





GOVERNANCE

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INTRODUCTION

The Department of Parliamentary Services (DPS) is established under the *Parliamentary Service Act 1999* (PS Act) and is part of the Parliamentary Service. The Act states that the 'Parliamentary Service serves the Parliament by providing professional support, advice and facilities to each House of the Parliament, to parliamentary committees and to senators and members of the House of Representatives, independently of the Executive Government of the Commonwealth'.

The Secretary is the principal adviser to the Presiding Officers on matters relating to DPS and, as its leader, provides stewardship in the department and, in partnership with other department heads, across the Parliamentary Service.

The Presiding Officers act jointly in exercising their responsibilities in relation to DPS under the PS Act. The Presiding Officers also have responsibilities under the *Parliamentary Precincts Act 1988*.

OUR GOVERNANCE STRUCTURE

The Secretary, as the accountable authority under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), has a duty to manage DPS in a way that promotes the:

- proper use and management of public resources for which DPS is responsible
- achievement of the purposes of the entity, and
- financial sustainability of the entity.

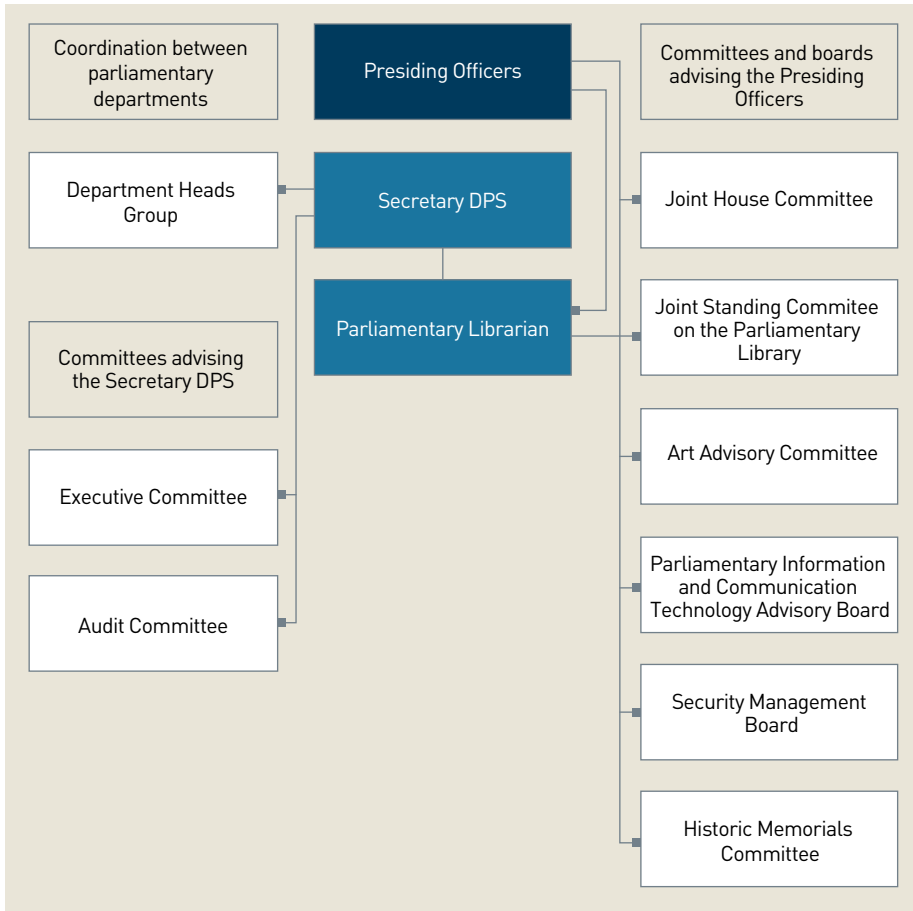
The Secretary delegates some powers to certain staff. These are outlined in DPS' financial and human resource delegations. In addition, the Secretary has established an organisational structure that clearly defines accountabilities and the areas of responsibility assigned to senior DPS staff.

The Parliamentary Library's services are established under the statutory office of the Parliamentary Librarian, whose primary function is 'to provide high quality information, analysis and advice to senators and members of the House of Representatives in support of their parliamentary and representational roles.'⁴⁵ The Secretary of DPS provides resources to the Parliamentary Librarian in accordance with an annual agreement. The Parliamentary Librarian reports directly to the Presiding Officers and to the Parliament. She also reports to the Joint Standing Committee on the Parliamentary Library (JSCPL).

Our governance structure for the reporting period is set out in Figure 11. It contains two streams: committees and boards advising the Presiding Officers; and committees and meetings advising the Secretary.

⁴⁵ *Parliamentary Service Act 1999*, subsection 38B(1)

FIGURE 11: DPS Governance Structure



Committees advising the Presiding Officers

The information below shows committee membership at 30 June 2018 and activity for the year.

Joint House Committee

The Joint House Committee comprises members of the House Committees of the Senate and the House of Representatives and its role is to consider matters which affect joint services. Due to other mechanisms in place for distribution and discussion on matters which affect joint services, the committee met only as required.

Joint Standing Committee on the Parliamentary Library (JSCPL)

Details on the JSCPL can be found at pages 103–05

Art Advisory Committee

The Art Advisory Committee assists the Presiding Officers in determining the suitability of art works for addition to the Rotational Collection within the Parliament House Art Collection.

Chair: The Hon Tony Smith MP (The Speaker of the House of Representatives) and Senator the Hon Scott Ryan (The President of the Senate).

Members: Deputy Speaker, Deputy President, Secretary DPS and an independent adviser from the National Gallery of Australia.

The committee's terms of reference are to:

- provide guidance on the *Rotational Collection Acquisition Policy*, and set short-term priorities for acquisitions
- assess acquisition proposals in accordance with the acquisition policy and collecting priorities, and
- provide advice on other matters relating to the display and management of artworks in the collection, as considered necessary by the Presiding Officers.

