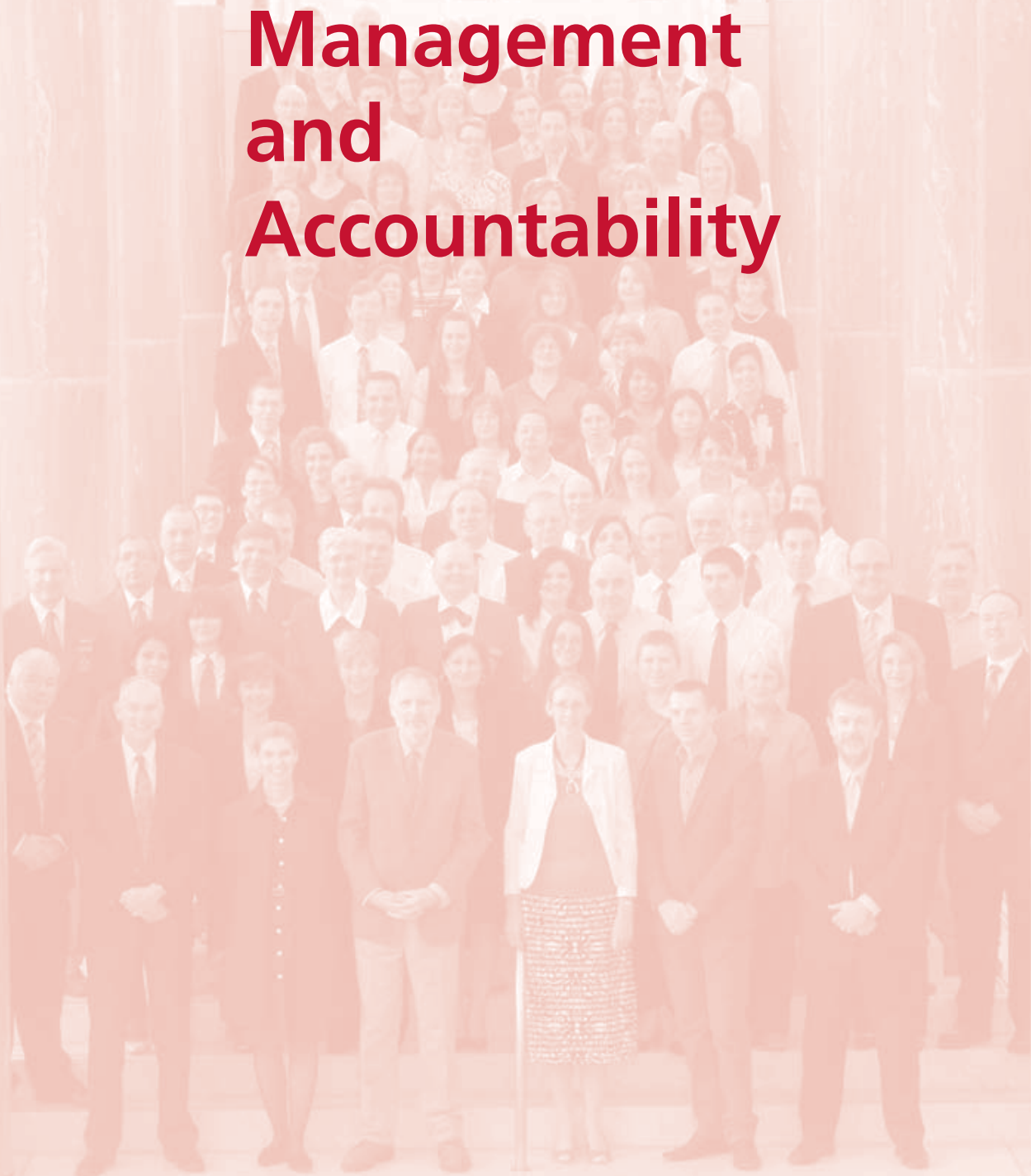# Management and Accountability

Corporate governance

Corporate governance mechanisms

The department's operations are governed by the *Parliamentary Service Act 1999* and the *Financial Management and Accountability Act 1997* and are subject to provisions of the *Fair Work Act 2009* and other legislation.

