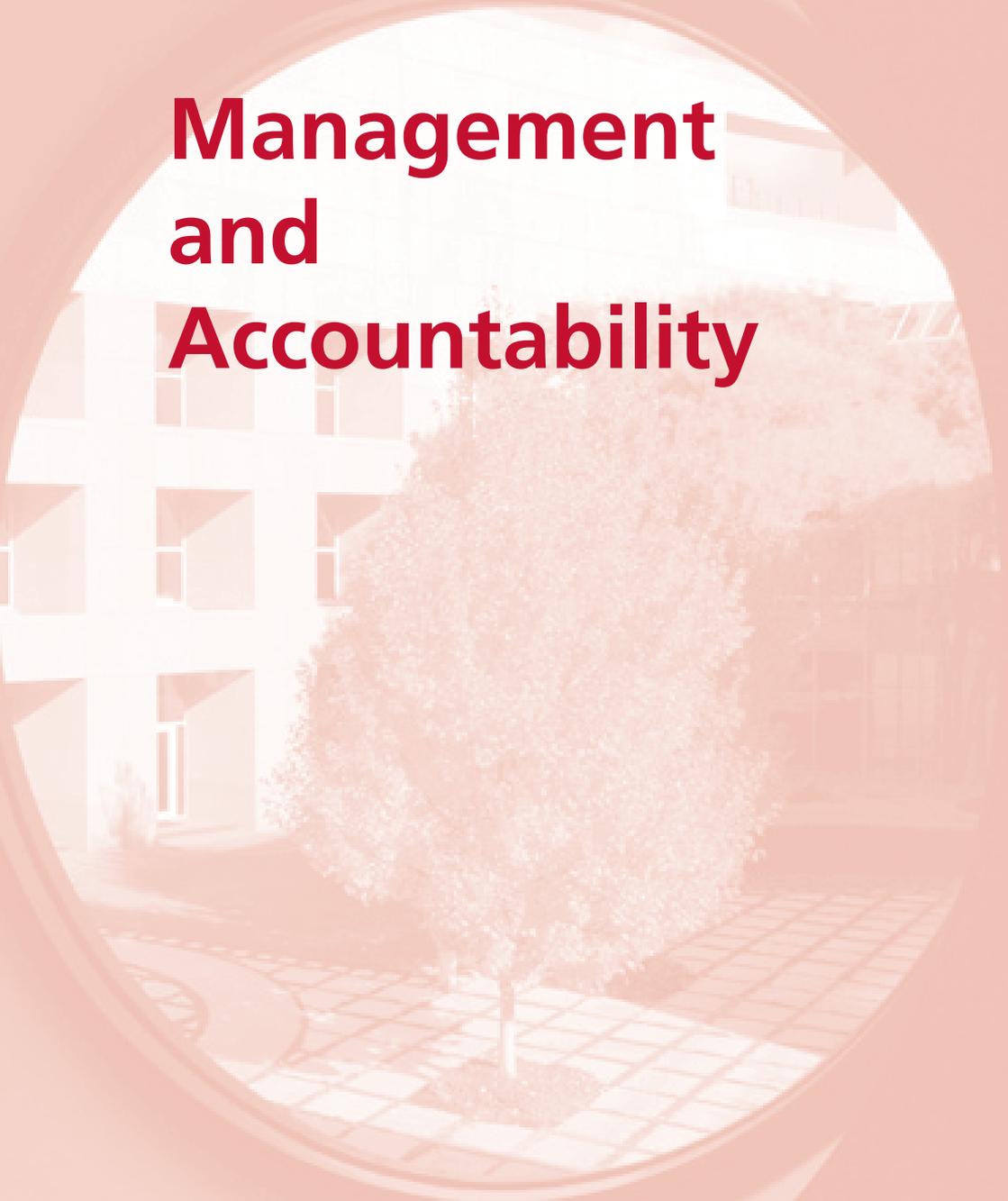


# **Management and Accountability**







## 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 2010–11, 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. During the reporting period, the Deputy Clerk assumed the chair of the Program Managers' Group. The Clerk, Deputy Clerk and the program managers also met as a senior officer group periodically throughout the year.

