Summary

Contents >> Section VI - How the ABS operates >> Chapter 18 - ABS corporate governance

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Introduction

ABS corporate governance arrangements ensure transparency in decision making, operation and accountability, by promoting strong leadership, sound management and effective planning and review processes.

The Office of the Statistician has an important role as a focal point for ABS corporate governance. It supports the effective operation of governance forums, ensures that the ABS operates within the scope of its authority and legislative basis, and manages ABS audit, review and risk management activities.

Key ABS corporate governance mechanisms include:

- a planning cycle to ensure that the ABS work program reflects current and emerging statistical priorities of users, and is consistent with the ABS mission and overall strategic directions
- senior management committees involved in developing policies and strategies, identifying priorities and monitoring ABS activities
- advisory bodies and user groups, which enable the ABS to consult widely with the user community in relation to the ABS work program
- an audit and review program covering the different facets of ABS operations, overseen by the Audit Committee
- a risk management framework to assist in identifying and managing risks at organisational, operational and project level, and
- instructions and manuals to ensure staff have access to ABS policies and practices.
ABS Values

Underlying these mechanisms are the Australian Public Service and ABS values, which are the basis for the ethical standards for ABS employees.

As an Australian Public Service agency, ABS employees are required to abide by the APS Values and the Code of Conduct. In addition, the ABS Corporate Plan sets out values specific to the ABS, which is essential to the ABS’ role as an independent provider of information for Australia.

These values are promoted through training courses and awareness-raising. They are used as a reference for the actions and decisions of all ABS staff.

The ABS values are:

- integrity
- service
- professionalism
- relevance
- trust of providers, and
- access for all.

For more information on ABS values see Chapter 19 Management of human resources.

Senior management committees

An important feature of ABS corporate governance is the role played by senior management committees, which are active in developing policies and strategies, identifying ABS priorities, ensuring appropriate planning and implementation to address those priorities, and effective monitoring of ABS activities. The major senior management committees are outlined below.

Division Heads Meeting

Division Heads Meetings (DHMs) are the ABS executive meetings, held weekly, to address emerging corporate issues. They are attended by the Statistician, the Deputy Statisticians, and the First Assistant Statisticians, with other attendees as required for particular items. Branch heads and regional directors provide regular reports on their functional area of responsibility to DHMs.

ABS Management Meeting
The Management Meetings play a major role in determining ABS strategic directions, priorities and resource allocations. They involve all members of the DHMs, as well as all the regional directors. The Management Meeting is held twice each year, and discusses the ABS forward work program, as well as a range of other strategic issues. Each division and group details their strategic directions annually to the Management Meeting.

**Accountability Division Heads Meeting**

Accountability Division Heads Meetings (Accountability DHMs) provide a forum for reviewing the ABS' financial position. They also play an important role in the planning cycle, providing the opportunity for senior managers to discuss work program priorities within the broader budgetary context, and reach agreement on allocation of funds.

Accountability DHMs are scheduled four times each year and are chaired by the Australian Statistician. Other members are the DHM members and the ABS Chief Financial Officer.

**Audit Committee**

The ABS Audit Committee provides assurance to the Australian Statistician that a comprehensive control framework is in place and working effectively for all business systems; the operation and management of all ABS systems are sufficiently adequate to ensure the ABS complies with all its legislative and other obligations; and externally published information generated by these systems is of appropriate quality and conforms with legislative and other obligations. The committee identifies significant issues of concern or non-compliance.

The ABS Audit Committee is chaired by a Deputy Australian Statistician, and comprises four other ABS officers chosen for their personal qualities, experience and skills, including their ability to demonstrate independence on matters before the committee. Throughout 2006–07, the committee also included two experienced external members.

The Audit Committee meets four times each year and reports to the executive meetings as appropriate.
Human Resources Division Heads Meeting

Human Resources Division Heads Meetings (HR DHM) provide a forum for members to actively contribute to strategic directions for human resources and guide human resource management practices to ensure the achievement of ABS goals.

Members of the HR DHM undertake a governance role in respect to people strategies by:

- providing assistance in determining human resource priorities
- monitoring progress on significant strategic human resource projects, and
- identifying human resource opportunities, issues and risks.

A wide range of matters have been considered at HR DHMs, including workforce planning, learning and development, workplace diversity, occupational health and safety, remuneration and recruitment.