In 2009–10, the department's mechanisms to implement best practice corporate governance included senior management and consultative committees and a strategic corporate plan.

Management committees

At the strategic level, two groups under the supervision of the Clerk's Office, the Program Managers' Group and the Audit and Evaluation Committee, are responsible for implementing and monitoring corporate governance principles. The department's Senate Management Advisory Group assists the Program Managers' Group.

The Workplace Consultative Committee is the principal forum through which formal consultation on workplace relations occurs between the department and staff.

In addition, the department participates in the interdepartmental committees through which the parliamentary departments coordinate Parliament House–wide matters.

The role, membership and activities of the department's senior management committees and advisory groups are described in figure 22.

Figure 22   Management and advisory groups, 2009–10

Audit and Evaluation Committee	Program Managers' Group	Senate Management Advisory Group	Workplace Consultative Committee
Role	Coordinate corporate governance matters, including: • human resource management • risk management and planning • financial planning • departmental service quality.	Discuss departmental proposals, policy initiatives and changes. Advise the Program Managers' Group on leadership and managerial matters.	Serve as the principal forum for formal consultation between the department and staff on workplace relations. Monitor implementation of the department's collective agreement. Consider employment-related initiatives and matters that affect staff in the workplace.
Oversee: • internal and external audits • administrative, operating and accounting controls • risk management. Supervise the annual internal audit program. Ensure best practice financial management and reporting, fraud control and business risk monitoring.			
Activities			
3 meetings	7 meetings	11 meetings	4 meetings
Considered various matters which were reviewed by the department's internal audit service provider, including: • certificate of compliance processes • procurement and contract management processes • payroll services review. Prepared an annual report to the Clerk and to the Senate Appropriations and Staffing Committee.	Examined matters including: • budget planning and reporting • business continuity plans • development of a new enterprise agreement for non-SES staff • human resource delegations, authorisations and policies • the Parliament of Australia Graduate and Working in the Senate programs • workforce planning • information technology issues • the department's structural review • election period projects.	Reviewed various redrafted and new departmental policies. Contributed to the department's structural review by: • organising two facilitated meetings to consider the review's terms of reference • preparing a submission for the review steering group. Considered for future review the group's terms of reference and its future role and activities in the strategic management of the department.	Provided advice and recommendations on: • various redrafted and new departmental policies • the development of work level standards • Health and Safety Management Arrangements • the meal allowance rate • non-ongoing employment conditions • the department's structural review • the furniture replacement project • the role and responsibilities of the committee.

Audit and Evaluation Committee	Program Managers' Group	Senate Management Advisory Group	Workplace Consultative Committee
Membership Program managers and an independent member. Chaired by the Deputy Clerk. Observers: Chief Finance and Information Technology Officer, representatives from the Australian National Audit Office and the department's internal audit service provider.	Program managers. Chaired by the Usher of the Black Rod.	All departmental Parliamentary Executive Level 2 staff. Convenor elected annually by the group.	The Usher of the Black Rod, the Clerk Assistant (Procedure), up to 12 elected staff representatives and union representatives. Chaired by the Usher of the Black Rod.

Structural review

An important component of the department's governance framework during 2009–10 was the initiation of a structural review. In January 2010, the Clerk initiated the review:

- to consider the best arrangements to deliver the current mix of services
- to examine opportunities to integrate the Deputy Clerk's position into the management structure so that the skills and expertise of that role can be better utilised
- to identify a more systematic approach to training and supporting departmental officers to undertake the role of a clerk at the table
- to consider the integration and coordination of public information about the work and roles of the Senate and its committees.

The review is being conducted by a steering group chaired by the Acting Deputy Clerk and comprising the program managers. By 30 June 2010, the consultation phase was complete and the steering group was considering the various submissions provided by staff, prior to preparing a report with recommendations for the Clerk's consideration.

Corporate plan and work plans

The corporate plan outlines the department's strategic direction in providing non-partisan advice, support and information to senators, and information about the Senate and its committees to the public. The department continued to implement the corporate plan throughout 2009–10.