Matters considered in 2017–18 included:

- the purchase of 57 works of art including 16 to commemorate the Centenary of ANZAC
- the consideration of a number of gifts offered to the collection, and
- the development of a new policy framework for the management of the collection.

The committee met twice during 2017–18.

Parliamentary Information and Communication Technology Advisory Board (PICTAB)

PICTAB is an advisory body established in 2012. Its role is to provide guidance in the delivery of the current *Parliament of Australia ICT Strategic Plan 2013–18* and strategic objectives and outcomes. It will also play a key role in the development of the new *Australian Parliament Digital Strategy 2019–22*.

Chair: Secretary DPS

Members:

- three representatives each from the Government, Opposition and Crossbench
- one representative each from the Department of the Senate, the Department of the House of Representatives, the Parliamentary Budget Office and the Parliamentary Service Commissioner, and
- in addition, four non-member representatives from the DPS Information Services Division.

Matters considered in 2017–18 included:

- the key needs of parliamentarians
- the End User Workspace (EUW) program to deliver an Office 365 and Windows 10 Cloud solution
- the creation of a new *Australian Parliament Digital Strategy 2019–22*, with particular emphasis on stakeholder engagement and the consultation process to be undertaken in 2018–19
- the creation of a Cyber Security Operations Centre in 2018–19, and
- parliamentary business ICT resources.

The board met three times in 2017–18.

Security Management Board (SMB)

The SMB was established in 2005 under Section 65A of the PS Act. The function of the SMB is to provide specialist security advice and support to the Presiding Officers on security policy and the management of security measures for Parliament House.

Chair: Secretary DPS

Members: the Usher of the Black Rod, the Serjeant-at-Arms, and a senior executive employee of the Australian Federal Police. Invited attendees include the Department of the Prime Minister and Cabinet, the Department of Finance, and the Attorney-General's Department.

The board met seven times during 2017–18.

Historic Memorials Committee (HMC)

The HMC was established by Prime Minister Andrew Fisher in 1911. The function of the committee is to commission official portraits of the Head of State, Governors-General, Prime Ministers, Presidents of the Senate and Speakers of the House of Representatives. From time to time the committee may also elect to commission portraits of other significant parliamentarians who represent a milestone in the history of the Parliament. On occasion the committee may also commission paintings of significant events in the history of the Australian Parliament.

Chair: the Prime Minister

Members: the Leader of the Opposition, the Vice-President of the Executive Council, the Leader of the Opposition in the Senate, the President of the Senate and the Speaker of the House of Representatives.

The Secretary DPS is secretary to the committee and the DPS Art Collection and Exhibitions section provides secretariat services to the committee and manages the portrait commissioning process.

In 2017–18 the HMC conducted all relevant business via correspondence.

Committees advising the Secretary

Under the PS Act and the PGPA Act, the Secretary is accountable for DPS' performance and compliance. The Secretary is assisted in the management of these responsibilities by the Executive Committee and the DPS Audit Committee.

Executive Committee

The Executive Committee considers the development and implementation of the DPS governance framework and associated strategies, including financial planning and budgeting, performance, risk management, business planning and organisation issues, and other matters relating to the management of the department.

Chair: Secretary DPS

Members: Parliamentary Librarian (Parliamentary Library), Chief Information Officer (Information Services Division), First Assistant Secretary (Building and Security Division), Chief Operating Officer (Chief Operating Officer Division) and Chief Finance Officer (Chief Operating Officer Division).

The committee meets fortnightly.

DPS Audit Committee

The DPS Audit Committee provides independent advice and assurance to the Secretary on DPS' financial and performance reporting responsibilities, system of risk oversight, and systems of internal control and compliance.

The DPS Audit Committee comprises five members: three independent members and two management-appointed DPS officials.

Chair: Mr Michael Harris (independent Chair)

Members: Ms Jenny Morison (independent Deputy Chair), Mr Richard Windeyer (independent member), Mr Paul Cooper (DPS official) and Mr Jonathan Curtis (DPS official).

Representatives of the Australian National Audit Office (ANAO) and DPS' contracted internal auditors, KPMG, attend DPS Audit Committee meetings to provide information and advice to committee members. Information and advice is also regularly provided by invited DPS officials including the Chief Operating Officer, the Chief Information Officer, and the Chief Finance Officer.

In 2017–18, the committee met five times including a meeting to consider the department's financial and performance statements. Table 33 shows the members' attendance for 2017–18.⁴⁶

⁴⁶ Apologies were received from absent members.

TABLE 33: DPS Audit Committee attendance

Member	Meeting attendance
Mr Michael Harris—Chair	5/5
Ms Jenny Morison—Deputy Chair	5/5
Mr Richard Windeyer—independent member	3/5
Mr Paul Cooper—DPS official	2/5
Mr Jonathan Curtis—DPS official	5/5

DPS Peak Work Health and Safety (WHS) Committee

The DPS Peak WHS Committee operates in accordance with the *Work Health and Safety Act 2011* (WHS Act) to advise the Secretary on WHS policy matters concerning our employees and other parties, and to assist in the development and review of related policies and practices.

Chair: an Assistant Secretary DPS

Members: made up of one management representative from the Parliamentary Library, one from each of the other branches, and one Health and Safety Representative (HSR) from each branch, with the exception of Building Services Branch where there is provision for two HSRs.

The committee met four times during 2017–18.

DPS Consultative Forum

The role of the DPS Consultative Forum is to provide a forum for consultation and discussion between management, staff, and unions representing staff.

Chair: Chief Operating Officer DPS

Members: consists of management representatives, union representatives, and staff representatives as provided for in the *DPS Enterprise Agreement*.

The forum met four times in 2017–18.

