

CHAPTER 4

// Management and accountability

This chapter reports on the governance of the AAT, management of our human resources and our purchasing practices.

Corporate governance

In 2015–16, the AAT's structures, policies and practices contributed to sound corporate governance and management of the organisation.

Senior management

The President is responsible for ensuring the expeditious and efficient discharge of the AAT's business and for managing the Tribunal's administrative affairs. Division Heads assist the President by directing AAT business in their divisions. The Registrar assists the President in managing the AAT's administrative affairs and is:

- the accountable authority for the AAT under the *Public Governance, Performance and Accountability Act 2013*, and
- the Agency Head for the purposes of the *Public Service Act 1999*.

Senior Executive Service employees support the President, Division Heads and the Registrar to manage the Tribunal's operations.

The names of the AAT's senior leaders in 2015–16 and their areas of responsibility are detailed in Chapter 2.

The President and the Registrar were supported in carrying out their roles during the reporting period by a number of committees and groups. The Senior Leadership Group included the President, the Division Heads, the Registrar and the SES staff. The group met regularly throughout the year to review and provide advice in relation to matters that included caseload management, financial management, planning, stakeholder engagement and significant organisational developments. The Tribunal Executive Group, which comprises the Registrar and SES staff, met regularly to review and provide advice on corporate and operational management issues.

Several other committees and groups provided forums for consulting with members and staff during the year. They included the following key forums:

- Members' Leadership Group comprising the President, Division Heads, Deputy Division Heads, other Deputy Presidents and Senior Members with management roles and the Registrar
- National Consultative Committee, the peak staff consultative body, and
- Cross-Divisional Management Group and Principal Registry Management Group, which involve senior managers in the corporate and operational areas.

The Audit and Risk Committee and Workplace Health and Safety Committees supported the AAT's compliance with legislative and governance obligations.

Corporate planning

In 2015–16 we developed our first corporate plan, as required under section 35 of the Public Governance, Performance and Accountability Act. The Corporate Plan 2015–16 described our purpose, the environment in which we operate, and how we planned to measure our performance and achieve our goals. The Annual Performance Statement, an assessment of our performance against the measures in the plan, is in Chapter 3 of this report.

We also developed our Strategic Plan 2015–20 during the reporting year. This plan sets out four high-level strategies for achieving our vision and mission: to create an integrated, national Tribunal; to improve how we work and maximise our use of technology; to nurture relationships and partnerships; and to make the best use of our resources and build capacity.

These strategies informed operational planning and priorities during the year. Some of our key achievements in 2015–16 are noted in Chapters 1 and 3.

Risk management

During 2015–16, we had sound audit and risk management arrangements in place, including the Audit and Risk Committee.

The Committee's role is to provide independent assurance on the AAT's financial and performance reporting, risk oversight and management systems, and internal control systems. The Committee comprised an independent chair, two other independent members and two AAT representatives. Representatives from O'Connor Marsden and GS Corporate Services, who jointly provided internal audit services to the Tribunal during the reporting year, assisted and advised the Committee. Representatives from the Australian National Audit Office also attended meetings. The Committee approved a new charter and annual work plan in 2015–16 and provided independent advice to the Registrar on aspects of governance including audit, financial management, quality management, risk management and other compliance obligations.

During the year, the AAT's internal auditors undertook a number of audits, including:

- a business risk review, leading to the updating of our Risk Register and the development of a new internal audit plan for 2017 to 2019
- reviews of our business continuity and disaster recovery planning, and
- a review of the implementation of our payroll and leave system.

Internal audits of our finance and human resources areas were in progress at year's end.

Internal and external audit activities conducted in 2015–16 identified no significant issues. All issues identified were addressed by management and reviewed by the Audit and Risk Committee.

No instances of significant non-compliance with the finance law were reported to the Minister for Finance under paragraph 19(1)(e) of the Public Governance, Performance and Accountability Act in relation to the reporting year.

Other activities in 2015–16 related to identifying and managing risk included:

- developing a National Security Framework which sets out our approach to protective security management and establishing a Protective Security Committee for the amalgamated AAT to support and maintain an appropriate protective security environment and culture
- preparing an enterprise security risk assessment to inform suitable physical security design principles and standards for incorporation into design plans at all new fit-outs
- revising and updating national security procedures to reflect security features included in new co-located fit-out, and to ensure consistency following amalgamation, and
- conducting a comprehensive review of our information communications technology environment and systems to support compliance with government standards and to identify information security risks.

