

The Senate

Appropriations and Staffing Committee

Estimates for the Department of the Senate 2013-14

Transfer of information and communications technology
services

Budgetary milestones

55th Report

May 2013

© Commonwealth of Australia 2013

ISBN 978-1-74229-830-6

This document was produced by the Appropriations and Staffing Committee, and printed by the Senate Printing Unit, Parliament House, Canberra

Members of the Committee

The President of the Senate, Senator the Hon. John Hogg (Chairman)

The Leader of the Government in the Senate, Senator the Hon. Steven Conroy

The Leader of the Opposition in the Senate, Senator the Hon. Eric Abetz

Senator the Hon. Jacinta Collins

Senator the Hon. John Faulkner

Senator Stephen Parry

Senator Lisa Singh

Senator John Williams

Senator Nick Xenophon

The Senate
PO Box 6100
Parliament House
CANBERRA ACT 2600

Telephone: (02) 6277 3015
Facsimile: (02) 6277 3448
Email: approps@aph.gov.au

Internet: www.aph.gov.au

The Committee

The Standing Committee on Appropriations and Staffing, appointed under standing order 19, determines the amounts for inclusion in the parliamentary appropriation bills and reports to the Senate on its determinations prior to the Senate's consideration of those bills.

The Committee examines matters affecting the staffing and administration of the Department of the Senate, including proposals to vary the staffing structure, and other matters referred to it by the Senate. The Committee makes an annual report to the Senate on the operations of the Senate's appropriations and staffing and related matters (standing order 19(3)).

The Committee has the explicit capacity to scrutinise security funding and administration and to advise the President and the Senate as appropriate. Under a resolution of the Senate agreed to in 1987 the Committee also examines proposed changes in the structure and responsibilities of the parliamentary departments and, following the adoption by the Senate on 27 November 2012 of the recommendation in the Committee's 54th Report, the Committee may advise the President and the Senate on the administration and funding of information and communications technology services for the Parliament.

The Committee is chaired by the President and includes the Senate Leaders of the Government and the Opposition as *ex officio* members.

Secretary

(James Warmenhoven)

55th Report

Introduction

Standing order 19 (2) and (3) requires that the Committee determine the amount to be included in the parliamentary appropriation bill for the Department of the Senate.

Proposed Appropriations for 2013-14

The Committee notes that the Senate Department's 2013-14 appropriations have been calculated in accordance with current Commonwealth funding policy. Under this policy, the forward estimates reflect parameter adjustments and the effect of a 1.25% efficiency dividend, the cessation of funding for the Joint Select Committee on Gambling Reform during the year as well as additional funding for four agreed new policy proposals:

- the Parliamentary Joint Committee on Human Rights;
- legislative drafting to meet a higher demand for private senators' bills;
- enhanced publishing online; and
- the newly established Parliamentary Joint Select Committee on the Constitutional Recognition of Aboriginal and Torres Strait Islander Peoples.

The Committee acknowledges the additional funding for these new functions required to be undertaken by the Department.

The proposed appropriation has been calculated as follows:

Part 1 - Departmental Annual Appropriation

The current year's budget for departmental expenses
(as disclosed in the 2012-13 PBS)

\$21.141m

Effect of forward year and parameter adjustments/1.25% efficiency dividend +0.079m

Agreed budget measures:

Parliamentary Joint Committee on Human Rights (additional) +0.261m

Legislative drafting +0.161m

Enhanced publishing online +0.139m

Parliamentary Joint Select Committee on Constitutional Recognition
of Aboriginal and Torres Strait Islander Peoples +0.638m

Joint Gambling Reform Select Committee (funding ceased in 2013-14) -0.514m

Total departmental appropriation for 2013-14 \$21.905m

Part 2 – Accumulated Prior Year Appropriations, Operating Results and Capital Expenditure

Balance of prior year appropriations (estimate as at 30 June 2012) \$12.188m

Part 3 - Special Appropriations (senators' remuneration and entitlements)

Made up of the following components (for this and next year):

2012-13:

<i>Parliamentary Entitlements Act 1990</i>	\$ 0.736m
<i>Parliamentary Superannuation Act 2004</i>	\$ 1.606m
<i>Remuneration Tribunal Act 1973</i>	\$18.828m
<i>Commonwealth of Australia Constitution Act 1901</i>	\$ 1.111m
Total Special Appropriations for 2012-13	<u>\$22.281m</u>

2013-14:

<i>Parliamentary Entitlements Act 1990</i>	\$ 0.736m
<i>Parliamentary Superannuation Act 2004</i>	\$ 1.670m
<i>Remuneration Tribunal Act 1973</i>	\$19.128m
<i>Commonwealth of Australia Constitution Act 1901</i>	\$ 1.1111m
Total Special Appropriations for 2013-14	<u>\$22.645m</u>

The total appropriation to be approved by the Parliament in the appropriation bill for 2013-14 will be \$21.905m (compared to \$21.141m in 2012-13).

Special appropriations of \$22.645m will also be drawn down during the year (compared to an estimate of \$22.281m in 2012-13).

Determination

The committee determines that the total appropriation to be approved by the Parliament in the appropriation bill for 2013-14 is \$21.905m and reports to the Senate accordingly.

Transfer of information and communications technology services

The Committee notes that, as a result of the intended transfer of information and communications technology (ICT) services to the Department of Parliamentary

Services (DPS) to achieve the goal of a ‘one-stop shop’ in ICT services throughout Parliament House by 1 July, three employees currently employed in the Information Technology Systems Section of the Senate Department will be transferred to DPS with effect from 1 July 2013. It is expected that approximately \$500,000 in employee costs (principally for salaries) and a further \$82,000 in leave liabilities will need to be transferred to DPS.

In addition, work is underway to identify the assets, application licences and other support contracts that also will need to be transferred to DPS. The transfer of tangible resources such as computers and other ICT devices is relatively straightforward, but issues in relation to licences, software and applications under development – such as the Table Offices Production System (TOPS) and the Senate Committee Information Database (SCID) – are still to be worked through.

At this stage it appears that an initial amount of between \$300,000 to \$500,000 will need to be transferred to DPS to cover assets (depending on how software is treated) in addition to ongoing funding over the next three years of up to \$300,000 per annum (based on the average life of this type of equipment).

Therefore, it is currently estimated that an amount in the region of \$1 million per annum will need to be assigned to DPS from the Department’s budget for 2013-14 through to 2016-17.

Recommendation

The committee recommends that the Senate approve the transfer of the information and communications technology functions and resources of the Senate Department to the Department of Parliamentary Services in the terms outlined in this report.

Budgetary milestones

In consultation with the Government, the Presiding Officers have agreed on a process that goes some way in recognising the constitutional independence, in a budgetary context, of the two Houses of the Parliament and the Parliamentary administration which supports them. Following the internal process of developing the budget of the Department of the Senate each financial year, under this new process the President will now consult with the Minister for Finance and Deregulation prior to the consideration of the Department’s budget by the Expenditure Review Committee (ERC). The Finance Minister will have carriage of the Department’s budget through the ERC process on behalf of the President, and will then advise the President of the outcome of the ERC’s deliberations with respect to the Department’s budget.

This is an important step forward in recognising the constitutional independence of the Senate and the correct application of parliamentary procedure in the budget process.

To assist in the formalisation of this process, a list of milestones in the development of the Department’s budget has been compiled to assist the President in the consultations with the Finance Minister.

Given the budgetary cycle, the most suitable time for the President to initially consult with the Finance Minister would appear to be in late November, with detailed costings developed and agreed between the Senate and Finance in January. The Appropriations and Staffing Committee would be briefed on costings for new policy proposals in early February. A final submission on new policy proposals would be given to the President for transmission to the Government by the third week of February. The President would then brief the Finance Minister on the final proposal prior to the ERC meeting, with the President advised of the ERC decision prior to the presentation of the Appropriations (Parliamentary Departments) Bill in May.

The Committee welcomes this new approach and endorses the milestones set out above.

Senator the Hon John Hogg

Chairman

May 2013