



corporate services



The Corporate Services Division provides administrative and operational support to the Australia Council and its staff. The Australia Council is responsible for its own administration, subject to the *Australia Council Act 1975* and requirements applying generally to statutory authorities.

The Division is responsible for the development and administration of an efficient system of financial planning and control, the fair and effective management of human resources, the provision of information technology, services and the accounts, records and physical resources of the Australia Council.

FINANCE AND SERVICES

Finance and Services provides advice to Council on financial policy and procedures and the optimal use of its financial and physical resources. It comprises three major areas: Finance, Services and Central Records.

Finance

The Australia Council's main source of funds is its annual appropriation from the Commonwealth Government which covers both support for the arts and administration. Council's secondary source of funds comes from previous

year returned grants, interest earned on investing Commonwealth funds, proceeds from the sale of publications or unwanted furniture or equipment, and special purpose grants. This miscellaneous income totalled \$2.0 million in 1998-99. All returned grants are returned to the appropriate Fund/Board/Division, whereas the interest earnings and other miscellaneous income is distributed by Council to its priority areas.

The year under review was the first year of the Council's new triennial agreement. The previous agreement ended in 1997-98. The continuation of triennial funding provides the Council with greater funding certainty to provide secure, longer-term commitments to a greater number of artists and arts organisations. It has given art organisations operational security to enhance their forward planning and management processes.

Of the allocation of \$72.3 million appropriated from the Federal Budget in

1998-99, \$64.5 million (89 per cent) was used for direct financial support of artists and arts organisations, and the balance of \$7.8 million (11 per cent) was used for other support for arts activities and administration.

Council strives for sound financial management and for a cost-effective use of its finances and resources. Financial control systems and procedures are regularly reviewed and performance monitored.

The Finance Section also liaises with internal and external auditors and contributes to ministerial correspondence. It reviews, develops and implements financial procedures, monitors controlling legislation and regulations and is responsible for ensuring Council, Finance and Audit Committees and staff are kept informed of current legislation affecting financial management.

Particular issues dealt with this reporting year were:

- **Internal Audit and Australian National Audit Office reviews**
KPMG Chartered Accountants continued as Council's internal auditors. In accordance with the audit program revised in 1997-98, KPMG conducted three audit examinations on disbursement, receipts and grants administration which confirmed that Council's internal controls were operating effectively. An audit on the Council's computer systems was deferred until early 1999-2000 due to the scheduled implementation of the new grants management system in August 1999 and the possible changes resulting from the imminent outsourcing of the Council's Information Technology functions.

The financial operations and accounts of Council along with the asset records

were reviewed by the Australian National Audit Office in pursuance of Section 39(1) of the *Australia Council Act* 1975. The results of the inspection were satisfactory.

■ **Fraud Control**

Having developed a comprehensive Fraud Control Plan in 1995, Council undertook a further review of the system in the financial year 1998-99. The outcome of this review was that the Council was assessed as a low-risk entity.

■ **Insurance**

The Council's insurance policy for 1998-99 included a Director's and Officer's liability cover.

Services

The Services Section is responsible for the maintenance of the Council's premises at Redfern, which includes the review of workplace conditions, meeting room facilities, arranging general maintenance and major refurbishment, the provision of cleaning and security services, and the overall management of Council's physical resources.

Central Records

The Central Records area is responsible for managing the records of the Council. It provides advice on a daily basis to staff and delivers training to Council staff on the use of the registry database and on records management principles and procedures.

Both the registry database and Council files are extensively used for research. The registry database is continuously monitored so that accurate reports and statistics relating to applications received and grants made can be called up at any time. During the year, Records received an average of six requests per week for special reports.

During the 1998-99 year the Records Section registered and created 5,709 files. Acquittal of grants are monitored and this financial year the Council acquitted 1,367 grants.

INFORMATION TECHNOLOGY

The principal functions of the Information Technology Section are to obtain, maintain, upgrade and assist with all matters relevant to the Council's computer and related software systems, and to provide Council and its staff with access to appropriate management information systems. The primary focus throughout the year was on the following activities and accomplishments:

■ **Hardware Upgrade**

An ongoing upgrade program continued during the year with numerous hardware, system software upgrades and developments resulting in a number of quantitative and qualitative functional and performance improvements.

■ **Remote Access System**

Through increased concurrent access, a higher level of security, accessibility round the world and a high level of integration with the existing system, remote access to the Council's Information Service was increased and made more useful. This was a result not only of an increase in use, but also change in the type of use. The number of dial-in lines was increased from four to eight. This met any peak demands for service throughout the year.

■ **Ongoing projects - Nugget Knowledge Management System**

Along with all of the changes that took place, work continued on the replacement of the database services traditionally provided by the Registry

System, Register of Peers Database, Application Request Database and the Mailing Database.

■ **Information Security Risk Management Plan**

During the year Council undertook a comprehensive review of procedures and controls in relation to technology and communications. The review, which was an extension of Council's internal audit process, was conducted by KPMG. Comments and recommendations were discussed with staff and a Risk Management Plan developed.

■ **Year 2000 Compliance Review**

Council has completed the work on Year 2000 compliance. Council appointed DMR Consulting Group (Australia) Pty Ltd to conduct a review of Council's Year 2000 program.

The consultant was requested to:

- assess Council's approach to achieve Year 2000 compliance;
- evaluate the adequacy of Council's Year 2000 project planning processes and procedures; and
- identify deviations/slippages and advise on practical solutions.

Management has accepted the recommendations made by DMR and has implemented their recommendations in full. Council is confident that all its own systems are Year 2000 compliant and continues to enforce rigorous rules as part of any acquisition or upgrade of the IT infrastructure and systems.