Fraud control

We are committed to preventing, detecting and dealing with fraud in relation to our operations. We had in place an appropriate fraud control framework in 2015–16, including revised arrangements for reporting and investigating fraud in the amalgamated AAT. An eLearning package provided members and staff with information on recognising and reporting incidents of fraud. We will review our fraud control plan in 2016–17.

CERTIFICATION OF AAT FRAUD CONTROL ARRANGEMENTS

I, Sian Leathem, certify that the AAT:

- has prepared fraud risk assessments and fraud control plans
- has in place appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud that meet the specific needs of the AAT, and
- has taken all reasonable measures to deal appropriately with fraud relating to the AAT.



Sian Leathem

Registrar

28 September 2016

Maintaining ethical standards

Rules and standards relevant to ethical conduct, such as the APS Values, Code of Conduct and Employment Principles, are incorporated into our policies, guidelines and instructions.

The enterprise agreement in force in 2015–16 included a commitment that all staff accept a responsibility to contribute to AAT outcomes by adhering to and promoting the Values and Code of Conduct. Training relating to the Values and the Code of Conduct formed part of our induction process in 2015–16. All new staff were given a copy of the Values, Code of Conduct and Employment Principles as well as relevant excerpts from the *Crimes Act 1914* and the Australian Privacy Principles, and were required to sign a statement confirming they had read and understood them.

During 2015–16, we developed a Conduct Guide for AAT Members for the amalgamated Tribunal which provides guidance on appropriate conduct and professional behaviour for members in their professional duties and their private conduct as it affects those duties.

Management of human resources

Our members and staff are integral to carrying out our role effectively. We aim to create a workplace that supports our members and staff in providing high-quality services that meet the needs of users.

Staffing overview

Following the merger of the Migration Review Tribunal, the Refugee Review Tribunal and Social Security Appeals Tribunal with the AAT, the number of staff employed by the AAT under the Public Service Act increased significantly: from 157 at 30 June 2015 to 530 at 30 June 2016. The number of staff at the end of the reporting period includes 19 staff engaged in the work of the Immigration Assessment Authority.

Table 4.1 shows the number of ongoing and non-ongoing APS employees on 30 June 2015 and 30 June 2016 by job classification, employment status, gender and location. It also contains information about the number of AAT staff who identify as Indigenous, from a non-English speaking background and as a person with disability. A more detailed breakdown of staffing at 30 June 2016 by job classification, registry and gender is in Appendix 2.

Table 4.1 Workforce profile^a

	AT 30 JUNE 2015			AT 30 JUNE 2016 ^b		
	Ongoing	Non-ongoing	Total	Ongoing	Non-ongoing	Total
Job classification						
APS Level 1	0	0	0	1	0	1
APS Level 2	0	10	10	9	19	28
AAT Broadband 3/4	39	39	78	176	70	246
APS Level 5	7	1	8	52	4	56
APS Level 6	17	5	22	87	5	92
Executive Level 1	8	4	12	51	4	55
Executive Level 2	21	4	25	38	8	46
SES Band 1	2	0	2	6	0	6
Total	94	63	157	420	110	530
Employment status						
Full-time	79	36	115	350	74	424
Part-time	15	2	17	70	11	81
Irregular/intermittent	0	25	25	0	25	25
Total	94	63	157	420	110	530
Gender						
Female	60	44	104	265	70	335
Male	34	19	53	155	40	195
Total	94	63	157	420	110	530
Location						
New South Wales	30	16	46	213	39	252
Victoria	16	6	22	129	28	157
Queensland	24	17	41	38	17	55
South Australia	9	5	14	17	7	24
Western Australia	8	8	16	13	10	23
Tasmania	1	4	5	3	4	7
Australian Capital Territory	6	7	13	7	5	12
Total	94	63	157	420	110	530
Equal employment opportunity data^c						
Indigenous	1	0	1	7	0	7
Non-English speaking background	28	16	44	103	19	122
People with disability	2	1	3	10	3	13

^a These figures include all ongoing and non-ongoing staff. Staff on long-term leave (of greater than three months) or on temporary transfer to another agency are not included. If they have been replaced, the replacement staff are included.

^b These figures include the Immigration Assessment Authority Senior Reviewer and Reviewers, and staff made available to assist the Immigration Assessment Authority.

^c These figures are based on information voluntarily provided by staff.

We employ staff around Australia and have a diverse staffing profile. Sixty-three per cent of our APS employees are women with strong representation across all classification levels. Twenty-three per cent of our staff identify as being from a non-English speaking background.

