Management and Accountability

Corporate governance

Corporate governance mechanisms

The department's operations are governed by the *Parliamentary Service Act 1999* and the *Financial Management and Accountability Act 1997* and are subject to provisions of the *Workplace Relations Act 1996* and other legislation.

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

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

The role and membership of each group are described in Figure 21.

Figure 21 **Management and advisory groups**

Group	Role	Members	Chair
Program Managers' Group	Coordinate corporate governance matters, including: • workplace relations • terms and conditions of employment • performance management • human resource management policies • staff training and development • financial planning • departmental service quality.	The department's three Clerks Assistant and the Usher of the Black Rod.	The Usher of the Black Rod.
Audit and Evaluation Committee	Ensure that departmental operations and expenditures meet external audit standards in relation to best practice financial management and reporting, fraud control and business risk monitoring. Develop and supervise the annual internal audit program.	Program managers, the Chief Finance Officer (as an observer) and an independent member; also observed by representatives from the Australian National Audit Office and Deloitte Touche Tohmatsu (internal auditor).	The Deputy Clerk.
Senate Management Advisory Group	Formulate and provide advice to program managers on departmental and managerial issues.	All Senate Department Parliamentary Executive Level 2 staff.	Chosen annually by the group.
Workplace Consultative Committee	Serve as the principal forum through which formal consultation on workplace relations occurs between the department and staff.	The Usher of the Black Rod, the Clerk Assistant (Procedure), up to 12 elected staff representatives and union representatives.	The Usher of the Black Rod.

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

Program Managers' Group

The Program Managers' Group held six meetings and examined a range of corporate governance and other departmental management matters in 2008–09, including:

- business continuity plans
- implementation of the objectives of the Department's employee collective agreement
- workforce planning
- staff selection processes
- staff training
- intellectual property.

Audit and Evaluation Committee

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

- internal and external audits
- administrative, operating and accounting controls
- the planning and implementation of risk management.

The committee met on four occasions in 2008–09 and, among other things, considered the following matters, which were reviewed by the department's internal audit service provider, Deloitte:

- administration of seminars
- information technology governance
- records management
- travel processes
- post-implementation of the financial system upgrade
- the senators' survey
- post-implementation of the asset system
- asset management policies and procedures.

Risk management, fraud control and the certificate of compliance were standing items on the committee's agenda in 2008–09.

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

Senate Management Advisory Group

In 2008–09, the Senate Management Advisory Group met on nine occasions to discuss departmental proposals, policy initiatives and changes, and to advise the Program Managers' Group on leadership and managerial matters.

The Senate Management Advisory Group's activities included:

- contributing to the implementation report of the employee collective agreement
- reviewing management case studies on intellectual property and fraud control
- continuing its leadership and management training, which included sessions on human resources and staffing
- reviewing intranet content
- attending a presentation by the Australian Public Service Commission on the Senior Executive Service

- considering activities for future review.

Workplace Consultative Committee

During 2008–09, the Workplace Consultative Committee met on four occasions to consider policies and issues that affect staff in the workplace and to monitor implementation of the *Department of the Senate Employee Collective Agreement 2006–2010* (the ECA), which came into effect in July 2006.

The committee provided advice and recommendations on:
- travel guidelines and guidelines for selection advisory committees
- use of sick leave and carer's leave, and the meal allowance rate
- workforce planning, the workplace diversity program and policy on recruitment and selection
- the furniture replacement project
- the annual report of the implementation of the ECA, and the report of the implementation of the amalgamation of the joint parliamentary departments
- the *Information Bulletin*
- roles and responsibilities of the Workplace Consultative Committee.

The committee formed a standing working group to consider and advise on a range of travel-related issues. The working group reviewed the travel guidelines and policy. Feedback was provided on the usability of the travel forms and issues related to the procedures and their interplay with the Clerk's Instructions. The working group also identified the need for further clarification and information in relation to hire cars and is considering the outcomes of an internal audit undertaken on the subject.

Corporate and operational plans

Corporate plan and work plans

The department continued to implement the corporate plan throughout the year, substantially achieving its goals of providing high-quality advice and support to the Senate and its committees and senators, and promoting public education and awareness.