The Workplace Consultative Committee is the 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 20.

**Figure 20 Management and advisory groups, 2010–11**

Audit and Evaluation Committee	Program Managers' Group	Senate Management Advisory Group	Workplace Consultative Committee
<p><i>Role</i></p> <p>Oversee:</p> <ul style="list-style-type: none"> <li>• internal and external audits</li> <li>• administrative, operating and accounting controls</li> <li>• risk management.</li> </ul> <p>Supervise the annual internal audit program. Ensure best practice financial management and reporting, fraud control and business risk monitoring.</p>	<p>Coordinate corporate governance matters, including:</p> <ul style="list-style-type: none"> <li>• human resource management</li> <li>• risk management and planning</li> <li>• financial planning</li> <li>• departmental service quality.</li> </ul>	<p>Discuss departmental proposals, policy initiatives and changes. Advise the Program Managers' Group on leadership and managerial matters.</p>	<p>Serve as the principal forum for formal consultation between the department and staff on workplace relations. Monitor and evaluate the impact of the department's enterprise agreement. Consider employment-related initiatives and matters that affect staff in the workplace.</p>
<p><i>Activities</i></p> <p>4 meetings</p> <p>Considered various matters which were reviewed by the department's internal audit service provider, including:</p> <ul style="list-style-type: none"> <li>• certificate of compliance processes</li> <li>• procurement and contract management processes</li> <li>• payroll services review.</li> </ul> <p>Prepared an annual report to the Clerk and to the Senate Appropriations and Staffing Committee.</p>	<p>8 meetings</p> <p>Examined matters including:</p> <ul style="list-style-type: none"> <li>• budget planning and reporting</li> <li>• business continuity plans</li> <li>• development of a new enterprise agreement for non-SES staff</li> <li>• human resource delegations, authorisations and policies</li> <li>• the Parliament of Australia Graduate and Working in the Senate programs</li> <li>• workforce planning</li> <li>• information technology issues</li> <li>• the department's structural review</li> <li>• election period projects.</li> </ul>	<p>8 meetings</p> <p>Reviewed various redrafted and new departmental policies. Contributed to the department's structural review by:</p> <ul style="list-style-type: none"> <li>• organising two facilitated meetings to consider the review's terms of reference</li> <li>• preparing a submission for the review steering group.</li> </ul> <p>Considered for future review the group's terms of reference and its future role and activities in the strategic management of the department.</p>	<p>4 meetings</p> <p>Provided advice and recommendations on:</p> <ul style="list-style-type: none"> <li>• various redrafted and new departmental policies</li> <li>• work level standards</li> <li>• the meal allowance rate</li> <li>• the department's health promotion program</li> <li>• the role and responsibilities of the committee.</li> </ul>

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

## Structural review

As mentioned in the Clerk's Office section, the structural review referred to in last year's annual report was finalised during the reporting period. In particular, the duties of the Deputy Clerk were redefined to include an increased governance role and responsibility for information management and inter-parliamentary relations. Preliminary planning also commenced to establish the Senate Public Information Office (SPIO) and the learning and development framework for staff was designed and implemented. Several projects recommended as part of the review were also commenced (and some completed) during 2010–11.

## 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 current corporate plan throughout 2010–11 and work has commenced on its revision.

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 2010–11.

## 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 2010–11, the department conducted a fraud risk assessment and reviewed the fraud control plan which was endorsed by the Audit and Evaluation Committee, which has fraud control as a standing item on its meeting agendas. In addition, the risk management plan is a standing item for consideration at meetings of both the Program Managers' Group and the Audit and Evaluation Committee.

## Ethical standards

The department upholds the Parliamentary Service Values and employees are required to comply with the Parliamentary Service Code of Conduct set out in the *Parliamentary Service Act 1999*. The values and code are integrated into departmental policies, where relevant, and into 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 2010–11.

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 2010–11 supplementary budget estimates hearings on 18 October 2010, the 2010–11 additional budget estimates hearings on 21 February 2011, and the 2011–12 budget estimates hearings on 23 May 2011. Issues considered included various procedural matters; the logistics of the Senate changeover in June–July 2011; the provision of news clippings to senators; and committee workloads and resourcing.

