

Management and Accountability



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* (FMA Act) and are subject to provisions of the *Workplace Relations Act 1996* and other legislation.

At the strategic level, the Program Managers' Group and the Audit and Evaluation Committee, under the supervision of the Clerk's Office, are responsible for implementing and monitoring corporate governance principles. An advisory group, the Senate Management Advisory Group (SMAG), assists the Program Managers' Group.

The Workplace Consultative Committee is the principal forum for formal consultations with staff and union representatives on workplace relations matters.

The role and membership of each group are described in Figure 19.

Figure 19 **Management and advisory groups**

<p>Program Managers' Group</p>	<p><i>Role</i> Coordinating corporate governance matters, including:</p> <ul style="list-style-type: none"> • workplace relations • terms and conditions of employment • performance management • human resource management policies • staff training and development • financial planning • departmental service quality <p><i>Members</i> The department's three Clerks Assistant and the Usher of the Black Rod</p> <p><i>Chair</i> The Usher of the Black Rod</p>
<p>Audit and Evaluation Committee</p>	<p><i>Role</i> Ensuring that departmental operations and expenditures meet external audit standards in relation to best practice corporate governance, fraud control and business risk monitoring Developing and supervising the annual internal audit program</p> <p><i>Members</i> Program managers, the Chief Finance Officer (as an observer) and an independent member Includes representatives from the Australian National Audit Office and from KPMG (internal auditor) as observers</p> <p><i>Chair</i> The Deputy Clerk</p>
<p>Senate Management Advisory Group</p>	<p><i>Role</i> Formulating and providing advice to program managers on departmental and managerial issues</p> <p><i>Members</i> All Senate Parliamentary Executive Level 2 staff</p> <p><i>Chair</i> Chosen annually by the group</p>
<p>Workplace Consultative Committee</p>	<p><i>Role</i> Principal forum for formal consultations with staff and union representatives on workplace relations matters, including negotiation of workplace agreements</p> <p><i>Members</i> The Usher of the Black Rod, the Clerk Assistant (Table) and up to 10 elected staff representatives and union representatives</p> <p><i>Chair</i> The Usher of the Black Rod</p>

Program Managers' Group

The Program Managers' Group examined a range of corporate governance and other departmental management matters in 2006–07, including:

- business continuity
- implementation of provisions of the Senate Employee Collective Agreement 2006–2010
- survey of senators
- revision of the corporate plan
- staff training and development
- budgetary matters
- performance management.

Audit and Evaluation Committee

The primary objectives of the Audit and Evaluation Committee are to oversee:

- audits (both internal and external)
- the department's controls (administrative, operating and accounting)
- risk management (planning and implementation).

The committee met on four occasions and considered, among other things, the following matters, which were reviewed by the department's internal audit service provider, KPMG:

- the human resource management information system post-implementation
- the Performance Communication Scheme
- FMA Act compliance (delegations and bank accounts)
- printing
- information technology.

Risk management, fraud control and the FMA certificate of compliance are standing items on the committee's agenda.

The committee provides an annual report of its activities to the Clerk, who provides the report to the President and the Senate Appropriations and Staffing Committee.

Senate Management Advisory Group

In 2006–07, SMAG met on 10 occasions to discuss departmental proposals, policy initiatives and changes, and to advise the Program Managers' Group on leadership and managerial matters.

SMAG provided advice and recommendations to the Program Managers' Group on:

- a proposal to implement changes agreed to in the employee collective agreement, including a template for monitoring implementation of changes over the life of the agreement
- a process for implementing annual workforce planning practices
- the introduction of project work as a method of developing staff and improving productivity
- training modules to enhance the skills and knowledge of supervisors
- improvements to the department's Performance Communication Scheme
- the effectiveness of induction and orientation processes for new staff and improvements in those processes
- improved coordination of staff training and development across the department.

Workplace Consultative Committee

During 2006–07, the committee met on four occasions to consult on policies and issues that affect staff in the workplace and to monitor implementation of the Senate Employee Collective Agreement 2006–2010, which came into effect in July 2006.

