

Part 5—Management and accountability

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

Corporate governance

Introduction

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

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

Committees advising the Presiding Officers

Joint House Committee

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

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

Joint Standing Committee on the Parliamentary Library

479 The Joint Standing Committee on the Parliamentary Library was established by motions of the Senate and the House of

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Representatives on 7 December 2005. The terms of reference of the committee are to:

- (a) consider and report to the Presiding Officers on any matters relating to the Parliamentary Library referred to it by the President or the Speaker;
- (b) provide advice to the President and the Speaker on matters relating to the Parliamentary Library;
- (c) provide advice to the President and the Speaker on an annual resource agreement between the Parliamentary Librarian and the Secretary of the Department of Parliamentary Services; and
- (d) receive advice and reports, including an annual report, directly from the Parliamentary Librarian on matters relating to the Parliamentary Library.

480 At the commencement of each Parliament, six Senators and seven Members of the House of Representatives are appointed to meet as the Joint Standing Committee on the Parliamentary Library.

481 Additional information about the role and functions of the Joint Standing Committee on the Parliamentary Library can be found in Part 3 of this report (see paragraphs 168 to 172).

Presiding Officers' Information Technology Advisory Group

482 The Presiding Officers' Information Technology Advisory Group (**POITAG**) provides a forum for Senators and Members to contribute to and guide IT strategies and development in the Parliament.

DPS committees

Audit Committee

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

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

485 In 2006-07, there were four DPS members—the Deputy Secretary, the Parliamentary Librarian, and Assistant Secretaries

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from the Research Branch and the Product and Service Development Branch.

486 The DPS Chief Finance Officer, and representatives of the Australian National Audit Office, also attend Audit Committee meetings.

487 The functions of the Committee are set out in DPS Governance Paper No. 7, last issued in September 2006. These are to:

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

488 In 2006-07, the Audit Committee continued the work started in the previous two years, in particular by reviewing and proposing refinements to the fraud control, risk management, and control frameworks.

489 The Audit Committee also used internal audit resources and review to provide advice to the Secretary on signing the Certificate of Compliance, which was required by the Department of Finance and Administration for the first time in 2007.

490 The Audit Committee met four times during 2006-07. Members' attendance at the meetings was as follows:

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Figure 41—Audit Committee attendance

Member	Position	Meeting attendance	
		attended	out of
Will Laurie	Independent Chair	4	4
David Kenny	Deputy Secretary	4	4
Roxanne Missingham	Parliamentary Librarian	3	4
Freda Hanley	Assistant Secretary, Product and Service Development Branch	4	4
Jane Romeyn	Assistant Secretary, Research Branch	4	4

Executive Committee

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

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

493 The committee also acts as a communication tool and venue for discussing major departmental events.

Finance Committee

494 The Finance Committee is an essential part of DPS's corporate governance arrangements, and consists of the Secretary, the Deputy Secretary, the Parliamentary Librarian and the Chief Finance Officer. The role of the Finance Committee is recognised in the Resource Agreement made between the Secretary and the Parliamentary Librarian (see paragraphs 173 to 177 in Part 3 of this report).

495 The Finance Committee's role is to:

- (a) allocate annual budgets, and reallocate funding during the year if necessary;

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- (b) monitor financial performance, including consideration of monthly reports;
- (c) allocate asset replacement and administered funds;
- (d) approve significant items of expenditure; and
- (e) monitor the progress of approved projects for expenditure of asset replacement and administered funds.

Other governance matters

Risk management

496 The application of the DPS Risk Management Policy and Framework continued during 2006-07. Each branch considered its operational environment to ensure that existing risk assessments and controls remained current and that all new risks were assessed and proposed treatments identified. Reporting of the implementation of proposed treatments was incorporated into the quarterly business reporting cycle in 2006.

497 The DPS Risk Register portal has been established for use by staff assessing and managing risk. The portal provides convenient access to all departmental risk assessments as well as links to risk management templates.

498 To improve awareness of the risk management practices, DPS staff have also undertaken training provided by Comcover on various aspects of risk management.