In 2015–16, we increased our focus on workforce planning, allocating a position dedicated to the activity. We investigated workforce planning strategy and practice, reviewed staffing data in our HR systems and started to develop an AAT Workforce Plan which will be finalised in 2016–17. The plan is designed to develop the capabilities of our staff as we merge workforce planning practices with business continuity planning. Workforce development initiatives will centre on providing workforce planning support and tools to managers to integrate this activity with annual planning, effective performance management, recruitment and retention, leadership and talent management and enhanced learning and development programs.

Employment agreements and arrangements for AAT staff

During 2015–16, the majority of our APS employees were covered by the AAT's enterprise agreement, the *Administrative Appeals Tribunal Agency Agreement 2011–2014*. The agreement came into force on 29 August 2011 and nominally expired on 30 June 2014. Bargaining for a new enterprise agreement began in July 2014 and continued in 2015–16 with a committee comprising management and staff representatives for the amalgamated AAT.

Table 4.2 shows the number of APS employees covered by the AAT's enterprise agreement and by individual employment arrangements at 30 June 2016, as well as the salary ranges available to AAT staff in 2015–16, by classification level.

Consistent with the requirements of the *Public Service Regulations 1999* relating to machinery of government changes, the salaries of APS employees who moved to the AAT from the MRT, RRT and SSAT were maintained where they were above the salary ranges of the AAT enterprise agreement. These maintained salaries are reflected in the table below.

Table 4.2 Salary range and employment arrangements

JOB CLASSIFICATION	SALARY RANGE ^a	ENTERPRISE AGREEMENT	INDIVIDUAL FLEXIBILITY AGREEMENT ^b	AUSTRALIAN WORKPLACE AGREEMENT	SECTION 24(1) DETERMINATION
APS Level 1	\$42,745–48,635	1	0	0	0
APS Level 2	\$48,374–55,389	28	0	0	0
AAT Broadband 3/4	\$57,282–70,208	246	0	0	0
APS Level 5	\$68,491–74,956	56	0	0	0
APS Level 6	\$74,196–87,745	92	0	0	0
Executive Level 1	\$93,976–119,577	54	2	1	0
Executive Level 2	\$112,527–135,472	45	5	1	0
SES Band 1	\$144,929–188,000	2	0	0	4
TOTAL		524	7	2	4

^aSalary ranges include salaries maintained under machinery of government arrangements.

^bStaff with individual flexibility arrangements were also covered by the enterprise agreement.

Senior Executive Service employee remuneration

Remuneration for the AAT's Senior Executive Service employees was determined having regard to the remuneration for SES staff in similar Australian Government agencies. The remuneration package allowed the occupant to cash out certain items in accordance with common Australian Government practice.

Performance pay

The AAT did not have a performance pay or bonus system for any staff in 2015–16, nor did it pay a performance bonus to any staff.

Non-salary benefits

Non-salary benefits available to staff in 2015–16 under the enterprise agreement included:

- three days of paid leave between Christmas Day and New Year's Day, other than for essential front-line staff who maintained basic registry functions
- two weeks of paid maternity/parenting leave in addition to the legislated minimum
- access to our Studies Assistance Scheme
- ability to participate in a Transport Loans Scheme, and
- health and wellbeing benefits such as assistance for group or individual participation in health and fitness activities, the Employee Assistance Program, eyesight testing and flu vaccinations.

Following amalgamation, a number of non-salary benefits available to staff of the MRT, RRT and SSAT were maintained by determinations made by the Registrar under subsection 24(1) of the Public Service Act.

These included:

- continuing approved individual study assistance arrangements until the completion of studies
- granting maternity and parental leave in line with the terms and conditions applying to MRT, RRT and SSAT employees where approval was granted before amalgamation for leave to commence on or before 30 September 2015, and
- access to miscellaneous leave of up to 2.75 days for former MRT and RRT staff, and 1.5 days for former SSAT staff.

Developing our members and staff

Learning and development are a priority for the AAT. In 2015–16, we delivered a wide range of activities to meet the needs of members and staff and to strengthen the capability of the amalgamated AAT. We routinely sought feedback from participants to evaluate the effectiveness of training and development initiatives.

Major professional development activities

Major professional development activities undertaken during 2015–16 supported the strategic goals of creating an integrated, national organisation, and building capacity.

Leadership development for SES, Executive Level and APS Level 6 staff was identified as a priority. Current and emerging leaders were selected to participate in programs offered by a number of providers, including the Attorney-General's Department, the Australia New Zealand School of Government and the Queensland University of Technology. Staff and senior managers also engaged in a mentoring program over a six-month period.

