

Part 6—Management and accountability

Part 6—Management and accountability

463 This Part provides information on the Department of Parliamentary Services (**DPS**) management and corporate governance practices, and how we meet our accountability obligations. It includes several specific reports required under Commonwealth legislation.

Corporate governance

Introduction

464 The President of the Senate and the Speaker of the House of Representatives (**The Presiding Officers**) have joint powers in relation to DPS similar, but not identical, to those of a Minister administering a Department of State (parliamentary departments are distinct from government departments, in that they serve the Parliament, not the government, and operate under the *Parliamentary Service Act 1999*, not the *Public Service Act 1999*).

465 The Presiding Officers are assisted by the Joint House Committee, the Joint Standing Committee on the Parliamentary Library, the Security Management Board, the Presiding Officers' Information Technology Advisory Group and the Art Advisory Committee. The role of each of these committees is outlined below.

Committees advising the Presiding Officers

Joint House Committee

466 The Joint House Committee consists of the members of the House Committees of the Senate and the House of Representatives. Members of those committees are appointed under Senate Standing Order 21 and House of Representatives Standing Order 327 respectively. The two committees meet together as the Joint House Committee.

467 The Committee advises the Presiding Officers on the provision of services and amenities to Senators, Members and staff located in Parliament House.

Security Management Board

468 The Security Management Board (**SMB**) is established pursuant to section 65A of the *Parliamentary Service Amendment Act 2005*. The function of the SMB is to provide advice to the Presiding

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Officers on security policy and the management of security measures for Parliament House.

469 Membership of the SMB is as follows:

- (a) the Secretary of DPS;
- (b) the Usher of the Black Rod; and
- (c) the Serjeant-at-Arms.

470 In addition, the SMB may invite representatives of organisations involved in the development of security policy and provision of security services to Parliament House to attend meetings. Representatives include officials from the Australian Federal Police, the Attorney-General's Department, the Department of Finance and Deregulation as well as DPS.

Joint Standing Committee on the Parliamentary Library

471 The Joint Standing Committee on the Parliamentary Library was re-established for the 42nd Parliament by motions of the Senate and the House of Representatives on 12 February 2008.

472 At the commencement of each Parliament, six Senators and seven Members of the House of Representatives are appointed to the committee.

473 Information about the role and functions of the Joint Standing Committee on the Parliamentary Library, including its Terms of Reference, can be found in Part 3 of this report.

Presiding Officers' Information Technology Advisory Group

474 The Presiding Officers' Information Technology Advisory Group (**POITAG**) comprises seven Senators and eight Members of the House of Representatives, appointed at the commencement of each Parliament.

475 POITAG's terms of reference are to:

- (a) identify and advise the Presiding Officers on the information and communication technology (**ICT**) requirements of Senators and Members;
- (b) monitor and assess the performance of those areas of the parliamentary administration providing ICT-related services; and

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- (c) advise and assist the Presiding Officers on issues relating to the efficient and cost-effective use of ICT in the Parliament.

Art Advisory Committee

476 As a result of the Churcher review—see paragraph 343 in Part 4—the Art Advisory Committee (**AAC**) was re-established in 2007.

477 The purpose of the AAC is to assist the Presiding Officers in determining the suitability of art works for addition to the Rotational Collection within the PHAC.

478 Membership of the AAC includes:

- (a) the Presiding Officers;
- (b) the Deputy President;
- (c) the Deputy Speaker; and
- (d) the Secretary of DPS.

479 AAC meetings are attended by an independent Art Adviser from the staff of the National Gallery of Australia.

480 The AAC's terms of reference are to:

- (a) provide guidance on the Rotational Collection Acquisition Policy, and set short-term priorities for acquisitions;
- (b) assess acquisition proposals in accordance with the Acquisition Policy and priorities; and
- (c) provide advice on other matters relating to the display and management of artworks in the Parliament House Art Collection as considered necessary by the Presiding Officers.

DPS committees

Strategy and Finance Committee

481 The Strategy and Finance Committee (**SFC**)—changed from the Finance Committee during 2007-08—is an essential part of DPS's corporate governance arrangements, and consists of the Secretary, the Deputy Secretary, the Parliamentary Librarian and the Chief Finance Officer.

