



Management and accountability

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Corporate governance

The Speaker of the House of Representatives can be questioned by members about the work of the department. The Clerk of the House of Representatives, who is responsible for managing the department, reports to the Speaker.

The main elements of the department's corporate governance framework are outlined below.

Legislation

During 2013–14, the department's operations were governed by the *Parliamentary Service Act 1999* and the *Financial Management and Accountability Act 1997*, and were subject to provisions of the *Fair Work Act 2009* and other legislation. Those Acts set out the Clerk's responsibilities for managing the department.

Ethical standards

The Parliamentary Service Values and Code of Conduct set out in the Parliamentary Service Act provide a framework for the department's ethical conduct. The department actively promotes sound ethical behaviour. All staff who are new to the department are advised about what it means to work in a values-based environment and how ethical standards apply to their day-to-day work.

Senior management

Senior management of the department consists of the Executive and managers at the Executive Band 2 level. The Executive comprises the Clerk of the House, the Deputy Clerk and three Senior Executive Service Band 1 staff—the Clerk Assistant (Committees), the Clerk Assistant (Table) and the Serjeant-at-Arms—each of whom has management responsibility for one or more of the department's offices (see Figure 1 on page 6).

In August 2013, the then Clerk advised the Speaker of his intention to retire on 31 December 2013. A selection panel, led by the Parliamentary Service Commissioner, made a recommendation to the Speaker, which was accepted, to appoint Mr David Elder as Clerk of the House. In 2014, a selection process was conducted for the position of Deputy Clerk (in which Ms Claressa Surtees was selected) and for a Senior Executive Service Band 1 position (in which Ms Bronwyn Notzon was selected).

Management committees

Executive

The Executive conducted eight formal meetings during the year to discuss and resolve a wide range of departmental management issues. As well as standing items on finance and people strategies, matters addressed included:

- election period projects
- consolidation of ICT services
- amendments to the Parliamentary Service Act and subordinate legislation, and proposed new Commonwealth financial management legislation
- freedom of information and public interest disclosure legislation
- leadership training for departmental senior management, talent management and internal job rotation
- award modernisation
- business continuity planning
- length-of-service award pins for departmental staff
- the new corporate plan
- the annual members' and staff surveys.

Staff were informed of the outcomes of each of the meetings through the staff bulletin, *In House*.

Audit Committee

The department's Audit Committee met four times during the year. The committee comprises the Clerk Assistant (Table) (chair), the Serjeant-at-Arms, the Clerk Assistant (Committees), and an independent member. In 2013–14, the independent member was Mr Tom Rogers, the Deputy Electoral Commissioner. Representatives of the Australian National Audit Office and the department's internal audit team, and the Chief Finance Officer, attended all meetings.

Internal audits during the year covered the following areas:

- the department's project management framework
- business continuity planning and the development of a continuity framework.

In addition, the committee sought advice from the internal auditors in an assurance mapping exercise, as part of the preparations for the commencement of the *Public Governance, Performance and Accountability Act 2013* on 1 July 2014.

During the year, the committee updated the forward year internal audit plan. It reviewed the department's draft financial statements from 2013–14, and recommended that the Clerk sign them. It also reviewed the Chief Finance Officer's report on the certificate of compliance process, and recommended that the Clerk sign the certificate on the basis that the department's compliance processes were satisfactory and that the department was financially sustainable—in the context of the following financial year. The committee's 2013 annual report was provided to the Clerk.

Consultative Committee

The Consultative Committee, which is chaired by the Deputy Clerk, continued to be an important mechanism for communicating and consulting with staff on workplace issues. The committee has four departmental representatives, two elected staff representatives and two union-nominated representatives.

The committee met seven times during 2013–14. Standing agenda items for the meetings included:

- implementation and monitoring of the enterprise agreement
- proposals for change and other developments affecting staff
- review of implemented changes
- reports on departmental activities.

Matters discussed during the year included the new service-level agreement with the Department of Parliamentary Services for ICT services, staff mobility, social media guidelines, award modernisation, the annual staff survey, the office furniture replacement project, and the status of ICT projects.

