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**THE LEGISLATIVE ASSEMBLY FOR THE
AUSTRALIAN CAPITAL TERRITORY**



GOVERNMENT SUBMISSION

STANDING COMMITTEE ON PUBLIC ACCOUNTS

**Auditor General's Report No. 5 of 2009 -
Administration of employment issues for staff of
Members of the Legislative Assembly**

**Presented by:
Jon Stanhope MLA
Chief Minister**

Introductory Comments

The Government agrees with the audit's general findings that improvements can be made in the overall administration of staff employed by Members of the Legislative Assembly.

However, the Government considers that the report does not effectively recognise the differences in the provision of corporate support services for Executive and non-Executive members. To assist the Committee, these differences are summarised below:

- the Chief Minister's Department provides tailored corporate support services for the Executive and their staff, including budget management, staffing, advice on employment conditions, travel arrangements, and facilitation of IT/communications requirements.
- Shared Services undertakes processing services for the Executive and their staff, including salaries, accounts payable and leave entitlements, consistent with the objective of achieving economics of scale in these high volume transactional activities.
- the Assembly Secretariat provides all corporate support services for non-Executive Members and their staff, including processing of salaries, accounts payable and leave entitlements.
- the differences in corporate support responsibilities provided by CMD and the Assembly Secretariat are reflected in the different staffing of the two corporate support units.

For the information of the Committee, the full range of activities undertaken by the Chief Minister's Department and Shared Services in the provision of support services to the Executive are detailed in Attachment A.

Of the Report's eight recommendations, the Government supports six, opposes one and notes one.

Recommendation 1

The Chief Minister's Department and the Secretariat should consider the merit of consolidating the processing of human resources functions within one organisational unit.

Government position

Not supported. Due to the political nature of the Legislative Assembly it would not be appropriate to consolidate administrative support for Executive and non-Executive staff into one area. The practice in the ACT Legislative Assembly reflects the practice across most Australian parliaments.

Recommendation 2

The Chief Minister's Department and the Secretariat should report regularly, say monthly, to Ministers and non-executive Members respectively on key areas of compliance within the employment framework, such as the lodgement of timesheets, seeking specific attention to any areas of non-compliance.

Government position

Supported. New procedures have been implemented to improve monitoring of the completion and submission of time sheets for the staff of the Executive. A quarterly compliance report is provided to the Chief Minister.

Recommendation 3

The Secretariat and the Chief Minister's Department should:

- (i) review the practice of paying termination benefits to MLA's staff at the end of each Assembly term;*
- (ii) clarify the circumstances under which staff employed under the LAMS Act should be eligible for a termination payment; and*
- (iii) incorporate results of the review into these matters when re-negotiating the MLA Staff Collective Agreement (the current Agreement nominally expires on 31 March 2010).*

Government position

Supported. Policies and guidelines will be reviewed and amended to clarify the circumstances under which staff employed under the *Legislative Assembly (Members' Staff) Act 1989* receive a termination payment.

The terms of this guidance will be subject to the outcome of upcoming enterprise agreement negotiations at which the Government will seek to clarify the wording of the entitlement of MLA staff to a termination benefit.

Recommendation 4

The Secretariat should:

- (i) inform staff that the deeming period does not apply to the staff of MLAs who retire on election day; and*
- (ii) disseminate this information in all relevant guidelines and general information.*

Government position

Noted. This recommendation is directed to the Assembly Secretariat.

Recommendation 5

The Secretariat and the Chief Minister's Department should use formal exit checklists to ensure that staff and employers are aware of the need to submit final timesheets, and attend to other matters prior to the end of employment.

Government position

Supported. Under new arrangements, staff now receive an exit checklist which must be completed and signed prior to the end of employment. Staff are required to verify the return of all assets and complete necessary documentation, including a final time sheet.

Recommendation 6

The Secretariat and, if necessary, the Chief Minister's Department should request Members to certify that volunteers are not performing the work of paid staff, or occupy vacant paid staff positions, as recommended by the Administration and Procedures Committee report of August 2004.