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482 The role of the SFC is to:

- (a) decide on DPS's strategies and strategic policies;
- (b) approve DPS's strategic plans;
- (c) promote and monitor continuous improvements in DPS;
- (d) approve business plans prepared by the Parliamentary Library and other branches;
- (e) formulate DPS policy on all financial matters;
- (f) allocate annual budgets, and reallocate funding during the year as required; and
- (g) monitor financial performance, including consideration of monthly reports.

Executive Committee

483 The Secretary is assisted in the management of the Department by the Executive Committee, which includes all DPS SES officers. The Executive Committee advises the Secretary and the Parliamentary Librarian on policy and operational matters affecting DPS as a whole or affecting significant parts of DPS.

484 This committee considers the development and implementation of the DPS governance framework and associated processes, including risk management and business planning. The committee also deals with a range of policy matters in areas such as OHS, environmental issues, and departmental organisation.

485 Discussion at the Executive Committee informs decisions of the Strategy and Finance Committee.

486 The Committee also acts as a communication tool and venue for discussing major departmental events.

Audit Committee

487 One of our primary mechanisms for testing departmental frameworks and controls is through the internal audit program, overseen by the DPS Audit Committee.

488 The Audit Committee comprises an independent chair, Mr Will Laurie, and between three and five DPS Senior Executive Service (**SES**) officers appointed for two-year terms.

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489 During 2007-08, five DPS members served on the committee—the Deputy Secretary, the Parliamentary Librarian, and Assistant Secretaries from the Research Branch (Dr Jane Romeyn resigned from the committee on 29 February 2008), the Product and Service Development Branch and the Strategy and Business Services Branch (Mr Terry Crane being appointed to the committee on 1 March 2008).

490 The DPS Chief Finance Officer, and representatives of the Australian National Audit Office and our internal auditors, also attend Audit Committee meetings.

491 The functions of the Committee are to:

- (a) approve DPS's annual or strategic audit plans, and request the preparation of any such audit plan as the Committee considers necessary;
- (b) ensure flexibility in such audit plans as to accommodate additional audits that the Secretary or the Executive Committee may commission from time to time;
- (c) review any audit report that involves any matter of concern to the Secretary or other senior management in DPS, and identify and disseminate good practices;
- (d) advise the Secretary on action to be taken on matters of concern raised in any report of an internal auditor or in a report about DPS by the ANAO;
- (e) coordinate, as far as practicable, internal audit programs and the DPS audit programs conducted by the ANAO; and
- (f) advise the Secretary on the preparation and review of DPS's financial statements.

492 In 2007–08, the Audit Committee continued its reviews of financial and personnel processes for DPS. In addition, the Committee reviewed a range of matters relating to Parliamentary Security Services, looked at Environmental Governance and continued reviewing aspects of contract management and risk management.

493 The Audit Committee also used internal audit resources to provide advice to the Secretary on signing the Certificate of Compliance.

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494 The Audit Committee met five times during 2007–08. Members’ attendance at the meetings is set out in the table below. Note that the Deputy Secretary absented himself from the meeting of 12 March 2008, whilst he was acting Secretary.

Figure 53—Audit Committee attendance

Member	Position	Meeting attendance	
		attended	out of
Mr Will Laurie	Independent Chair	5	5
Mr David Kenny	Deputy Secretary	4	4
Ms Roxanne Missingham	Parliamentary Librarian	3	5
Ms Freda Hanley	Assistant Secretary, Product and Service Development Branch	4	5
Dr Jane Romeyn	Assistant Secretary, Research Branch	2	3
Mr Terry Crane	Assistant Secretary, Strategy and Business Services Branch	2	2

Other governance matters

Risk management

495 During 2007-08 the Risk Management Policy and Framework was extensively revised. The revisions included a new risk matrix with revised “likelihood” and “consequence” descriptors. The Risk Management Policy and Framework also provides greater clarity regarding responsibilities for managing risk. Work will continue in 2008-09 to implement the revised policy and framework, including the development of new risk assessment templates and guides.

496 DPS participated in Comcover’s 2007-08 Risk Management Benchmarking Survey. DPS improved its score from 4.4 in 2006-07 to 5.3 in 2007-08, reflecting progress in DPS’s business continuity planning.

497 The DPS Risk Register portal continued to be maintained in 2007-08 and is updated as revised risk assessments are finalised.