Coordination between Parliamentary Departments

Department Heads Group

The Department Heads Group meetings identify opportunities for collaboration, consideration and decision making, strengthening the effectiveness of the parliamentary administration.

Members: Clerk of the House of Representatives, Clerk of the Senate, Parliamentary Budget Officer, Secretary DPS.

The group met four times during 2017–18.

Our internal audit arrangements

Primary responsibility for departmental internal audit functions rests with the Head of Internal Audit (HIA), the Assistant Secretary, People and Governance Branch. The HIA manages the provision of independent assurance to the Secretary and Executive Committee, through the DPS Audit Committee, that internal controls designed to manage significant operational or financial risks and achieve the department's objectives are operating in an efficient, effective and ethical manner. The HIA also implements the annual internal audit program endorsed by the DPS Audit Committee and approved by the Secretary. The focus of the annual internal audit program is to assist the department in managing operational or financial risks and to provide assurance as to whether key projects, systems and governance structures are operating as intended. The implementation of recommendations from the internal audit program are regularly reported to the Executive Committee and the DPS Audit Committee. The internal audit work plan is reviewed for relevance and applicability by the DPS Audit Committee at the mid-year point, and any subsequent amendments are recommended to the Secretary for approval. The HIA also manages liaison with the ANAO as the external auditor.

Under its outsourced service delivery model, DPS has engaged KPMG to provide internal audit services. During 2017–18, the internal audit program was delivered in line with the annual internal audit plan.

Our planning and reporting framework

DPS continues to strengthen its internal planning, processes and controls to support broader corporate planning requirements.

In accordance with the PGPA Act, DPS develops a corporate plan, outlining our purpose and providing clear direction on how we intend to achieve that purpose.

The *2017–18 Corporate Plan* is based on the commitments DPS made in the *Portfolio Budget Statement (PBS)* for 2017–18, including performance criteria, performance measures and targets. The *2017–18 Corporate Plan* is aligned with the 2017–18 PBS through DPS' outcome statement, objectives and deliverables.

The corporate plan is underpinned by branch business plans, outlining how each branch will contribute to the achievement of DPS' purpose. These key documents are then linked to individual work plans, which clearly articulate expectations of managers in contributing to the achievement of our purpose in the corporate plan.

DPS has developed a *2018–19 Corporate Plan* to guide our work for the coming financial year.

FIGURE 12: DPS Framework Overview



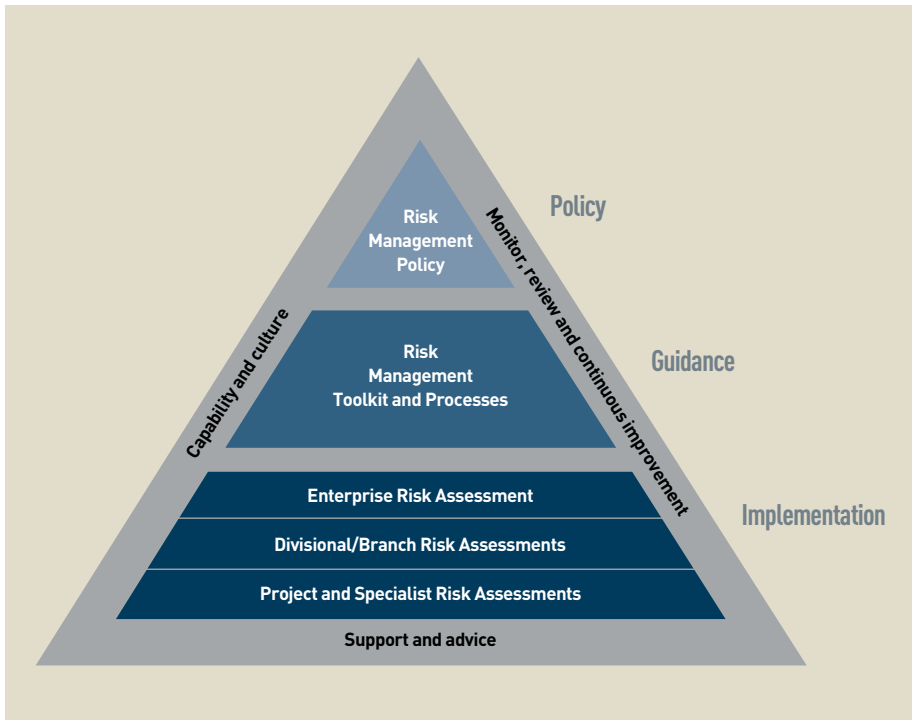
How to manage risks

It is important that DPS has a strong risk management framework. We are committed to an environment where all employees understand, and are able to successfully manage risk. As DPS is faced with a constantly changing and challenging environment, it is vital that staff continue to identify and engage with risk.

Collectively, the set of policies, processes and structures through which DPS manages risk is called the *DPS Risk Management Framework* (see Figure 13). It enables DPS to demonstrate that a systematic and comprehensive process is in place to ensure that DPS manages risks effectively. The *DPS Risk Management Policy* and *DPS Risk Management Toolkit* continues to be promoted throughout DPS.

The People and Governance Branch supports staff in managing risks across DPS including enterprise, fraud, operational and specialist risks.

FIGURE 13: DPS Risk Management Framework



Enterprise and fraud risks

Following a review of enterprise and fraud risks in November 2017, the Enterprise and Fraud Risk Treatment Plans have been managed through an executive reporting process. This process includes the Risk and Business Continuity Management Forum in which members work with treatment owners to provide quarterly updates to the Executive Committee on the progress of enterprise and fraud risk treatments.

In 2017, DPS conducted the biennial review of our enterprise and fraud risks, in line with the DPS Risk Management Policy and Framework.

Operational risks

During each branch business planning cycle a risk assessment is integrated into the planning process to ensure that risk management is embedded in business as usual activities and to further build risk management capability within DPS.