The committee provided advice and recommendations on:

- a proposal to survey staff on performance management arrangements
- the results of the performance management survey of staff
- revisions to the guidelines on managing underperformance
- revisions to the Performance Communication Scheme guidelines
- reports on feedback from staff exiting the department
- an increase in the meal allowance rate
- the department’s policy on salary sacrifice.

Corporate and operational plans

Corporate plan and work plans

During 2007, in consultation with managers and staff, the department developed a new corporate plan to replace the corporate plan in effect since July 2002. The new plan, which sets out the department’s strategic direction for delivering services to senators, took effect from July 2007.

Work plans for 2006–07 detailed work priorities and expected performance results for each output group. Ongoing work reports to the Clerk showed high levels of achievement against the work plans.

Fraud control plan and business risk assessment

The department actively manages risk through plans that are revised regularly and are available to all staff on the department’s intranet.

In May 2007, the department engaged KPMG to assess and revise its business risk management arrangements.

The department began to develop a comprehensive business continuity management framework and plan towards the end of the 2005–06 financial year. The business continuity plan covers all essential and critical business resources and activities; the broader framework includes subsidiary disaster recovery and emergency management plans. The whole framework will be finalised in the first half of the 2007–08 financial year.

The department’s fraud control plan contains appropriate fraud prevention, detection, investigation and reporting mechanisms, which comply with the Commonwealth Fraud Control Guidelines.

Ethical standards

Parliamentary Service Values and departmental policies

The Parliamentary Service Values and Code of Conduct, set out in the *Parliamentary Service Act 1999*, govern the ethical standards expected of departmental employees. A series of departmental policies support the values and code of conduct and describe in detail the standards of behaviour expected of staff.

Clerk's Instructions

The Clerk's Instructions provide departmental staff with guidance on corporate governance and the management of departmental resources. During 2006–07, the Financial Management Section reviewed the Clerk's Instructions and guidelines to ensure their currency. Such reviews are now scheduled on an annual basis.

No serious breaches of the Clerk's Instructions were reported or detected during the year.

Social justice and equity impacts

As the department does not administer public programs, it does not directly implement a social justice strategy.

External scrutiny

Survey of senators' satisfaction

A survey is conducted every two years to evaluate senators' satisfaction with the services provided by the department. Eureka Strategic Research conducted the 2007 survey on behalf of the department. The survey comprised two stages. The first stage invited all senators to complete a questionnaire and record their satisfaction levels with the department's outputs. Ten senators were interviewed in the second stage of the survey to obtain qualitative information to clarify key responses to the questionnaire. The report of findings from the survey was tabled in the Senate in June 2007. The results are discussed in this report in the sections reporting on the performance of the individual output groups.

Other scrutiny

The department's performance is monitored by the Senate Standing Committee on Finance and Public Administration and the Appropriations and Staffing Committee under their terms of reference.

The Australian National Audit Office did not conduct 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 information systems

In 2006–07, the department adapted its human resource management information system (CHRIS) to allow managers to record online the performance assessment ratings of their staff. The change has resulted in a small efficiency gain in administration, and provided an efficient mechanism for monitoring the appraisal process and performance results across the department.

The department began two projects involving its financial management information system in 2007:

- a complete review of the asset management module to determine the best way for the department to meet its responsibilities in asset management
- the integration of the financial management information system with the new requirements of AusTender (the Australian Government's online procurement and tendering system).

The department aims to upgrade to the new version of Finance One by the end of 2007.