Work plans for 2008–09 detailed priorities and expected performance results for each office. Regular reports to the Clerk showed high levels of achievement against the work plans.

The department also contributed to the whole-of-parliament strategic planning process, collaborating with the Department of Parliamentary Services and Department of the House of Representatives to ensure that its requirements were appropriately prioritised and included in future plans.

Fraud control plan and business risk assessment

The department has a robust framework for actively managing risk. The framework is revised regularly and is available to all staff via the department's intranet.

Risk mitigation strategies and the assessment of existing risk controls are regularly considered by executive management and reported to the department's Audit and Evaluation Committee. A major review of the department's risk profile and risk management plan is due in the 2009–10 financial year.

On 7 November 2008, at Comcover's annual awards ceremony, the department was presented with an Honourable Mention for excellence in risk management. The awarding committee acknowledged that as 'the Department is a small agency and constrained with limited resources, the level of documentation supporting the framework was impressive'.

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

Intellectual property

The department's policy on intellectual property was put into practice at the start of the financial year. Senior staff received awareness training on intellectual property, and opportunities arose during the course of the year to apply the principles to some aspects of the department's activities.

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

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

Social justice and equity impacts

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

External scrutiny

A survey is conducted every two years to evaluate senators' satisfaction with the services provided by the department. Ipsos-Eureka Social Research Institute conducted the 2009 survey in two stages. In the first stage, all senators were invited to complete a questionnaire and record their satisfaction levels with the department's outputs. In the second stage, 10 senators were interviewed and gave qualitative information to clarify key responses to the questionnaire. The report of the survey findings was tabled in the Senate in June 2009. The results are discussed in the 'Performance overview' section of this annual report.

Under their terms of reference, the Senate Finance and Public Administration Legislation Committee and the Senate Standing Committee on Appropriations and Staffing monitor the department's performance. Neither committee made any specific recommendations relating to the department's performance during 2008–09.

The Australian National Audit Office did not conduct any performance audits of the department during the year.

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

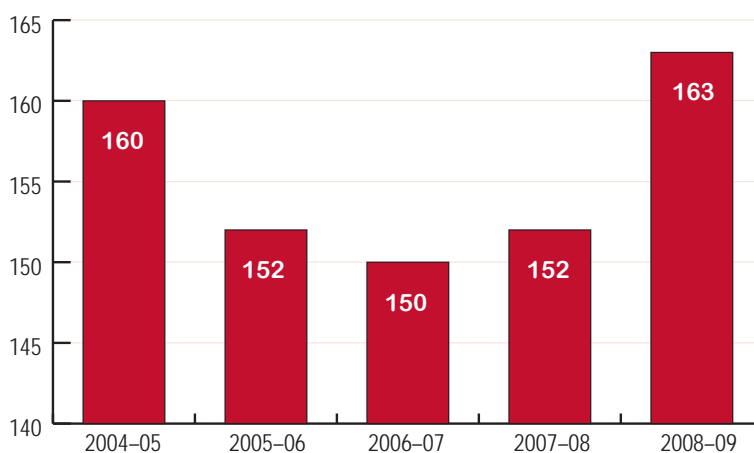## *Management of human resources*

Workforce planning

The department's staffing structure did not change in 2008–09. As in previous years, the number of non-ongoing staff fluctuated throughout the year to meet the additional workload generated by the sittings of the Senate.

Staffing levels were supplemented by ongoing Australian Public Service officers (three in 2008 and two in 2009) who participated in the department's Working in the Senate development program, and by an apprentice who participated in the 2008 Australian Public Service Information and Communications Technology Apprenticeship Programme.

Figure 22 shows that the full-time equivalent (FTE) staffing level for 2008–09 was 163, 11 more than for 2007–08. The increase was largely due to the higher level of select committee activity anticipated at the commencement of the new parliament. More staffing statistics, including a breakdown of the FTE staffing level by office, are provided in Appendix 2.

Figure 22   **Full-time equivalent staff numbers, 2004–05 to 2008–09**

The department completed its second workforce planning process in 2008–09. The exercise highlighted areas that the department needs to monitor, such as the ageing workforce, succession planning, and learning and development.