Planning and evaluation

Corporate plan

The Corporate Plan 2013–16 was provided to staff during the reporting period. It seeks to build on our capacity to serve our clients, develop our people, sustain our capability, and work collaboratively with each other and other key people and organisations.

Business plan

The department's business plan for 2013–14 was issued in 2013. Progress on implementing the plan was monitored during the year through six-monthly and new quarterly reporting meetings. Good progress was made on reaching the targets set out in the plan.

Members' survey

The department receives periodic and ongoing feedback from members to gauge the effectiveness of its service provision.

In May and June 2014, the 2014 members' survey was conducted. This was the eleventh annual survey, and followed the same format as in previous years.

The department surveyed a random sample of 30 members, 21 of whom responded (19 participated last year). All participants were asked whether they were satisfied with the advice, services and support they received from the department. The results confirmed that the department continues to provide a high standard of service.

Details of the survey findings are in Appendix 12.

Accountability mechanisms

The department's main formal external accountability mechanisms are the Portfolio Budget Statements and the annual report, which is prepared pursuant to section 65 of the Parliamentary Service Act. The annual report for 2012–13 assessed performance against the targets set in the Portfolio Budget Statements 2012–13 and presented the department's financial statements.

Copies of the department's annual report and Portfolio Budget Statements were provided to all members and published on the Parliament of Australia website.

Risk management and fraud control

Following the internal audit into business continuity planning, the department established a business continuity network to assist in training staff to manage the risk of business interruptions. The department also introduced a regime for regular testing of office-level business resumption plans.

As in previous years, new staff were informed of their financial management responsibilities and the department's fraud risk assessment and fraud control plan in the regular induction programs. There were no losses of public money and no instances of fraud identified during the year.

Service charters

The department's service charters for members and the community continued to provide the basis for the standards of service that members and the public can expect from the department.

Social justice and equity

The department's role is to support the House of Representatives rather than to deliver services directly to the public. Accordingly, contributing towards achieving social justice within the broader community is not a direct responsibility of the department. However, the department works towards achieving social justice indirectly through the work of the House of Representatives itself, its members and its committees.

Inter-parliamentary departmental collaboration

Meetings of parliamentary departmental heads

Formal quarterly meetings of the departmental heads continued during the year. Meetings were held on 25 September 2013, 16 December 2013 and 28 February 2014. Responsibility for chairing the meetings rotates between the departments on an annual basis.

Matters discussed in 2013–14 included:

- the development of a reconciliation action plan for the parliamentary departments
- freedom of information and public interest disclosure legislation
- budget processes for the parliamentary departments
- award modernisation
- ICT matters, including consolidation of ICT services
- the role of the Senior Management Coordination Group
- the development of an overall strategic plan for parliamentary administration

- reporting and the protective security policy framework
- preparations for the Forty-fourth Parliament
- the proposed new parliamentary service determination.

Senior Management Coordination Group and Parliamentary Administration Advisory Group

The Senior Management Coordination Group coordinated corporate and related matters across the parliamentary departments for more than 25 years. In 2013, the terms of reference for the group were reviewed, and in 2014, it was replaced by the Parliamentary Administration Advisory Group.

The Parliamentary Administration Advisory Group provides advice and support to the parliamentary departmental heads by overseeing the implementation of corporate services matters and initiatives of common interest across the parliamentary departments.

The group's members are the Serjeant-at-Arms, the Usher of the Black Rod, the acting Chief Operating Officer of the Department of Parliamentary Services, and an assistant parliamentary budget officer of the Parliamentary Budget Office. In 2014, the group held three formal meetings; a series of informal corporate meetings were held in 2013. Responsibility for chairing the group rotates annually.

Purchaser–provider arrangements

The department continued to provide payroll services to the Parliamentary Budget Office and, until January 2014, to the Department of Parliamentary Services on a fee-for-service basis.

The department does not have any other purchaser–provider arrangements in place for selling services to or buying services from an Australian government agency.

The department receives certain building and ICT services from the Department of Parliamentary Services, and audit services from the Australian National Audit Office. These services are accounted for in the department's financial statements as resources received free of charge.

The department also has agreements in place with the Department of the Senate in relation to the provision of inter-parliamentary services (by this department) and parliamentary education services (by the Department of the Senate). We run parliamentary education seminars on a fee-for-service basis for government departments.

