PART

6

GOVERNANCE

The Department of Parliament Services (DPS) is established under the *Parliamentary Service Act 1999* and is part of the Parliamentary Service. The Act states that the 'Parliamentary Service serves the Parliament by providing professional support, advice and facilities to each House of the Parliament, to parliamentary committees and to senators and members of the House of Representatives, independently of the Executive Government of the Commonwealth'.

The Secretary is the principal adviser to the Presiding Officers on matters relating to DPS and, as its leader, provides stewardship in the department and, in partnership with other department heads, across the Parliamentary Service.

The Presiding Officers act jointly in exercising their responsibilities in relation to DPS under the *Parliamentary Service Act 1999*. The Presiding Officers also have responsibilities under the *Parliamentary Precincts Act 1988*.

OUR GOVERNANCE STRUCTURE

The Secretary, as the accountable authority under the PGPA Act, has a duty to govern DPS in a way that promotes the:

‣ proper use and management of public resources for which DPS is responsible

‣ achievement of the purposes of the entity, and

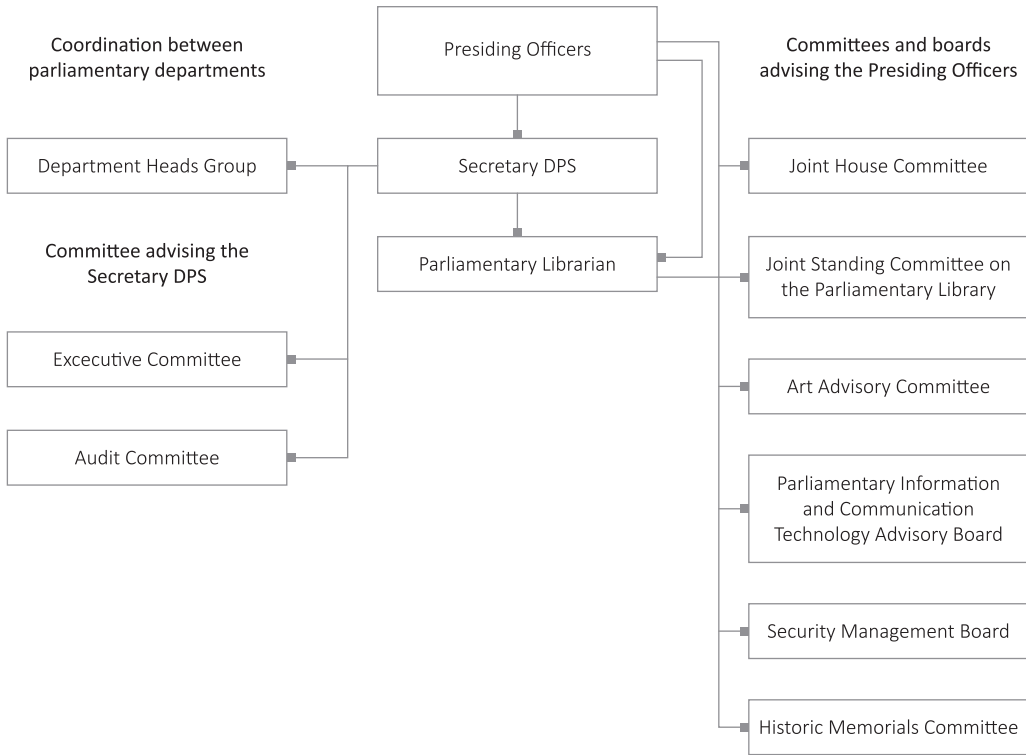‣ financial sustainability of the entity.

The Secretary delegates some powers to certain staff. These are outlined in DPS' financial and human resource delegations. In addition, the Secretary has established an organisational structure that clearly defines accountabilities and the areas of responsibility assigned to senior DPS staff.

The Parliamentary Library's services are established under the statutory office of the Parliamentary Librarian whose primary function is 'to provide high quality information, analysis and advice to senators and members of the House of Representatives in support of their parliamentary and representational roles'[51]. The Secretary of DPS provides resources to the Parliamentary Librarian in accordance with an annual agreement. The Parliamentary Librarian reports directly to the Presiding Officers and to the Parliament. She also reports to the Joint Standing Committee on the Parliamentary Library (JSPCL).

Our governance structure for the reporting period is set out in Figure 11. It contains two streams, committees and boards advising the Presiding Officers and committees advising the Secretary. These are discussed in more detail below.

51 Parliamentary Service Act 1999, subsection 38B(1)

Figure 11: DPS Governance Structure

Coordination between
parliamentary departments

Committees and boards
advising the Presiding Officers

Presiding Officers

Department Heads Group

Secretary DPS

Joint House Committee

Committee advising the
Secretary DPS

Parliamentary Librarian

Joint Standing Committee on the Parliamentary Library

Excecutive Committee

Art Advisory Committee

Audit Committee

Parliamentary Information and Communication Technology Advisory Board

Security Management Board

Historic Memorials Committee

COMMITTEES ADVISING THE PRESIDING OFFICERS

The information below shows committee membership at 30 June 2016 and activity for the year.

JOINT HOUSE COMMITTEE

The Joint House Committee comprised members of the House Committees of the Senate and the House of Representatives. Its role was to consider matters which affect joint services.

Chair: Senator the Hon Stephen Parry (President of the Senate)
           The Hon Tony Smith MP (Speaker of the House of Representatives)

Members:

- Mr Russell Broadbent MP
- Senator Carol Brown
- Senator David Bushby
- Senator the Hon Jacinta Collins
- Ms Jill Hall MP
- Mr Chris Hayes MP
- Ms Nola Marino MP
- Senator Gavin Marshall
- Senator Anne McEwen
- Mr Ken O'Dowd MP
- Ms Joanne Ryan MP
- Senator Dean Smith

As senior Presiding Officer at 30 June 2016 the President of the Senate was chair.

The committee met four times in 2015–16.

JOINT STANDING COMMITTEE ON THE PARLIAMENTARY LIBRARY (JSCPL)

Details on the JSCPL can be found at page 92.

ART ADVISORY COMMITTEE

The Art Advisory Committee assists the Presiding Officers in determining the suitability of art works for addition to the Rotational Collection within the Parliament House Art Collection.