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 staff are located at Parliament House in Canberra. The department's staffing did not change significantly in 2010–11. As in

previous years, the number of non-ongoing staff fluctuated to meet the workload generated by the sittings of the Senate.

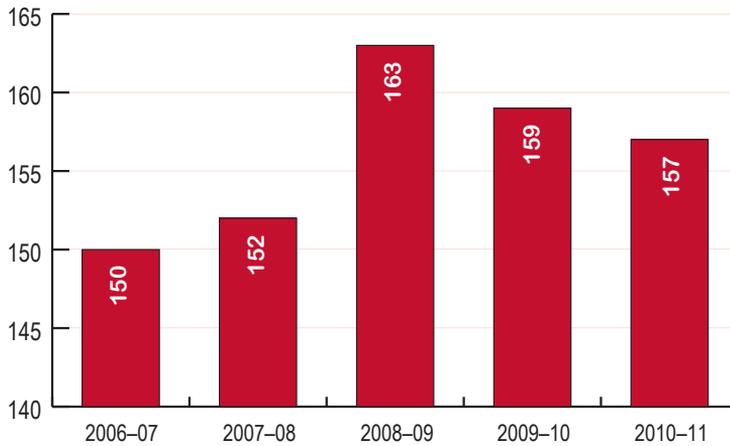
Staffing levels were supplemented by:

- Australian Public Service officers participating in the department's Working in the Senate Development Program (two in 2010 and one in 2011)
- graduates participating in the Parliament of Australia Graduate Program (two each in 2010 and 2011).

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 2010, two participants in the program were primarily attached to various committee secretariats, providing administrative and research support. In 2011, one participant was selected to participate in the program. All participants 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 2010 and 2011, 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 21 shows that the full-time equivalent (FTE) staffing level for 2010–11 was 157, two less than for 2009–10. The decrease was largely the result of positions being left vacant while recruitment processes were undertaken. More staffing statistics, including a breakdown of the FTE staffing level by office, are provided in appendix 2.

**Figure 21** Full-time equivalent staff numbers, 2006–07 to 2010–11

## Workforce planning

Workforce planning for the whole department is undertaken annually. The department's 2010 and 2011 workforce reports displayed similar gender and age profile trends to those reported for the Australian Public Service in the *State of the Service Report 2009–10*.

Several initiatives were proposed during 2010–11 as a result of workforce planning in relation to:

- improved recruitment practices
- attraction and retention strategies
- professional development needs.

These were considered by the program managers and have been implemented or are being implemented.

## Staff turnover

The department continued to attract suitable applicants for its advertised employment vacancies, including for specialist roles. An average of 21 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 2010–11 was more than in 2009–10. Table 8 shows the reasons for separations.

**Table 8** Reasons for separations from the department, 2008–09 to 2010–11

Reason	2008–09	2009–10	2010–11
Resignation	14	17	17
Retirement (age)	4	5	3
Retirement (other) or death	3	0	2
Return to home agency	1	2	6
End of non-ongoing employment	15	9	13
Transfer or promotion to another agency	8	8	11
<b>Total</b>	<b>45</b>	<b>41</b>	<b>52</b>

## 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.

At 30 June 2011, all of the department’s Senior Executive Service (SES) staff were covered by a collective 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 enterprise agreement, SES staff received a 3 per cent pay increase in May 2011 in recognition of productivity improvements and individual performance outcomes. The salary ranges for SES staff and the Clerk are set out in appendix 2.

Table 9 shows the number of senior executives who received or were due to receive total remuneration of \$130,000 or more, for 2008–09 to 2010–11.