Another key activity in the reporting year was the AAT National Conference, held from 23 to 25 May 2016. The conference provided the first opportunity for members and senior staff to come together as the amalgamated Tribunal. The focus was on professional development relevant to work in all divisions, including topics such as statutory interpretation, assessing credibility and managing change and stress in the workplace.

Member professional development

In 2015–16, the AAT developed a revised Member Professional Development Program for the amalgamated Tribunal. The Member Professional Development Advisory Group was established to advise on and support the program.

A formal induction program was conducted for two groups of new members and individual programs were arranged for some new members in the reporting period. The induction program included a comprehensive introduction to the AAT, our key jurisdictions, structure and operations. The program was complemented by specific divisional induction activities. New members were paired with an experienced mentor.

Members attended a range of in-house professional development sessions during 2015–16 as well as external seminars, workshops and other professional activities, including conferences arranged by the Council of Australasian Tribunals.

Conference registrar professional development

Our Conference Registrar Professional Development Program is based on a framework of competencies specific to the AAT and includes induction, mentoring, reflective learning, peer review and performance appraisal. Professional development activities in 2015–16 focused on developing skills to deal with increasing numbers of self-represented parties with multiple disabilities or other indicators of disadvantage, as well as exploring new pathways for the use of early case assessment and alternative dispute resolution techniques across the divisions. Access to continuing professional development assisted conference registrars in meeting the requirements for remaining accredited under the National Mediator Accreditation System.

Staff learning and development

Learning and development for staff during 2015–16 sought to meet the diverse learning needs of individuals and teams. Staff undertook a range of activities that included in-house learning as well as seminars and workshops delivered by external providers.

Activities designed to support the amalgamation of the tribunals and, in particular, to equip staff in registries to process applications and interact with parties and representatives in all types of reviews, were a key focus during the year. Workshops on dealing with difficult behaviours and building assertiveness assisted staff in the transition to the amalgamated AAT.

Training opportunities were offered in a wide range of other areas, including innovation, project management, records management, software skills training and stakeholder presentation and facilitation.

A training needs analysis was undertaken during the reporting period which informed the identification of future priority areas. The AAT induction program for new staff was revised and incorporated into a fully online learning format.

Our Studies Assistance Scheme provided ongoing and certain non-ongoing staff with access to financial support and/or study leave to develop their own capability, and that of the AAT, through vocational and tertiary education. During the reporting year, 20 employees accessed support for studies in areas such as communications, government, law, management and public policy.

Staff performance management program

The AAT's Performance Management Program requires staff to have performance agreements which also address training and development needs. Appraisals were conducted in 2015–16 in accordance with the performance management guidelines. Salary advancement was linked to performance. Work continued during the year on developing a revised performance management framework.

Workplace diversity

We are committed to being an organisation that recognises, respects and supports employees from diverse backgrounds. We developed the Workplace Diversity Plan 2016–17 which will help us continue to build an organisation that reflects diversity in the Australian community and maximises the opportunities and knowledge a diverse workforce can offer.

Other activities undertaken during 2015–16 included the purchase of an online training course to promote Indigenous cultural awareness and an understanding of the benefits of diversity in the workplace. We also participated in a number of activities relating to the Australian Public Service Commission Indigenous Pathways Graduate Program, and recruitment activities for this program will continue into 2016–17. Harmony Day and NAIDOC week events occurred in state offices.

Work health and safety

We are committed to providing and maintaining a safe and healthy work environment through cooperative, consultative relationships. We are also committed to introducing and promoting measures for ensuring the health, safety and welfare of all employees.

Three Work Health and Safety (WHS) Committees were formed for the amalgamated AAT during the reporting year to cover all offices. Each committee is comprised of a management representative, a full-time member representative, a staff representative and a WHS coordinator. The committees held combined meetings.

In 2015–16, the WHS committees and WHS coordinator undertook a number of reviews to accommodate changes to the amalgamated structure and reporting arrangements to ensure continued compliance with the *Work Health and Safety Act 2011*. A review of the overall AAT Work Health and Safety Policy encompassed standardised reporting for WHS, harassment, hazard and security incidents as well as First Aid provision and resources. Initiatives stemming from this review included updating procedures for incident response, and making a minimum of two financially-supported and trained First Aid Officers available to members and staff in each location (except Hobart). Online training in WHS, developed by Comcare, was made available to members and staff via the intranet. WHS awareness was incorporated into member and staff inductions in 2015–16.