Chairs: Presiding Officers

Members: Deputy President, Deputy Speaker, Secretary DPS and an independent art adviser from the National Gallery of Australia.

The committee's terms of reference are to:

‣ provide guidance on the Rotational Collection Acquisition Policy, and set short-term priorities for acquisitions

‣ assess acquisition proposals in accordance with the acquisition policy and collecting priorities, and

‣ provide advice on other matters relating to the display and management of artworks in the collection, as considered necessary by the Presiding Officers.

Matters considered included:

‣ the purchase of 123 works of art including 75 artworks to commemorate the Centenary of ANZAC

‣ the acceptance of a number of gifts offered to the collection, and

‣ the proposed collection audit and digitisation program.

The committee met twice during 2015–16, in October and February.

PARLIAMENTARY INFORMATION AND COMMUNICATION TECHNOLOGY ADVISORY BOARD (PICTAB)

PICTAB is an advisory body in respect of strategic elements of ICT service delivery by DPS. Its role is to assist with advice on the development and progress of the parliamentary ICT strategic plan, strategic objectives and outcomes.

Chair: Secretary DPS

Members: one representative each from the Government, Opposition, minor party/independent, Department of the Senate, Department of the House of Representatives, Parliamentary Budget Office and Parliamentary Service Commissioner. In addition, two non-member senior executive service (SES) officers from DPS attend meetings.

The board met twice and once out of session in 2015–16. Matters considered included:

‣ the mid-point review of the Parliament of Australia ICT Strategic Plan 2013–2018

‣ the annual ICT work program, including progress and direction of signature projects demonstrating commitment to the delivery of the outcomes identified in the Parliament of Australia ICT Strategic Plan:

  ‣ delivery of the ParlWork project

  ‣ delivery of WiFi to electorate offices and Commonwealth Parliament Offices

  ‣ video conferencing project progress

  ‣ transcription and captioning project progress, and

  ‣ telephony upgrade project progress

‣ strengthening ICT security and ICT security matters in the parliamentary context, and

‣ annual Australian Government Information Management Office ICT benchmarking results.

SECURITY MANAGEMENT BOARD (SMB)

The SMB was formally established in 2005 under section 65A of the *Parliamentary Service Act 1999*.

The function of the SMB is to provide specialist security advice and support to the Presiding Officers on security policy and the management of security measures for Parliament House.

Chair: Secretary DPS

Members: Usher of the Black Rod, Serjeant-at-Arms, Deputy Commissioner Australian Federal Police.

The board met eight times in 2015–16.

HISTORIC MEMORIALS COMMITTEE (HMC)

The Historic Memorials Collection was established by Prime Minister Andrew Fisher in 1911. The function of the committee is to commission official portraits of the Head of State, Governors-General, Prime Ministers, and Presidents of the Senate and Speakers of the House of Representatives.   From time to time the Committee may also elect to commission portraits of other significant parliamentarians who represent a milestone in the history of the Parliament and on occasion the Committee may also commission paintings of significant events in the history of the Australian Parliament.

Chair: Prime Minister

Members: the Leader of the Opposition, the Vice-President of the Executive Council, the Leader of the Opposition in the Senate, the President of the Senate and the Speaker of the House of Representatives.

The Secretary DPS is secretary to the Committee and the DPS Art Collection & Exhibitions section provides secretariat services to the committee.

In 2015–2016 the Historic Memorials Committee conducted all relevant business via correspondence.

COMMITTEES ADVISING THE SECRETARY

Under the *Parliamentary Service Act 1999* and the PGPA Act, the Secretary is accountable for DPS' performance and compliance. The Secretary is assisted in the management of these responsibilities by the Executive Committee and the Audit Committee.

EXECUTIVE COMMITTEE

The Executive Committee considers the development and implementation of the DPS governance framework and associated strategies, including financial planning and budgeting, performance, risk management, business planning and organisation issues and other matters relating to the management of the department.

The Executive Committee is chaired by the Secretary and its members are the Parliamentary Librarian and division heads. The committee meets fortnightly.

AUDIT COMMITTEE

The DPS Audit Committee provides independent assurance and assistance to the Secretary on financial and performance reporting responsibilities, system of risk oversight, and systems of internal control and compliance.

In 2015–16, three independent members served on the committee: Mr Michael Harris (Chair), Mr Darren Box (Deputy Chair) and Ms Jenny Morison. Two DPS officials served as management appointees to the committee: Mr Rob Barnes and Mr Jonathan Curtis.

In June 2016, Mr Box's term on the Audit Committee ended. Mr Box provided high quality advice and assistance to the Audit Committee over his three year term and DPS appreciated the service and commitment that he showed throughout his tenure.

Representatives of the Australian National Audit Office (ANAO) and DPS contracted internal auditors, KPMG, attend DPS Audit Committee meetings to provide information and advice to committee members. Information and advice is also regularly provided by invited DPS officials, including the Chief Operating Officer (COO), the Chief Information Officer or her representative and Chief Finance Officer.

The committee meets once each quarter and holds an additional meeting to consider the department's financial and performance statements. Table 22 shows the members' attendance for 2015–16.

Table 22: Audit Committee attendance

Member	Meeting attendance	
	Attended	Number of meetings
Mr Michael Harris—Chair	5	5
Mr Darren Box – Deputy Chair	5	5
Ms Jenny Morison	4	4
Mr Rob Barnes	3	5
Mr Jonathan Curtis	4	5

The Secretary is also assisted in his management of the department by the following committees:

DPS WORK HEALTH AND SAFETY (WHS) COMMITTEE

The WHS Committee operates in accordance with the *Work Health and Safety Act 2011* (WHS Act), to advise the Secretary on WHS policy matters concerning our employees and other parties, and to assist in the development and review of related policies and practices.

It is chaired by an Assistant Secretary and its membership is made up of one management representative from the Parliamentary Library, one from each of the other branches and one Health and Safety Representative (HSR) from each branch, with the exception of Asset Development & Maintenance Branch where there is provision for two HSRs. The committee meets once each quarter.

DPS CONSULTATIVE FORUM

The role of the DPS Consultative Forum is to provide a forum for consultation and discussion between management, staff and unions representing staff. The Forum is chaired by the COO and its membership consists of management representatives, union representatives and staff representatives as provided for in the enterprise agreement. The forum met four times in 2015–16.