**Table 9** Number of senior executives who received or were due to receive total remuneration of \$130,000 or more, 2008–09 to 2010–11

Remuneration range (\$)ª	2008–09	2009–10	2010–11
130,000–159,999	–	–	–
160,000–189,999	2	–	1
190,000–219,999	1	3	2
220,000–249,999	1	2	2
250,000–279,999	1	–	–
310,000–339,999	–	1	–
370,000–399,999	–	–	1
430,000–459,999	1	–	–
<b>Total</b>	<b>6</b>	<b>6</b>	<b>6</b>

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

The aggregate amount of total remuneration for 2010–11 for the senior executives shown in table 9 is \$1,441,529 (\$1,424,737 in 2009–10).

## Employment arrangements

### Employee collective agreement and enterprise agreement

The department's collective agreement was replaced on 15 July 2010 with an enterprise agreement which has a nominal expiry date of 30 June 2012. In May 2011, the agreement delivered a 3 per cent salary increase to staff. At 30 June 2011, all non-SES staff were covered by the enterprise agreement.

The enterprise agreement 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.

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 remained covered by individual agreement-based transitional instruments from 1 July 2010. The department arranged for these staff to be covered by the enterprise agreement once it commenced operation on 15 July 2010 and their individual instruments had been terminated.

## Performance pay

The department's employment arrangements do not provide for 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 provides a target of three days of work-related learning activities each year.

During 2010–11, 10 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 conducts in-house learning and development activities during the year. In 2010–11, the department delivered staff training on:

- recruitment and selection
- performance management
- presentation skills
- project management
- emotional intelligence
- people management.

The department's professional development program, the Parliamentary Executive Professional Upgrade Program (PEP UP), continued in both 2010 and 2011. In 2011, PEP UP was restructured and became part of the new learning and development framework. Under the framework, the PEP UP program now runs over two years. 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 corporate induction seminars for new staff was revised and implemented during 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 the Parliamentary Service Values and the Parliamentary Service Code of Conduct. Other corporate induction seminars focussed on providing staff with information about their workplace and fellow staff that can help them operate more efficiently.

## Occupational health and safety

The department undertook a range of preventative measures in 2010–11 aimed at minimising the risk of workplace injuries.

### Initiatives and measures

Initiatives and measures undertaken in 2010–11 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
- an online material safety data sheet application for hazardous substances
- risk assessments for stationery items, supplies used in committee rooms, and the printing unit
- a health promotion program.

The department's Health and Safety Committee met four times during 2010–11. 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 for departmental staff.

### **Claims, incidents and investigations**

Comcare accepted one claim for compensation in respect of the department during 2010–11.

In 2010–11, within the department there were:

- no accidents and one incident 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**

### **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:

- 97 laptop computers for senators' Parliament House offices and departmental staff
- digital imaging of the Senate's tabled papers
- ongoing refurbishment of senators' furniture.

### **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.

At 30 June 2011, the department controlled 3,389 assets with a fair value of \$1.92 million (last year's total was 3,487 assets with a fair value of \$2.5 million). In 2010–11, 118 assets were added and 226 assets were disposed of.

On completion of the annual stocktake in June 2011, 22 assets—with a depreciated value of \$2,994—could not be located. The 2010–11 stocktake result was a slight improvement on the 2009–10 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 conducting tenders, selecting consultants, 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).

### **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](http://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 relating to departmental and agency contracts, information on the value of the department's contracts is available on the AusTender website.

In accordance with the Senate order relating to departmental and agency contracts, details of the department's contracts valued at greater than \$100,000 are also listed on the internet, at [www.apf.gov.au/Senate/dept/docs/contracts.htm](http://www.apf.gov.au/Senate/dept/docs/contracts.htm).

### **Consultants**

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

In 2010–11, the department entered into two new consultancy contracts involving total expenditure of \$0.055 million. One further ongoing consultancy contract was active during the 2010–11 year, involving total expenditure of \$0.134 million.

Table 10 provides details of consultancy contracts let during 2010–11 to the value of \$10,000 or more.

**Table 10**      **Consultancy services let to the value of \$10,000 or more, 2010–11**

Consultant name	Description	Contract price (\$)	Selection process <sup>a</sup>	Justification <sup>b</sup>
Ipsos Public Affairs Pty Ltd	Survey and written report	30,261	Direct sourcing	B, C
Price Waterhouse Coopers	Review of the department's fraud control plan	24,750	Direct sourcing	B, C
<b>Total</b>		<b>55,011</b>		

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.