The department joined the Department of the House of Representatives Parliament of Australia Graduate Program, offering two placements of three months duration. The department's two graduates will complete their placements in the second half of 2009.

The number of staff separations in 2008–09 was higher than in the previous two years. The number of staff completing temporary employment contracts continued to account for the highest number of separations. Table 6 shows the trends in separations.

Table 6   **Reasons for separations from the department, 2006–07 to 2008–09**

Reason	2006–07	2007–08	2008–09
Resignation	9	12	14
Retirement (age)	7	6	4
Retirement (other) or death	1	1	3
Return to home agency	–	4	1
End of non-ongoing employment	14	13	15
Transfer or promotion to another agency	11	4	8
Total	**42**	**40**	**45**

Occupational health and safety

No compensable injuries occurred during 2008–09. Preventive measures taken to minimise the incidence of workplace injury may have contributed to this outcome. The measures included:

- an ergonomic assessment of all new employees' workstations
- an annual occupational health and safety (OH&S) inspection of all work areas
- regular publication of OH&S information in the department's Information Bulletin, which is distributed to all staff
- prompt action when staff report early signs of injury
- an in-house training course on manual handling
- in-house training courses on hazardous substances and handling suspicious mail.

The department's OH&S Committee met four times during 2008–09. The committee reviewed all OH&S incident reports to ensure that appropriate follow-up action was taken to avoid further incidents.

During 2008, the department, in conjunction with the Department of the House of Representatives and the Department of Parliamentary Services, participated in the Breastfeeding Friendly Workplace Accreditation Program. Parliament House received accreditation in October 2008.

Under the terms of the department's employee collective agreement, flu vaccinations were made available to staff in March 2009. In June 2009, first aid boxes within the department were inspected and restocked to ensure compliance with the *Occupational Health and Safety Code of Practice 2008*.

Employee Collective Agreement 2006–2010

The department's ECA commenced in July 2006 and will operate until it is replaced by a new agreement. The agreement delivered a 4 per cent salary increase to staff in May 2009: 2 per cent based on 'effective or better' individual performance during the May 2008 to April 2009 assessment period, and 2 per cent based on productivity improvements.

Senior Executive Service remuneration

The majority of the department's Senior Executive Service (SES) staff remain covered by individual Australian Workplace Agreements. One SES staff member is covered by a determination made under subsection 24(1) of the Parliamentary Service Act. In accordance

with their terms and conditions, and consistent with the provisions of the department's employee collective agreement, SES staff received a 4 per cent pay increase in May 2009 in recognition of individual and departmental performance outcomes. The salary ranges for SES staff are shown in Appendix 2.

Performance pay

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

Learning and development

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

The department conducts a number of in-house learning and development activities during the year to supplement external training. In 2008–09, the department delivered a series of information sessions to managers and supervisors.

Senior departmental officers also delivered a series of seminars to relevant staff to broaden their knowledge of the Senate and the committee system. This year, the series included two sessions presented by the Australian Government Solicitor, which addressed human resource and staffing matters.

The department held several induction seminars for new employees. All new staff members also met with the Director Human Resource Management on their first day and again after one month. The additional support was aimed at briefing staff on their obligations as parliamentary service employees and ensuring that the correct induction procedures were adhered to.

During 2008–09, 18 employees received financial assistance, paid leave, or both, under the department's Studybank scheme, to help them complete tertiary studies relevant to the department's objectives.

Management of information

The department phased in an integrated process for online submission of overtime claims that delivered efficiency gains through reduced manual processing. Work on developing an online application system for departmental vacancies is continuing.

In 2008–09, the department began a review of its record-keeping policies and practices, which it expects to finalise in 2010. An audit of the department's Total Records and Information Management (TRIM) system formed part of the review. The audit recommended a number of changes to the setup of the TRIM system to make better use of the system's functionality and to streamline record-keeping processes. These recommendations are being implemented.

Management of financial resources

Purchasing

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

Significant procurement activities during the financial year included the replacement of:

- high-volume monochrome copiers for use in the department's print room
- multifunction devices for office-holders (shadow ministers and whips)
- folding tables for use in committee rooms
- around one-third of the mobile phone fleet.