OUR INTERNAL AUDIT ARRANGEMENTS

Primary responsibility for departmental internal audit functions rest with the Head of Internal Audit (HIA), the Assistant Secretary, People, Strategy and Governance Branch. The HIA manages the provision of independent assurance to the Secretary and Executive Committee, through the Audit Committee, that internal controls designed to manage significant operational or financial risks and achieve the department's objectives are operating in an efficient, effective and ethical manner. The HIA also implements the annual internal audit program endorsed by the Audit Committee and approved by the Secretary. The focus of the annual internal audit program is to assist the department in managing its significant operational or financial risks and to provide assurance as to whether key projects, systems and governance structures are operating as intended.   The implementation of recommendations from the internal audit program are regularly reported to the Executive Committee and the Audit Committee. The internal audit work plan is reviewed for relevance and applicability by the Audit Committee at the mid-year point, and recommends any subsequent amendments to the Secretary for approval. The HIA also manages liaison with the ANAO as the external auditor.
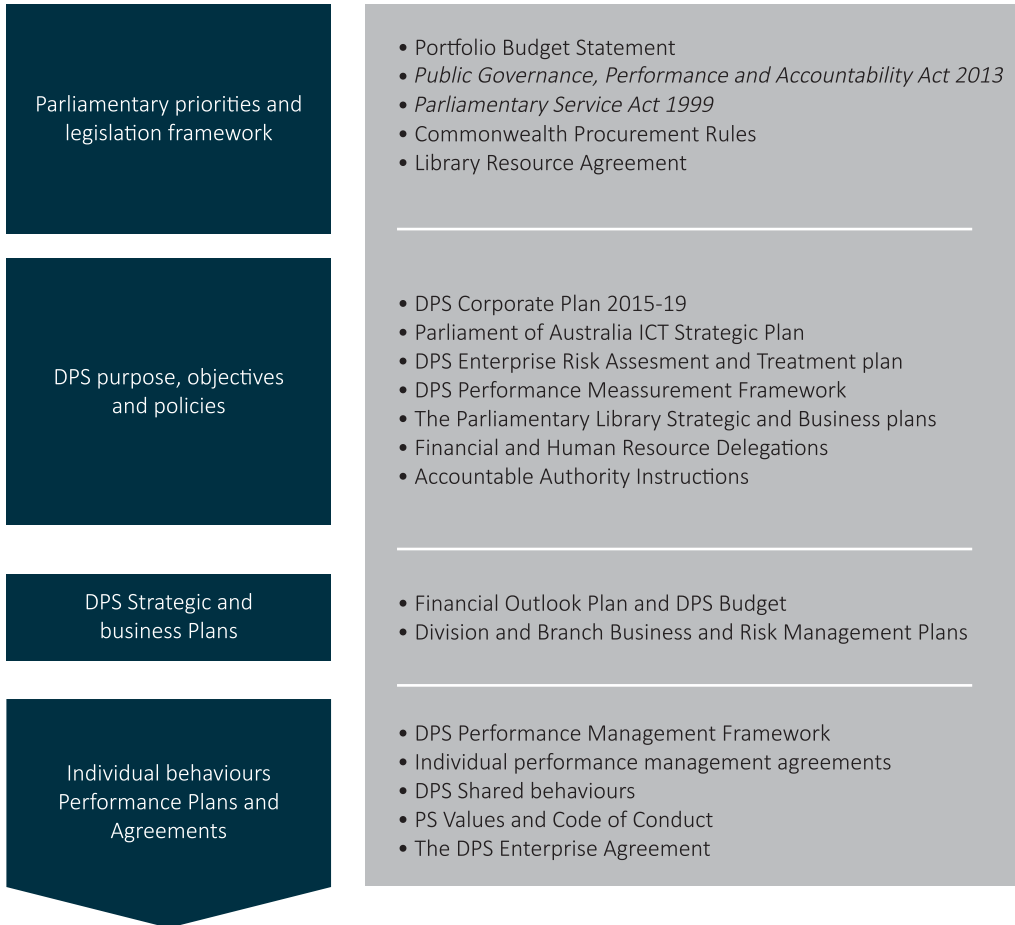
Under its outsourced service delivery model, DPS has engaged KPMG to provide internal audit services. During 2015–16, the internal audit program was delivered in line with the annual internal audit plan.

OUR PLANNING AND REPORTING FRAMEWORK

DPS continues to strengthen its internal planning, processes and controls to support broader corporate planning requirements. The 2015–16 Corporate Plan is based on the commitments DPS made in the Portfolio Budget Statement (PBS) for 2015–16, including Key Performance Indicators, measures and targets. It is compliant with the requirements of the PGPA Act and will be reviewed annually. In accordance with the PGPA Act, DPS has developed a 2016–17 Corporate Plan which outlines our purpose and provides clear direction on how DPS intends to achieve that purpose.

The corporate plan sets out the DPS strategic themes, objectives and strategies which we will use to guide our decision making and our activities over the next four years. The corporate plan is underpinned by branch business plans, outlining how each branch will contribute to the achievement of DPS' purpose. These key documents can then be linked to individual work plans which clearly articulate expectations of managers in contributing to the achievement of our purpose in the corporate plan.

Figure 12: DPS Planning Framework

| Parliamentary priorities and legislation framework	• Portfolio Budget Statement • *Public Governance, Performance and Accountability Act 2013* • *Parliamentary Service Act 1999* • Commonwealth Procurement Rules • Library Resource Agreement
DPS purpose, objectives and policies	• DPS Corporate Plan 2015-19 • Parliament of Australia ICT Strategic Plan • DPS Enterprise Risk Assesment and Treatment plan • DPS Performance Meassurement Framework • The Parliamentary Library Strategic and Business plans • Financial and Human Resource Delegations • Accountable Authority Instructions
DPS Strategic and business Plans	• Financial Outlook Plan and DPS Budget • Division and Branch Business and Risk Management Plans
Individual behaviours Performance Plans and Agreements	• DPS Performance Management Framework • Individual performance management agreements • DPS Shared behaviours • PS Values and Code of Conduct • The DPS Enterprise Agreement

HOW WE MANAGE RISK

It is important that DPS has a strong risk management framework. DPS is committed to an environment where all employees understand, and are able to successfully manage risk. As DPS is faced with a constantly changing and challenging environment, it is vital that staff continue to identify and engage with risk.