499 The Risk Management Policy and Framework will be reviewed in 2007-08.

500 During 2006-07 progress was made in the development of a DPS-wide business continuity plan. A number of existing plans were updated and new plans developed. As part of this process, the drafting of a Business Continuity Planning policy and framework document is well advanced. This work will continue in 2007-08.

501 Work also continued on developing a Parliament-wide business continuity plan (see paragraph 64 in Part 1).

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Fraud control

502 Work on consolidating the fraud control plans of the former departments to create a single Fraud Control Policy and Framework and Fraud Control Plan for DPS was finalised in October 2006.

503 In May 2007 DPS staff received fraud awareness training. The training covered the definition of fraud, responsibilities for fraud management and the investigation process.

504 DPS submitted responses to the 2006-07 Commonwealth Fraud Control Guidelines Annual Reporting Questionnaire in accordance with the Guidelines.

Corporate plan

505 The DPS Corporate Plan 2004-07 provides the broad strategic direction for DPS. It recognises that DPS is a relatively new department and that work is required to establish systems and processes by which the organisation is directed and controlled.

506 The development of a three-year strategic plan to replace the existing Corporate Plan commenced in early 2007, and is expected to be finalised early in 2007-08.

Business planning

507 The DPS Business Planning Policy and Framework provides for the Executive Committee to decide strategic business directions and priorities each year. Each branch then develops an annual business plan that includes initiatives designed to implement strategic directions, as well as deliver ongoing services and facilities. The framework will be reviewed during 2007-08.

508 Branches report on a quarterly basis to the Executive Committee, detailing progress against the business plan and the implementation status of risk treatments and audit report recommendations.

509 Existing performance indicators were reviewed during 2006-07, and some changes were made to the indicators used in the 2007-08 Portfolio Budget Statement. The recommendations and findings from the review will be further considered in the context of a recent internal audit report on the DPS control framework.

510 A key outcome of the review was the development of a single source repository for all externally-reported performance data,

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including information on data sources and collection, analysis and reporting procedures. The repository has been tested in the preparation of this report, and will be further refined in 2007-08.

DPS services catalogue

511 DPS developed a draft services catalogue covering all services provided by the department, and began consultations with the chamber departments about the contents of the catalogue. Our current aim is to finalise and publish the catalogue early in the 42nd Parliament.

512 The catalogue will provide a comprehensive overview of all services DPS provides to its customers and will include instructions on how to access these services, together with associated service levels (see paragraph 6 in Part 1 for further information about the intended uses of the catalogue).

Appropriate ethical standards

513 The standards embraced in DPS reflect the Parliamentary Service Values and Code of Conduct contained in the *Parliamentary Service Act 1999*. These are promoted in DPS corporate documents including the Corporate Plan 2004-2007, Fraud Control Policy and Framework, guidelines on the acceptance of gifts and benefits, procurement procedures, and other financial and human resource documents. Among other things, these documents outline the standards that are expected of employees in their day-to-day work and interactions with third parties, including tenderers and contractors.

People management and strategy

Staffing, salary and classification structures

Remuneration for Senior Executive Service (SES) employees

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

515 Current AWAs were negotiated between employees and the Secretary of DPS. The level of remuneration, and in some cases the conditions attaching to remuneration, vary from employee to employee, but in general terms all salary increases provided to SES

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employees depend upon performance targets being satisfied. Salaries for SES staff range from \$120,000 to \$174,726.

Performance-based pay arrangements for non-SES staff

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

517 The certified agreements for DPS staff (the *Department of Parliamentary Services Certified Agreement 2005-2008*, certified in August 2005, and the *Department of Parliamentary Services (Parliamentary Security Service) Certified Agreement 2006-2008*, certified in February 2006) provide for an annual salary increase subject to the achievement of an overall rating of "effective" or higher through the performance management arrangements.