Risk and Business Continuity Management Forum

The Risk and Business Continuity Management Forum, established in November 2015, meets quarterly, aligned with quarterly risk reporting to the Executive Committee. The forum is chaired by a DPS SES officer and has members from across the department. The forum is designed to support the ongoing development of DPS' risk and business continuity management practices.

Comcover Risk Management Benchmarking Survey

DPS participated in the Comcover 2018 Risk Management Benchmarking Survey. This survey measures Commonwealth agencies' risk management capability maturity over the nine elements contained in the Commonwealth Risk Management Policy. DPS achieved an overall maturity rating of 'Advanced', which is consistent with the result achieved in 2017.

Business Continuity Management

Throughout 2017–18, DPS progressed implementation of the Business Continuity Management framework, including:

- facilitating exercises, including desktop exercises and the annual testing of the Strategic Response and Tactical Response, involving the department's senior executive and observers from the other parliamentary departments
- updating the Business Continuity Management Policy and Framework, Strategic Executive Response Plan and Tactical Executive Response Plan to incorporate learnings from the exercises
- reviewing the Crisis Communications Framework for communicating with stakeholders during a business disruption, and
- continued development of individual business procedures and other associated documents.

In 2018–19, DPS plans to further develop its Business Continuity Management framework through a program of exercises and continuous improvement.

How to prevent fraud

DPS is committed to ensuring compliance with section 10 of the PGPA Rule.

The department's established fraud control framework was developed in accordance with the *Commonwealth Fraud Control Framework 2017* and is reviewed every two years.

The *Fraud Control Plan 2017–19* provides the framework for detecting, reporting, and investigating fraud within the department.

Fraud awareness training is available on the DPS Learning Management system.

In 2017–18 DPS undertook a number of activities related to fraud control, including biannual fraud risk assessments, updating the *DPS Fraud Policy* and mandating the frequency which all DPS staff are required to complete fraud awareness training. This change in policy will remind staff of their obligations and strengthen DPS fraud control across the department.

As at 30 June 2018, a total of 903 (90 per cent) of DPS staff had completed their training. In 2017–18, 761 DPS staff completed this training.

Ethical standards and behaviours

DPS is committed to the standards of integrity, good governance and ethical practices set out in the PS Act and the Parliamentary Service Values, Employment Principles, and Code of Conduct.

DPS takes all alleged breaches of the Code of Conduct seriously and manages these in accordance with best practice. The majority of complaints received were handled through local management action or preliminary investigation. The department finalised three Code of Conduct investigations during 2017–18, resulting in the determination of three breaches of the Code of Conduct.

Public Interest Disclosure Act 2013

The Commonwealth's *Public Interest Disclosure Act 2013* (PID Act) promotes integrity and accountability in the Australian public sector by encouraging the disclosure of information about suspected wrongdoing, protecting people who make disclosures, and requiring departments and entities to take action.

DPS continues to provide readily accessible information to staff about the PID Act, including links to information provided by the Commonwealth Ombudsman, available via the department's intranet.

In 2017–18 there were four DPS Authorised Officers approved to handle public interest disclosures.

Statement of significant non-compliance with the finance law

In 2017–18, DPS did not report any significant issues to the Presiding Officers under paragraph 19(1)(e) of the PGPA Act that related to non-compliance with the finance law in relation to DPS.

EXTERNAL SCRUTINY

DPS' operations are subject to scrutiny from a number of sources, including the ANAO, judicial decisions, decisions of administrative tribunals, and various parliamentary committees. This section reports on inquiries, audits, reviews and legal actions relevant to DPS in 2017–18.

Reports by the Australian National Audit Office

In 2017–18, the ANAO tabled two reports in parliament in relation to financial statement audits involving the department:

- Report No. 24, 2017–18: *Audits of the Financial Statements of Australian Government Entities for the Period Ended 30 June 2017*, tabled 20 December 2017, and
- Report No. 47, 2017–18: *Interim Report on Key Financial Controls of Major Entities*, tabled 14 June 2018.

During 2017–18 the ANAO did not conduct any performance audits of DPS' operations.

Parliamentary Committees

Senate Finance and Public Administration Legislation Committee

DPS appeared before Senate Finance and Public Administration Legislation Committee Estimates hearings on 23 October 2017, 26 February 2018, and 21 May 2018. During 2017–18 the department responded to 183 questions on notice.

Judicial decisions, decisions of Administrative Tribunals

During 2017–18, there were no judicial or administrative tribunal decisions relating to DPS.

Freedom of Information (FOI)

DPS is not subject to the *Freedom of Information Act 1982* (FOI Act) and therefore does not have an Information Publication Scheme.

Office of the Merit Protection Commissioner

During 2017–18, there were no applications for review made to the Office of the Merit Protection Commissioner.

Fair Work Ombudsman

During 2017–18, there were no matters referred to the Fair Work Ombudsman for review.

Fair Work Commission

During 2017–18, there was one application lodged by a DPS employee in the Fair Work Commission for review. The application was withdrawn by the former employee in December 2017.

OUR PEOPLE

Introduction

Enterprise bargaining was a key focus for human resources management in 2017–18, following a 'no' vote in December 2016. Bargaining recommenced in July 2017, following the appointment of a new management bargaining team in June 2017. Over the course of nine weeks, 26 meetings were held with bargaining representatives before the ballot in October 2017. Eighty per cent of eligible voters participated in the ballot, with 75 per cent voting in favour of the new agreement. The Fair Work Commission approved the agreement, which came into effect on 12 January 2018. Employees received a three per cent pay rise on 25 January 2018.

Following the approval of the *2017 Enterprise Agreement*, and amendments made to the *Parliamentary Services Determination 2013* (in October 2017) work commenced to update supporting policies, procedures and systems.