Collectively, the set of policies, processes and structures through which DPS manages risk can be called the DPS Risk Management Framework (see Figure 13). It enables DPS to demonstrate that a systematic and comprehensive process is in place to ensure that DPS manages risks effectively. The DPS Risk Management Policy and DPS Risk Management Toolkit continue to be promoted throughout DPS. The People, Strategy and Governance Branch supports staff in managing risks across DPS including enterprise, fraud, business and project risks.

Figure 13: DPS Risk Management Framework
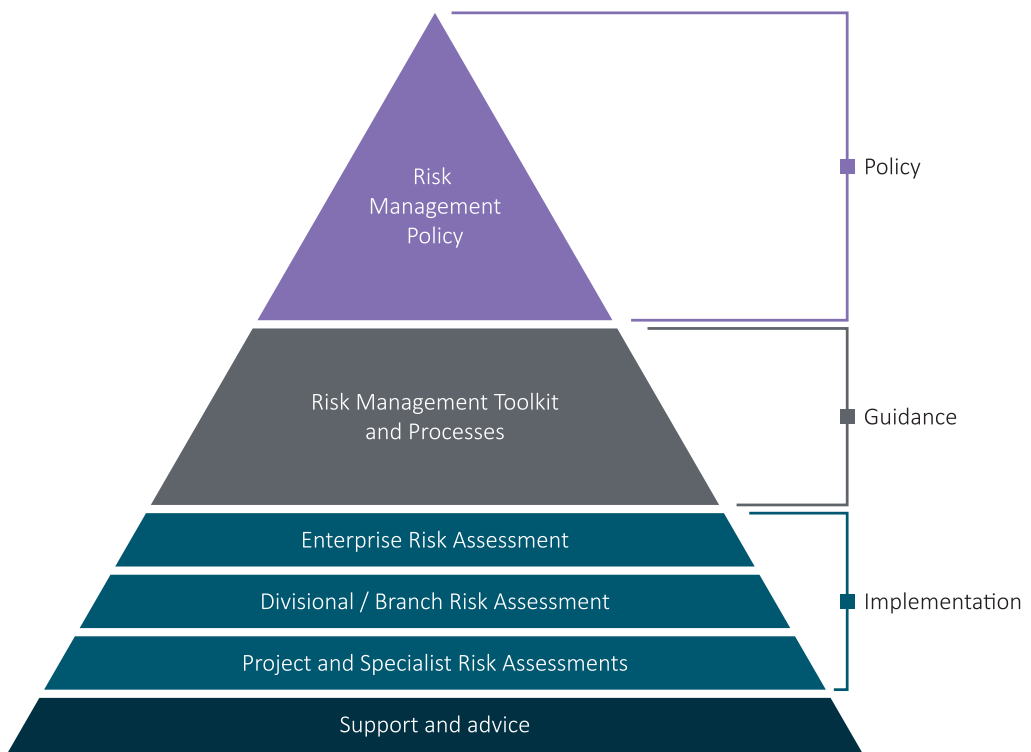
ENTERPRISE RISKS

Following a review of enterprise risks in June 2015, the Enterprise Risk Treatment Plan has been managed through an executive reporting process. This process has included the establishment of the Risk Management Forum in which members work with treatment owners to provide quarterly updates to the Executive Committee on the progress of enterprise risk treatments.

OPERATIONAL RISK

During the branch business planning cycle in May-June 2016, a risk assessment was integrated into the planning process to ensure that risk management is embedded in business as usual activities and to further build risk management capability within DPS.

RISK MANAGEMENT FORUM

The Risk Management Forum was established in November 2015 and meets on a quarterly basis in alignment with quarterly risk reporting to the Executive Committee. The forum is chaired by a DPS SES officer with members from across operational areas of the department. The Risk Management Forum is designed to support the ongoing development of DPS' risk and business continuity management practices. The forum provides a community of risk management driving and promoting risk management better practice across the department.

COMCOVER RISK MANAGEMENT BENCHMARKING SURVEY

DPS participated in the Comcover 2016 Risk Management Benchmarking Survey. This survey measures Commonwealth agencies' risk management capability maturity over the nine elements contained in the Commonwealth Risk Management Policy. DPS achieved an overall maturity rating of 'Integrated', which was consistent with the Commonwealth average and the result achieved by DPS in 2015.

BUSINESS CONTINUITY MANAGEMENT

Throughout 2015–16, DPS progressed the implementation of its Business Continuity Management System, including:

‣ endorsement in August 2015 of the Business Continuity Management Policy and Framework

‣ a comprehensive Business Impact Analysis across all key services

‣ development of executive and tactical response plans and individual business recovery procedures and other associated documents, and

‣ training and certification of a number of staff (including senior staff such as the Chief Operating Officer) by the Business Continuity Institute.

A robust Business Continuity Management System can only be achieved through a continuous program of exercising plans and refinements. Accordingly, DPS plans to further develop its Business Continuity Management System in 2016–17 through a program of exercises and continuous improvement.

HOW WE PREVENT FRAUD

DPS is committed to ensuring compliance with section 10 of the PGPA Rule.

Following the Fraud Risk Assessment in June 2015, the Fraud Control Plan 2015–17, including the revised Fraud Control Policy, was approved in July 2015. The Fraud Control Plan provides the framework for detecting, reporting and investigating fraud within the department. The Fraud Risk Treatment Plan is updated through the same quarterly process as the Enterprise Risk Treatment Plan. Fraud reporting channels have been developed for staff and contractors to report fraud. The phone number for reporting fraud is (02) 6277 2504 (anonymity is available). Fraud can also be reported by emailing dps-fraudcontrol@aph.gov.au.

In February 2016 a mandatory fraud awareness training program was launched. An online fraud awareness training course became available on the DPS Learning Management System, with face to face fraud and ethics workshops available in July 2016. In 2015–16, 633 employees undertook the on-line fraud awareness training course.

ETHICAL STANDARDS AND BEHAVIOURS

DPS is committed to the standards of integrity, good governance and ethical practices set out in the *Parliamentary Service Act 1999*, the Parliamentary Service Values and Parliamentary Service Code of Conduct. To support DPS' commitment to ethical and lawful behaviour, we developed and provided an in-house training course for staff, 'Being Professional in the Parliamentary Service'; seven sessions were attended by 92 staff.