498 DPS staff participated in training provided by Comcover on various aspects of risk management in 2007-08. Recent courses included risk management fundamentals and business continuity.

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499 Progress in the development of a DPS-wide business continuity plan was slower than expected. However, in consultation with principal stakeholders DPS has identified its business-critical services and has prioritised preparation of business continuity plans for these services.

500 Work also continued on developing a Parliament-wide business continuity plan. An action plan was developed by DPS and has been considered by the Security Management Board. The plan is expected to be finalised in 2008-09.

Fraud control

501 The Fraud Control Policy and Framework was revised in 2007-08 to include all statutory reporting requirements. Work also commenced to update the DPS Fraud Control Plan. It is expected that a new Fraud Control Plan will be in place by 31 December 2008.

502 A number of fraud related articles were published in the DPS Dispatch newsletter to maintain fraud awareness amongst staff. The articles covered the definition of fraud and the responsibilities of staff for reporting fraud.

503 As required by Section 2.2 of the FMA Orders, DPS submitted a report on fraud control activities to the Presiding Officers.

504 DPS also submitted a response to the 2007-08 Commonwealth Fraud Control Guidelines Annual Reporting Questionnaire in accordance with the Guidelines.



DPS ref: 07/3283

30 September 2008

Mr Harry Jenkins MP
Speaker of the House of Representatives
Parliament House
CANBERRA ACT 2600

Senator the Hon John Hogg
President of the Senate
Parliament House
CANBERRA ACT 2600

Dear Mr Speaker and Mr President

Fraud control certification

1 I am writing to you to inform you about the status of fraud control in DPS as required by paragraph 1.9 of the Commonwealth Fraud Control Guidelines 2002.

2 I am satisfied that fraud risk assessments and fraud control plans have been prepared that comply with the Guidelines and that appropriate fraud prevention, detection, investigation, data collection and reporting procedures and processes are in place in the department.

3 For more details about fraud control in DPS, please refer to the Part 6—Management and Accountability of the Department of Parliamentary Services Annual Report and Financial Statements 2007-08.

Yours sincerely

Alan Thompson
Secretary

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Strategic plan

505 The DPS Corporate Plan 2004-07 was superseded by the DPS Strategic Plan 2007-2010 in November 2007. The plan provides high-level direction to guide branch business planning and priorities, and is intended to ensure that all DPS staff recognise, and share, a set of common goals for the future of the department.

Business planning

506 The DPS Business Planning Policy and Framework provides for the Executive Committee to decide strategic business directions and priorities each year. Each branch then develops an annual business plan that includes initiatives designed to implement strategic directions, as well as deliver ongoing services and facilities. The framework was reviewed during 2007-08 and a number of improvements were made to reporting processes to increase efficiency, reliability and usefulness of the reports.

507 Existing performance indicators were reviewed during 2007-08, and some changes were made to performance indicators used in the DPS Portfolio Budget Statement 2008-09.

DPS services catalogue

508 March 2008 saw the release of the DPS Services Catalogue for the 42nd Parliament.

509 The Services Catalogue provides a comprehensive overview of all services available to DPS customers and includes guidance on how to access the services and associated service level expectations.

510 The production of the services catalogue is a significant development in our continuing commitments to improved customer service delivery and improved departmental operations. It has already become a significant tool used by DPS managers.

511 Advantages of the catalogue include:

- (a) customers and stakeholders have a much clearer understanding of their rights and DPS obligations;
- (b) DPS has the basis for discussions with the chamber departments—and other clients such as DoFD—about changes to services and service levels; and
- (c) DPS staff have a clear understanding of what we do.

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512 The catalogue is available to all building occupants in hardcopy, or electronically on DPS's intranet and internet sites.

Appropriate ethical standards

513 The standards embraced in DPS reflect the Parliamentary Service Values and Code of Conduct contained in the *Parliamentary Service Act 1999*. These are promoted in DPS corporate documents including the DPS Strategic Plan 2007-2010, DPS Fraud Control Policy and Framework, guidelines on the acceptance of gifts and benefits, procurement procedures, and other financial and human resource documents. Among other things, these documents outline the standards that are expected of employees in their day-to-day work and interactions with third parties, including tenderers and contractors.

People management and strategy

Staffing, salary and classification structures

Remuneration for Senior Executive Service (SES) employees

514 The remuneration for all SES employees is prescribed in Australian Workplace Agreements (**AWAs**), and takes account of each employee's responsibilities within the department as well as SES pay levels elsewhere in the public sector.