Management of human resources

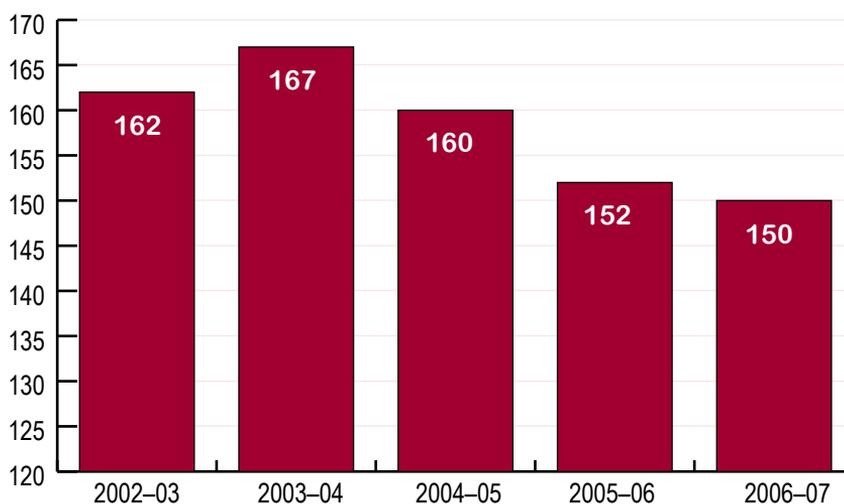
Workforce planning

No significant changes were made to the department's staffing arrangements during 2006–07. As in previous years, the number of non-ongoing staff increased at various times throughout the year to assist with the additional workload generated by the sittings of the Senate.

Figure 20 shows that the full-time equivalent staffing level decreased slightly from 2005–06, due mainly to a reduced need for staff to assist with select committees.

Staffing levels were supplemented by ongoing Australian Public Service officers (three in 2006 and two in 2007) who participated in the department's Working in the Senate (WISE) executive development program.

Figure 20 Full-time equivalent staff numbers, 2002–03 to 2006–07



Note: To allow meaningful comparisons, the figures for 2002–03 and 2003–04 have been adjusted to exclude parliamentary security and Pass Office staff, who were transferred to the then Joint House Department during 2003 and 2004.

The department will implement annual workforce planning from 2007–08 to help overcome future recruitment and staffing challenges. In the light of reported public sector skills shortages, the department will closely monitor its ability to attract suitable staff so that timely strategies can be put in place to deal with shortages of suitable applicants.

Table 12 **Reasons for separations from the department, 2004–05 to 2006–07**

Reason	2004–05	2005–06	2006–07
Resignation	13	9	9
Retirement (age)	2	2	7
Retirement (other) or death	5	–	1
Return to home agency	–	–	–
End of non-ongoing employment	35	22	14
Transfer or promotion to another agency	5	12	11
Total	60	45	42

The number of age retirements was higher in 2006–07 than in the previous two years. Completion of temporary employment contracts continued to account for the highest number of staff separations. Table 12 shows the trends in separations.

Occupational health and safety

The department continued to perform well against the four occupational health and safety (OH&S) targets set for Commonwealth departments. These aim by 2012 to reduce the incidence of workplace injury and disease, eliminate workplace fatalities, reduce the average time lost due to injury, and reduce the time taken for rehabilitation.

Only two compensable injuries occurred during 2006–07: one the result of a trip and fall, the other from pushing a trolley. Steps taken to minimise injury included:

- an ergonomic assessment of all new employees’ workstations
- prompt action when staff report early signs of injury
- an annual OH&S inspection of all work areas
- the regular publishing of OH&S information in the department’s bulletin, which goes to all staff.

A survey was conducted in the later half of 2006 to gauge staff and supervisors’ level of knowledge of their health and safety obligations in the workplace, the appropriate action to take in a range of OH&S scenarios, emergency evacuation procedures, and the availability of first aid assistance. As a result of the survey responses, training on handling white powder incidents and chemical spills was provided to staff working in areas at risk. In addition, all staff were informed about the location of first aid kits, who to contact in a medical emergency, and what action to take if there is a ‘near miss’. They were also provided with details about health and safety representatives. Further information to address gaps in knowledge will be disseminated to staff during the annual OH&S inspections of each work area.

The department’s OH&S Committee met three times in 2006–07. The committee endorsed new guidelines for incident reporting and hazard identification and risk management, and made recommendations arising from the OH&S staff survey. The committee reviewed all OH&S incident reports to ensure that follow-up action was appropriate to avoid further incidents.