DPS takes allegations of inappropriate behaviour seriously. In 2015–16, six allegations of potential breaches of the Parliamentary Service Code of Conduct were received. All six allegations were investigated and findings were made against five employees. One matter remains under investigation. As a result of the investigations, one employee was dismissed, two employees were reprimanded and a further two were reprimanded and fined.

PUBLIC INTEREST DISCLOSURE ACT 2013

The Commonwealth's *Public Interest Disclosure Act 2013* (PID Act) promotes integrity and accountability in the Australian public sector by encouraging the disclosure of information about suspected wrongdoing, protecting people who make disclosures and requiring departments and entities to take action.

DPS continues to provide readily accessible information to staff about the PID Act, including links to information provided by the Commonwealth Ombudsman, available via the department's intranet.

In 2015–16 there were six DPS Authorised Officers approved to handle public interest disclosures.

STATEMENT ON SIGNIFICANT NON-COMPLIANCE WITH THE FINANCE LAW

In 2015–16, DPS has not reported any significant issues to the Presiding Officers under section 19(1)(e) of the PGPA Act that relate to non-compliance with the finance law in relation to DPS.

EXTERNAL SCRUTINY

DPS' operations are subject to scrutiny from a number of sources, including the ANAO, judicial decisions, decisions of administrative tribunals, and various parliamentary committees. This section reports on inquiries, audits, reviews and legal actions relevant to DPS in 2015–16.

REPORTS BY THE AUSTRALIAN NATIONAL AUDIT OFFICE

The ANAO did not table any reports in 2015–16 that directly involved DPS.

The ANAO Performance Audit Managing Contracts at *Parliament House – Follow-up* commenced in December 2015 as a result of a request by DPS to include this in the ANAO's 2015-16 work schedule. The report associated with the follow-on audit was not tabled in 2015–16.

PARLIAMENTARY COMMITTEES

Senate Finance and Public Administration Legislation Committee

DPS appeared before Senate Finance and Public Administration Legislation Committee Estimates hearings on 19 October 2015, 8 February 2016 and 5 May 2016.

In addition, on 17 September 2015, the Senate Finance and Public Administration Legislation Committee provided its final report on its inquiry into DPS. The Committee made 14 recommendations, of which 13 were agreed to by the President of the Senate and one was noted. DPS has implemented 10 of the recommendations agreed to by the President of the Senate and is in the process of implementing the remaining three recommendations.

House of Representatives Standing Committee on Procedure

In March 2016, DPS made a submission to the House of Representative Standing Committee on Procedure inquiry entitled "Division required? Electronic voting in the House of Representatives".

JUDICIAL DECISIONS, DECISIONS OF ADMINISTRATIVE TRIBUNALS

During 2015–16, there were no judicial or administrative tribunal decisions relating to DPS.

FREEDOM OF INFORMATION

DPS is not subject to the *Freedom of Information Act 1982* (FOI Act), and therefore does not have an Information Publication Scheme. However, DPS has an administrative 'information access' policy. Under the policy, DPS responds where it can to requests for information, within the spirit of the FOI Act.

OFFICE OF THE MERIT PROTECTION COMMISSIONER

During 2015–16, three applications for review were made to the Office of the Merit Protection Commissioner. One of these matters remains under consideration.

FAIR WORK OMBUDSMAN

During 2015–16, there were no matters referred to the Fair Work Ombudsman for review.

FAIR WORK COMMISSION

During 2015–16, there was one matter that was referred to the Commission for review and this was settled at conciliation.

OUR PEOPLE

At DPS, our people are central to the services we delivery to the Australian Parliament. Our staff pride themselves on the services and products they provide to support the functioning of the Australian Parliament, and the work of parliamentarians. Acquiring, developing and maintaining employee capability and engagement is essential to supporting the achievement of our corporate objectives.

In 2015–16, a major focus of the human resources team was the consolidation of the new human resource management information system, with additional modules implemented for performance management and learning management. We focused on building capability and developing staff with the launch and implementation of the DPS Learning and Development Framework and associated learning. DPS also launched an indigenous employment strategy and improved its suite of business workforce reporting.

DPS WORKFORCE PERFORMANCE

As at 30 June 2016, DPS employed 874 staff (including staff on leave, secondment and inoperative staff), all based in Canberra. The DPS workforce comprised 730 ongoing employees (84 per cent) and 144 non-ongoing employees (16 per cent). Of the 144 non-ongoing employees, 57 are engaged for a 'specified term or a specified task' and 87 are engaged in 'irregular or intermittent' duties.

The DPS workforce comprised full-time, part-time, sessional and casual work arrangements—77 per cent full-time; eight per cent part-time; five per cent sessional and 10 per cent casual. These types of employment arrangements are used by the department to support the nature and demands of the parliamentary sitting patterns. The department's workforce statistics tables can be found at Appendix A.

Table 23: Employment Performance 2014-15 and 2015-16

Indicator	2014–15	2015–16
Total number of staff employed (Headcount)	862	874
Total number of staff employed (Headcount excluding casuals)	783	787
Diversity		
Women (percentage of total workforce)	37%	39%
People with identified Disability (percentage of total workforce)	1.26%	1.47%
Aboriginal and Torres Strait Islander (percentage of total workforce)	9 (1.03%)	11 (1.26%)
Staff with English as a second language(percentage of total workforce)	8.61%	8.47%
Health and Safety		
Health and safety incidents (per 100 employees headcount)	7.7	6.8
Health and Safety 'near misses (per 100 employees headcount)	0.11	1.3
Number of Health and Safety representatives	16	14

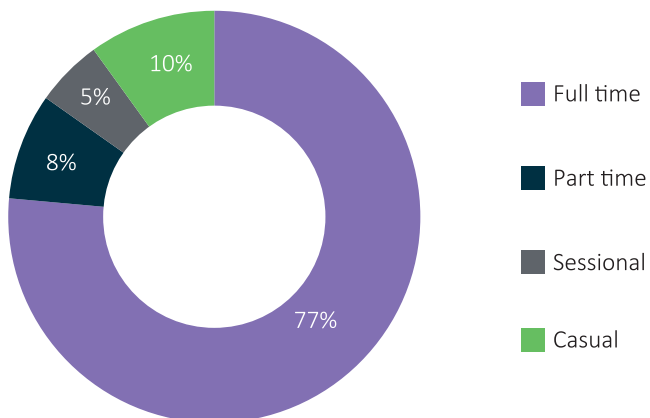| Indicator	2014–15	2015–16
Learning and Development		
Number of staff undertaking studies assistance		27
Number of recorded attendances at DPS compliance training activities		970
Recruitment		
Average time to fill vacancy (from advertising to Delegation sign off)		45
External 'new engagement' hires (percentage of new hires)		68%