## Disability action plan

Since 1994, Commonwealth departments and agencies have reported on their performance as policy adviser, purchaser, employer, regulator and provider under the Commonwealth Disability Strategy, which required each of them to have in place a disability action plan. In 2007–08, reporting by executive agencies on the employer role was transferred to the Australian Public Service Commission's *State of the Service Report* and the *APS Statistical Bulletin* (available at [www.apsc.gov.au](http://www.apsc.gov.au)). From 2010–11, departments and agencies are no longer required to report on these functions.

In addition, the Commonwealth Disability Strategy has been superseded by a new National Disability Strategy which sets out a ten-year national policy framework for improving life for Australians with disability, their families and carers. A high level report to track progress for people with disability at a national level will be produced by the Standing Council on Community, Housing and Disability Services to the Council of Australian

Governments and will be available at [www.fahcsia.gov.au](http://www.fahcsia.gov.au). The Social Inclusion Measurement and Reporting Strategy agreed by the Government in December 2009 will also include some reporting on disability matters in its regular *How Australia is Faring* report and, if appropriate, in strategic change indicators in agency annual reports. More detail on social inclusion matters can be found at [www.socialinclusion.gov.au](http://www.socialinclusion.gov.au).

As this department is not subject to the Australian Public Service Commission reporting requirements, this year it will continue to report on measures in its current disability action plan to support the elimination of disability discrimination. Although the department initiated a review of its disability action plan in 2011, as the Commonwealth Disability Strategy has been superseded by the new National Disability Strategy, consideration will be given to the most appropriate strategy for the department in the future.

In accordance with the department's disability action plan, in 2010–11:

- the Committee Office trialled a service to convert committee submissions to HTML format to assist visually impaired people
- 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
- committee secretariat staff had information about disability access to venues outside Parliament House
- disability groups were notified, as appropriate, of committee inquiries that were directly relevant to their members
- recruitment applicants and participants in committee inquiries, occasional lectures and Parliamentary Education Office (PEO) programs were invited to identify any special needs
- PEO role-play programs cater for the needs of students with hearing difficulties, colour blindness and intellectual disabilities.

Figure 22 describes the facilities, publications and services that the department provided in 2010–11 to assist members of the public with disability.

**Figure 22 Assistance for members of the public who have disability**

<p><b>Facilities</b></p>	<p>captioning of the televised proceedings of the Senate chamber, with functions for changing font size, colour and style of captions to enhance readability</p> <p>access to a teletypewriter (TTY) facility through the Parliament House switchboard for people with a hearing or speech impairment</p> <p>a link through the committees homepage to software to assist visually impaired people with access to PDF committee documents</p> <p>audio loops for people attending the department's occasional lectures and committee hearings in Parliament House</p> <p>special parking arrangements for people attending occasional lectures and committee hearings</p> <p>seating available in waiting areas for people with disability</p>
<p><b>Publications</b></p>	<p>committee documents (such as reports, submissions and Hansards) available in hard copy, on the internet and, in most cases, on CD</p> <p>Senate and departmental information available on the internet in formats that aid user access, downloading and printing, with layouts and font sizes which can be manipulated by visually impaired people</p> <p>access through the Australian Broadcasting Corporation and the Australian Public Affairs Channel to broadcasts of selected occasional lectures</p> <p>live audio broadcasts of most interstate committee public hearings were available</p> <p>occasional lecture transcripts available in hard copy and as WMV and MP3 files on the internet</p> <p>email contact details or internet addresses on publications and publicity materials and details of the TTY service on committee webpage 'How to make a submission'</p>
<p><b>Services</b></p>	<p>interpreter services for witnesses attending committee hearings and for students attending PEO programs</p> <p>a personal escort for people with disability attending departmental seminars and occasional lectures</p> <p>national relay service utilised by PEO for contact with hearing or visually impaired people</p> <p>transcription facility available to assist visually impaired people to prepare submissions to committee inquiries</p> <p>trial of a service to convert committee submissions to HTML format to assist visually impaired people</p>