DPS continued its focus on improving Aboriginal and Torres Strait Islander participation and awareness throughout 2017–18. A range of initiatives were undertaken, including the department's participation in the Indigenous Australian Government Development Program (IAGDP) for the second consecutive year, the expansion of the Parliamentary Service Indigenous Employee Network (PSIEN), and the implementation of CORE cultural awareness e-learning modules.

DPS Workforce performance

As at 30 June 2018, DPS⁴⁷ employed 998 staff (including staff on leave, secondment and inoperative staff), all based in Canberra. The DPS workforce comprised 825 ongoing employees (83 per cent) and 173 non-ongoing employees (17 per cent). Of the 173 non-ongoing employees, 92 are engaged for a 'specified term or a specified task' and 81 are engaged in 'irregular or intermittent' (casual) duties.

The DPS workforce comprised full-time, part-time, sessional and casual work arrangements—79 per cent full-time; nine per cent part-time; four per cent sessional; and eight per cent casual. These types of employment arrangements are used by the department to support the nature and demands of the parliamentary sitting patterns. The department's workforce statistics tables can be found at Appendix A.

⁴⁷ The workforce statistics contained in the following tables are based on information from the DPS Payroll system as at 30 June 2018. The workforce report data was extracted on 10 July 2017. Workforce figures provided apply to the 2017–2018 financial year. The workforce profile data includes all DPS employees (including employees on leave, secondment and inoperative staff) and excludes all contractors. These are point in time indicators and do not adjust for seasonal fluctuation, such as parliamentary sitting periods. Data has been rounded to one decimal place and as such may not add up to exactly 100 per cent on certain tables and graphs.

TABLE 34: Employment Performance 2016–17 and 2017–18

Indicator	2016–17	2017–18
Total number of staff employed (headcount)	972	998
Total number of staff employed (headcount excluding casuals)	892	917
Diversity		
Women (percentage of total workforce)	40%	40%
People with identified disability (percentage of total workforce)	1.7%	1.8%
Aboriginal and Torres Strait Islander (percentage of total workforce)	12 (1.2%)	14 (1.4%)
Staff with English as a second language (percentage of total workforce)	9.1%	10%
Health and Safety		
Health and safety incidents (per 100 employees headcount)	9.7	10.6
Health and safety 'near misses' (per 100 employees headcount)	0.5	0.9
Number of health and safety representatives	20	28
Learning and Development		
Number of staff undertaking studies assistance	30	35
Number of recorded attendances at DPS compliance training activities	827	3,679*
Recruitment		
Average number of days to fill vacancy (from advertising to delegate sign-off)	55	61
External 'new engagement' hires (percentage of total new ongoing hires)	70%	71%
Net recruitment rate**	1.5	1.2

* New mandatory compliance training activities were added in 2018 for all employees. These include security awareness, cyber security awareness and CORE cultural awareness training.

** Net recruitment rate indicates whether the DPS workforce is growing (net recruitment rate greater than 1) or contracting (net recruitment rate less than 1).

Workforce diversity profile

Fourteen employees identified as Aboriginal and Torres Strait Islander, making up 1.4 per cent of all DPS employees. The Aboriginal and Torres Strait Islander headcount increased by two employees, resulting in a percentage increase of 0.2 per cent for the year.

Eighteen employees identified as People with Disability (up from 17 in 2016–17), or 1.8 per cent of all DPS employees. Cultural and Linguistic Diverse employees were represented by a headcount of 100 (up from 88 as at 30 June 2017) or 10 per cent of all DPS employees.

2017–18 again saw an increase in the representation of women in the DPS workforce, with a headcount of 403 employees (up from 389 in June 2017). The percentage of women in the DPS workforce remained stable at 40 per cent. Of the 403 women employees, 23 per cent were at the PEL1–2 classification—a decrease of one per cent on the previous year.

FIGURE 14: DPS workforce composition—30 June 2018

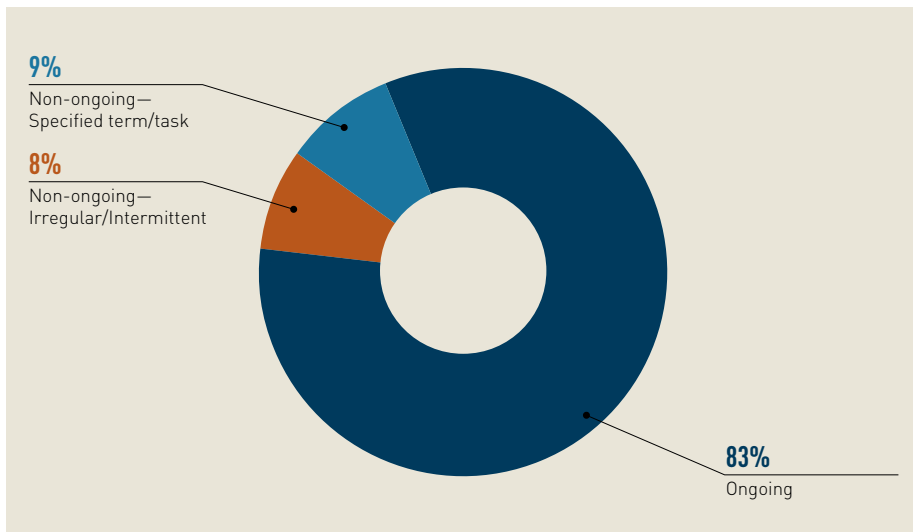
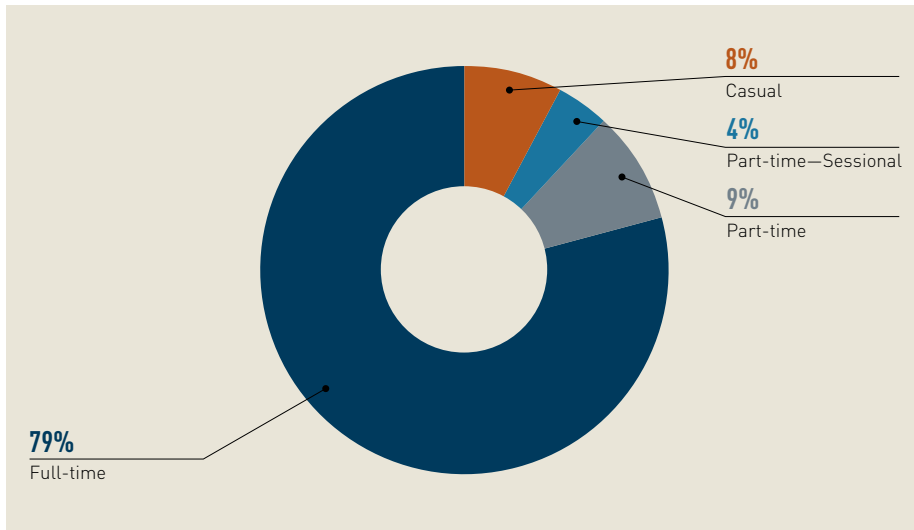