Annual work plans detail the tasks and expected performance results for each office of the department. Regular reports to the Clerk showed continued progress on the work plans during 2009–10.

Fraud control and business risk management

The department has in place appropriate fraud prevention, detection, investigation and reporting mechanisms that comply with the *Commonwealth Fraud Control Guidelines*, as certified by the Clerk in appendix 3.

This framework for managing risk is revised regularly and made available to all staff via the department's intranet.

Consistent with the *Financial Management and Accountability Act 1997*, the Clerk's Instructions and Financial Management Guidelines promote the proper use of the department's resources. They are reviewed on an annual basis to maintain their applicability and coverage.

Risk mitigation strategies and the assessment of existing risk controls are regularly considered by senior management and reported to the department's Audit and Evaluation Committee.

During 2009–10, the department's risk management plan was considered in detail by the Program Managers' Group. A revised document was submitted to the Audit and Evaluation Committee and was approved. The risk management plan is a standing item at meetings of the Program Managers' Group and the Audit and Evaluation Committee.

Ethical standards

The department upholds the Parliamentary Service Values and the Parliamentary Service Code of Conduct set out in the *Parliamentary Service Act 1999*. The values and code are integrated into departmental policies and the corporate plan, which expresses the department's commitment to:

- independence and integrity
- good management and continuous improvement
- probity and accountability.

New staff are briefed on the expected ethical standards, and provided with supporting literature, on their first day with the department.

Social justice and equity

As the department does not administer public programs, it does not directly implement a social justice strategy. However, the department aims to provide equality of access to its services, and equality of opportunity for employees.

External scrutiny

The Finance and Public Administration Legislation Committee and the Standing Committee on Appropriations and Staffing monitor the department's performance. Neither committee made any specific recommendations relating to the department's performance during 2009–10.

Estimates committee hearings are an important mechanism for evaluating the department's activities. Senior departmental officers appeared before the Senate Finance and Public Administration Legislation Committee at the 2009–10 supplementary budget estimates hearings on 19 October 2009, the 2009–10 additional budget estimates hearings on 8 February 2010, and the 2010–11 budget estimates hearings on 24 May 2010. Issues considered included the resourcing of Senate select committees, the department's overall budget position, and staffing.

The department's activities were also scrutinised by both the internal audit service provider and the Australian National Audit Office. The Australian National Audit Office did not conduct any performance audits of the department during the year.

The department was not subject to any judicial or administrative tribunal decisions which had, or may have, a significant impact on the department's operations.

Management of human resources

Staffing

The Clerk of the Senate is appointed by the President of the Senate under subsection 58(1) of the *Parliamentary Service Act 1999*. Staff of the department are engaged under section 22 of that Act.

The department's employees are located at Parliament House in Canberra.

The department's staffing structure did not change significantly in 2009–10. As in previous years, the number of non-ongoing staff fluctuated to meet the workload generated by the sittings of the Senate.

Staffing levels were supplemented by:

- Australian Public Service officers participating in the department's Working in the Senate Development Program (two each in 2009 and 2010)

- an apprentice participating in the 2009 Australian Public Service Information and Communications Technology Apprenticeship Program

- graduates participating in the Parliament of Australia Graduate Program (two each in 2009 and 2010).

The Working in the Senate Development Program offers Senate work experience to officers from the public service. This program is run on a calendar year basis. In both 2009 and 2010, two participants in the program were primarily attached to various committee secretariats, providing administrative and research support. They also had short structured placements with the Table and Procedure offices.

The Parliament of Australia Graduate Program also is run on a calendar year basis. In both 2009 and 2010, two graduates in Australian Public Service graduate programs participated in the program. Participation involves the graduates being placed with the department for one of their three-month rotations. During this time, the graduates mainly work with a committee secretariat. Graduates also familiarise themselves with the work carried out by the Table and Procedure offices.

Figure 23 shows that the full-time equivalent (FTE) staffing level for 2009–10 was 159, four less than for 2008–09. The decrease was largely the result of reduced staffing levels in the Committee Office, in part due to more effective utilisation of staff across that office. More staffing statistics, including a breakdown of the FTE staffing level by office, are provided in appendix 2.