515 The level of remuneration, and in some cases the conditions attaching to remuneration, vary from employee to employee, but in general terms all salary increases provided to SES employees depend upon a rating of "fully effective" or higher through the performance management arrangements. Salaries for SES positions range from \$128,166 to \$205,000.

Performance-based pay arrangements for non-SES staff

516 For non-SES staff, salary advancement is based on performance assessment of individuals as required by the certified agreements and performance management arrangements.

517 The certified agreements for DPS staff—the Department of Parliamentary Services Certified Agreement 2005-2008, certified in August 2005, and the Department of Parliamentary Services (Parliamentary Security Service) Certified Agreement 2006-2008, certified in February 2006—provide for salary advancement within a salary range subject to the achievement of an overall rating of

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“effective” or higher through the performance management arrangements.

518 Increases in salary and allowances were paid under the certified agreements in July 2007. Both agreements provided for an increase of around 5%, comprising:

- (a) an at-risk component of up to 3.5% of the salary pool, (the component was subject to continuous improvement reviews identifying sufficient savings, which was achieved); and
- (b) a 1.5% increase in pay, paid as a flat dollar amount to all participants.

Overview of classification structures

519 Figure 54 sets out the non-SES classifications and salary ranges for DPS staff as at 30 June 2008.

Figure 54—Classification and salary ranges as at 30 June 2008

Classification	Salary range
Parliamentary Service Level 1	\$37,967 - \$44,219
Parliamentary Service Level 2	\$44,320 - \$48,421
Parliamentary Service Level 3	\$49,498 - \$51,725
Parliamentary Service Level 4	\$52,365 - \$57,329
Parliamentary Service Level 5	\$58,304 - \$62,734
Parliamentary Service Level 6	\$63,148 - \$71,918
Parliamentary Executive Level 1	\$77,869 - \$88,907
Parliamentary Executive Level 2	\$89,591 - \$105,420

520 Staff progress through the salary range in 3.5% increments, based on performance.

521 Figure 55 sets out actual staff (a headcount), by classification (including the broad-banded and apprenticeship levels separately), as at 30 June 2008.

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Figure 55—Staff numbers as at 30 June 2008

Classification	Ongoing F/T		Ongoing P/T		Non-ongoing F/T		Non-ongoing P/T		Casuals		Total		
	M	F	M	F	M	F	M	F	M	F	M	F	Total
Apprentice 1/2	0	0	0	0	1	1	0	0	0	0	1	1	2
Apprentice 2/3	0	0	0	0	5	0	0	0	0	0	5	0	5
PSL 1/2	90	7	32	5	0	0	0	1	11	1	133	14	147
PSL 2/3	27	1	0	0	1	0	0	0	0	0	28	1	29
PSL 4/5	2	2	0	0	1	0	0	0	0	0	3	2	5
PSL 5/6	1	1	1	4	0	0	0	0	0	0	2	5	7
PSL 1	8	0	0	0	1	0	0	0	0	0	9	9	18
PSL 2	14	15	10	25	4	0	0	0	2	1	30	41	71
PSL 3	36	23	0	6	1	1	0	0	0	0	37	30	67
PSL 4	67	42	0	5	2	1	0	0	3	5	72	53	125
PSL 5	41	16	1	14	0	1	0	0	1	7	43	38	81
PSL 6	82	52	1	13	2	2	0	0	0	3	85	70	155
PEL 1	84	42	4	15	1	2	1	1	0	0	90	60	150
PEL 2	31	20	0	0	1	2	0	1	1	0	33	23	56
Senior Executive Service B1	2	6	0	0	0	0	0	0	0	0	2	6	8
Parliamentary Librarian	0	1	0	0	0	0	0	0	0	0	0	1	1
Senior Executive Service B3	1	0	0	0	0	0	0	0	0	0	1	0	1
Secretary	1	0	0	0	0	0	0	0	0	0	1	0	1
Totals	487	228	49	87	20	10	1	3	18	26	575	354	929

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Management of human resources

Introduction

522 In the reporting year the People Management and Strategy Section (**PMAS**) commenced implementation of the DPS People Strategy 2007-2010. The strategy aims to build and improve DPS's organisational capability through integrated people management practices. Initial priorities were the establishment of a learning and development framework, employee induction, probation and staff selection.