External scrutiny

The department's operations are primarily administrative and are therefore not usually subjected to formal external scrutiny.

Judicial and administrative decisions

No judicial decisions or decisions of administrative tribunals or by the Australian Information Commissioner during 2013–14 had, or are anticipated to have, a significant effect on the operation of the department.

Reports by the Auditor-General, a parliamentary committee or the Commonwealth Ombudsman

The Australian National Audit Office audited the department's 2012–13 financial statements and provided an unqualified audit report.

The Clerk made submissions to the House Standing Committee on Procedure on the inquiry into the use of electronic devices in the House of Representatives Chamber and the Federation Chamber.

The department continued to support the Standing Committee on Appropriations and Administration. The Clerk and other departmental staff provided the committee with information on the department's budget position and attended the committee's meetings to enable the committee to discharge its responsibilities under standing order 222A. The committee presented one report: *Budget estimates 2014–2015*. (In light of the upcoming election in 2013, the committee presented its annual report for 2012–13 in June 2013.) In its budget estimates report, the committee commended the department's careful financial management over many years, and indicated that it will continue to monitor closely the department's financial position into the future.

No investigations by the Commonwealth Ombudsman in 2013–14 involved the department.

Freedom of information

The department is excluded from the application of the *Freedom of Information Act 1982*, under section 68A of the *Parliamentary Service Act*.

Public interest disclosure

The *Public Interest Disclosure Act 2013* was enacted in 2013. In accordance with this Act, procedures were developed, and authorised officers in the department were appointed by the Clerk. Staff of the parliamentary departments attended information sessions, conducted by the Office of the Commonwealth Ombudsman, about the operation of the Act.

Privacy

While the department is not an agency to which the *Privacy Act 1988* applies, we abide by the principles of the legislation in our dealings with employees, including handling employees' records.

Disability reporting mechanisms

The National Disability Strategy 2010–2020 sets out a 10-year national policy framework to improve the lives of people with disability, promote participation and create a more inclusive society. A high-level two-yearly report will track progress against each of the six outcome areas of the strategy and present a picture of how people with disability are faring. The first of these reports will be available in late 2014 on the Department of Social Services website (www.dss.gov.au).

Management of people

Investors in People

The department has held accreditation against the Investors in People standard since 2002. The standard is an international quality framework with 10 indicators that set a level of good practice and a basis for continuous improvement of a department's or agency's performance through its people.

Shared services

At the beginning of the financial year, staff in the People Strategies Office provided payroll services to both the Department of Parliamentary Services (DPS) and the Parliamentary Budget Office.

In January 2014 the provision of payroll services to DPS was terminated. Some staff transferred to DPS to continue providing payroll support.

Staff survey

In June 2014, the department conducted its ninth annual staff survey. As in previous years, most staff participated in the survey. The survey measures the quality of the department's leadership, the level of staff satisfaction with pay and conditions of service, and the strengths of the department. The results are taken into account in the department's ongoing development of its strategy for attracting and retaining staff.

The department has established a number of internal benchmarks based on the results of the survey. These benchmarks, or index scores, correspond to the total percentages of staff selecting 'strongly agreed' and 'agreed' in response to specific sets of questions.

- The 'core elements' satisfaction index measures the extent to which the department provides the core elements needed to attract, focus and keep the most talented staff (81 per cent in 2014, 86 per cent in 2013, 82 per cent in 2012 and an average of 83 per cent over the last five years).
- The 'leadership' satisfaction index measures the level of satisfaction of staff with their managers, as measured against the department's leadership statement (87 per cent in 2014, 87 per cent in 2013, 85 per cent in 2012 and an average of 85 per cent over the last five years).
- The 'benefits' satisfaction index measures the level of staff satisfaction with pay and working conditions (85 per cent in 2014, 87 per cent in 2013, 85 per cent in 2012 and an average of 86 per cent over the last five years).

People strategies: planning and delivery

Organisational reviews

The department conducts organisational reviews as required to ensure that workloads in all areas are matched with the number of staff required to perform the work, and that the classification levels or work value requirements of individual jobs are appropriate to the work being conducted.