Figure 23   Full-time equivalent staff numbers, 2005–06 to 2009–10
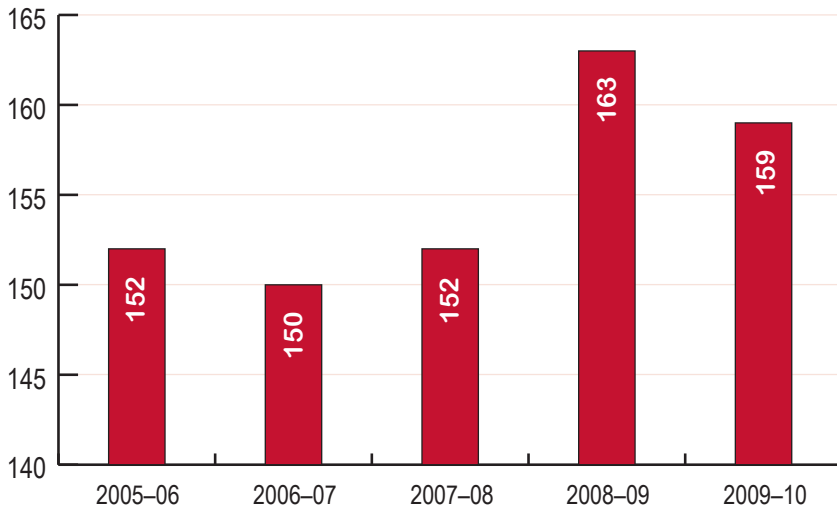
Workforce planning

Workforce planning for the whole department is undertaken annually. The department's 2009–10 workforce report reinforced trends reported in recent years, including a number of staff nearing retirement age and a workforce with an average age that matched that of the public service, as reported in the *State of the Service Report 2008–09*.

Several initiatives were proposed as a result of this year's workforce planning in relation to:

• long-term staff leave arrangements

• attraction and retention strategies

• professional development needs.

These were considered by the program managers and are being implemented or are being further considered as part of the department's structural review.

Staff turnover

The department continued to attract a significant number of suitable applicants for its advertised employment vacancies, including for specialist roles. An average of 32 applications were received for each advertised employment vacancy. The *Gazette* and the department's internet page continue to be the main media by which applicants become aware of vacancies.

The number of staff separations in 2009–10 was less than in 2008–09. Table 7 shows the reasons for separations.

Table 7   Reasons for separations from the department, 2007–08 to 2009–10

Reason	2007–08	2008–09	2009–10
Resignation	12	14	17
Retirement (age)	6	4	5
Retirement (other) or death	1	3	0
Return to home agency	4	1	2
End of non-ongoing employment	13	15	9
Transfer or promotion to another agency	4	8	8
Total	**40**	**45**	**41**

Senior executive remuneration

The names of the department's senior executives appear in figure 1 in the 'Departmental overview' chapter and in reports on performance for each office.

The remuneration of the Clerk of the Senate, who is the holder of a statutory office, is set by the President of the Senate after consultation with the Remuneration Tribunal.

In 2009–10, four of the department's Senior Executive Service (SES) staff were covered by individual agreement-based transitional instruments (formerly known as Australian workplace agreements). One SES staff member was covered by a determination made under subsection 24(1) of the *Parliamentary Service Act 1999*. In accordance with their terms and conditions, and consistent with the provisions of the department's employee collective agreement, SES staff received a 4 per cent pay increase in May 2010 in recognition of individual and departmental performance outcomes. The salary ranges for SES staff are set out in appendix 2.

Table 8 shows the number of senior executives (including the Clerk) who received or were due to receive total remuneration of $130,000 or more, for 2007–08 to 2009–10.