523 PMAS continued to work on developing a range of policies and guidelines on personnel and workplace relations issues. The other substantial activities undertaken by the section were:

- (a) the development of a Union Collective Agreement to replace the current two certified agreements; and
- (b) a review of the DPS Studies Assistance policy.

Workforce planning, staff retention and turnover

524 Figure 56 provides information on staff retention and turnover for DPS during 2007-08 compared to the previous year.

Figure 56—Staff retention and turnover statistics

Staff retention and turnover statistics	2006-07	2007-08	Change
Staff Number	862	929	67
Staff Separations (total)	166	141	-25
Turnover	19.3%	15.2%	-4.1%
Separations by type			
transfers/promotions	43	24	-19
resignations	49	42	-7
age retirements	4	10	6
invalidity retirements	1	1	0
voluntary retirements	49	30	-19
terminations	1	2	1
death	0	1	1
end of temporary contract	19	31	12
Exit Interviews			
Interviews held	63	41	-34.9%
Participation rate	38%	29%	-9.0%

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525 During the year, staff turnover fell by 4.1% from 19.3% in 2006-07 to 15.2% in 2007-08.

526 The increase in age retirements from four to ten staff reflects the increasing age of the workforce. It is anticipated that this trend will continue to increase in line with the ageing population.

527 The increase in end of temporary contracts from 19 to 31 reflects an increased use of non-ongoing employee and contractor arrangements to manage short-term increases in workloads and project activity.

Staff development and training

528 DPS provides a range of development opportunities to staff. Following the endorsement of the DPS People Strategy 2007-2010, a corporate learning and development framework was scoped in readiness for implementation in 2008-09.

529 DPS conducted a tender process to select a panel of training service providers to deliver training support services. The tender attracted 45 applicants, with 13 engaged under a standing offer arrangement for a three-year period.

530 Individual development plans (**IDPs**) completed as part of the performance management scheme, are a key avenue for identifying development needs. In May 2008, IDPs were the source of a corporate skills development needs analysis. The results have been used to develop a training calendar that addresses high demand training needs for 2008-09.

531 In 2007-08, DPS continued to provide training for employees in writing skills, project management and occupational health and safety responsibilities.

532 DPS provided support for external study to 42 staff members. Support included a combination of time to attend study activities and financial assistance towards compulsory costs. New studies assistance guidelines were endorsed for implementation in 2008-09.

Workplace relations

533 The focus of activity in the latter half of this year was the negotiation of a Union Collective Agreement to replace the two existing certified agreements. Both certified agreements had a nominal expiry date of 30 June 2008.

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534 Other activity included the continuing administration of the two current agreements. This was done through:

- (a) the provision of secretariat support to the DPS Consultative Forum;
- (b) membership on the Workplace Consultative Committee convened by Building Services Branch for the Parliamentary Security Service;
- (c) the review and development of supporting policy documents; and
- (d) the provision of advice to management and employees.

Workplace diversity

535 The workplace diversity program 2006-2008 continued to focus on embedding DPS diversity principles into existing activities which support workplace diversity in DPS.

536 Supported by an annual diversity action plan some of these activities included:

- (a) maintenance of a harassment contact officer network;
- (b) promotion of events and activities that support diversity awareness—for example NAIDOC; International Day of People with a Disability and National Families Week—through DPS communication sources;
- (c) encouraging staff participation and feedback in activities such as National Families Week; and
- (d) the development of the recently revised workplace diversity program 2008-2011.

537 The parliamentary departments are also in the process of attaining breastfeeding friendly workplace accreditation. While this process takes place, staff of all parliamentary departments have been made aware of two rooms within Parliament House that are available for use by breastfeeding mothers.

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In Safe Hands



Part of the DPS Mission is to care for Parliament House and its surrounding gardens.

Our Landscape Services team are on the frontline in maintaining these standards, but their achievements in setting the Occupational Health and Safety (OHS) standard in DPS have also been acclaimed.

Jeff is one of the Health and Safety Representatives who volunteered for the role of improving the health and safety of his colleagues. *"Gardening and landscaping work requires us to use potentially hazardous equipment including chainsaws, elevated work platforms, and a small fleet of garden vehicles including ride-on mowers and*

tractors. All our operators receive regular training in the safe use of our equipment".