Recruitment of staff

The department advertised to fill six ongoing vacancies during 2013–14 (two in 2012–13), of which three were filled by external applicants.

Retention of staff

A total of 16 ongoing and 25 non-ongoing staff left the department in 2013–14—a turnover rate of 9.7 per cent of ongoing staff (10.7 per cent in 2012–13). Appendix 11 includes details of separations. Exit interviews with staff leaving the department continued to be conducted by Senior Executive Service managers. Five interviews were conducted during the year.

Graduate placement program

The parliamentary graduate placement program continued in 2013–14. The program involves three-month placements of staff from the graduate recruitment programs of Australian government agencies. An objective of the program is to promote the work of the parliament to agencies and the staff of those agencies.

The Department of the Senate was again involved with the program, and the Parliamentary Budget Office became involved in the 2014 program. The program continued to draw a high level of interest from individual graduates and from a range of agencies. We had six graduates on three-month placements in the department in 2013–14.

Feedback from graduates has confirmed that the program is highly successful and that the objectives of the placements have been met.

Alumni

The department formed an alumni association of former staff in 2008. On 30 June 2014 there were 196 members. The association issued one newsletter during the year.

The board of the alumni association conducted a survey of members to gather information on their expectations of the association. Some members volunteered to assist with the Parliament House Open Day on 24 August 2013.

On 22 October 2013, the annual general meeting of the association was held and was attended by 14 association members. At the meeting, two co-chairs were elected and the membership of the alumni board was increased by self-nomination of attendees.

A reception for members of the association and staff was held on 29 November 2013.

The board met once in 2013–14.

Training and development

Table 12 shows the department's training and development expenditure as a percentage of expenditure on salaries in 2012–13 and 2013–14. It also shows the average number of person-days spent on training, and the average staffing level in both years. The average number of training days for staff increased from 4.1 to 4.3 days of off-the-job training per person per year. The increase was due to training conducted during the election period and at the start of the new parliament. During the election period, staff were able to undertake mobility placements of three months or less.

Table 12 Expenditure on training and development programs, 2012–13 and 2013–14

	2012–13	2013–14
Expenditure as percentage of annual payroll	1.0%	1.14%
Average training days per person	4.1	4.3
Average staffing level	161	155

Table 13 compares the average attendance of staff at training courses in 2012–13 and 2013–14. It also shows the average staffing level and total number of training days attended in 2013–14 for each classification.

Table 13 Average staff attendance at training courses, 2012–13 and 2013–14

Classification	Average staffing level	Total number of training days attended	Average number of training days attended	
	2013–14	2013–14	2012–13	2013–14
Senior Executive Service	5.6	15.0	5.8	3.0
Executive Band 2	19.2	60.0	4.1	3.1
Executive Band 1	40.5	131.4	3.2	3.2
Parliamentary Service Level 6	25.6	111.7	3.4	4.6
Parliamentary Service Level 5	7.6	21.3	4.0	2.8
Parliamentary Service Level 4	27.8	139.3	3.6	5.0
Parliamentary Service Level 3	10.6	63.9	2.4	6.0
Parliamentary Service Level 2	18.4	74.4	1.5	4.0
Not specified	–	55.7	–	–
Totals	154.7	672.6	4.1	4.3

Leadership development

The department has invested in leadership development with a range of external providers for over a decade and has trend data from staff surveys on leadership for the entire period.

The Executive and Executive Band 2 staff participated in leadership programs designed for each level. Leadership programs for Executive Band 1 and Parliamentary Service Level 6 staff continued. A new program for Parliamentary Service Level 4 and 5 staff is planned for next financial year.

Knowledge management

The Knowledge Management Steering Committee met three times during 2013–14. The committee comprised staff from all areas of the department and was chaired by the Clerk Assistant (Committees). During the year the membership of the committee was refreshed.

The committee continued to monitor the records management program, including the project to implement e-Trim across the department. The committee also monitored the progress of the Parliament of Australia website enhancements project and web governance board, and the project to develop the Table Offices Production System. It kept a watching brief on emerging technologies, including social media and presentation tools, and encouraged the department's commitment to knowledge management processes.

