

Corporate governance

Corporate governance mechanisms

The department's operations for 2013–14 were governed by the *Parliamentary Service Act 1999* and the *Financial Management and Accountability Act 1997*. These are subject to provisions of the *Fair Work Act 2009* and other legislation.

Management committees

The department's corporate governance mechanisms include two senior management committees, the Program Managers' Group and the Audit and Evaluation Committee, each chaired by the Deputy Clerk. These committees provide advice and support to the Clerk to ensure that statutory responsibilities for the management of the department are met.

The department's Senate Management Advisory Group provides advice and assistance to the Program Managers' Group. The department also has a Workplace Consultative Committee through which formal consultation on workplace relations occurs between the department and staff.

The role, membership and activities of these groups are described in figure 13.

The department also participates on a range of interdepartmental committees through which the parliamentary departments coordinate common and joint activities. Chief among these during 2013–14 have been the meetings of the heads of the four parliamentary departments; steering committees monitoring and reviewing whole of parliament ICT arrangements; the Parliamentary Administration Advisory Group; and numerous boards managing joint projects.

Figure 13 Management and advisory groups, 2013–14

Audit and Evaluation Committee

Role	Oversee: <ul style="list-style-type: none">• internal and external audits• administrative, operating and accounting controls• risk management. Supervise the annual internal audit program. Ensure best practice financial management and reporting, fraud control and business risk monitoring.
Activities	3 meetings. Considered various matters which were reviewed by the department’s internal audit service provider, including: <ul style="list-style-type: none">• fundamental accounting controls and FMA Act compliance• protective security• payroll processes• risk management assessment and plan. Prepared an annual report to the Clerk and to the Senate Appropriations and Staffing Committee.
Membership	Program managers and an independent member. Chaired by the Deputy Clerk. Observers: 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: <ul style="list-style-type: none">• human resource management• risk management and planning• financial planning• departmental service quality.
Activities	10 meetings. Examined matters including: <ul style="list-style-type: none">• efficiency dividend impact on staffing budgets• administrative arrangements supporting the PGPA Act• transition to electronic record-keeping• staffing matters, including staff rotations.
Membership	Program managers. Chaired by the Deputy Clerk. Other staff attend as required to advise on matters within particular programs.

Senate Management Advisory Group

Role	Discuss departmental proposals, policy initiatives and changes. Advise the Program Managers' Group on leadership and managerial matters, as requested and on the initiative of the advisory group.
Activities	6 meetings. Considered proposals for strategic training including options for change management training and leadership development. Public Awareness Working Group continued to consider options for improving the public awareness of the work of the Senate and worked with the Committee Office to develop a committee 'roadshow' proposal.
Membership	All departmental Parliamentary Executive Level 2 staff. Convenor elected annually by the group.

Workplace Consultative Committee

Role	Serve as a forum for formal consultation between the department and staff on workplace relations. Monitor and evaluate the impact of the department's enterprise agreement. Consider employment-related initiatives and matters that affect staff in the workplace.
Activities	4 meetings. Provided advice and recommendations on: <ul style="list-style-type: none">• first aid• learning and development activities• the Workplace Diversity Program• changes to sections and functions within the department.
Membership	The Usher of the Black Rod, the Clerk Assistant (Table), up to 12 elected staff representatives and union representatives. Chaired by the Usher of the Black Rod.

Corporate plan

The department's Corporate Plan 2012–2015, adopted in August 2012, details the tasks and expected performance results for each office of the department. Work reports provided to the Clerk throughout the reporting period showed continued progress in key areas and work tasks. Planned outcomes are detailed in the department's portfolio budget statements and performance results are contained in this report.

Fraud control and business risk management

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. These are reviewed on an annual basis to maintain their applicability and coverage.

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. Risk mitigation strategies and the assessment of existing risk controls are regularly considered by senior management and reported to the department's Audit and Evaluation Committee. The framework for managing risk is revised regularly and made available to staff on the department's intranet. Fraud control and risk management are standing items for meetings of the Audit and Evaluation Committee.

Ethical standards

The department upholds the Parliamentary Service Values and Parliamentary Service Employment principles, and employees are required to comply with the Parliamentary Service Code of Conduct set out in the *Parliamentary Service Act 1999*. The values, employment principles and code are integrated into departmental policies and practices and are highlighted in its induction program, in other learning and development activities, and in staff information resources.