Training is provided to cover other scenarios Landscape Services staff could face. Jeff adds *"We've got ways to safely handle basic bushfire fighting, storm damage and lightning strikes and fallen trees. Add ultraviolet (UV) awareness and protection for outdoor work, training in occupational first aid (including defibrillator use) and chemical safety and we have a whole range of skills— many of which we are glad we haven't had to use!"*

Landscape Services have sought to make their working environment as safe as possible. Christine, another of the Landscape Services team, has researched the risks associated with hazardous gardening chemicals and substituting them with safer substances. *"We've investigated and purchased equipment which reduces the amount of manual handling we need to do, and have sourced high-visibility UV-resistant ventilated clothing for outdoor use during summer months".*



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There have been improvements in OHS for staff working inside the building too. For example DPS Support Services has contributed to basement safety by providing regular forklift safety awareness, back-care training, and ensuring corridors are kept as clear as possible; and Hansard, where a major OHS review was undertaken in 2007 and the recommendations of which are currently being implemented.

Lee, a team member in the loading dock, has also noticed the changes. *“With the basement a shared pedestrian and vehicle zone, lifts were recently upgraded to improve safety. A voice warning now alerts lift occupants that motorised traffic operates in the basement, while flashing lights warn drivers that the lift doors are about to open”.*

Lee says this is *“a huge improvement”* in terms of reducing the potential for collisions with



pedestrians, while Peter adds that *“clearing the basement has removed hazards and minimised the risk of collision with items that were previously stored there”.*

Occupational health and safety (OHS)

538 The DPS Occupational Health and Safety Committee met four times during the year. The work of the committee has primarily been directed at reviewing OHS policies and procedures. The DPS Contractors’ OHS Sub-committee also met four times. This forum provides a valuable mechanism to address OHS issues involving the work performed by the large number of contractors at Parliament House.

539 As a result of revised Health and Safety Management arrangements within DPS, branches are now holding branch OHS Committee meetings to address, as far as possible, OHS issues at the local level.

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540 A range of OHS-related training was provided to staff throughout the year, including generic induction and OHS awareness sessions and occupation-specific training including first aid, working in confined spaces, manual handling and back care, basic bushfire fighting, chemical safety and ultraviolet awareness.

541 During the 2007-08 year, five incidents were notified to Comcare in accordance with section 68 of the *Occupational Health and Safety (Commonwealth Employment) Act 1991* (the **OHS Act**). Each incident was also examined by DPS.

542 Comcare did not undertake any formal investigations in relation to any of the reported incidents.

543 There were no Provisional Improvement Notices issued under section 29 of the OHS Act and no directions or notices given under section 45, 46 or 47 of the OHS Act.

Commonwealth Disability Strategy

544 DPS has three roles under the Commonwealth Disability Strategy (**CDS**)—provider, employer and purchaser.

Provider role

545 DPS is the principal support agency for the operations of Parliament. In providing services to the occupants of and visitors to Parliament House, DPS maintained its compliance with the CDS.

546 In relation to physical changes in the building, the Building and Security Projects Section ensures that all projects are carried out in accordance with the Building Code of Australia (**BCA**). The BCA requires that Australian Standard 1428 (disabled access requirements) is met in any significant new works.

547 During 2007-08 the following projects and operational policy developments specifically relating to disabled access were undertaken:

- (a) additional signage was installed in the Senate and House of Representatives committee rooms and Parliament House theatre to comply with requirements to advise of a 'T' switch for hearing aids;
- (b) review and update of the building emergency procedures to include provisions for people with a disability;

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- (c) review and update of security screening procedures to include provision for disabled access to Parliament House;
- (d) lowering of the public telephone located at the entrance of Checkpoint One to enable wheelchair access;
- (e) modifications to the doorways in the Senate car park to allow disabled access (project approved).

Employer role

548 As required under section 18 of the *Parliamentary Service Act 1999*, DPS has a workplace diversity program. The existing plan expired in June 2008. Following consultation with DPS staff, the *DPS Workplace Diversity Program 2006-2008* was revised and another three year program developed for implementation during 2008-2011. The program is supported by an annual action plan. Both the program and the action plan include provisions to ensure that the department's employment policies and procedures support equitable working conditions for employees, including those with disabilities.