Studybank

A total of 17 staff participated in the department's Studybank program during the year (compared with 10 staff in 2012–13). Collectively, they received financial assistance of \$18,236 (compared with \$15,753 in 2013), along with 136.4 days study leave on full pay.

Performance assessment

All eligible staff participated in the annual work performance assessment cycle, completed on 31 October 2013. The cycle consists of setting individual work objectives, conducting performance assessments, preparing individual development plans and providing feedback to supervisors. The individual development plans are compiled and the development requirements of staff are reviewed. These then form the basis for the training program for the next calendar year.

Enterprise agreement

The Department of the House of Representatives Enterprise Agreement 2012–15 covers all staff except Senior Executive Service staff. The department's Senior Executive Service staff are covered by determinations made under section 24(1) of the Parliamentary Service Act.

Staff salary scales under the agreement are summarised in Table 14.

Table 14 Salary scales of staff covered by the 2012–15 enterprise agreement, at 1 December 2013

Classification	Salary scale (\$)
Executive Band 2	128,746–136,417
Executive Band 1	99,473–110,954
Parliamentary Service Level 6	80,165–90,980
Parliamentary Service Level 5	74,097–78,406
Parliamentary Service Level 4	63,600–68,810
Parliamentary Service Level 3	57,540–61,811
Parliamentary Service Level 2	51,135–55,834
Parliamentary Service Level 1	45,203–49,461

Salaries expenditure

In 2013–14, departmental salaries and allowances totalled \$18.10 million (\$18.18 million in 2012–13).

Workplace diversity

The department's workplace diversity program aligns our workplace diversity strategies and actions with the Parliamentary Service Values. The workplace diversity program was reviewed in 2013–14 and

is pivotal in our formal commitment to a workplace culture that builds respect, fosters inclusiveness, promotes diversity and embraces the unique skills and qualities of all our employees.

New staff continued to receive training in the prevention of discrimination, bullying and harassment as soon as practicable after their commencement. The harassment contact officers received further training, which was also attended by staff and union representatives.

Work health and safety

The department's aim under the health and safety management arrangements is to create and maintain a safe and healthy working environment.

Workstation assessments are conducted for staff on request. Included in the workstation assessments is education on the correct set-up of workstations including the correct height of the desk at both sitting and standing positions. This information is also included in orientation sessions for new staff.

In March 2014, influenza vaccinations were offered to staff, and 94 staff were vaccinated.

The department's Comcare premium rate for 2013–14 was 0.69 per cent of payroll, a decrease from the 2012–13 rate of 0.82 per cent.

During the year, no dangerous occurrences required notification under section 37 of the *Work Health and Safety Act 2011*. No investigations were carried out and no directions or notices were received by the department under section 191 of the Act.

Table 15 summarises compensation claims received from staff for the past five financial years.

Table 15 Compensation claims incidence, by injury group, 2009–10 to 2013–14

	2009–10	2010–11	2011–12	2012–13	2013–14
Fracture excluding back	–	–	–	–	–
Strain excluding back	2	1	–	–	–
External effects	–	–	–	–	–
Multiple injuries	–	–	1	–	–
Occupational overuse syndrome	–	–	1	–	–
Psychological injuries	1	–	–	–	–
Total	3	1	2	0	0



The Clerk, David Elder (centre), with the recipients of the 2014 Australia Day achievement medallions, Joe Italiano (left) and Chris Paterson (right).

Management of financial resources

Asset management

The department's asset management strategy focuses on efficient asset utilisation and allows the department to identify underperforming assets. The department operates within a controlled environment at Parliament House and the risk of loss for the majority of assets is minimal.

A stocktake of furniture and fittings, and portable and attractive assets was completed during 2013–14. The department completed a desktop review of the office machines and plant asset classes. Impairment testing was undertaken during the stocktake. There were no material impairment adjustments required.

The furniture replacement project continued during 2013–14. Cash reserves and departmental capital budget funding have been used to replace furniture items within departmental offices and for the offices of certain parliamentary office holders. Sixty-five per cent of offices had been refurbished as at 30 June 2014 at a cost of \$1.821 million. The project is under budget and is scheduled for completion in late 2015.