Figure 14: DPS Workforce Composition - 30 June 2016

- Ongoing
- Non-ongoing (contract)
- Non-ongoing (casual)
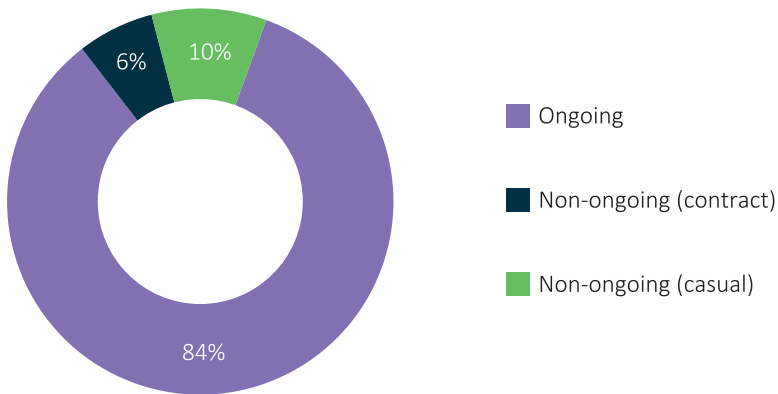
Figure 15: DPS Employee Type Numbers - 30 June 2016

- Full time
- Part time
- Sessional
- Casual

WORKFORCE DIVERSITY

A continued focus throughout 2015–16 was on initiatives in support of the Reconciliation Action Plan and the development of a new plan for 2016–18.

RECONCILIATION ACTION PLAN (RAP)

DPS was one of the four RAP Champions from the four parliamentary departments that worked with Reconciliation Australia to finalise a new RAP. The Parliamentary Service Reconciliation Action Plan 2016–18 was almost completed in 2015–16 and was launched in July 2016 during NAIDOC Week. The DPS RAP working group has also been working on how we in DPS will implement our responsibilities under the RAP. See details of the RAP on page 84.

ABORIGINAL AND TORRES STRAIT ISLANDER EMPLOYMENT STRATEGY

In December 2015, DPS launched its first Aboriginal and Torres Strait Islander Employment Strategy. The strategy is one of the important actions of the Parliamentary Service RAP, which focusses on creating employment opportunities for Aboriginal and Torres Strait Islander peoples. The strategy is also focussed on DPS' meeting our target of 2.5 per cent Indigenous representation by 2018.

As an initiative of the strategy, DPS committed to participate in the Indigenous Government Development Program (IAGDP) co-ordinated by the Department of Education and Training. Considerable work has been undertaken during 2016 in the planning and selection process for participants who will join the department in September 2016.

DISABILITY

DPS became a member of the Australian Network on Disability in April 2016 to assist the department to focus its attention on planning for the development of a DPS Disability Strategy.

RECRUITMENT—ENTRY LEVEL PROGRAMS

In 2015–16 DPS participated in the Parliament of Australia Graduate Program for the second year, placing five graduates. DPS placements are offered for periods of three to six months, to graduates who have been accepted into existing Australian Government department and agency graduate programs. The 2016 graduates were placed within the Parliamentary Library, COO Division, and Building and Asset Management Division where their qualifications in project management, law, business, arts and commerce were utilised.

In 2015–16 DPS participated in the Department of Finance, whole-of-government ICT Graduate Program, for the second year, placing two graduates. The DPS ICT graduate program began in November 2014 and provides a 12-month program, specifically tailored to develop ICT graduates for a career within the Australian Government.

Table 24: Entry Level Programs 2015–16

	APS/PS level	Number of Participants
Parliamentary Departments Program		
Parliament of Australia Graduate Program	PSL 4 or PSL 5	5
Whole-of-government programs		
ICT Australian Government Graduate Program	PSL 4	2

WORKFORCE MOBILITY AND RETENTION

During 2015–16 there were a total of 169 employee commencements. DPS' commencement rate for all employees decreased by 5 per cent from 24 per cent in the previous year to 19 per cent in 2015–16, as did all employee turnover which decreased by 1.0 per cent over the same period from 19 per cent to 18 per cent (for the total workforce).

Table 25: Overview of the DPS commencement for staff from 2014 to 2016

	2013–14	2014–15	2015–16
Commencements	140	204	169
Commencement rate[52]	17%	24%	19%
Commencement (ongoing employees)	70	91	66
Commencement Rate (ongoing employees)[53]	10%	12.6%	9%

In the same 12-month period, there were 157 employee separations. Of these 98 were ongoing employee separations, an increase of five employees on the 93 separations in 2014–15. The resultant ongoing employee turnover rate was 13.4 per cent, up from 12.8 per cent in 2014–15.

Table 26: Overview of the DPS turnover rates for ongoing staff from 2014 to 2016

	2013–14	2014–15	2015–16
Staff separations (headcount)	150	164	157
Employee turnover rate (total)[54]	18.2%	19%	18%
Staff separations (ongoing employees)	85	93	98
Turnover rate (ongoing employees)[55]	12.1%	12.8%	13.4%

The highest numbers of separations were employee-initiated age retirements (i.e. 55+ years), of which there were 30. This represented 31 per cent of the departing ongoing workforce. There were also 26 employee-initiated resignations from DPS, which represented 27 per cent of the departing ongoing workforce. Continuing capability reviews and subsequent structural realignment across DPS branches also resulted in 16 voluntary redundancies, one more than in 2014–15.

52 Commencement rate calculated by the number of employees recruited (commenced) as a percentage of the total headcount = 169 / 874 = 19.34%

53 Ongoing commencement rate calculated by—the number of ongoing employees recruited (ongoing commencements) as a percentage of the total headcount = 66 / 730 = 9.04%

54 Turnover rate calculated by—the number of total employees who left DPS during the period (voluntary and non-voluntary) as a percentage of the total headcount = 157 / 874 = 17.96338%, or 18% rounded.

