by the Scheme but that have not been registered either because their employer has not registered them or because their employer has under registered the number of workers in their workplace.
- 3 Timely submission of quarterly returns:** this includes employers who fail to submit, or are regularly late in submitting their quarterly returns.
- 4 Prompt or non-payment of levies:** there continues to be employers who fail to pay their levies or pay their levies promptly.



In light of the fact that employers have had three years to familiarise themselves with the Scheme and their obligations, the Authority will shift its approach to the compliance priorities from a primarily educative and supportive approach, to a more risk-based, intelligence-led and strategic enforcement program across all four strategic areas.

The Authority’s enforcement program includes the following:



Our strategic priorities and outcomes



The Authority's strategic priorities and desired outcomes

To ensure that:

1 All covered employers and workers are registered.

2 All service of workers is captured.

3 All outstanding levies are paid.

4 The Authority has a strong, intelligence-led and risk-based compliance and enforcement program.

5 The Authority is claims ready.

To achieve this, the Authority wants to:

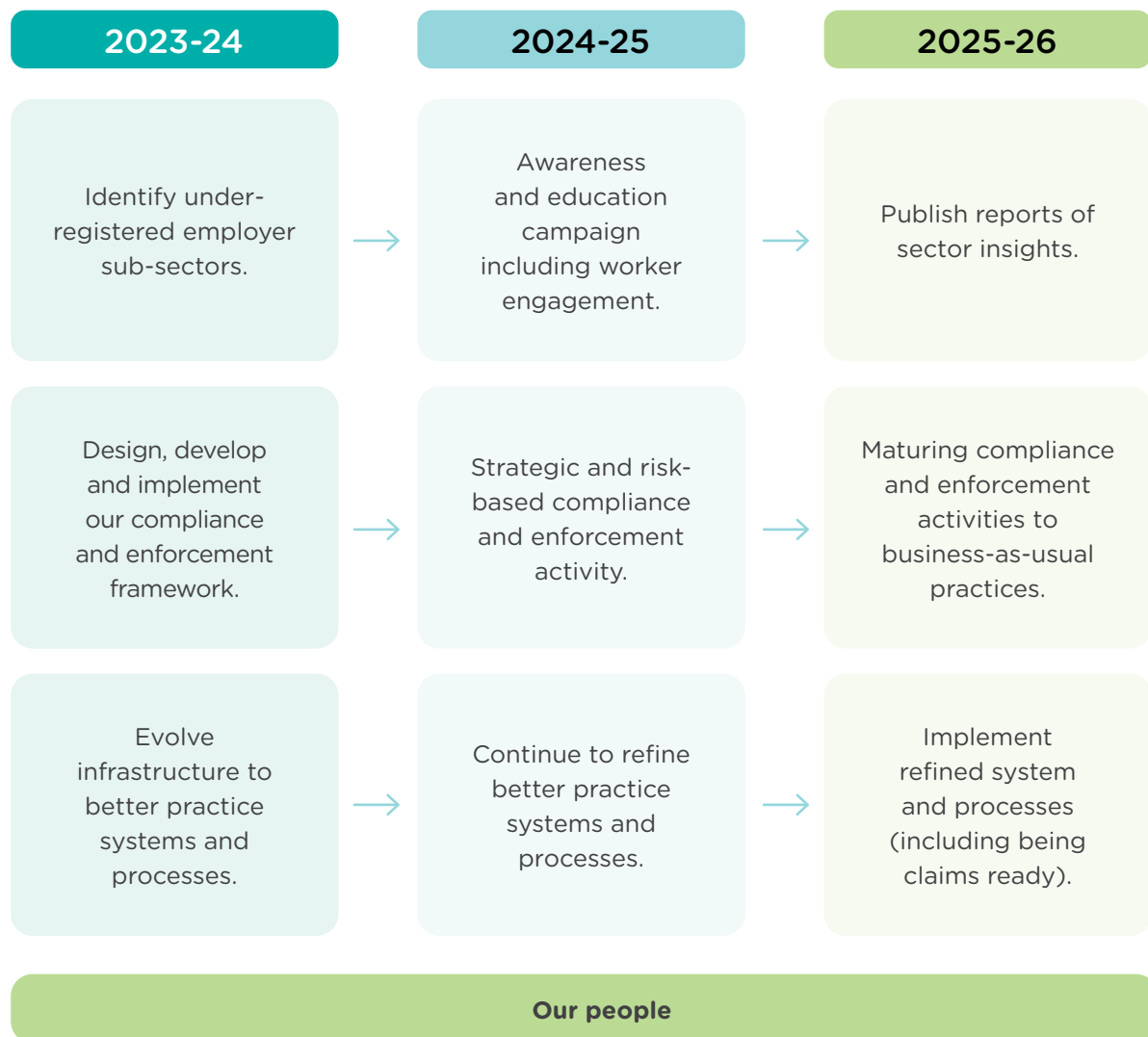
1 Utilise and implement technological solutions and systems integration.