FIGURE 15: DPS employee working arrangements—30 June 2018

Workforce diversity

DPS continued its focus throughout 2017–18 on initiatives in support of the 2016–18 Parliamentary Service Reconciliation Action Plan.

Reconciliation Action Plan (RAP)

In 2016, the RAP Champions from the four parliamentary departments worked with Reconciliation Australia to finalise a new RAP for the Parliamentary Service. The *Parliamentary Service Reconciliation Action Plan 2016–18* was launched in July 2016 during NAIDOC Week. The DPS Reconciliation Action Plan working group oversees how DPS will implement our responsibilities under the RAP.

Aboriginal and Torres Strait Islander Employment Strategy

In 2017–18, DPS participated for the second time in the IAGDP, coordinated by the Department of Jobs and Small Business. DPS placed two Indigenous participants within the Chief Operating Officer Division. The IAGDP commenced in September 2017. It is a 15-month program that combines ongoing employment with structured learning and development. Participants undertake full-time work, while completing diploma-level studies.

Affirmative measures have been applied to nine bulk recruitment rounds in Building and Security Division, Chief Operating Officer Division, and the Parliamentary Library Division, to increase Indigenous representation.

Parliamentary Service Indigenous Employee Network (PSIEN)

In February 2017, the PSIEN was established to provide a shared space for Indigenous employees from across the Parliamentary Service to access information on relevant programs, initiatives and upcoming events. The network comprises Indigenous and non-Indigenous Parliamentary Service employees, who meet to discuss and create ideas on employment, retention and improving cultural understanding.

Disability

DPS continues to be a member of the Australian Network on Disability (AND). In February 2018, DPS established a project team to work with the AND on the review of the current workplace adjustment practices, and to develop a new policy and procedure document. The new approach will focus on the whole of the employee life cycle and is expected to be implemented in 2018–19.

In March 2018, the SES and PEL2 cohort were invited to attend an informative presentation delivered by the CEO of the AND, Suzanne Colbert. The presentation, held to celebrate the 25th anniversary of the *Disability Discrimination Act 1992*, focused on raising awareness of the needs of employees with disability and increasing the department's disability confidence.

In August 2017, HR Services and Strategy undertook Disability Confidence training and in May 2018 a special training session on Inclusive Language was delivered by the AND for Parliamentary Library employees.

During 2017–18, DPS has continued to be an active participant in the AND Disability Champions Round Table meetings, which are held on a quarterly basis.

Recruitment–entry level programs

In February 2018, DPS launched its first graduate program, placing three graduates across the Building and Security Division and Chief Operating Officer Division. Graduates complete a 12-month development program comprised of various rotations, on-the-job training, project-based activities and external learning workshops. The DPS Graduate Program was specifically designed to build internal specialist skills, knowledge, and experience.

TABLE 35: Entry Level Programs 2017–18

	PS level	Number of participants
Indigenous Australian Government Development Program (IAGDP)	PSL 3 to PSL 4	2
DPS Graduate Program	PSL 3 to PSL 4	3

Workforce mobility and retention

The DPS workforce has been growing in size for the past four years. The net recruitment rate has remained above 1.0 since 2014–15. At 30 June 2018 the net recruitment rate was 1.2, indicating another year of growth in the DPS workforce, although not as high as in 2016–17, when the rate was 1.5 (see Table 34). During 2017–18 there were a total of 221 employee commencements and 189 employee separations.

DPS' commencement rate (for all employees) decreased by eight per cent, from 30 per cent in the previous year to 22 per cent in 2017–18. This decrease was largely influenced by significantly less recruitment in the Security and Parliamentary Experience branches. Building Services and Capital Works were the only branches that had increased new employee hires from the previous year.

TABLE 36: Overview of the DPS commencement for staff from 2015–16 to 2017–18

	2015–16	2016–17	2017–18
Commencements	169	281	221
Commencement rate ⁴⁸	19%	30.4%	22%
Commencements (ongoing employees)	66	125	113
Commencement Rate (ongoing employees) ⁴⁹	9%	16.4%	13.7%

In the same 12-month period, there were 189 employee separations—two fewer than in 2016–17. Of these, 110 were ongoing employee separations, an increase of 10 on the 100 separations in 2016–17. The ongoing employee turnover rate was 13.3 per cent, up from 13.1 per cent in 2016–17. The ongoing employee turnover rate continues to remain relatively steady over the past three years, at 13 per cent.