Table 8 **Number of senior executives who received or were due to receive total remuneration of $130,000 or more, 2007–08 to 2009–10**

Remuneration range ($)[a]	2007–08	2008–09	2009–10
less than 145,000	1	–	–
160,000–174,999	–	1	–
175,000–189,999	2	1	–
190,000–204,999	1	–	1
205,000–219,999	–	1	2
220,000–234,999	–	1	1
235,000–249,999	1	–	1
250,000–264,999	–	1	–
325,000–339,999	–	–	1
385,000–399,999	1	–	–
430,000–444,999	–	1	–
Total	**6**	**6**	**6**

a   Excludes remuneration bands that did not apply to any senior executives during the periods reported.

The aggregate amount of total remuneration for the senior executives shown in table 8 is $1,424,737 ($1,475,245 in 2008–09).

Employment arrangements

During 2009–10, most non-SES staff were covered by an employee collective agreement. A small number of staff were covered by Australian workplace agreements.

Employee collective agreement and enterprise agreement

The department's employee collective agreement commenced in July 2006 with a nominal expiry date of 30 June 2010. In May 2010, the agreement delivered a 4 per cent salary increase to staff: 2 per cent based on 'effective or better' individual performance during the May 2009 to April 2010 assessment period, and 2 per cent based on productivity improvements.

In January 2010, the department commenced negotiations with bargaining representatives for a new enterprise agreement for non-SES staff. Eight negotiation meetings were held between January and May. In negotiating this agreement, the department worked within the requirements of the Australian Government Employment Bargaining Framework applicable to the parliamentary service.

The enterprise agreement was agreed to by staff in June 2010 and was lodged with Fair Work Australia on 30 June 2010 for approval. Once

approved, it will come into effect in July 2010, with a nominal expiry date of 30 June 2012.

The enterprise agreement is similar in form to the current collective agreement. It highlights the principles and objectives by which the department, and staff, will work towards achieving greater efficiencies and savings, and articulates the roles of parliamentary executive level staff. Key enhancements in the enterprise agreement include:

- an increased range of Studybank reimbursements
- new consultation and flexibility provisions required by the *Fair Work Act 2009*
- increased maternity and adoption leave entitlements.

The enterprise agreement provides for 3 per cent pay increases in May 2011 and May 2012.

The salary ranges applicable to non-SES staff classification levels are set out in appendix 2.

In addition to salary, staff are entitled to a range of benefits including leave entitlements, study assistance, staff assistance program access, guaranteed minimum superannuation payments at the same level as the department's nominated default fund and a range of allowances that support staff members in effectively carrying out their duties and being appropriately remunerated.

Other arrangements

A small number of non-SES staff have been covered by individual agreement-based transitional instruments. At 30 June 2010, the department was in the process of terminating these instruments so that the new enterprise agreement will cover all non-SES employees.

By agreement between the department and affected SES staff, it is intended that the existing subsection 24(1) determination and SES individual agreement-based transitional instruments will be terminated during 2010–11 and a new collective determination will be made under subsection 24(1) of the Parliamentary Service Act to cover all SES staff (except the Clerk).

Performance pay

The department's employment arrangements do not provide for individual or team-based performance pay.

Learning and development

The department's staff are expected to take personal responsibility for developing and enhancing their skills and knowledge and improving their individual performance. In consultation with supervisors, staff set professional development goals for a 12-month performance cycle. The department recommends that staff undertake at least three days of work-related off-the-job learning activities each year.

During 2009–10, 12 employees received financial assistance, paid leave, or both, under the department's Studybank scheme, to help them undertake tertiary studies relevant to the department's objectives.

To supplement external training, the department may conduct in-house learning and development activities during the year. In 2009–10, the department delivered:

- staff training on revised procedures for dealing with suspected breaches of the Parliamentary Service Code of Conduct and revised procedures for dealing with whistleblowers' reports, as part of the implementation of those procedures
- corporate training to support the department in meeting its workplace safety obligations under the *Occupational Health and Safety Act 1991*.

The department's professional development program, the Parliamentary Executive Professional Upgrade Program (PEP UP), is a calendar year program and ran in both 2009 and 2010. The program was open to all departmental staff in both years. It provides staff with technical information and develops their knowledge about the Senate, its operation and the work carried out by the department in support of senators. Feedback on PEP UP sessions indicates that the program is effective and supports the development needs of staff.