2 Be an employer of choice.

3 Continue to maintain strong governance frameworks as well as operate in a fiscally responsible manner that leads to financial stability.

Key milestones

To achieve our objectives, we have identified the following priority initiatives over the next three financial years:



Our people

The Authority has identified investment in our people as a key strategic priority across the next three years. This includes investing in our workplace culture, ensuring roles are clear and aligned to organisational objectives, educating staff on values and expectations of the VPS and empowering staff to be accountable in their role and in their contribution to the Authority.

The Authority also anticipates several other strategic initiatives will be completed. These include process enhancements and communication initiatives that will enhance our workplace culture and contribute to the Authority being an employer of choice.



Initiatives

Organisational initiatives

For the Scheme to remain sustainable long-term, and in compliance with the legislation, all employers must be registered and pay the required levy. All covered workers must also be registered and their full service history reported by their employers.

The Authority will continue to monitor the covered sectors to ensure that all covered employers and workers are registered for the Scheme. The Authority will continue to invest and build its capabilities to:

- Further define and clarify the size of the covered employer universe and identify areas where there remains a risk of under registration of workers and employers.
- Respond to and inform stakeholders.
- Develop effective communication and education campaigns to ensure unregistered employers are aware of their obligations.
- Strengthen its compliance and enforcement framework to hold employers to account and deter others who choose not to comply.
- Develop a targeted worker awareness campaign.

All this work requires ongoing and collaborative support from the collective business units across the Authority.

Internally, the Authority is focused on evolving its baseline infrastructure to better practices and systems. This is not just contained to the operational teams but will cover all business units and see implementation of process enhancements – including any technological solutions – over the next three years.



Finance

As a self-funded entity, with responsibility for investing and administering funds on behalf of workers, the Authority's strong financial performance and prudent organisational financial management is critical. The previous three years has seen the Authority achieve strong financial performance.

We intend to build on that in the next three years by:

- Providing timely, useful and accurate financial information to internal and external stakeholders.
- Supporting the financial sustainability of the Scheme.
- Participating in the triannual levy review.
- Developing effective investment strategies and continually reviewing.

Operations

Customer Service and Education

The Customer Service and Education team continues to prioritise quality and responsive customer service for employers and workers.

Over the next three years, the Customer Service and Education team will:

- Review processes and systems and implement enhancements to ensure responsive and efficient action.
- Validate employer and worker registration status – in particular worker numbers – to ensure all covered workers are registered with the Scheme.
- Target overdue submission of quarterly returns and payment of levies to ensure all service is captured, paid and invested in anticipation for payments of claims in 2026-27.
- Deliver further worker campaigns to ensure that all workers are aware of their entitlements and engage with the worker portal and Authority website.
- Be ready to process covered worker claims from 1 July 2026.

Compliance and Enforcement

The Authority is transitioning its regulatory approach from an educative to a more targeted, strategic and risk-based compliance and enforcement program. It will do this by ensuring all non-complying employers are held to account for non-compliance by evolving, refining and operationalising its compliance and enforcement framework.

The initiatives include:

- Clarity of roles and staff development under the revised regulatory approach.
- Evaluating data to design, implement and assess targeted compliance programs, such as audits and fieldwork across the four compliance areas.
- Scoping and implementing technological solutions to support more sophisticated compliance activities.
- Publishing and promoting the Authority's regulatory posture and areas of compliance focus.
- Successful court outcomes in key strategic areas.
- Engaging with workers to inform and contribute to achieving compliance enforcement objectives.

Whilst many of these initiatives will be led by the Compliance and Enforcement team, other teams across the Authority will also play an enabling role to support key compliance and enforcement objectives.