518 Increases in salary and allowances were paid under the certified agreements in July 2006. Both agreements provided for an increase of around 5%, comprising:

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

Overview of classification structures

519 Figure 42 sets out the non-SES classifications and salary ranges for DPS staff as at 30 June 2007.

Figure 42—Classification and salary ranges as at 30 June 2007

Classification	Salary range
Parliamentary Service Level 1	\$35,745 - \$41,785
Parliamentary Service Level 2	\$41,883 - \$45,845
Parliamentary Service Level 3	\$46,886 - \$49,038
Parliamentary Service Level 4	\$49,656 - \$54,452
Parliamentary Service Level 5	\$55,394 - \$59,674
Parliamentary Service Level 6	\$60,074 - \$68,548
Parliamentary Executive Level 1	\$74,297 - \$84,962
Parliamentary Executive Level 2	\$85,623 - \$100,917

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

521 Figure 43 sets out actual staff (a headcount), by classification (including the broad-banded and apprenticeship levels separately), as at 30 June 2007.

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Figure 43—Staff numbers as at 30 June 2007

Classification	Ongoing F/T		Ongoing P/T		Non-ongoing F/T		Non-ongoing P/T		Casuals		Total		
	M	F	M	F	M	F	M	F	M	F	M	F	Total
Apprentice 1/2	0	0	0	0	2	1	0	0	0	0	2	1	3
Apprentice 2/3	0	0	0	0	5	0	0	0	0	0	5	0	5
PSL 1/2 DPS	78	11	29	3	7	0	0	0	10	0	124	14	138
PSL 2/3 DPS	25	1	0	0	0	0	0	0	0	0	25	1	26
PSL 1 DPS	14	0	0	0	1	0	0	0	2	5	17	5	22
PSL 2 DPS	8	14	10	26	1	0	0	0	3	1	22	41	63
PSL 3 DPS	42	23	0	5	1	1	0	0	0	0	43	29	72
PSL 4 DPS	56	32	2	4	1	1	0	1	6	7	65	45	110
PSL 5 DPS	33	22	1	11	1	0	0	1	1	11	36	45	81
PSL 6 DPS	72	46	2	16	1	1	0	1	0	4	75	68	143
PEL 1 DPS	83	40	5	9	1	2	0	0	0	0	89	51	140
PEL 2 DPS	28	15	0	0	0	3	0	0	0	0	28	18	46
Senior Executive Service B1	3	7	0	0	0	0	0	0	0	0	3	7	10
Parliamentary Librarian	0	1	0	0	0	0	0	0	0	0	0	1	1
Senior Executive Service B3	1	0	0	0	0	0	0	0	0	0	1	0	1
Secretary	0	1	0	0	0	0	0	0	0	0	0	1	1
Totals	443	213	49	74	21	9	0	3	22	28	535	327	862

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Management of human resources

Introduction

522 In the reporting year the People Management and Strategy Section (**PMAS**) continued to work on developing a range of policies and guidelines on personnel and workplace relations issues. Other substantial activities undertaken by the section were:

- (a) development and implementation of policies related to the two certified agreements;
- (b) development of the DPS People Strategy; and
- (c) review of the Performance Management Scheme.

Workforce planning, staff retention and turnover

523 During the reporting year there were 166 staff separations, 82% of which were of ongoing employees.

524 The total staff turnover for 2006-07 was 19.7%. There was a 16% turnover in ongoing employees—up from 14% in 2005-06.

525 For ongoing employees, 23% of separations resulted from resignations and 33% resulted from retirements. Of the retirements, 2% were age retirements, 1% invalidity retirements and 30% of the total separations were redundancies. The remainder were transfers or promotions to the Australian Public Service under section 26 of the *Parliamentary Service Act 1999*.

526 Non-ongoing employees and contractors continue to be used as a means of managing short-term increases in workloads and project activity.

527 There were 63 exit interviews in 2006-07, reflecting a 38% participation rate of all separating DPS staff. There has been a 3% increase in exit interview participation rates since 2005-06 and a 13% increase since 2004-05.

Staff development and training

528 DPS provides a range of development opportunities to staff.

529 Following the implementation of the DPS performance management scheme in 2005-06, the scheme was reviewed after the

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completion of the first cycle. The review highlighted a 98.9% participation rate in the first year of the scheme.