Social justice and equity

As the department does not administer public programs, it does not directly implement a social justice strategy. However, the department continues to support equality of access to its services, and equality of opportunity for staff.

External scrutiny

The Senate Finance and Public Administration Legislation Committee and the Senate Standing Committee on Appropriations and Staffing provide fora in which senators and others may monitor the department's performance. Matters relating to the structure and functions of the parliamentary departments are also examined by the Appropriations and Staffing 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 18 November 2013, 24 February 2014 and 26 May 2014. Matters considered included the departmental

budget and staffing; rules for the use of closed circuit television and video at Parliament House; trial security arrangements at Parliament House; the Senate Occasional Lecture Series; and senior staff rotations among other things.

The department's activities were also scrutinised by both an internal audit service provider and the Australian National Audit Office. The Australian National Audit Office did not conduct any performance audits of the department's activities 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

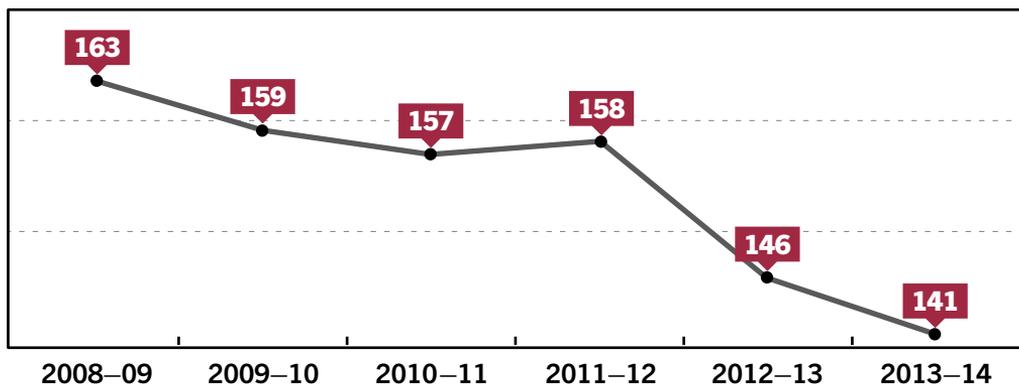
Staffing

The Clerk of the Senate is appointed by the President of the Senate under subsection 58(1) of the *Parliamentary Service Act 1999*. 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 14 shows that the average full-time equivalent (FTE) staffing level for 2013–14 was 141, five less than for 2012–13, reflecting the lower level of Senate and committee activity during the election period. As expected, the FTE rose in the second half of the year, in line with increased legislative and committee activity, and stood at 141 as at 30 June 2014.

More staffing statistics, including a breakdown of the FTE staffing level by office, are provided in appendix 2.

Figure 14 Full-time equivalent staff numbers



Workforce planning

The department has reduced full-time equivalent targets over several years as a consequence of previous budget cuts due to efficiency dividends as part of its ongoing management of staffing numbers. Continued, close monitoring and the use of staffing caps have supported the department's ability to effectively manage those targets.

Staff turnover

The number of staff separations in 2013–14 was less than in 2012–13 and 2011–2012. Table 5 shows the reasons for separations.

Table 5 Reasons for separations from the department

Reason	2011–12	2012–13	2013–14
Resignation	21	9	13
Retirement (age)	5	2	2
Retirement (other) or death	2	1	-
Return to home agency	2	2	2
End of non-ongoing employment	12	8	5
Transfer or promotion to another agency	13	13	3
Total	55	35	25

Senior executive remuneration

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

The department's Senior Executive Service (SES) employees were covered by a collective determination made under subsection 24(1) of the *Parliamentary Service Act 1999*. In accordance with their terms and conditions, and consistent with the provisions of the department's enterprise agreement, SES staff received a 3 per cent pay increase in May 2014 in recognition of productivity improvements and individual performance outcomes. The salary ranges for SES staff and the Clerk are set out in appendix 2.

Employment arrangements

Enterprise agreement

The department's enterprise agreement commenced on 10 August 2012 and has a nominal expiry date of 30 June 2015. The enterprise agreement is a streamlined, simple agreement and contains many of the model clauses required to be included in Public Service enterprise agreements including a cap on pay increases.