Asset management

The Senators' Services Section, the Information Technology Section and the Financial Management Section are responsible for the effective management of Senate assets.

A new assets system was implemented to replace the ageing assets database. The new system is integrated with the department's financial management information system, FinanceOne, and provides better functionality and reporting. The stocktake team used the new system for the 2008–09 stocktake and found that its simplified processes contributed to an improved result.

At 30 June 2009, the department controlled 3,363 assets with a fair value of $2.9 million (last year's total was 4,286 assets with a fair value of $4.3 million). In 2008–09, 369 assets were added and 665 assets were written off. A total of 627 assets (mainly furniture, fittings and related items) were consolidated during the transfer of asset management systems. This consolidation did not affect written down values.

On completion of the annual stocktake in June 2009, 37 assets—with a depreciated value of $18,800—could not be located. Of these, four had not been found in the previous stocktake and have been written off.

The 2008–09 stocktake result was better than the 2007–08 result, and subsequent follow-up improved it further.

Consultants and competitive tendering and contracting

The policies and procedures for selecting consultants, conducting tenders, contracting, and approving expenditure are set out in the Clerk's Instructions. Those instructions take into account the requirements of the *Financial Management and Accountability Act 1997*, the *Commonwealth Procurement Guidelines* and Senate Standing Order 25(17) (relating to approval of consultants for committees).

In accordance with recommendation 9 of the second report of the Senate Standing Committee on Finance and Public Administration on the operation of the Senate order for the production of lists of departmental and agency contracts, information on the department's expenditure on contracts and consultancies is available on the AusTender website: www.tenders.gov.au.

Consultants

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

In 2008–09, the department entered into five new consultancy contracts involving total expenditure of $0.134 million. A further three ongoing consultancy contracts were active during the 2008–09 year, involving total actual expenditure of $0.123 million.

Table 7 provides details of consultancy contracts let during 2008–09 to the value of $10,000 or more.

Table 7   **Consultancy services let to the value of $10,000 or more, 2008–09**

Consultant name	Description	Contract price ($)	Selection process[a]	Justification[b]
Concept Economics	Review of the economic models	11,000	Direct sourcing	B, C
Susanne Tongue	Legal advice	41,470	Direct sourcing	B, C
Ipsos Public Affairs Pty Ltd	Survey and written report	24,970	Direct sourcing	B, C
Professor S Bottomley	Legal advice	179,468	Direct sourcing	B, C
Total		256,908		

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

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

Select tender–a procurement procedure in which the procuring agency selects which potential suppliers are invited to submit tenders. This procurement process may only be used under certain defined circumstances.

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

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

b   Justification for decision to use consultancy:

A–skills currently unavailable within agency

B–need for specialised or professional skills

C–need for independent research or assessment.

Competitive tendering and contracting

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

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.

The department listed all its contract details on the internet, at www.aph.gov.au/senate/ contracts.htm, in accordance with the Senate Order on Departmental and Agency Contracts.

Commonwealth Disability Strategy

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

In accordance with the plan, in 2008–09:

- Senators and their support staff were informed that specialised furniture, equipment and transport were available to meet the needs of people with a disability.
- Departmental staff had access to information on the types of services and equipment available to assist people with a disability, and to the contact details needed to obtain assistance.
- Disability groups were notified, as appropriate, of committee inquiries that were directly relevant to their members.
- Participants in committee inquiries, Senate lectures and Parliamentary Education Office (PEO) programs were invited to identify their special needs.
- The PEO designed its role-play programs to cater for the needs of students with hearing difficulties, colour blindness and intellectual disabilities.

Figure 23 describes the facilities, publications and services that the department provided to assist members of the public in 2008–09.

Figure 23   **Assistance for members of the public who have a disability**

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

Outlook

Key projects within the department's management and accountability framework for 2009–10 include:

- reviewing the department's record-keeping policy and practices
- testing e-Recruitment functionality
- planning for the negotiation of a new collective agreement for non-SES employees, to replace the ECA
- planning and developing a new employment framework for SES employees
- providing support for the appointment of a new Clerk of the Senate
- reviewing the risk management plan
- upgrading the financial management information system
- transferring departmental computer servers to central virtual servers.