530 Individual development plans (**IDPs**) are a key avenue for identifying development needs. This year the IDPs were the source of a corporate skills development needs analysis which was undertaken in May 2007. The survey results have been used to develop training priorities for the department's 2007-08 learning and development activities.

531 A number of in-house workshops were delivered in August 2006 to assist supervisors conduct effective performance management discussions. DPS also conducted in-house workshops in writing skills, fraud awareness and occupational health and safety responsibilities.

532 DPS provided support for study to 38 staff members. Support included a combination of time to attend study activities and financial assistance towards compulsory costs.

Workplace relations

533 The focus of activity in this year was on administering DPS's two certified agreements. This was done through:

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

Workplace diversity

534 The Workplace Diversity Plan for 2005-07 continued to focus on embedding DPS diversity principles into existing activities which support workplace diversity in DPS. As a result, 29 out of 35 of the annual workplace diversity plan's activities were achieved.

535 Some of these activities included:

- (a) maintenance of an active harassment contact officer network;

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- (b) promotion of special cultural and social events (eg Reconciliation Week and National Families Week) through DPS communication sources; and
- (c) encouraging staff participation in departmental continuous improvement review teams, occupational health and safety committees, and temporary assignments in other areas of the department and the Parliament.

Occupational health and safety (OHS)

536 The DPS Occupational Health and Safety Committee met four times during the year. The work of the committee has primarily been directed at reviewing OHS policies and procedures.

537 DPS also provided OHS roles and responsibilities training for all staff with supervisory responsibilities. 17 sessions were conducted throughout the year with a total of 206 employees attending.

538 During the 2006-07 year, four incidents were notified to Comcare in accordance with section 68 of the *Occupational Health and Safety (Commonwealth Employment) Act 1991* (the **OHS Act**). Each incident was also examined by DPS.

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

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

Commonwealth Disability Strategy

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

Provider Role

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

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

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544 During 2006-07 the following projects specifically relating to disabled access were undertaken:

- (a) refurbishment of the public disabled toilets to comply with the BCA and Disability Standard;
- (b) modifications to the public galleries in each chamber to allow space for one wheelchair in each gallery; and
- (c) the hearing loop signs in the Senate and House of Representatives viewing galleries were changed to comply with the current requirements to advise of a "T" switch for hearing aids.

Employer Role

545 As required under section 18 of the *Parliamentary Service Act 1999*, DPS has a workplace diversity program. The *DPS Workplace Diversity Program 2005-07* includes provisions to ensure that the department's employment policies and procedures support equitable working conditions for employees, including those with disabilities.

546 All press and gazette advertising now includes a reference to a TTY number for potential applicants with hearing or speech disabilities. The "reasonable adjustment" principles are followed in the recruitment and management of staff. DPS has not needed to apply these principles in any recruitment process in 2006-07.

547 Staff development programs take account of the needs of people with disabilities, and individual needs are accommodated on a case-by-case basis before the commencement of the program.

548 DPS has a number of mechanisms in place—both informal and formal—to manage complaints and grievances. Access is available to Workplace Harassment Contact Officers, the Employee Assistance Program and the Parliamentary Service Merit Protection Commissioner.

Purchaser Role

549 All departmental tender documents include provisions requiring contractors to meet their obligations, where applicable, under the *Disability Discrimination Act 1992*.

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Ecologically sustainable development and environmental performance

550 The following description of the 2006-07 environmental performance of Parliament House operations is prepared in accordance with section 516A of the *Environment Protection and Biodiversity Conservation Act 1999* (the **EPBC Act**).

551 DPS manages the environmental aspects of activities at Parliament House on behalf of the parliamentary departments, including the Department of the Senate and the Department of the House of Representatives.

552 The goal of ecologically sustainable development (**ESD**) is defined as :
... development that improves the total quality of life, both now and in the future, in a way that maintains the ecological processes on which life depends.³⁷

Activities and administration of legislation accord with the principles of ESD.

553 Paragraph 516A(6)(a) of the EPBC Act requires DPS to report on how the activities of the parliamentary departments, including their administration of legislation, accord with the principles of ESD.