Research and Engagement

The team will:

- Complete a project to identify under-registered employer sub-sectors.
- Identify data trends to develop targeted compliance and enforcement activities.
- Identify and develop proactive communications and engagement requirements for employers, industries and community groups.
- Develop and publish public reports on data insights on the covered sectors.

Legal, Governance and Secretariat

Legal

The Legal team provides an enabling role to support the Authority, CEO / Registrar and business units achieve their overall objectives. The team will continue to do so by:

- Resolving internal legal questions regarding the Act and the Scheme.
- Minimising legal risk on operational initiatives.
- Collaborating with the Compliance and Enforcement team in their compliance activities.
- Commencing and running of legal proceedings to a successful outcome.
- Supporting and advising the Authority through its key strategic projects, including being claims ready.

Governance

The Governance team will continue to ensure sound governance practices across the Authority and will:

- Maintain the Authority's risk and governance framework.
- Facilitate the delivery of an effective strategic internal audit program.
- Continue to strive for enhanced and best practice governance, risk and integrity practices and embedding a sound governance and risk positive culture within the Authority.
- Support the Authority's wider project initiatives, including through project governance and risk support.

Secretariat

The Secretariat will continue to support the Governing Board and its sub-committees by ensuring timely, professional agendas, packs and minutes and the prompt facilitation of actions arising.

Facilities and Information Technology

Data security is a strategic focus for the Authority. We will ensure we have secure technology and resilient systems in place to protect the Authority's data and reduce the likelihood and impacts of cyber-attacks. This will be achieved through regular testing, implementation of IT solutions and refinements, staff training and annual business continuity simulations.

As part of the Authority's priority to evolve baseline infrastructure and process map procedures across all business units, it is anticipated that there will be the opportunity for information technology solutions and refinements to improve external stakeholder experiences with the Authority and achieve process efficiencies internally to improve current manual hurdles for staff.



Communications and Engagement

Communications and Engagement is focused on increasing external stakeholder awareness, understanding of the Scheme and stakeholder obligations. The priorities include:

- Conducting a major review and update of the Authority's website, along with greater culturally and linguistically diverse (CALD) and easily understood reference material.
- Designing further reporting for external stakeholder awareness.
- Delivering dedicated and targeted advertising and coverage-specific awareness campaigns, in particular worker campaigns.
- Hosting and organising external information sessions and events to communicate key Scheme information.

We also play a critical role in internal communications while recognising the Authority is a great place to work, staff need to be informed and be able to contribute to the future direction of the Authority. We will support this by:

- Developing and implementing an internal communications policy and framework.
- Supporting and driving continual new content to the Authority's intranet (Pulse).
- Assisting in internal communication initiatives.



People and Culture

The Authority recognises that its people are critical. It must ensure that it is a great, safe and supportive place to work in order to succeed in meeting its objectives and fulfilling the legislative purpose.

Like many organisations, despite the many successes achieved over the last three years, the pandemic and remote working has impacted the Authority and its staff. Workplace practices have evolved and the Authority intends to strike the right balance between maintaining the benefits of remote working with the need for collaboration and in-person engagement both internally and with external stakeholders.

The Authority's new offices in Bendigo, known as Galkangu, means the majority of the Authority's employees will be located together. The Authority will continue to

maintain a small office in Melbourne, in particular for compliance and enforcement activities.

As the Authority continues to grow, it will invest in training and 'on-the-job' upskilling to ensure all staff are clear on the Authority's values, expectations and are accountable for the role they play within the organisation.

To be an employer of choice, the Authority will look to direct greater investment in diversity and inclusion of the workforce, and the Authority is actively working on a program to ensure greater diversity within its workforce, especially around staff from culturally and linguistically diverse backgrounds.

Performance measures



2026 Performance measures

The Authority has identified the following relevant key performance indicators to measure progress of performance by 30 June 2026.

Employers registered

4,300

Workers registered

400k

Implementation of integrated IT infrastructure to be claims ready in 2026-27

100%

completed and ready for claims processing

Levies paid to the Authority within 60 days of the end of each reporting period

90%

Completed compliance investigations within 12-month period

80

Successful enforcement court action

2

(Target) Funding Ratio

110%

VPS People Matter Survey engagement rate

85%

Publications of insights / information of value to covered sectors / employers

4

per annum



**Portable
Long Service
Authority**