55 Ongoing turnover rate calculated by—the number of total ongoing employees who left DPS during the period (voluntary and non-voluntary) as a percentage of the total ongoing headcount = 98 / 730 = 13.4246%.

MOBILITY BETWEEN THE SERVICES

Section 26 of the *Parliamentary Service Act 1999* facilitates staff movements between the Parliamentary Service and the Australian Public Service (APS). During 2015–16, there were 21 employees who left DPS and transferred at level or were promoted to a higher level to other APS agencies outside the Parliamentary Service.

Similarly there were 21 employees from the APS that were engaged under section 26 of the *Parliamentary Service Act 1999* that transferred (either at or below level) to DPS from the APS (14) or were engaged at a higher level (7) than they were at in the APS.

REMUNERATION AND EMPLOYMENT CONDITIONS

The DPS Enterprise Agreement 2011 sets out DPS' classification structures, performance management framework, remuneration, flexible working conditions, leave, consultative arrangements, and other working conditions and allowances.

The agreement nominally expired on 30 June 2014. The terms and conditions in the agreement will remain in force until a new agreement is formally approved. DPS commenced formal bargaining in December 2014.

The enterprise agreement allows the department to provide individual flexibility agreements to employees to recognise particular skills, capabilities or additional responsibilities or to help meet special workplace circumstances and/or operational requirements. At 30 June 2016, five DPS employees had these agreements in place.

The DPS classification scale is divided into Parliamentary Service Level 1-6 (equate to APS 1–6), Parliamentary Executive Level (PEL) 1 and 2 (equate to APS EL 1 and 2) and SES Bands 1 and 2. Salary scales for each of these classifications are at Appendix A.

Table 27: Number of employees covered by industrial instruments

Classification	DPS Enterprise Agreement	Section 24 Determinations	Individual Flexibility Agreements	Total
PSL1	19			19
PSL12	147			147
PSL123	1			1
PSL2	55			55
PSL23	15			15
PSL3	52			52
PSL4	103			103
PSL45	20			20
PSL5	64			64
PSL56	61			61
PSL6	121		2	123
PEL1	146		1	147
PEL2	46		2	48
SES1		14		14
SES2		3		3

NON-SALARY BENEFITS

Non-salary benefits available to DPS employees may include influenza vaccinations and the payment by DPS of membership fees for those wishing to join the Parliament House Health and Recreation Centre. Employees are also able to access the Employee Assistance Scheme at no cost. Parking is available at no cost to employees for onsite parking in the private carparks.

MANAGING PERFORMANCE

DPS performance management framework aligns individual work objectives to the Corporate Plan strategic themes and objectives. The process also encourages development and builds individual capability.

In February 2016, DPS transitioned to an online performance management tool. At 30 June 2016, 52 per cent of the workforce had an individual work plan (IWP) in place in the online system. HR Services and Strategy team has worked closely with relevant areas to fully implement the online IWPs before the next performance cycle.

LEARNING AND DEVELOPMENT

The DPS Learning and Development Framework was implemented early in 2015–16. This framework sets out the learning and development aims and pathways for the department, and is the basis for the design and delivery of a range of programs during the year. This year also saw the implementation of an online learning management system and the first mandatory e-learning module, Fraud Awareness.

Formal training and development

In 2015–16 there were a total of 970 recorded attendances at DPS compliance training activities. Fraud awareness training completion, accounted for 68 per cent of all compliance training programs undertaken.

DPS organised 45 in-house (face-to-face) training sessions which were attended by 449 employees, an increase of 155 employees from 2014–15. Of these 45 sessions, 12 were facilitated by external providers.

Leadership development

DPS offered a range of Leadership and Executive development programs to PEL 1 and 2 employees. For the PEL2 employees, nine people attended 11 external leadership programs covering various leadership development topics. DPS also developed and commenced delivery of a 10-day internal PEL1 Development Program. The program pilot commenced in May 2016 and is designed to build capabilities in the PEL1 cohort. Nineteen people participated in this program.

Studies assistance

In addition to the internal and external development of employees through training and development programs, DPS had 27 employees undertaking a range of tertiary studies, including:

- Master of Business Administration
- Master of Information Studies
- Master of Laws
- Master of Arts (Public Sector Leadership)
- Bachelor of Arts
- Bachelor of Counter Terrorism, Security and Intelligence
- Bachelor of Primary Education
- Bachelor of Information Studies (Librarianship)

This year, a total of 1,400 hours were provided to employees to undertake tertiary education, along with $25,000 in studies assistance.

ORGANISATIONAL CULTURE AND EMPLOYEE ENGAGEMENT

DPS again participated in the APS Employee Census in 2015, which was conducted in May and June 2015. A total of 443 employees provided feedback, representing a response rate of 53 per cent for the department. Although the DPS response rate was three per cent down on the previous year, the drop in participation was consistent with the rest of the APS.

The 2015 census showed small improvements in employee engagement with their job and team. The level of employee engagement with the department also marginally improved, however scores around the effectiveness of senior leadership and internal communication remained relatively low.

Feedback and results from the 2015 census drove a number of initiatives to improve leadership and internal staff communications. These initiatives include the launch of the DPS Corporate Learning Framework in January 2016, targeted leadership training and development programs for PEL1-2, development of a DPS Communications Framework and revision of the staff intranet.

The department's results are not included in the APSC's annual State of the Service Report, as the department is administered under the *Parliamentary Service Act 1999* and the report covers staff employed under the *Public Service Act 1999*.

In 2016, DPS again participated in the annual APS Employee Census. A total of 526 employees responded and this achieved a 64 per cent response rate—an improvement of 11 per cent on our 2015 response. The 2016 census results were not available as at 30 June 2016.

WORK HEALTH AND SAFETY

WORK HEALTH AND SAFETY (WHS) IMPROVEMENTS TO PARLIAMENT HOUSE

Work to address height safety issues in APH continued during 2015—16, and included the purchase of mobile plant and equipment to provide safer access for maintenance purposes, and the design and installation of fall prevention and protection equipment such as fixed ladders, staircases, platforms and handrails.

DPS conducted a number of risk assessments across APH in 2015—16, including:

- a comprehensive review of confined spaces
- task analysis of ladders used within DPS Maintenance Services
- a noise risk assessment in Hansard, and
- plant and equipment safety risk assessments.