HR DHMs are scheduled twice each year and are chaired by the Australian Statistician. Other members include all DHM members, a nominated regional director, the Assistant Statistician, Human Resources Branch, the Assistant Statistician, Corporate Support Branch, and an external member. The external member has extensive public service management experience.
Protective Security Management Committee

The ABS maintains a comprehensive security framework, overseen by a Protective Security Management Committee, chaired by a Deputy Australian Statistician. This security framework ensures that both physical and computer security are maintained. The committee is a key means of ensuring that the ABS meets its legal requirement not to divulge identifiable information.

Information Resources Management Committee

The Information Resources Management Committee considers matters of strategic significance concerning data and information management, related policy, and major issues relating to the application of information and communication technology in the ABS. It also has responsibility for the strategic management of cost recovery activities of the information technology and technology services areas of the ABS. The committee meets four times each year, and reports to each Management Meeting and the DHM, as appropriate.

In 2006–07, the committee was chaired by the Deputy Australian Statistician, Economic Statistics Group, and consisted of the Deputy Australian Statistician, Population and Social Statistics Group, all First Assistant Statisticians, a nominated regional director, and selected Assistant Statisticians.

Planning

The ABS mission statement and corporate plan provide the context and high-level framework for making decisions on the ABS' forward work program.

While much of the ABS work program remains constant from year to year, the planning process requires the ABS to examine the environment in which it is working and identify future statistical needs. Through the planning process, the ABS considers how it can best meet emerging needs with its finite human and financial resources.

Within this framework, the annual ABS planning cycle structure comprises a series of high-level meetings and forums, where senior managers formally and extensively consider the relative priorities and competing resource requirements of program components. In doing this, particular attention is given to:

- input from user consultations
- the extent to which particular statistical activities continue to be justified in relation to other work for which a demand has been expressed by users
- the contribution statistical activities make to meeting National
Statistical Service objectives
- the cost imposed on respondents to collections, in terms of time and effort
- prospective total resources available to the ABS within the next triennium
- the market potential and revenue implications of the various initiatives proposed
- productivity gains that have been achieved or may be possible to achieve in the future, and
- the relative share of resources spent on statistical and non-statistical work.

Aspects of the proposed forward work program and resource estimates that emerge are considered by the Australian Statistics Advisory Council (ASAC). The statistical work program is then finalised, incorporating the advice provided by ASAC.

The forward work program is published every year in hard copy, and is also available on this site.

Audit and risk management

The ABS Risk Management Framework and Guidelines provide a mechanism for monitoring and identifying shifts in the risk exposure and the emergence of new risks.

ABS senior management are closely involved in monitoring and managing enterprise risks. These are risks that are strategic in nature and have the potential to significantly impact on the organisation.

At the operational level, the program of facilitated risk management workshops for key areas continued, to ensure that risk assessments for these areas were applied consistently. These workshops assist program directors to ensure that risks that have the potential to impact on a program’s objectives are appropriately identified and managed.

The management of project risks is largely facilitated through the inclusion of risk management templates in the ABS Project Management Framework. Project managers are responsible for identifying and managing risks at the project level.

During 2006–07, the ABS participated in the Comcover Risk Management...
Benchmarking exercise and the Comcover Risk Management Assessment Service. The results of both activities will help provide direction to guide the ABS’ approach to risk management in the future.

A work program of internal audits, endorsed by the Audit Committee and DHM, is developed annually to address performance, compliance and risk management issues. The internal audits are undertaken by an external audit provider. A complementary program of internal reviews of efficiency and effectiveness is also carried out annually by internal reviewers.

Internal audits undertaken during 2006–07 were in the areas of information technology training, procurement/tendering, project management, intellectual property policy, availability management of information technology systems, recruitment, pricing and business continuity.

There were two strategic reviews finalised in 2006–07 that will guide ABS directions in the future. A review of human resource processes and systems identified a need to rationalise and implement a new information technology system, which will incorporate payroll, human resource reporting and recruitment processes. A project team is scoping this proposal.

Another review was undertaken to map the **Financial Management and Accountability (FMA) Act 1997** requirements to the ABS’ control framework, to identify any areas where attention was needed to ensure FMA compliance. The review gauged the ABS’ position prior to the introduction of a new Certificate of Compliance process.

The external audit provider finalised a review to map the requirements of the FMA Act to the ABS’ control framework, and to identify any areas where attention was needed to ensure FMA compliance. The results from this review will assist in identifying appropriate audits for future internal audit programs.