549 All press and gazette advertising includes a reference to a TTY (Telephone Typewriter) number for potential applicants with hearing or speech disabilities.

550 The 'reasonable adjustments' principles are followed in the recruitment and management of staff.

Purchaser role

551 The department's tender documentation includes a provision that contractors are compliant with their legislative obligations regarding the *Disability Discrimination Act 1992*.

Purchasing

Overview

552 The purchasing of property and services by DPS during 2007-08 was conducted with the aim of realising core business objectives, while achieving operational effectiveness and value-for-money outcomes. Purchasing was managed in accordance with the Commonwealth Procurement Guidelines (**CPGs**), and DPS Chief Executive's Instructions and supporting procedures.

553 DPS's primary purchasing objectives were:

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- (a) to ensure the principle of value for money was consistently observed through:
 - (i) encouraging competition;
 - (ii) promoting efficiency, effectiveness and ethical use of resources; and
 - (iii) conducting our business in an environment of accountability and transparency;
- (b) to support the business requirements of each branch within the department through a focus on better-practice procurement; and
- (c) to involve small to medium enterprises wherever practicable.

554 DPS has a specialist procurement unit to facilitate and monitor contracting and tendering activity across the department. The procurement unit ensures that established guidelines and procedures are observed and statutory reporting responsibilities are met.

Consultants

555 During 2007-08, 12 new consultancies were entered into involving total actual expenditure of \$227,665 (GST inclusive). In addition, 25 ongoing consultancy arrangements were in place from previous years, involving total actual expenditure of \$407,861 (GST inclusive) during the reporting year.

556 DPS used a combination of in-house resources and external consultants to deliver services according to the nature of each requirement. Private sector specialists were engaged under panel or discrete contract arrangements to provide the skills and expertise necessary to assist with the achievement of DPS objectives.

557 It is the policy of DPS to engage external consultants where they will add genuine value to the operational effectiveness of the department. Each proposal to engage a consultant is carefully scrutinised and considered on its individual merits, and justifying reasons include:

- (a) need for independent research or assessment;
- (b) a need for specialised or professional skills; and
- (c) skills currently unavailable within the agency.

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558 The method of procurement for consultants is determined by the complexity, nature and value of each specific requirement. The methods used include open tendering, select tendering, or a direct sourcing arrangement. The method chosen is that which will achieve the best value-for-money outcome in each circumstance, and the Mandatory Procurement Procedures within the CPGs are applied where appropriate.

559 DPS currently has in place standing offer panel arrangements for the following consultancy services:

- (a) legal;
- (b) architectural;
- (c) engineering;
- (d) information technology;
- (e) audit; and
- (f) building management.

560 Particulars of consultancy contracts awarded to the value of \$10,000 or more during 2007-08 are shown Appendix A (see page 221).

561 Information about expenditure on contracts and consultancies is also available on the AusTender website (<http://www.tenders.gov.au>).

Competitive tendering and contracting

562 During 2007-08, DPS did not allow any provisions in contracts prohibiting the Auditor-General's access. DPS did not conduct any competitive tendering and contracting processes that involved contracting out the delivery of government activities, previously performed by this agency, to another organisation.

Exempt contracts

563 During 2007-08, no DPS contracts or standing offers were exempted by the Chief Executive from being published via AusTender on the basis that they would disclose exempt matters under the *Freedom of Information Act 1982*.

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Asset management

564 The Parliament House building has a current replacement cost of \$1.85 billion³⁹ and an expected remaining life of some 186⁴⁰ years. The building represents a public investment, is a national and international tourist attraction and is an eminent work of architecture. The building is expected to accommodate growth and to adapt to the changing functional requirements of parliament.

565 DPS provides asset management services to Parliament House. We have implemented sophisticated asset management systems to ensure that the building fulfils its role as a functional parliamentary building, an office for the executive government and a publicly accessible place of significant community interest.

566 Asset management approaches used by DPS include building management and maintenance management systems, condition monitoring, asset management plans for five, 20 and 100 years, performance standards and benchmarking. Supported by planners and trade staff, these complementary management tools combine to ensure appropriate levels of condition and serviceability are maintained in a cost-effective manner.

