



AUSTRALIAN PARLIAMENTARY SERVICE COMMISSIONER

Ms Christine McDonald
Secretary
Senate Standing Committee on Finance and Public Administration
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Ms McDonald

INQUIRY INTO THE PERFORMANCE OF THE DEPARTMENT OF PARLIAMENTARY SERVICES

Thank you for your invitation to provide the Committee with a submission for this inquiry.

My submission focuses on item (e) of the terms of reference for the inquiry:

- (e) *an assessment of the efficiencies achieved following the amalgamation of the three former joint parliamentary service departments and any impact on the level and quality of service delivery.*

Background

Role of the Parliamentary Service Commissioner

The Parliamentary Service Commissioner is a statutory office established under section 39 of the *Parliamentary Service Act 1999*. The functions of the office include providing advice to the Presiding Officers on the management policies and practices of the Parliamentary Service and, if requested by the Presiding Officers, to inquire into and report on matters relating to the Parliamentary Service.

The role of the Parliamentary Service Commissioner has, since the passage of the 1999 Act, been undertaken by the same person who holds the office of Public Service Commissioner under the *Public Service Act 1999*. The role attracts no remuneration to the office holder, and no resources have been made available to support the function.

The Podger Report

In April 2002, the Presiding Officers commissioned the Parliamentary Service Commissioner to review the administration of the Parliament.

The Parliamentary Service Commissioner presented his final report, *Review by the Parliamentary Service Commissioner of Aspects of the Administration of the Parliament* (the

Podger Report) to the Presiding Officers on 30 September 2002 and the report was tabled in Parliament on 23 October 2002. It contained six recommendations. The most significant of these was a recommendation for the amalgamation of the three joint service departments and measures to ensure the independence of the library. Other matters included recommendations relating to the management of corporate functions and purchasing

Establishment of the Department of Parliamentary Services

The Podger Report was considered by the Senate Standing Committee on Appropriations and Staffing. The House of Representatives has no equivalent committee. The Senate committee made recommendations to the Senate for adoption which were generally in line with the Podger Report.

Each House of Parliament then passed a series of resolutions actioning the Senate Standing Committee recommendations. As a result, the Joint House Department, the Department of the Parliamentary Library, and the Department of the Parliamentary Reporting Staff were amalgamated on 1 February 2004 to form the Department of the Parliamentary Services (DPS).

Establishment of the statutory office of the Parliamentary Librarian

On 1 April 2005 amendments to the *Parliamentary Service Act 1999* established the statutory office of the Parliamentary Librarian. Under the Act the Parliamentary Librarian and the DPS employees assisting the Parliamentary Librarian are known as the Parliamentary Library.

The Briggs Review

In May 2007 the Presiding Officers agreed to the Parliamentary Service Commissioner undertaking a review of the implementation of the amalgamation of the former joint parliamentary departments.

The terms of reference for the review included:

The Parliamentary Service Commissioner will assess and report to the Presiding Officers on the implementation of the amalgamation of the former joint departments.

In particular the review will examine whether the administration of the Parliament is more efficient and effective than prior to amalgamation.

The review was conducted under section 41(1)(b) of the *Parliamentary Service Act 1999*.

The review found that while it was difficult to isolate and measure change that had occurred as a direct result of amalgamation and change that had occurred as a result of management intervention following amalgamation, the two together had delivered significant financial savings.

However, the review also found that further savings were possible through full implementation of the Podger Review recommendations, particularly the establishment of a shared services centre.

The review also found that the Senior Management Coordination Group (SMCG) was not working as effectively as it should and that more could be done to strengthen the coordination of

strategic ICT. Recommendations were made to strengthen the group, including oversight of strategic ICT and to establish the position of a Chief Information Officer for Parliament.

The review did not examine the operations of the Parliamentary Library closely, but did note that there was no evidence that the independence of the Parliamentary Library had been diminished as a result of amalgamation or that it did not have the resources to undertake its role.

Comment

The Briggs review made a further five recommendations, most of which followed on from the Podger review. Those recommendations emphasised the desirability of looking for better ways for the parliamentary departments to continue to work together to take advantage of strategic opportunities and achieve economies of scale not available to smaller organisations, including by:

1. giving priority to investigating and implementing a shared services centre to undertake human resources, finance and office services functions across all Parliamentary departments with a view to implementation within the following two years
2. establishing a Chief Information Officer position as part of the new shared services centre
3. amending the the terms of reference for the Senior Management Coordination Group (SMCG) to include oversight of strategic ICT for the whole of Parliament
4. SMCG reviewing procurement activity on a regular basis e.g. six monthly, to ensure that the existing arrangements continue to operate effectively; and to monitor any unnecessary duplication.

I have noted that the submission made to this inquiry by the Secretary of the Department of Parliamentary Service, Mr Thompson, has highlighted the savings made by the amalgamation of the previous three departments into the current one. I am advised that the SMCG monitors practices from time to time within the Parliamentary Departments with a view to moving to shared service delivery arrangements where beneficial. As I noted in my most recent Annual Report, the Department of the House of Representatives is now providing payroll services to DPS. This arrangement was put in place without major difficulties and, to the best of our knowledge, is working well.

Nonetheless, the Briggs Review suggests it is likely that there remains additional scope for savings by moving over time to a shared services centre approach for other functions.

Similarly, Mr Thompson's submission notes the continuing concerns about the provision of evolving ICT technology to people working in the Parliament House and electorate offices. The co-ordination of ICT strategy to provide a whole of organisation solution, marrying the economies of one large purchaser to the needs of a diverse but inter-connected clientele, may provide additional efficiencies. I have been advised that this recommendation has not been taken up.

Since the last report, however, I have not been approached by the Presiding Officers either to inquire further into these matters, or undertake any further review. I therefore have no detailed knowledge of these matters beyond the findings of the earlier reviews of my predecessors.

Stephen Sedgwick
10 August 2011