Employee Collective Agreement 2006–2010

A new employee collective agreement came into operation in July 2006 and will operate until July 2010. The agreement delivered a 5 per cent salary increase to staff in May 2007–2 per

cent based on 'effective or better' individual performance over the May 2006 to April 2007 assessment period and 3 per cent based on productivity improvements arising from implementation of the objectives in the collective agreement.

Senior Executive Service remuneration

During 2006–07, new Australian Workplace Agreements (AWAs) were put in place for all staff at the Senior Executive Service (SES) level. In accordance with their AWAs, and consistent with the provision of the department's collective agreement, SES staff received a 5 per cent pay increase in May 2007 in recognition of individual and departmental performance outcomes. The salary range for SES staff is shown in Appendix 3.

Performance pay

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

Training and development

In 2006–07, the department delivered in-house information sessions and provided for staff access to formal studies at tertiary and other educational institutions and to external training programs to meet individual performance improvement objectives.

Senior departmental officers, including the Clerk and Deputy Clerk, conducted six seminars for staff and WISE participants to broaden their knowledge of the Senate and parliamentary processes.

Two in-house supervisor training programs for new supervisors and for supervisors who required refresher training were conducted during the year. Several induction seminars for new employees were also held during the year.

Eleven employees received financial assistance, paid leave, or both to help them complete tertiary studies in fields relevant to the department's objectives.

Management of financial resources

Purchasing

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

The department's procurement plan for 2006–07 included the replacement of photocopiers and the procurement of freight services. The photocopier purchase was not as large as originally envisaged and did not require an open tender. Several vendors were approached, and two companies supplied machines.

Freight services continued to be procured on an ad hoc basis. Due to higher priorities, the planned tender for these services was delayed until the first quarter of 2007–08.

The department conducted an open tender for the purchase of 200 televisions to replace old and outdated equipment in the Senate wing. Other procurement activities included:

- the purchase of 114 new computers for senators and the Table Office
- benches for the Parliamentary Education Office (PEO) classroom, enabling replication of both the Senate and House of Representatives chambers
- several small refrigerators.

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The department regularly approached the market for paper products during 2006–07 and conducted several assessments for minor purchases in accordance with the *Commonwealth Procurement Guidelines*.

Asset management

The Office Services Subsection, together with the Information Technology and Financial Management sections, is responsible for the effective management of Senate assets.

At 30 June 2007, the department controlled 4,309 assets with a fair value of \$3.7 million (last year's total was 4,619 assets with a fair value of \$4.1 million). In 2006–07, 199 assets were added and 509 assets were written off.

On completion of the annual stocktake in June 2007, 109 assets with a depreciated value of \$24,139 could not be located. Of these assets, 51 had not been found in the previous stocktake and will be written off.

This year's stocktake result was an improvement on the previous year. The total number of assets not found was lower, with the depreciated value down by 43 per cent.

Consultants and competitive tendering and contracting

Consultants

The policies and procedures for selecting and contracting consultancies, and approving expenditure in relation to consultancies, are set out in the Clerk's Instructions, which have taken account of the *Commonwealth Procurement Guidelines*, the FMA Act and regulations, and Senate standing order 25(17) relating to approval of consultants for committees.

During the year, the department let six consultancy contracts to carry out specialist projects or to provide independent professional and technical advice. A further five consultancies continued from previous years. A total of \$286,220 (including GST) was paid in relation to consultancy services, an increase of \$2,495 over 2005–06.

Table 13 provides details of consultancy contracts let during 2006–07 to the value of \$10,000 or more.

Table 13 **Consultancy services let to the value of \$10,000 or more, 2006–07**

Consultant name	Description	Contract price (\$)	Selection process ^a	Justification ^b
Eureka Strategic Research	Survey of senators	21,867	Direct sourcing	C
Deloitte Touche Tohmatsu	Review of asset management systems	20,000	Direct sourcing	C
GHD Pty Ltd	Senate mail room design study	10,945	Panel	B, C
Ball Solutions Group	Security risk audit and development	33,000	Select tender	B
Total		85,812		

- a Explanation of selection process terms drawn from the *Commonwealth Procurement Guidelines* (January 2005):
- 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 sought from the marketplace using national and major metropolitan newspaper advertising and 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. Tenders are invited from a shortlist of competent suppliers.
 - 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, usually selected through a single procurement process, may each supply property or services to an agency as specified in the panel arrangements. Tenders 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 consultant offers to supply goods and services 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.