**Fraud control**

As required by the Commonwealth Fraud Control Guidelines, the Australian Statistician has certified that the ABS has prepared appropriate fraud risk assessments and fraud control plans, and has in place appropriate fraud prevention, detection, investigation, reporting and data collection procedures and processes that meet the specific needs of the ABS and comply with the guidelines.

**Security of premises**
The ABS relies on the trust and confidence of data providers to operate effectively and to fulfil the ABS mission statement.

The security of ABS premises and information technology environment is one aspect of maintaining that trust and confidence and is key to minimising risks in a number of areas, including fraud.

All ABS premises are physically secured against unauthorised access. Entry is through electronically controlled access systems activated by individually coded access cards, and monitored by closed circuit television. Particularly sensitive output data are subject to further physical security measures.

The ABS computer network has a secure gateway which only permits connection to some internet services. The secure gateway has been established in accordance with Australian Government guidelines and is subject to annual accreditation by the National Communications and Computer Security Advisory Authority, Defence Signals Directorate.

Internal access to ABS computing systems is based on personal identifiers that are password protected. Specific databases are only accessible to approved users. The computer systems are regularly monitored and usage audited. In 2006–07, there were no unauthorised computing systems access incidents.

Additional access control systems are used to protect any data designated to be sensitive. Access to sensitive data is only granted under the authority of area line management on the basis that access is required by the staff member to carry out their duties.

Included in the ABS strategic audit plan is an ongoing program of security audits and reviews of computer systems and the physical environment.

External scrutiny

The ABS is subject to external scrutiny from a range of bodies. These include ASAC, and other advisory groups, which comment on the ABS work program. For more information see Chapter 2 Overview of the ABS.

There are a range of bodies established by the Australian Government that can examine the operations of the ABS. In 2006–07, the ABS assisted in providing information to the Australian National Audit Office (ANAO), the Commonwealth Ombudsman and parliamentary committees.

ABS assistance with ANAO studies is detailed below and ABS freedom of information obligations are discussed in Appendix 5. Information on
submissions made to parliamentary committees, and documents tabled in Parliament by the ABS are available in the online appendix, outlined in Appendix 6.

In 2006–07, there were no adverse comments relating to the ABS from the ANAO, the Commonwealth Ombudsman, parliamentary committees, or courts or tribunals.

Auditor General

While no ANAO audits focused individually on the ABS in 2006–07, the ABS participated in two ANAO studies; Contracts for Labour Hire in the Australian Public Service, and Superannuation Payments for Contractors Working for the Australian Government.

The ABS was one of eight agencies selected to participate in the ANAO follow-up audit Superannuation Payments for Contractors Working for the Australian Government. The aim of the audit was to determine the extent to which the selected agencies had implemented the two recommendations from the previous audit. The ANAO concluded that, overall, the agencies selected had largely implemented the recommendations.

With regard to the ABS, the ANAO considered that the ABS’ administrative arrangements reflected its low level of exposure to paying superannuation for contractors. It recommended that the ABS seek advice from the Australian Taxation Office about its liability to pay superannuation for a particular contractor identified in the audit.

Privacy

As an Australian Government department the ABS must comply with the Privacy Act 1988, and the associated Information Privacy Principles, which govern the way personal information should be collected, stored, used and disclosed. These obligations cover information on staff, clients and respondents. They are in addition to the protection of confidentiality of data provided by respondents from the Census and Statistics Act 1905. For more information see Chapter 11 Provider/respondent relationships.

The ABS has a privacy officer who, providing the perspective of a privacy advocate, advises on privacy issues internally, and monitors the external environment to keep up to date on privacy issues that could impact upon ABS operations.
The ABS maintains a close relationship with the Office of the Federal Privacy Commissioner (OFPC), advising the commissioner regularly of the ABS forward work program, attending OFPC quarterly privacy officer network meetings, and seeking advice on any new ABS initiatives about which privacy advocates may have concerns. Every year the ABS contributes to the commissioner’s Personal Information Digest, which is published to inform the general public of the types of personal information that government departments hold.

On 15 January 2007 the ABS provided a submission to the Australian Law Reform Commission (ALRC) in response to their Issues Paper: Review of Privacy, which was issued in October 2006. On 16 March 2007 officers from the ABS, including Deputy Australian Statistician Susan Linacre, met with representatives of the ALRC to discuss the ABS’ submission to the review.