

Corporate governance

The department's operations for 2017–18 were governed by the *Parliamentary Service Act 1999*, the *Public Governance, Performance and Accountability Act 2013*, provisions of the *Fair Work Act 2009* and other legislation.

Corporate plan

The department's *Corporate Plan 2017–18* outlines our objectives, role and structure, the environment in which we operate, and our approach to maintaining the capabilities of our key resource – our staff. Work reports provided to the Clerk throughout the reporting period showed continued progress in key areas and work tasks. Planned outcomes are explained in the department's portfolio budget statements and performance results, including our annual performance statements, and are included in this report.

Management and assurance

The department's corporate governance mechanisms include two senior committees, the Program Managers' Group, chaired by the Deputy Clerk, and the Audit Committee, chaired by an independent member. These committees provide advice, support and assurance to the Clerk to ensure that effective governance and statutory responsibilities for the management of the department are met. The role, membership and activities of these groups are described in figure 14.

The department also participates in a range of interdepartmental committees through which the parliamentary departments coordinate common and joint activities. Chief among these were meetings of the heads of the four parliamentary departments; the Parliamentary ICT Advisory Board and a subsidiary steering group; the Security Management Board; the Parliamentary Administration Advisory Group; and other boards managing joint projects.

Figure 14 – Management and assurance, 2017–18

Audit Committee

Role Provide independent advice to the Clerk on the department’s financial and performance reporting responsibilities, risk oversight and management, and systems of internal controls

Activities Four meetings
Based on the committee’s charter, the committee undertook a progressive annual work plan against its four main areas of focus:

- financial reporting
- performance reporting
- risk oversight and management, and
- systems of internal control

An annual report of the committee’s activities is provided to the Clerk in October each year

Membership Three independent members (of whom one is the Chair), the Deputy Clerk and one program manager
Observers: Usher of the Black Rod (Secretary), Chief Finance Officer, representatives from the Australian National Audit Office and the department’s internal audit service provider

Program Managers’ Group

Role Coordinate corporate governance matters, including:

- human resource management
- risk management and planning
- performance reporting
- financial planning, and
- departmental service quality

Activities Nine meetings.
Examined a range of issues in the following areas:

- budget
- staffing (including learning and development)
- health and wellbeing strategy (including work, health and safety)
- ICT and associated risk strategies
- compliance, auditing and reporting requirements
- risk management
- administrative arrangements, and
- administration in common with other parliamentary departments

Membership Deputy Clerk and program managers
Chaired by the Deputy Clerk

Fraud control and risk management

Consistent with the *Public Governance, Performance and Accountability Act 2013*, the Clerk's Instructions and associated financial management policies promote the proper use of the department's resources. The Clerk's Instructions are reviewed on an annual basis to ensure their applicability and coverage.

The department has in place appropriate fraud prevention, detection, investigation and reporting mechanisms that comply with the Commonwealth Fraud Control Framework.

During 2017–18, risk areas and associated controls and mitigation strategies were routinely considered by senior management and reported to the department's Audit Committee. The framework for managing risk is revised regularly and made available to staff on the department's intranet. The department completed a review of its risk management framework and risk assessment. These changes were considered by the Audit Committee to be robust and appropriate. Risk oversight and management is a standing agenda item for meetings of the program managers.

External scrutiny

The Senate Finance and Public Administration Legislation Committee and the Senate Standing Committee on Appropriations, Staffing and Security provide means by which senators and others may monitor the department's performance. Matters relating to the structure and functions of the parliamentary departments may also be examined by the Appropriations, Staffing and Security Committee.

Estimates hearings are an important accountability mechanism in which senators may test advice provided by departmental officers and evaluate the department's performance. The Clerk and officers of the department appeared before the Senate Finance and Public Administration Legislation Committee on 23 October 2017, 26 February 2018 and 21 May 2018. Matters considered included committee workload and resourcing, office support to senators, and arrangements for security at Parliament House. The department also provided responses to 20 estimates questions on notice. These are published on the committee's web pages. The department's activities were also scrutinised by both an internal audit service provider and the Australian National Audit Office, although that office did not conduct any performance audits covering the department's activities during the reporting period.

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.

While not subject to the *Freedom of Information Act 1982*, the department's policy is to comply with the intent of the Act in relation to its administrative records to the extent practicable, having regard to the legal issues which may arise in the absence of the protections afforded by the Act. In this reporting period the department did not receive any formal requests for information in relation to its administrative records.