Competitive tendering and contracting

The Clerk’s Instructions set out the policies and procedures for conducting tenders, contracting and approving expenditure.

All contracts with a potential value greater than \$80,000 are open to a competitive tendering process through AusTender.

The department listed all its contract details on the internet in accordance with the Senate Order for Departmental and Agency Contracts.

Commonwealth Disability Strategy

Under the Commonwealth Disability Strategy, the department has the roles of service provider and employer. The strategy requires the department to have in place a Disability Action Plan which contains measures to eliminate disability discrimination while performing its two roles.

Service provider role

Participants involved in committee inquiries, Senate lectures and PEO programs were invited to identify any special needs.

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Information was readily available to staff on the types of services and equipment available to assist people with disabilities and the contact details needed to obtain assistance.

Disability groups were notified, as appropriate, of committee inquiries that were directly relevant to their members.

To help people with disabilities, the department provided:

- a captioning service for the televised proceedings of the Senate chamber with functions for changing the font size, colour and style to enhance readability
- access to a TTY (teletypewriter) for people with hearing disabilities
- information technology equipment for special needs
- Adobe tools to help people with vision impairment to access PDF documents on the Senate homepage
- access to the National Relay Service, which can provide information in a form suitable for converting to teletype
- committee documents (such as reports, submissions and Hansards of hearings) in hard copy, on the internet and on CD-ROM; larger committee documents on the internet were split into smaller files to aid downloading and printing
- information on the internet and intranet in formats that facilitate user access and downloading, and in a layout and font size that would assist people with vision impairment
- email contact details, internet addresses and details of the TTY service on various literature and publicity material
- interpreter services for witnesses at committee hearings and for students attending PEO programs
- special parking arrangements for people attending hearings
- Senate lecture transcripts in hard copy
- audio loops for those attending Senate lectures and hearings
- adjustments of role-play techniques in PEO programs to meet the needs of students with intellectual disabilities, and the option of different coloured paper for hand-outs to students with colour blindness.

Senators and their support staff were informed of the availability of specialised furniture, equipment and transport to meet the needs of people with disabilities. Special mouses, keyboards, flat screen monitors and wrist rests were readily available.

Employer role

Measures taken to assist job applicants with disabilities included:

- providing a Parliament House TTY service to allow those with hearing impairment to obtain information on vacancies and the application process
- making recruitment material accessible in hard copy and on the internet
- inviting applicants to identify special requirements to help them participate fully in selection processes
- advising selection panels of people's special needs, and the requirement to apply the principles of merit, equity, fairness and reasonable adjustment when selecting staff.

Measures taken to assist staff with disabilities included:

- assessing workstations for all new employees within the first two weeks of their employment, and modifying the workstations if required

- responding promptly to requests for special workstation equipment or adjustments
- providing hard copies of overheads to seminar attendees to help staff with eyesight difficulties participate fully in training
- placing departmental policies and documents on the intranet and providing them in hard copy if required
- providing the department's information bulletin in two formats—either as hard copy or converted to PDF and loaded onto the intranet
- making readily available to staff information on the procedures to use when requesting a review of an employment-related action.

Performance outlook

Key projects within the department's management and accountability framework for 2007–08 include:

- a training and development program to enhance the supervisory and leadership skills and knowledge of managers and supervisors
- enhancement of the human resource information system to enable external job applicants to apply for vacancies online and to automate overtime processing arrangements
- improvements to induction procedures for new staff
- implementation of annual workforce planning procedures
- upgrade of the department's Finance One software to the newest version
- investigation of the redevelopment of the Senate intranet
- progress on furniture replacement for departmental offices.