The department's program of induction seminars for new staff was revised during 2009–10. A new program will be launched in early 2010–11. The Director Human Resource Management met with new staff on their first day with the department and again one month later, to brief them on their obligations as parliamentary service employees and ensure their adherence to the Parliamentary Service Code of Conduct and the Parliamentary Service Values.

Occupational health and safety

The department undertook a range of preventative measures in 2009–10 aimed at minimising the risk of workplace injuries, which contributed to the satisfactory outcome of no serious incidents or compensable injuries during the year.

Initiatives and measures

Initiatives and measures undertaken in 2009–10 to create a safe and healthy working environment for the department's staff included:

- an ergonomic assessment of workstations for all new staff and for other staff as required
- an annual occupational health and safety (OH&S) inspection program for all work areas
- regular publication of OH&S information in the *Staff Bulletin*, which is distributed to all staff
- prompt action to address situations if staff reported early signs of injury
- the development of guidance for staff travelling to, and working in, regional, remote and overseas locations
- manual handling training for relevant employees
- an online material safety data sheet application for hazardous substances
- risk assessments for all stationery items, supplies used in committee rooms, and the printing unit
- revision of the rehabilitation policy.

In 2010, the Health and Safety Management Arrangements were reviewed. Staff were consulted about the updated arrangements, which take into account the *Occupational Health and Safety Code of Practice 2008* and reflect other minor changes in the department's operations.

Under the terms of the department's employee collective agreement, influenza vaccinations were made available to staff in May 2010.

The department's Health and Safety Committee met five times during 2009–10. The committee is made up of elected health and safety representatives for each designated workgroup. Each representative is elected for a two-year term in accordance with the *Occupational Health and Safety Act 1991*. The committee was consulted in relation to all

incident and hazard reports received by the department. The committee also considered information about proposed new workstations and monitored changed procedures for the restocking of first aid kits.

Claims, incidents and investigations

Comcare did not accept any claims for compensation in respect of the department during 2009–10.

In 2009–10, within the department there were:

- no accidents or dangerous occurrences that required the giving of notice under section 68 of the *Occupational Health and Safety Act 1991*

- no investigations or notices under sections 29, 46 or 47 of that Act.

Management of financial resources

Assets management

The Senators' Services, Information Technology and Financial Management sections are responsible for the effective management of departmental assets in accordance with the Clerk's Instructions.

The assets management system implemented in 2008–09 has proven to be an effective management tool, offering improved functionality and reporting capability.

At 30 June 2010, the department controlled 3,487 assets with a fair value of $2.5 million (last year's total was 3,363 assets with a fair value of $2.9 million). In 2009–10, 194 assets were added and 70 assets were written off.

On completion of the annual stocktake in June 2010, 27 assets—with a depreciated value of $5,046—could not be located. Of these, three had not been found in the previous stocktake and have been written off. The 2009–10 stocktake result was a slight improvement on the 2008–09 result. The missing items result is immaterial and subsequent follow-up is expected to improve it further.

Consultants and competitive tendering and contracting

The department's policies and procedures for selecting consultants, conducting tenders, contracting, and approving expenditure are set out in

the Clerk's Instructions. Those instructions take into account the requirements of the *Financial Management and Accountability Act 1997*, the *Commonwealth Procurement Guidelines* and standing order 25(17) (relating to approval of consultants to assist committees).

Consultants

The department engages consultants to facilitate specialist projects or to obtain independent professional and technical advice.

In 2009–10, the department entered into three new consultancy contracts involving total expenditure of $0.026 million. One further ongoing consultancy contract was active during the 2009–10 year, involving total expenditure of $0.078 million.

Table 9 provides details of consultancy contracts let during 2009–10 to the value of $10,000 or more.

Table 9   Consultancy services let to the value of $10,000 or more, 2009–10

Consultant name	Description	Contract price ($)	Selection process[a]	Justification[b]
Oakton	Review of department's risk management framework	21,295	Select tender	B, C
Total		**21,295**		

a   Explanation of selection process terms drawn from the *Commonwealth Procurement Guidelines* (December 2008):

Open tender—a procurement procedure in which a request for tender is published inviting all businesses that satisfy the conditions for participation to submit tenders. Public tenders are generally sought from the Australian Government AusTender internet site.