TABLE 37: Overview of the DPS separation rates for staff from 2015–16 to 2017–18

	2015–16	2016–17	2017–18
Staff separations (headcount)	157	191	189
Employee turnover rate (total) ⁵⁰	18%	20.7%	19%
Staff separations (ongoing employees)	98	100	110
Employee turnover rate (ongoing employees) ⁵¹	13.4%	13.1%	13.3%

48 Commencement rate calculated by the number of employees recruited (commenced) as a percentage of the average headcount of the period.

49 Ongoing commencement rate calculated by the number of ongoing employees recruited (ongoing commencements) as a percentage of the average headcount of the period.

50 Turnover rate calculated by the number of total employees who left DPS during the period (voluntary and non-voluntary) as a percentage of the average headcount of the period.

51 Ongoing turnover rate calculated by the number of total ongoing employees who left DPS during the period (voluntary and non-voluntary) as a percentage of the average ongoing headcount of the period.

The highest numbers of ongoing separations were employee-initiated resignations, of which there were 40. This represented 36 per cent of the departing ongoing workforce. There were also 31 transfers at level (to either the Australian Public Service or elsewhere in the Parliamentary Service); 23 age retirements and seven promotions to either the Australian Public Service or elsewhere in the Parliamentary Service. These represented 28 per cent, 21 per cent and six per cent of the departing ongoing workforce respectively. Continuing capability reviews and subsequent structural realignment across DPS branches also resulted in eight voluntary redundancies, 11 fewer than in 2016–17.

Instruments of employment

The Department of Parliamentary Services Enterprise Agreement 2011, and from January 2018, the Department of Parliamentary Services Enterprise Agreement 2017, were the primary employment instruments in 2017–18. At 30 June 2018, a total of 981 employees were covered by the agreement and, of these, nine had individual arrangements. Fifteen Senior Executive Service (SES) officers were covered by determinations under subsection 24(1) of the PS Act.

No DPS employee receives a bonus or performance pay.

Remuneration and employment conditions

Non-salary benefits

Non-salary benefits available to DPS employees include influenza vaccinations and free membership for those wishing to join the Parliament House Health and Recreation Centre. Employees are also able to access the Employee Assistance Scheme at no cost. Parking is available at no cost to employees. Other benefits that may be available are laptop computers, tablets, mobile phones and airline membership.

Learning and development

DPS recognises its staff as a valuable resource and is committed to the ongoing development of their skills, knowledge and behaviours to meet the objectives of the department. Learning and development programs are aligned with our corporate plan and strategic themes. In order to broaden staff understanding of learning and development, DPS promotes the 70:20:10 learning principles—learning and development is most effective when there is a balance between on-the-job learning (70 per cent); mentoring, coaching, and peer learning (20 per cent); and formal learning (10 per cent).

Formal training and development

In 2017–18 there were 3,679 recorded attendances at DPS compliance training activities. Mandatory compliance training accounted for 62 per cent of all training activities undertaken.

DPS coordinated 53 in-house, face-to-face training sessions, which were attended by 395 employees. Of these 53 training sessions, 20 were facilitated by external providers.

Leadership development

DPS offered a range of leadership and executive development programs to PEL1 and PEL2 employees. DPS delivered the third PEL1 Development Program during 2017 to build capabilities in the PEL1 cohort. Eighteen people participated in this program.

Studies assistance

DPS provides support for employees to undertake tertiary studies, administered through the *DPS Studies Assistance Policy*. DPS supported 35 employees to undertake a range of tertiary studies. A total of 1,532.5 hours of study leave was provided to employees, and \$33,969 in financial contributions was made.

Organisational culture and employee engagement

In May and June 2017 DPS participated in the annual APS Employee Census. A total of 581 employees provided feedback—a 63 per cent response rate. This was a slight decrease of one per cent on our 2016 response, but overall 55 more respondents participated than the previous year.

The 2017 census results continued to show improvement in three of the four aspects of employee engagement. While job engagement remained stable at 7.2 points, team engagement, along with supervisor and agency engagement scores, continued to show an increase on the previous years' results.

Agency engagement again showed a significant improvement, to be 0.3 points above the APS average. The score was influenced by factors such as: the quality of senior leadership; approaches to change management; employee recognition; and the continued provision of relevant learning and development opportunities.

The 2017 results also showed significant improvements in the areas of performance management, senior leadership and internal communication.

Feedback and results from the 2017 census have helped inform and consolidate leadership development, people management practices and internal staff communications. Some of the initiatives flowing from the 2017 census results include:

- a change management resources portal, containing resources and tools to help both managers and employees prepare for and work through a change process, and
- the use of infographics to present a selection of DPS census topics results to staff (i.e. performance management, wellbeing and learning and development).

DPS once again participated in the APS Employee Census in 2018. A total of 587 employees responded—six more than in 2017 and a response rate of 63 per cent, which is the same as in 2017. The 2018 census results were not available as at 30 June 2018.

Note: DPS' census results are not included in the Australian Public Service Commission's annual State of the Service Report or annual Agency Survey Report.

Work Health and Safety (WHS)

Improvements to Parliament House

Due to the extensive amount of project work occurring in and around Parliament House, the DPS WHS Unit has been actively involved in providing advice on matters including:

- changed building/car park entry and lift upgrades
- the disabled toilet upgrades
- glass replacement in the link-ways and the skylight above Members Hall, and
- sliding fire doors.

Consultation on WHS issues

DPS maintains a high level of consultation on WHS issues. Staff are represented on health and safety committees that monitor and advise on WHS programs.

The DPS Peak WHS Committee focuses on reviewing WHS policies and procedures and taking a strategic approach to WHS management across DPS. Individual branches also hold their own WHS committee meetings.

The DPS Contractors' WHS subcommittee met four times. This forum provides a valuable mechanism to address WHS issues related to the work performed by the large number of contractors at Parliament House.