In May 2014, the agreement delivered a 3 per cent salary increase to staff. All non-SES staff were covered by the enterprise agreement. One employee has an Individual Flexibility Arrangement with the Clerk in accordance with clause 9 of the enterprise agreement.

The main areas covered by the enterprise agreement are people and performance management, remuneration and allowances, hours of duty and overtime, and leave provisions. The agreement is supported by a number of human resource management policies and procedures. In addition to salary, staff are entitled to a range of benefits including leave entitlements, study assistance, a Health and Wellbeing Subsidy, guaranteed minimum superannuation payments and a range of allowances.

The salary ranges applicable to non-SES staff classification levels are set out in appendix 2.

Performance pay

The department's employment arrangements do not provide for performance pay.

Learning and development

The department's learning and development framework encompasses a broad range of activities designed to ensure the department has a highly skilled, knowledgeable and motivated workforce. A focus on parliamentary skills and knowledge aligns with objectives in the department's corporate plan, so that staff across the department continue to develop expertise in the constitutional and procedural bases of the Senate and its committees and ensure the highest standard of accurate and prompt procedural advice.

In consultation with supervisors, employees set professional development goals for a 12-month performance cycle. The department has a target of 21 hours of work-related learning activities for each full-time, ongoing employee for each performance cycle.

During 2013–14, six employees received financial assistance, paid leave, or both, under the department's Studybank scheme, to help them undertake tertiary studies relevant to the department's objectives.

The key features of the department's Learning and Development Framework in 2013–14 were:

- the Parliamentary Executive Professional Upgrade Program (PEP-UP) and a program of parliament-specific training activities
- a supplementary training calendar, principally in operation during the election period
- Corporate Induction Program sessions.

Work health and safety

Initiatives and measures

Initiatives and measures undertaken in 2013–14 to create a safe and healthy working environment for the department's staff included:

- ergonomic assessments of workstations for all new employees and for other employees as required
- a work health and safety inspection program
- revisions made to the Parliament House Incident Report form
- an online material safety data sheet application for hazardous substances.

The department's Health and Safety Committee met four times during 2013–14. The committee is made up of elected health and safety representatives for each designated workgroup. The committee was consulted in relation to incident reports received by the department.

Claims, incidents and investigations

Comcare accepted one claim for compensation in respect of the department during 2013–14.

In 2013–14, within the department there were:

- two incidents which required the giving of notice under section 38 of the *Work Health and Safety Act 2011*
- no investigations or notices under sections 90, 191 and 195 of that Act.

Management of financial resources

Policies and procedures for conducting tenders, selecting consultants, contracting, and approving expenditure are set out in the Clerk's Instructions, which take into account the requirements of the *Financial Management and Accountability Act 1997*, the Commonwealth Procurement Rules and Senate standing order 25(17), relating to approval of consultants to assist committees. A revised set of Clerk's Instructions was prepared, to commence on 1 July 2014, as part of the planned transition to the *Public Governance, Performance and Accountability Act 2013*. Connected policies will progressively be implemented in the next reporting period.

Purchasing

The department applies the requirements of the *Financial Management and Accountability Act 1997*, the Commonwealth Procurement Rules and the Clerk's Instructions to all purchases of goods and services.

The most significant procurement activities during the financial year related to the continuation of two joint projects with the Department of the House of Representatives to develop new systems for publishing parliamentary material for the two Houses and a booking system for committee rooms and other venues within Parliament House.

Assets management

The Black Rod's Office is responsible for the effective management of departmental assets in accordance with the Clerk's Instructions. A major undertaking for the year was the transfer of ICT assets to the Department of Parliamentary Services.

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. These may involve: 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.

In 2013–14, the department entered into two new consultancy contracts involving total actual expenditure during the year of \$6,059. There were two ongoing consultancy contracts active during the 2013–14 year, involving total actual expenditure of \$65,320. These figures exclude the procurement of legal services, which are reported in appendix 3.

In accordance with the Senate order on departmental and agency contracts, details of the department's contracts valued at greater than \$100,000 are listed online, at www.aph.gov.au/senate/dept/contracts.

In addition, information on the value of contracts and consultancies is available on the AusTender website www.tenders.gov.au.