554 The parliamentary departments do not manage, coordinate or administer legislation that impacts directly on ecologically sustainable development. However, the Senate and the House of Representatives carry out law-making and policy review roles at Parliament House, which may have the potential to support the principles of ESD.

555 To support Senators, Members and their staff in their parliamentary duties, DPS provides information and research services. One area of expertise is the Science, Technology, Environment and Resources Section of the Research Branch in the Parliamentary Library. The Parliamentary Library's collections also provide access to comprehensive environmental resources. Together, these services and resources can assist Senators and Members to assess how their decisions support ESD.

³⁷ The National Strategy for Ecologically Sustainable Development (<http://www.ea.gov.au/esd/national/nsepd/index.html>), endorsed by all Australian jurisdictions in 1992.

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Contributions of outcomes

556 Paragraph 516A(6)(b) of the EPBC Act requires DPS to report on how the outcomes specified in an Appropriations Act for the reporting period contribute to ESD.

557 The outcomes of the parliamentary departments, specified in the Appropriations (Parliamentary Departments) Acts for 2006-07, are as follows:

- (a) **Department of Parliamentary Services:** Occupants of Parliament House are supported by integrated services and facilities, Parliament functions effectively and its work and building are accessible to the public.
- (b) **Department of the Senate:** Effective provision of services to support the functioning of the Senate as a House of the Commonwealth Parliament.
- (c) **Department of the House of Representatives:** The House of Representatives fulfils its role as a representative and legislative body.

558 These outcomes do not directly contribute to ESD. However, Output 3.1 in the *DPS Portfolio Budget Statement 2006-2007* sets energy and water consumption, greenhouse gas emissions and recycling targets. These outcomes require DPS to manage the potential impact of parliamentary operations on the environment.

559 Performance against these targets is reported in Part 4 of this Annual Report (see paragraphs 339 to 372).

Effect of activities on the environment

560 Paragraph 516A(6)(c) of the EPBC Act requires DPS to report on the effect of parliamentary department activities on the environment.

561 At Parliament House and in the Parliamentary precincts, maintenance, engineering, landscape, computing and catering services have the potential to affect the environment, as do office-based activities.

562 These services and activities result in:

- (a) consumption of electricity, natural gas, diesel fuel, water, paper and other resources;

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- (b) greenhouse gas emissions;
- (c) generation of waste; and
- (d) the risk of hazardous substance spills.

563 Energy, water, greenhouse gas emissions and waste impacts are reported in Part 4 (see paragraphs 351 to 359).

564 There were no reported leaks or spills of hazardous substances during 2006-07.

565 These environmental impacts do not involve a “matter of environmental significance”, as defined in Part 2 of the EPBC Act.

Measures to minimise environmental impact

566 Paragraph 516A(6)(d) of the EPBC Act requires DPS to report on measures taken to minimise the impact of environmental activities on the environment.

567 Environmental impacts at Parliament House are reduced through DPS’s strategic planning processes and operational work practices.

Energy use

568 During 2006-07, timers were installed to automatically switch off the lighting in underfloor crawlspace and in most plant rooms. Selected toilet blocks and offices were equipped with occupancy sensors to automatically switch off the lights when the area is unoccupied for some time.

569 Staff of the Department of the House of Representatives inspected all Members’ suites at the end of each fortnightly sitting period to check that electrical equipment and lights had been switched off. The Department of the Senate undertook a similar initiative in Senators’ suites during non-sitting periods.

570 Energy efficiency ratings were considered in purchasing decisions, including when the Department of the Senate replaced cocktail refrigerators in office suites with the highest energy-rated models (three star). Drivers of departmental vehicles were also encouraged to purchase E10 petrol wherever possible.

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Reducing greenhouse gas emissions

571 DPS purchased 10% new (renewable) green energy and 15% old (hydro) green energy to reduce greenhouse gas emissions from July 2006.

