



ACT AUDITOR-GENERAL'S OFFICE



MEDIA RELEASE

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PERFORMANCE AUDIT REPORT

ADMINISTRATION OF EMPLOYMENT ISSUES FOR STAFF OF MEMBERS OF THE LEGISLATIVE ASSEMBLY

The ACT Auditor-General, Mrs Tu Pham, has today presented a Performance Audit report titled **Administration of employment issues for staff of Members of the Legislative Assembly**, to the Speaker of the ACT Legislative Assembly.

As at May 2009, there were 67 full-time employees engaged by the Members of the ACT Legislative Assembly (MLAs). These staff provided support, assistance, and advice to the individual MLAs to assist them in discharging their duties to the ACT community.

Staff were engaged under the *Legislative Assembly (Members' Staff) Act 1989* (LAMS Act). Employment conditions are detailed in a collective agreement for MLA staff. This legislation, and the working environment of the Legislative Assembly, created an employment framework that is, in many respects, different to the general public sector environment. This raises a number of risks in its implementation.

The audit examined issues relating to termination payments to MLAs' staff, use of volunteers by the MLAs, and management of attendance and leave records of MLAs' staff.

Audit conclusions and key findings

The employment framework, policies, procedures, and guidelines for the engagement of MLAs' staff were generally sound. However, the implementation of these procedures and practices needs improvement to address a number of deficiencies. In particular:

- All MLAs including Ministers are the employers, but they or their nominated supervisors have not always supervised staff compliance with legal and procedural requirements. With compliance not effectively monitored, breaches of employment conditions may be neither detected nor remedied.
- At the end of the 6th Assembly, 35 staff were paid termination payments totalling \$469 706. The justification for termination payments to MLAs' staff at the end of each Assembly needs review and reconsideration. Indeed, the Collective Agreement appeared to prevent termination payments to employees with a fixed employment term when the fixed period has expired.
- MLAs' staff were employed under fixed term contracts, and therefore should not be eligible for a termination payment at the end of Assembly terms. Some staff who

received termination payments returned as volunteers early in the 7th Assembly, and were subsequently employed as MLAs' staff.

- Some non-executive MLAs engaged volunteers. When former staffers resumed work in an MLA's office as volunteers, it was possible that they were replacing paid staff. This practice was contrary to the volunteer engagement agreement conditions, recommended by the Assembly's Administration and Procedure Committee. Further, an effect of former staff being re-engaged as volunteers for the period covered by termination benefits is to shift salary costs from MLAs to the Assembly.
- Executive and non-executive staff were required under the Collective Agreement to record their attendance. This is normally done through completion and submission of timesheets. During the period from July 2007 to February 2009, the submission rates for timesheets ranged from 57 percent to 80 percent. This may lead to errors in leave balances, with subsequent overpayments in salary and final entitlements.
- For the period from 1 July 2007 to 18 February 2009, Ministers' staff recorded 39 days leave in their timesheets that were not deducted from their leave balance records held by the Shared Services Centre. The failure to account for leave taken amounts to obtaining a benefit to which the employee is not entitled.
- Staff of three retiring Members of the 6th Assembly were overpaid a total of \$15 125, based on a misunderstanding regarding their entitlements.
- The administration of staff entitlements and other personnel services to MLAs' staff were provided by separate organisational units- the Chief Minister's Support and Protocol Unit in the Chief Minister's Department (also through Shared Services) for executive staff; and the Legislative Assembly Secretariat for non-executive staff. There is merit in consolidating the human resources services for all MLAs' staff in one organisational unit for greater efficiency and consistency.

Recommendations

The audit made eight recommendations to address the issues raised. Parties responding to the audit report agreed, or agreed in principle, with all recommendations with the exception of Recommendation 1.

Further Information

For further information, please contact Rod Nicholas, Director of Performance Audits and Corporate Services on 62070827. Copies of the report are available from the ACT Auditor-General's Office (Level 4, 11 Moore Street, Canberra City) and from its website, www.audit.act.gov.au.