A key component of DPS' management of health and safety is its network of Health and Safety Representatives (HSRs), deputy HSRs, and Harassment Contact Officers (HCOs). As at 30 June 2018, DPS had 28 HSRs and deputies and 16 HCOs.

WHS training

A range of WHS-related training was provided to staff throughout the year, including generic induction and refresher sessions for staff and managers. Approximately 220 staff participated in generic WHS training programs.

WHS auditing

In 2017–18, DPS continued to undergo six-monthly surveillance audits of its WHS management system. An external audit confirmed that DPS continued to comply with the requirements of the Safety MAP Initial Level auditing tool. DPS has continued to maintain certification to Joint Accreditation System of Australia and New Zealand (JAS-ANZ) standards since its initial certification in November 2009.

Rehabilitation Management System Audit

In 2017–18, DPS underwent a biennial audit of its Rehabilitation Management System. An external audit was undertaken in May 2018 which achieved 100 per cent compliance against Comcare's *Rehabilitation Management Systems Audit Tool*.

Incident reporting and investigation

One hundred and six incident reports were submitted by DPS employees during 2017–18. Six incidents were notified to Comcare in accordance with section 35 of the WHS Act. Incidents were examined by DPS and remedial action was taken where necessary. Comcare conducted three investigations into incidents.

There were no Provisional Improvement Notices issued under section 90 of the WHS Act. Three notices were issued under Part 10 of the WHS Act. No enforceable undertakings were issued under Part 11 of the WHS Act.

Nurses Centre

The Parliament House Nurses Centre continues to operate on sitting days. In January 2018, DPS engaged a full-time Registered Nurse (RN) to ensure continuity of care for attendees.

During non-sitting periods, the RN is responsible for auditing and maintaining first aid kits and equipment throughout Parliament House as well as the coordination of health promotion and health surveillance activities for DPS staff.

ASSET MANAGEMENT

The department manages departmental and administered property, land and equipment and intangible assets with a value of \$2,569.7 million (2016–17: \$2,438 million). Administered assets of \$2,473.2 million (2016–17: \$2,336.2 million) primarily relate to Parliament House, incorporating the building, land and cultural assets. Departmental assets of \$96.5 million (2016–17: \$101.8 million) primarily relate to information technology, software and furniture and equipment.

The department's managed assets are replaced through an annual capital management plan. The department monitors delivery of the capital management plan on a regular basis to ensure that the planned expenditure reflects the department's business requirements.

The department undertakes annual stocktake, impairment and revaluation reviews which are used to update and verify the accuracy of asset records and to review the condition and ongoing utility of assets. The outcomes of the reviews are considered as part of assurance of the annual financial statements.

PURCHASING

DPS has focused on building internal capability through enhanced education and formal training programs for staff during 2017–18, leading to increased awareness of procurement practices and financial frameworks. DPS' frameworks continue to be managed in accordance with the Commonwealth Procurement Rules (CPRs), the PGPA Act and DPS' Accountable Authority Instructions (AAIs).

DPS' primary procurement objectives are to:

- ensure the principle of value for money is consistently obtained through:
 - encouraging competition
 - promoting efficient, economical and ethical use of resources, and
 - conducting our business in an environment of accountability and transparency
- support the business requirements of each branch within the department through a focus on better practice procurement and contracting arrangements
- encourage the use of Indigenous business and support the *Indigenous Procurement Policy*, and
- engage small and medium enterprises and local businesses wherever this is practicable and represents value for money.

DPS has a specialist procurement unit to ensure that:

- established guidelines and procedures are observed by DPS staff undertaking procurement and contract management activities
- statutory reporting responsibilities are met
- contracting and tendering activities are monitored, and
- ongoing training is provided to areas of the department that are involved in procurement and contract management activities.

CONSULTANTS

DPS classifies consultants as individuals, partnerships or corporations engaged to provide professional, independent and expert advisory services to the department. DPS engages consultants where there is a need for independent research or assessment, or where specialised or professional skills not available in-house are required.

During 2017–18, 11 new consultancy contracts were entered into, involving total actual expenditure of \$255,052 (GST inclusive). In addition, 13 ongoing consultancy contracts were active during the period, involving total actual expenditure of \$583,764 (GST inclusive).

The method of procurement for consultancy arrangements is determined by the complexity, nature and value of each individual requirement to achieve a value for money outcome that supports DPS' business requirements.

Consultants were engaged by DPS via approaches to the market and through DPS' access to consultancy panels and multi-use lists established by other departments for:

- engineering services
- reviews of resources and processes
- design integrity advice, and
- strategic business planning.

Annual reports contain information about actual expenditure on contracts for consultancies. Information on the value of contracts including consultancies is available on the AusTender website www.tenders.gov.au.

AUSTRALIAN NATIONAL AUDIT OFFICE ACCESS CLAUSES

All DPS contracts allow access for audit purposes.

EXEMPT CONTRACTS

During 2017–18, no DPS contracts or standing offers were exempted by the Secretary from being published via AusTender on the basis that they would disclose exempt matters under the FOI Act.

PROCUREMENT INITIATIVES TO SUPPORT SMALL BUSINESS

DPS supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SMEs) and Small Enterprise participation statistics are available on the Department of Finance’s website: www.finance.gov.au/procurement/statistics-on-commonwealth-purchasing-contracts.

With a focus on achieving the best value for money outcome in each circumstance, DPS supports and encourages engagement with SMEs wherever practicable.

Consistent with paragraph 5.4 of the CPRs, to ensure that SMEs can engage in fair competition for Commonwealth business, DPS applies the following procurement practices:

- use of the Commonwealth Suite for low-risk procurements valued up to \$200,000 and some procurements valued up to \$1 million where practical, and
- payment cards to facilitate on-time payment performance.

To achieve best practice procurement processes the relevant divisions of the CPRs are applied as appropriate.

DPS recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on Treasury’s website: www.treasury.gov.au.