Health and wellbeing initiatives undertaken in 2015–16 included approximately 350 workstation assessments in all locations and related follow-up actions, providing operator adjustable sit/stand workstations, 333 flu vaccinations, and an audit of emergency evacuation drills and emergency warden training. Other health and wellbeing initiatives included making employees aware of the Employee Assistance Program, as well as reimbursing eyesight testing and group sporting activity costs.

Notifiable incidents and investigations

One notifiable incident arising out of the conduct of the AAT's business and resulting in serious injury or illness of a person was required to be reported to Comcare in 2015–16 under the Work Health and Safety Act. No investigations were conducted in relation to the AAT during the reporting year and no notices were given to the AAT under Part 10 of the Work Health and Safety Act.

Compensation

The AAT continues to have a low number of accepted compensation claims over time, as shown in Table 4.3 on the next page.

Table 4.3 Trends in compensation claims, 2013–14 to 2015–16

	2013–14	2014–15	2015–16
Number of claims accepted	4	0	0

Workplace harassment

The AAT's commitment to preventing and eliminating all forms of harassment in the workplace was set out in the Prevention and Elimination of Workplace Harassment policy which articulates our expectations of members, managers and staff in preventing and dealing with workplace harassment. Seven Workplace Harassment Contact Officers, including one member, were available to members and staff during 2015–16.

Productivity gains

The amalgamation of the AAT with the MRT, RRT and SSAT provided an opportunity to review our operations and identify ways in which we could streamline our procedures to deliver efficiencies. We consolidated the corporate functions delivered by the Principal Registry in the first half of the year. We also took the first steps towards integrating registry operations, establishing an integrated front-of-house team in our new single location in Sydney, and streamlining management of registry operations in Perth. Integrating registry services will be a priority for the AAT in 2016–17.

Purchasing

The AAT's procurement policies and practices reflect the principles and requirements in the Commonwealth Procurement Rules. Our Accountable Authority Instructions and other guidance material supported staff with purchasing duties to secure value for money, encourage competition, ensure the efficient, effective, economical and ethical use of government resources, provide accountability and transparency, and ensure compliance with other Australian Government policies.

In relation to major purchases and contracts, open tender or prequalified tender processes were employed unless the procurement purchase was covered by a mandatory whole-of-government arrangement or a limited tender was appropriate in the particular circumstances. For purchases and contracts below the mandatory tender threshold, at least three quotes were generally required, together with an assessment of the need justifying the purchase request and an analysis of why the selected quote would achieve value for money.

We support small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance's website: www.finance.gov.au/procurement/statistics-on-commonwealth-purchasing-contracts. We supported small business participation by utilising the Commonwealth Contracting Suite for low-risk procurements valued under \$200,000, by communicating in clear, simple language, by presenting information in accessible formats and by using electronic systems to facilitate on-time payment of invoices.

Consultants

The AAT uses consultants where there is a need for independent research or assessment, or for specialist knowledge or skills that are not available within the AAT. Any decision to engage a consultant is made after considering the skills and resources required for the task, internal capacity and the cost effectiveness of contracting an external service provider. Consultants are selected in accordance with the Commonwealth Procurement Rules and relevant internal policies. Consultants were engaged in 2015–16 to investigate issues, carry out independent reviews and evaluations and provide independent advice, information and solutions to assist in our decision-making.

During 2015–16, 16 new consultancy contracts were entered into involving total actual expenditure of \$238,749. In addition, eight ongoing consultancy contracts were active during the period, involving total actual expenditure of \$330,107. Expenditure on consultants in the amalgamated AAT during 2015–16 was approximately \$55,000 less than the combined expenditure on consultants of the AAT, MRT, RRT and SSAT during 2014–15.

Table 4.4 sets out the AAT’s total actual expenditure on all consultancies in the three most recent reporting years.

Table 4.4 Total actual expenditure on consultancy contracts, 2013–14 to 2015–16

	2013–14	2014–15	2015–16
Total actual expenditure (incl GST)	\$241,387	\$293,963	\$568,856

Reporting on purchases

Purchases were gazetted as required. Details of all contracts of \$100,000 or more that were current in the most recent calendar or financial year were available on the AAT’s website in accordance with the Senate order on agency contracts.

There were no contracts of \$100,000 or more let in 2015–16 that did not include a clause providing for the Auditor-General to have access to the contractor’s premises.

There were no contracts of more than \$10,000 (including GST) or standing offers exempt from being published on the AusTender website on the basis that they would disclose exempt matters under the *Freedom of Information Act 1982*.

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.