During 2013–14, Phase 1 of the Table Offices Production System went 'live'. This system at a cost of \$1.856 million replaces the ageing document production system and will enable more efficient creation and publication of chamber documents. Other software assets purchased during the period included redevelopment of CommDocs and the Shared Committee Information Database, data access layer and commencement of the development of a new online booking system (venue management system) for school groups and committee rooms in Parliament House.

Due to the transfer of ICT assets to DPS during 2013–14, the department has removed these items from its asset register.

Purchasing

In addition to the asset purchases mentioned above, contracts were entered into for the purchase of asset valuation services, renewal of the provision of departmental banking services with the Reserve Bank and purchase of licence renewals and support for departmental business systems. The department accessed existing panel arrangements for the procurement of training and leadership development programs for departmental staff.

The department continued to access whole-of-Australian-Government contracts for the provision of travel and related services. The purchase of stationery and office supplies was made through the whole-of-Australian-Government contract with Staples.

The department did not initiate any open tender procurements during the reporting period.

Consultants

The department engages consultants where we lack specialist expertise or when independent research, review or assessment is required. Consultants are typically engaged to investigate or diagnose a defined issue or problem; carry out defined reviews or evaluations; or provide independent advice, information or creative solutions to assist in the department's decision-making.

Before engaging consultants, the department takes into account the skills and resources required for the task, the skills available internally, and the cost-effectiveness of engaging external expertise. The decision to engage a consultant is made in accordance with the Financial Management and Accountability Act and related regulations, including the Commonwealth Procurement Rules and relevant internal policies.

During 2013–14, the department entered into 13 new consultancy contracts involving total actual expenditure of \$0.121 million. In addition, three ongoing consultancy contracts were active in 2013–14, involving total actual expenditure of \$0.078 million.

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).

Competitive tendering and contracting

The department's contracting activities have been disclosed through the government's AusTender system, as required. There were no instances during 2013–14 where contracts were let that did not provide for the Auditor-General to have access to the contractor's premises, or where the chief executive exempted a contract from being published on AusTender.

Advertising and market research

Section 311A of the *Commonwealth Electoral Act 1918* requires the department to detail amounts paid to advertising agencies, market research organisations, polling organisations, direct mail organisations and media advertising organisations during the financial year.

The department's total advertising expenditure for 2013–14 was \$28,155, a decrease from the previous year's total (\$50,092). This decrease is attributed to a reduction in the number of advertisements for publicising the work of the House and committees including publicising inquiries undertaken by committees.

The expenditure was as follows:

- \$25,689 for publicising the work of the House and committees (\$32,300 in 2012–13)
- nil for advertising in relation to inquiries being undertaken by parliamentary committees (\$9,746 in 2012–13)
- nil for publicising recruitment advertising (nil in 2012–13)
- \$2,336 to the Attorney-General's Department for chamber-related gazettals (\$7,265 in 2012–13).

Most of the advertising for 2013–14 was placed with Adcorp Australia.

Discretionary grants

The department did not administer any grant programs in 2013–14. Training, equipment and project support were provided for some Pacific island parliaments.

Ecologically sustainable development and environmental reporting

The department is not subject to the provisions of the *Environment Protection and Biodiversity Conservation Act 1999*. Most aspects of the parliament's environmental management are coordinated by the Department of Parliamentary Services (DPS), which is responsible for managing the Parliament House building and precincts. DPS reports in accordance with section 516A of the Act in its annual report, which is available from the Parliament of Australia website.

Outlook

In 2014–15, the department will continue to support the House and members. The department must continue to be capable of delivering advice and support of a high standard, and of anticipating and responding quickly to developments and changing requirements.

The department will continue to seek efficiencies, and to innovate, with emphasis on ICT improvements. To ensure resilience, the department will test business continuity and resumption plans, and will work in collaboration with the other parliamentary departments to ensure capability at a whole-of-parliament level. It will implement new requirements under the *Public Governance, Performance and Accountability Act 2013*.

In 2014–15 the department will commence negotiations on a new enterprise agreement with staff. The agreement-making process will be undertaken based on the government's bargaining framework.

The department will also continue to give priority to supporting and enhancing whole-of-parliament governance arrangements. These processes are important in ensuring that strategic priorities are addressed effectively, and the parliamentary departments work collegially to support the institution.