Water use

572 Stage 2 water restrictions were introduced in November 2006. These were upgraded to Stage 3 during December 2006. To meet the restrictions, DPS severely restricted watering in the grounds beyond Parliament Drive and did not plant annual flower displays. All external fountains and water features were also turned off and emptied. Watering to turf and landscape within Parliament Drive was also curtailed.

573 Waterless urinals and dual flush toilets were installed as a water-saving initiative when bathrooms were refurbished (see paragraphs 55 to 61 for more information on water use).

Recycling and waste management

574 Recycling facilities were in place to recover and recycle paper, cardboard, cartridges, lamps, fluorescent tubes, batteries, metals, used oils, grease, and landscape waste. The Department of the Senate started using recycled paper to print news clippings.

575 During 2006-07 a co-mingled recycling trial was successfully completed in the Senate wing. A roll-out of co-mingled recycling facilities across Parliament House was planned, with implementation to be completed in 2007-08.

Purchasing

576 During 2006-07 DPS complied with the *Commonwealth Procurement Guidelines* and in particular *Department of Finance Guideline No. 10—Guidance on Complying with Legislation and Government Policy in Procurement*. This aims to ensure procurement decisions take into account a whole-of-life approach, and consider the Department of Environment and Water Resources *Green Purchasing Guidelines*.

577 Both the Department of the Senate and the Department of the House of Representatives considered elements such as energy consumption, sustainable manufacturing techniques, the reuse of parts on obsolete equipment and the return of packaging in their

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purchasing criteria. During 2006-07 major purchases included chairs, televisions, refrigerators, dishwashers and fax machines.

Communication and promotion

578 The environmental gateway, accessible through the Parliament House web site (<http://www.aph.gov.au/dps/>), contains environmental information on operations at Parliament House.

579 Internally, the Building Management System help desk is promoted as a point of contact for reporting environmental incidents, including water and energy wastage.

Mechanisms for review of measures to minimise impacts on the environment

580 Paragraph 516A(6)(e) of the EPBC Act requires DPS to identify mechanisms for reviewing and increasing the effectiveness of measures to minimise the impact of activities on the environment.

581 Energy and water metering data is analysed regularly to identify changes to consumption trends and provide early warning of potential wastage. Senior management also review environmental performance each quarter as part of a progress report on meeting portfolio budget targets.

582 A detailed account of Parliament House's environmental performance is published in the *DPS Environmental Performance Report for 2006-2007* on the DPS web site (<http://www.aph.gov.au/dps/>). This report is prepared using the *Global Reporting Initiative Guidelines*, an international reporting protocol for sustainability reporting. An environmental performance report has been published each year since 2003. The reports provide a record of changes to environmental performance over time.

Purchasing

Overview

583 The purchasing of property and services by DPS during 2006-07 was conducted with the aim of realising core business objectives, while achieving operational effectiveness and value-for-money outcomes. Purchasing was managed in accordance with the Commonwealth Procurement Guidelines (**CPGs**) of January 2005, and DPS Chief Executive's Instructions and supporting procedures.

584 DPS's primary purchasing objectives were:

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

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

Consultants

586 During 2006-07, 27 new consultancies were entered into involving total actual expenditure of \$361,344 (GST inclusive). In addition, 21 ongoing consultancy contracts were in place from previous years, involving total actual expenditure of \$431,651 (GST inclusive) during the reporting year.

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

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

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

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

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

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

591 Particulars of consultancy contracts awarded to the value of \$10,000 or more during 2006-07 are shown in Table 1, Appendix A.

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

Competitive tendering and contracting

593 During 2006-07, DPS did not conduct any competitive tendering and contracting processes that involved contracting out the delivery of government activities, previously performed by this agency, to another organisation.

Exempt contracts

594 During 2006-07, no DPS contracts or standing offers were exempted by the Chief Executive from being published via AusTender on the basis that they would disclose exempt matters under the *Freedom of Information Act 1982*.

Asset management

595 The Parliament House building has a current replacement cost of \$1.62 billion³⁸ and an expected remaining life of 181 years. The

³⁸ The building is re-valued every three years, and was last re-valued in 2006.

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building represents a public investment, is a national and international tourist attraction and is an eminent work of architecture. The building is expected to accommodate growth and to adapt to the changing functional requirements of Parliament.