Management of human resources

Staffing

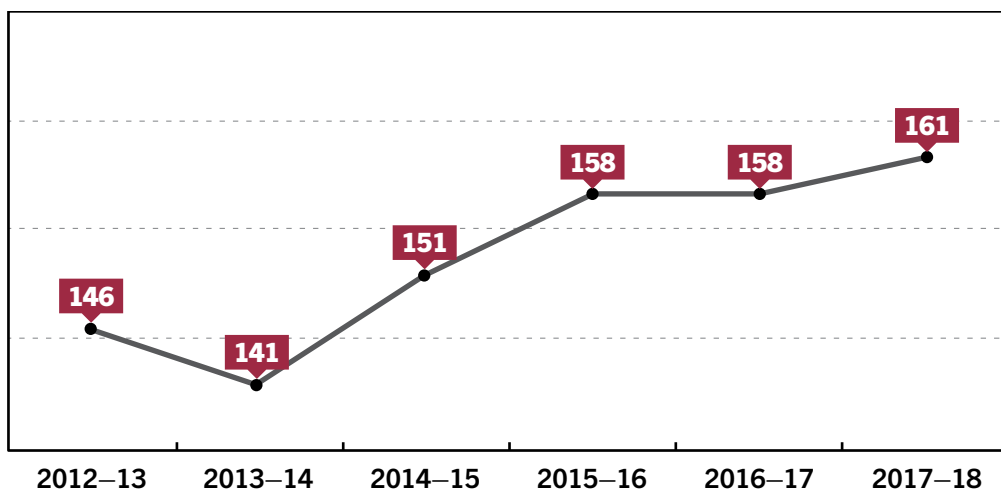
The Clerk of the Senate is appointed by the President of the Senate under subsection 58(1) of the *Parliamentary Service Act 1999* after consulting senators. Staff are engaged under section 22 of that Act.

Additional support was provided to the department through secondment arrangements with the Office of Parliamentary Counsel, and by graduates participating in the Parliament of Australia Graduate Program.

Figure 15 shows that the average full-time equivalent (FTE) staffing level for 2017–18 was 161, an increase from 158 as reported in 2016–17, chiefly reflecting the continued high levels of committee and legislative activity described in this report.

Further staffing statistics are provided in Appendix 2.

Figure 15 – Full-time equivalent staff numbers, 2012–13 to 2017–18



The department’s learning and development framework supports staff to develop and maintain relevant skills and knowledge. A focus on parliamentary skills and knowledge aligns with the objectives in the department’s corporate plan to ensure that staff continue to develop expertise in parliamentary practice and are capable of the highest standard of accurate and timely procedural advice. Financial assistance or paid leave (or both) is also available under the department’s Studybank scheme, to assist ongoing staff to undertake tertiary studies relevant to the department’s objectives.

Employment arrangements

The remuneration of the Clerk of the Senate, who is the holder of a statutory office, is determined by the President of the Senate after consultation with the Remuneration Tribunal.

The department's five Senior Executive Service (SES) employees are covered by a determinations made under subsection 24(1) of the Parliamentary Service Act.

The department's one hundred and fifty nine non-SES employees are covered by the *Department of the Senate Enterprise Agreement 2017 – 2020*. One employee had an Individual Flexibility Arrangement with the Clerk in accordance with clause 7 of the enterprise agreement.

Employees work at Parliament House, Canberra. One employee identified as Indigenous, compared with two in the previous period.

In addition to salary, certain staff are entitled to a range of entitlements including leave, study assistance, a Health and Wellbeing Subsidy, salary packaging, guaranteed minimum superannuation payments and other allowances. Employees can also use other services offered at Parliament House including the sporting facilities and the Parliamentary Library. The department's employment arrangements do not provide for performance pay.

Work health and safety

In accordance with Schedule 2, Part 4 of the *Work Health and Safety Act 2011*, the department reports on certain work health and safety matters.

In 2017–18 there were no incidents which required the giving of notice under section 38 of the Work Health and Safety Act and no investigations or notices under sections 90, 191 and 195 of that Act.

Management of financial resources

Procurement

The department applies the requirements of the *Public Governance, Performance and Accountability Act 2013* and the Commonwealth Procurement Rules. No issues were identified with the department's procurement practices during the reporting period. The department also supports small business participation in the procurement market. The department has adopted the Commonwealth Contracting Suite for low-risk procurements valued under \$200,000 and electronic systems and processes are used to facilitate on-time payment performance.

Consultants

The department engages consultants to provide specialist expertise when not available within the department, or where an independent assessment is desirable. The department uses various selection processes to engage consultants, including open tender, selective tender, direct sourcing, a panel of recognised or pre-eminent experts, or consultants who have previously undertaken work for the department or are known to have the requisite skills.

During 2017–18, nine new consultancy contracts were entered into involving total actual expenditure of \$54,200. In addition, three ongoing consultancy contracts were active during the period, involving total actual expenditure of \$44,496. This amount does not include \$175,171 for the provision of independent legal advice supporting the work of the two legislative scrutiny committees and the Joint Parliamentary Committee on Human Rights. This report contains information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the AusTender website.

Advertising and market research

In accordance with section 311A of the *Commonwealth Electoral Act 1918*, the department reports expenditure on advertising and market research.

In 2017–18, the department paid a total of \$13,221 for advertising. Of the total, \$5,185 was in relation to Senate and joint committee activities, delivered through dentsu X, the Commonwealth Government's central advertising system. The balance was for other minor advertising services, including public notices and recruitment. No market research, polling, direct mail or creative advertising organisations were engaged during the year. No advertising campaigns were conducted during the year.