Select tender—a procurement procedure in which the procuring agency selects which potential suppliers are invited to submit tenders (this includes tenders submitted through multi use lists). This procurement process may only be used under certain defined circumstances.

Direct sourcing—a form of restricted tendering, available only under certain defined circumstances, with a single potential supplier or suppliers being invited to bid because of their unique expertise and/or their special ability to supply the goods and/or services sought.

Panel—an arrangement under which a number of suppliers, initially selected through an open tender process, may each supply property or services to an agency as specified in the panel arrangements. Quotes are sought from suppliers that have pre-qualified on the agency panels to supply to the Government. This category includes standing offers and supplier panels where the supply of goods and services may be provided for a predetermined length of time, usually at a prearranged price.

b   Justification for decision to use consultancy:

A—skills currently unavailable within agency

B—need for specialised or professional skills

C—need for independent research or assessment.

Note: This table does not include the provision of independent legal advice supporting the work of the legislative scrutiny committees. See also appendix 3.

Competitive tendering and contracting

All contracts with a potential value greater than $80,000 are open to a competitive tendering process through AusTender (www.tenders.gov.au).

In accordance with recommendation 9 of the second report of the Standing Committee on Finance and Public Administration on the operation of the Senate order for the production of lists of departmental and agency contracts, information on the value of the department's contracts is also available on the AusTender website.

The department also listed details of its contracts valued at greater than $100,000 on the internet, at www.aph.gov.au/Senate/dept/docs/contracts.htm, in accordance with the Senate Order on Departmental and Agency Contracts.

Purchasing

All goods and services were purchased in accordance with the *Financial Management and Accountability Act 1997*, the *Commonwealth Procurement Guidelines* and the Clerk's Instructions.

Significant procurement activities during the financial year included:

- 120 personal computers for senators' Parliament House offices and departmental staff
- photocopier multifunction devices for party leaders, a shadow minister and general circulation areas
- ongoing refurbishment of senators' furniture.

Commonwealth Disability Strategy

Under the Commonwealth Disability Strategy, the department is a service provider. The strategy requires the department to have in place a disability action plan which contains measures to eliminate disability discrimination while performing that role.

In accordance with the department's disability action plan, in 2009–10:

- departmental staff had access to information on the types of services and equipment available to assist people with disability, and to the relevant contact details to obtain assistance
- disability groups were notified, as appropriate, of committee inquiries that were directly relevant to their members

- participants in committee inquiries, occasional lectures and Parliamentary Education Office (PEO) programs were invited to identify any special needs
- the PEO role-play programs cater for the needs of students with hearing difficulties, colour blindness and intellectual disabilities.

Figure 24 describes the facilities, publications and services that the department provided in 2009–10 to assist members of the public with disability.

Figure 24   Assistance for members of the public who have disability

Facilities	a captioning service for the televised proceedings of the Senate chamber, with functions for changing the font size, colour and style of captions to enhance readability
	access to a TTY (teletypewriter) for people with a hearing disability
	information technology equipment for special needs
	a link to software to help people with vision impairment to access some types of PDF documents on the department's website
	audio loops for people attending the department's occasional lectures and hearings
	special parking arrangements for people attending occasional lectures and hearings
	seating suitable for people with disability in waiting areas
Publications	committee documents (such as reports, submissions and Hansards) available in hard copy, on the internet and, in most cases, on CD
	large documents available on the internet split into smaller files to aid downloading and printing
	departmental information available on the internet in formats that aid user access and downloading, with layouts and font sizes that assist people with vision impairment
	access through the Australian Broadcasting Corporation to video footage of lectures
	occasional lecture transcripts in hard copy
	email contact details, internet addresses and details of the TTY service on publications and publicity materials
Services	interpreter services for witnesses attending committee hearings and for students attending Parliamentary Education Office programs
	a personal escort for people with disability attending departmental seminars and lectures