596 DPS is responsible for assets management of Parliament House. We have implemented sophisticated asset management systems to ensure that the building fulfils its role as a functional parliamentary building, an office for the executive government and a tourist attraction.

597 The asset management systems used by DPS include a building management system, a maintenance management system, life cycle management, condition monitoring, 100-, 20- and five-year asset management plans, performance standards and benchmarking. These systems are used in combination to ensure that appropriate levels of condition and serviceability are maintained in a cost-effective manner. The systems are supported by a team of professional engineers, planners and trade staff.

598 The department uses a series of performance indices to measure asset management performance, including the Building Condition Index (**BCI**). The performance against these indices is reported separately in Figure 21 of this report.

599 In 2006-07 the DPS maintenance services team used a combination of in-house and contracted personnel to ensure timely and cost-effective maintenance service provision. Working with maintenance planning personnel, the maintenance services team achieved a ratio of 85% planned preventative maintenance to 15% reactive maintenance. Their efforts ensured that the building achieved a BCI of 89.1% for a cost of \$202.83 per square metre.

600 The Landscape Condition Index for 2006-07 was 89%. This was a 2% increase on the 2005-06 result and was within 1% of the target. This measurement is taken in October of each year and at the time (in October 2006) there were no water restrictions in force.³⁹ The rehabilitation work undertaken in the first half of 2006 had time to establish good growth.

601 DPS expects a decline in the LCI in October 2007 as the impact of ongoing water restrictions continues.

³⁹ ACT water restrictions came into effect on 1 November 2006.

Part 5—Management and accountability

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

Accountability

External scrutiny

ANAO audits

603 During 2006–07, DPS was the subject of external performance and compliance audits by the ANAO in relation to its financial statements for the period ending 30 June 2006. These audits were unqualified.

604 The ANAO audits the compliance of agencies with the *Senate Order for Departmental and Agency Contracts* (the **Senate Order**) that requires the listing of contract details on the internet. As a parliamentary department, DPS is not required to comply with the Senate Order, but has chosen to do so. DPS was not selected for review during the 2006 calendar year.

605 Apart from ANAO Report No. 15 of 2006–07, which looked at the *Audits of the Financial Statements of Australian Government Entities for the Period Ended 30 June 2006*, there were no ANAO reports during 2006–07 that directly involved DPS.

Senate Committees

606 DPS appeared before the Senate Finance and Public Administration Committee considering the department's estimates on three occasions during 2006-07 (30 October 2006 (Supplementary Budget Estimates hearings), 12 February 2007 (Additional Estimates hearings) and 21 May 2007 (Budget Estimates hearings)).

Other scrutiny

607 DPS was not subject to any significant judicial decisions or decisions of administrative tribunals, nor did the Ombudsman report on the activities of DPS in 2006-07.

Part 5—Management and accountability

Freedom of information

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

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

610 Because DPS is not subject to the FOI Act, no facilities are provided to enable members of the public to obtain physical access to its documents. When inquiries for information are made, such requests are referred to the Director, Governance and Business Management.

611 In 2006–07, no requests for information were received.

Discretionary grants

612 DPS does not administer any discretionary grant programs.

Advertising costs

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

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

614 Figure 44 sets out amounts over \$10,000 paid by DPS during the reporting year. No money was paid to any organisation covered in paragraph (b), (c) or (d).

Part 5—Management and accountability

Figure 44—Advertising costs

Supplier	Item	Amount (GST inclusive)
HMA Blaze	Tender advertisements	\$23,426
HMA Blaze	Recruitment advertisements	\$143,416
Total		\$166,842

Legal Services expenditure

615 The *Legal Services Directions 2005* (paragraph 11.1(ba)) require publication of expenditure on legal services. During 2006-07, DPS spent the following amounts on legal services:

Figure 45—Legal services expenditure

Services	Amount (GST exclusive)
External expenditure on solicitors	\$128,796
Administrative disbursements on external legal services	\$935
Total (legal services expenditure—all external)	\$129,731