567 We use a series of performance indices to measure asset management performance, including:

- (a) the Building Condition Index (**BCI**), which measures the current condition of the building fabric of Parliament House. A discussion on BCI performance and outcomes can be found in Part 4 of this report—see paragraphs and 263 to 264;
- (b) the Engineering Systems Condition Index (**ESCI**), which measures the current operation and condition of the engineering systems in Parliament House. A discussion on ESCI performance and outcomes can be found in Part 4 of this report—see paragraphs 267 to 268; and
- (c) the Landscape Condition Index (**LCI**), which measures the current condition of the landscape surrounding Parliament House. A discussion on LCI performance and

³⁹ The building is re-valued every three years, and was last re-valued in 2006.

⁴⁰ Revaluations of the building assess how maintenance activities may prolong its useful life beyond the starting point of 200 years in 1988. DPS maintenance activities have currently prolonged the life by an additional 6 years.

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outcomes can be found in Part 4 of this report—see paragraphs 265 to 266.

568 Other major assets of DPS comprise information technology, telecommunications, broadcasting and security infrastructure, equipment and systems, and the Parliament House Art Collection. A plant and equipment stocktake is conducted annually, including for information technology and office equipment, and the details recorded in the DPS asset register are confirmed or amended.

Accountability

External scrutiny

ANAO audits

569 During 2007-08, DPS was the subject of external performance and compliance audits by the ANAO in relation to its financial statements for the period ending 30 June 2007. These audits were unqualified.

570 The ANAO audits the compliance of agencies with the *Senate Order for Departmental and Agency Contracts* (the **Senate Order**) that requires the listing of contract details on the internet. As a parliamentary department, DPS is not required to comply with the Senate Order, but has chosen to do so. DPS was not selected for review during the 2007 calendar year.

571 Apart from ANAO Report No. 18 of 2007-08, which looked at the *Audits of the Financial Statements of Australian Government Entities for the Period Ended 30 June 2007*, there were no ANAO reports during 2007-08 that directly involved DPS.

Senate committees

572 DPS appeared before the Senate Finance and Public Administration Committee considering the department's estimates on two occasions during 2007-08—18 February 2008 (Additional Estimates hearings) and 26 May 2008 (Budget Estimates hearings). Supplementary Budget Estimates hearings, scheduled for 12 November 2007, were not held due to the federal election.

Other scrutiny

573 DPS was not subject to any significant judicial decisions or decisions of administrative tribunals, nor did the Ombudsman report on the activities of DPS in 2007-08.

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Freedom of information

574 While DPS is not subject to the provisions of the *Freedom of Information Act 1982* (the **FOI Act**), DPS generally tries to respond to requests for information in accordance with the spirit of that Act.

575 DPS maintains documentation on its daily operations, the Parliamentary Library catalogue, the Hansard record, a large number of systems manuals, the 'as-constructed' drawings of Parliament House, and the Central Reference Document (a document that describes the principles underpinning the design of Parliament House).

576 When inquiries for information under the FOI Act are made, such requests are referred to the Director, Governance and Business Management.

577 In 2007–08, one request for information was received.

Discretionary grants

578 DPS does not administer any discretionary grant programs.

Advertising costs

579 All Commonwealth departments and agencies are required, under section 311A of the *Commonwealth Electoral Act 1918*, to provide a statement setting out particulars of amounts paid to:

- (a) advertising agencies;
- (b) market research organisations;
- (c) polling organisations;
- (d) direct mail organisations; and
- (e) media advertising organisations.

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580 Figure 57—Advertising costs sets out amounts over \$10,000 paid by DPS during the reporting year. No money was paid to any organisation covered in paragraph (b), (c) or (d).

Figure 57—Advertising costs

Supplier	Item	Amount (GST inclusive)
Zoo Communications Pty Ltd	Parliament House promotional materials	\$59,451
The Watermark Press	Parliament House book	\$25,480
HMA Blaze	Tender advertisements	\$8,995
HMA Blaze	Recruitment advertisements	\$172,709
Total		\$266,635

Legal services expenditure

581 The *Legal Services Directions 2005* (paragraph 11.1(ba)) require FMA Act agencies to make publicly available their expenditure on legal services. During 2007–08, DPS spent the following amounts on legal services.

Figure 58—Legal services expenditure

Services	Amount (GST exclusive)
External expenditure on solicitors	\$192,638
Administrative disbursements on external legal services	\$337
Total (legal services expenditure—all external)	\$192,975