Additional risk controls identified from these assessments have been implemented.

CONSULTATION ON WHS ISSUES

DPS maintains a high level of consultation on WHS issues. Staff are represented on health and safety committees that monitor and advise on WHS programs.

The DPS Peak WHS Committee focuses on reviewing WHS policies and procedures and taking a strategic approach to WHS management across DPS. Individual branches hold their own WHS committee meetings quarterly.

The DPS Contractors' WHS Subcommittee met four times. This forum provides a valuable mechanism to address WHS issues related to the work performed by the large number of contractors at APH.

A key component of DPS' management of health and safety is its network of health and safety representatives (HSRs), deputy HSRs, and harassment contact officers (HCOs). As at 30 June 2016, DPS had 22 HSRs and deputies and 14 trained HCOs.

WHS TRAINING

A range of WHS-related training was provided to staff throughout the year, including generic induction and refresher sessions for staff and managers. Approximately 119 staff underwent generic WHS training programs.

Occupation-specific WHS training was also provided, including:

- first aid
- working in confined spaces
- working at heights
- scaffolding
- manual handling (for example, lifting and handling of objects)
- plant and equipment use
- licences for forklifts and elevated work platforms, and
- defensive tactics.

WHS AUDITING

In 2015–16, DPS continued to undergo six-monthly surveillance audits of its WHS management system. An external audit confirmed that DPS continued to comply with the requirements of the SafetyMAP Initial Level auditing tool. DPS has continued to maintain certification to Joint Accreditation System of Australia and New Zealand standards since its initial certification in November 2009.

In December 2015, DPS underwent its second Rehabilitation Management System Audit. DPS maintained strong performance during the third audit, achieving 88 per cent compliance in both 2015 and 2014. This compared to 72 per cent during the first audit in 2013. DPS has implemented the report's recommendations, which focused mainly on improvements to rehabilitation policies and procedures.

INCIDENT REPORTING AND INVESTIGATION

Seventy-three incident reports were submitted by DPS employees during 2015–16. One incident was notified to Comcare in accordance with section 35 of the WHS Act. Incidents were examined by DPS and remedial action was taken where necessary. Comcare did not formally investigate any of the incidents.

There were no Provisional Improvement Notices issued under section 90 of the WHS Act and no notices or enforceable undertakings were issued under Parts 10 or 11 of the WHS Act.

ASSET MANAGEMENT

DPS manages departmental and administered property, land and equipment and intangible assets with a net book value of $2,320.2 million (2014–15: $2,309.1 million). Administered assets of $2,223.8 million (2014–15: $2,220.5 million) primarily relate to Parliament House, incorporating the building, land and cultural assets. Departmental assets of $96.4 million (2014–15: $88.6 million) primarily relate to information technology, software and furniture and equipment.

DPS manages asset replacements through an annual capital works plan. The department monitors the management of this plan on a regular basis to ensure that the planned expenditure reflects the department's business requirements.

DPS undertakes annual stocktakes, impairment and revaluation reviews which are used to update and verify the accuracy of asset records and to review the condition and ongoing utility of assets. The outcomes of the reviews are considered by the ANAO as part of its assessment of the annual financial statements.

PURCHASING

OVERVIEW

DPS continued to improve the framework and guidance in 2015–16 to ensure the procurement of property and services was conducted and managed in accordance with the Commonwealth Procurement Rules (CPRs) and DPS' Accountable Authority Instructions (AAIs) and supporting procedures. DPS primary procurement objectives are to:

- ensure the principle of value for money is consistently obtained through:
  - encouraging competition
  - promoting efficient, effective, economical and ethical use of resources, and
  - conducting our business in an environment of accountability and transparency
- support the business requirements of each branch within the department through a focus on better practice procurement, and
- involve small and medium enterprises wherever practicable.

DPS has a specialist procurement unit to ensure that:

- established guidelines and procedures are observed by DPS staff undertaking procurement and contract management activities
- statutory reporting responsibilities are met
- contracting and tendering activities are monitored, and
- ongoing training is provided to areas of the department that are involved in procurement.

Advice on legal matters relating to DPS procurement was provided by DPS Legal Unit.

CONSULTANTS

DPS classifies consultants as individuals, partnerships or corporations engaged to provide professional, independent and expert advisory services to the department. DPS engages consultants where there is a need for independent research or assessment, or where specialised or professional skills not available in-house are required.

During 2015–16, 13 new consultancy contracts were entered into involving total actual expenditure of $670,721 (GST inclusive). In addition, 12 ongoing consultancy contracts were active during the period, involving total actual expenditure of $351,422 (GST inclusive).

The method of procurement for consultancy arrangements is determined by the complexity, nature and value of each individual requirement to achieve a value for money outcome that supports DPS business requirements.

Consultants were engaged by DPS via approaches to the market and through access to consultancy panels and multi-use lists established by other departments for:

- ICT
- strategic business planning
- economic and financial evaluation, and
- human resources.

Annual reports contain information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the AusTender website www.tenders.gov.au.

AUSTRALIAN NATIONAL AUDIT OFFICE ACCESS CLAUSES

All DPS contracts allow access for audit purposes.

EXEMPT CONTRACTS

During 2015–16, no DPS contracts or standing offers were exempted by the Secretary from being published via AusTender on the basis that they would disclose exempt matters under the FOI Act.

PROCUREMENT INITIATIVES TO SUPPORT SMALL BUSINESS

DPS supports small business participation in the Commonwealth procurement market. Small and Medium Enterprises (SMEs) and Small Enterprise participation statistics are available on the Department of Finance's website:

www.finance.gov.au/procurement/statistics-on-commonwealth-purchasing-contracts/

With a focus on achieving the best value for money outcome in each circumstance, DPS supports engagement with SMEs wherever practicable.

Consistent with paragraph 5.4 of the CPRs to ensure that SMEs can engage in fair competition for Commonwealth business, DPS applies the following procurement practices:

‣ the Commonwealth Contracting Suite for low-risk procurements valued under $200,000, and

‣ payment cards to facilitate on-time payment performance.

To achieve best practice procurement processes the relevant divisions of the CPRs are applied as appropriate.

DPS recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on Treasury's website: www.treasury.gov.au/.