Government position

Supported. Although the Government does not currently engage volunteers, the audit findings have been incorporated into relevant policy documents in the event that volunteers are engaged in the future.

Recommendation 7

- (i) MLAs should ensure that volunteer engagement agreements are consistent with templated volunteer agreements that include relevant documents such as a copy of the Assembly's IT usage policy and a statement of the rights and responsibilities of managers and volunteers; and*
- (ii) The Secretariat should prepare guidance to assist MLAs in this issue.*

Government position

Supported. Although the Government does not currently engage volunteers, the audit findings have been incorporated into relevant policy documents in the event that volunteers are engaged in the future.

Recommendation 8

The Chief Minister's Department should:

- (i) advise Ministers' offices of the need to follow up missing leave applications as identified in this audit;*
- (ii) where necessary, arrange for the recovery of overpayments in salary and LAMS allowance from staff on leave; and*
- (iii) assist Ministers' offices to implement new procedures to ensure that leave recorded on executive staff timesheets is supported by an approved leave application and forwarded to Shared Services for processing through the Chief Minister's Department.*

Government position

Supported. New procedures have been implemented to improve monitoring of the completion and submission of leave applications for the staff of the Executive. A quarterly compliance report is provided to the Chief Minister.

Where necessary, overpayments made in the past have been recovered.

Corporate Services Provided to the ACT Executive

CMS&P

(1.2 FTE for Corporate Support)

HR Services provided to the Executive

- Ensure high level professional administrative support for the Executive
- Provide human resource advice and support to Ministers and their staff, including responsibilities under the Collective Agreement
- Perform administrative functions associated with staffing matters under the LA (MS) Act
- Draw up employment agreements
- Liaise with Shared Services Personnel re new staff, and existing staff related queries/advice
- Provide advice on entitlements at election time
- Compile starter kit for new staff
- Provide advice to SS Personnel on employment terms and conditions and entitlements for LAMS
- Provide advice to SS Personnel re Executive employment related matters
- Liaise with Personnel re salary discrepancies
- Liaise with Public Sector Management re LAMS CA and Rem Tribunal determinations and implement requirements

Finance

- Manage the Executive budget
- Provide monthly reporting to Ministers' Offices
- Undertake salary projections
- Draft Budget Initiatives
- Liaise with CMS Strategic Finance
- Manage procurement of goods and services for the Executive
- Process invoices and claims for payment
- Complete applications for credit cards
- Undertake acquittal of credit card statements

Other

- Arrange overseas and international travel/accommodation
- Facilitate IT requirements
- Manage Communications ie.desktop phones, mobiles, blackberry's TVs, DVD players and newspapers
- Manage Fleet vehicles
- Implement policy as it relates to the Executive
- Update contacts books and white pages entries
- Facilitate office furnishings
- Coordinate IT support through Customer Service Officer
- Manage lease renewals
- Liaise with SDO's re IT issues
- Rep Executive on Committees
 - OHS Committee
 - LAMS Consultative Committee
 - Emergency Planning Committee

Shared Services

HR Services provided to the Executive

- Process LAMS employment contracts
- Liaise with CMS&P re LAMS payment of salaries and allowances
- Liaise with CMS&P re Executive salaries
- Process pays for the Executive and their staff
- Process final payments to staff who have resigned
- Process terminations payments
- Provide reports to Shared Services Finance on accrued LSL and Annual Leave and superannuation
- Salary Packing
- Superannuation

Shared Services – Finance Pink Team

- Process accounts payable
- Process account receivable
- Reporting for the Financial Statements
- Management of FBT, GST, Journals, LSL/Accrued Rec Leave, Superannuation

General Finance

- Banking
- Credit cards

Other

InTACT

- Provide IT Support
- Manage leases for IT equipment
- Manage desktop phones
- Supply of blackberry's and mobile phones

CMD Strategic Finance

- Provision of financial services to the Executive including budgeting and financial reporting.