IT Outsourcing

The Government has directed that information technology infrastructure services across budget-funded agencies be outsourced, subject to the outcome of competitive processes to be undertaken within a whole of Government framework. Accordingly, the Australia

Council has completed the competitive tendering process through the issue of the Request for Tender document to the public, and the evaluation and clarification of tenderer proposals within the original time-frame set by government. A decision on IT outsourcing is expected to be finalised early in the 1999-2000 year.

HUMAN RESOURCES

Staffing

Staff of the Australia Council are employed under the *Australia Council Act* 1975. Council's established staffing level is 118. Permanent staff turnover for the year in review was 17 per cent. Several temporary positions have been established to support initiatives such as the Promoting the Value of the Arts strategy.

Workplace Relations

The Australia Council Certified Agreement 1998-2000 was finalised in August 1998. The Agreement, a joint agreement between the Council, its employees, the Community Public Sector Union and the Media and Entertainment Arts Alliance provided for the maintenance of a range of employment conditions while seeking to streamline complex administrative arrangements. The Agreement also provided for the development of a Performance Management Framework to be implemented across Council, a seven per cent pay increase to be delivered in instalments over the life of the Agreement and the establishment of a Workplace Consultative Forum.

The Workplace Consultative Forum which convened for the first time on 24 March 1999, comprises equivalent representatives from both staff and management. The forum provides a

mechanism for consultation between management, staff and their representatives and promotes effective communication and good employment relations.

Staff Development and Training

Council has shown a continuing commitment to the professional and personal development of staff through training courses, seminars and the studies assistance and bursary schemes.

As part of the National Aboriginal and Torres Strait Islander Arts policy and in line with objectives of the Workplace Diversity and Equity Program, Council provided Indigenous Cultural Awareness Training for all staff during 1998-1999. The training was facilitated by Fay Nelson, Director, Aboriginal and Torres Strait Islander Arts, and staff from the Aboriginal and Torres Strait Islander Commission (ATSIC).

'Arts and Disability' training was another initiative undertaken across Council. Under the Disability Action Plan, Council has a responsibility to ensure that staff receive training and awareness-raising in relation to arts and disability. To meet this responsibility and as part of the implementation of access and equity strategies, Council engaged Accessible Arts to conduct this training which was attended by staff at all levels.

Other training activities included Accelerated Reading and Learning, Conflict Resolution and Counselling, Public Sector Accountability, Rights and Responsibilities, Safe Work Practices and Ergonomics, and Induction training for new staff.

Council, in conjunction with ATSIC, continued to support one senior staff member in our Aboriginal and Torres Strait Islander Arts section in a full-time

Professional Studies grant. This course was successfully completed in December 1998.

In 1999 Council has agreed to assist 13 staff members to pursue tertiary studies through providing financial assistance, approved study leave and workers, compensation coverage whilst attending lectures and tutorials. Eleven staff members received financial assistance through Council's Bursary Allocation Scheme.

Workplace Diversity

In September 1998 Council's Workplace Diversity and Equity Program 1998-2000 was launched reaffirming Council's longstanding commitment to equal employment opportunity and also embracing the broader concepts of workplace diversity. The Workplace Diversity Committee comprises representatives from management, the union, a multicultural representative and a representative from amongst our Aboriginal and Torres Strait Islander staff. The committee meets quarterly.

In 1998-99 Council again had strong representation of staff from EEO targeted groups across all levels.

- Women comprise 74 per cent of Council staff.
- 67 per cent of executive staff are women.
- 26 per cent of staff identified as having non-English speaking background.
- Seven per cent of staff identified as being Aboriginal or Torres Strait Islanders.
- Seven per cent of staff identified as having a disability.

The Australia Council Certified Agreement 1998-2000 provides for conditions that cater to the needs of our diverse workforce and places strong emphasis on flexible work practices that

assist staff to balance their home, family and work commitments.

Council staff participated in such events as the Corporate Work and Family Awards, International Women's Day and Human Rights Day.

Occupational Health and Safety (OHS)

In 1998 Council's Occupational Health and Safety Policy and Agreement was reviewed. The new Australia Council Occupational Health and Safety Policy and Agreement 1999-2001 reiterated a commitment to promote and maintain the highest degree of health, safety and well-being for all staff.

This commitment is evident in Council's proactive approach to OHS which includes providing eyesight testing, ergonomic assessments of workstations, yoga classes and training in ergonomics and safety in the workplace. Council also engages the services of an independent, confidential counselling service to assist staff in dealing with both personal and professional issues.

Performance Appraisal

Through its Certified Agreement 1998-2000 Council agreed that a new Performance Management Framework would be introduced across Council. A working party comprising management, union representatives and staff representatives will be established to develop and implement the scheme.

Performance pay was paid for Senior Executive staff during the year for the financial cycle 1997-98. A total of four staff were eligible for performance pay and an aggregate amount of \$28,656 was paid.

Service Charter

The Council's Customer Service Charter was promulgated on 1 July 1998. The

Charter was included in our key publication, the *Support for the Arts Handbook 99* (20,000 copies distributed), on Council's website and in our public newsletter, *Artforce*

The Council will be conducting a full review of the Charter's implementation early in the 1999-2000 year.

Results on the key performance measures were encouraging. These included:

- grants handbook and application forms available six weeks prior to closing date - 95 per cent compliance;
- grants applications acknowledgment within 6 weeks - 100 per cent compliance;
- grants applications outcomes notified in month indicated in *Handbook* 100 per cent compliance;
- number of written complaints - 27, all resolved satisfactorily to our knowledge; and
- number of requests for a formal Review of Decision - three.

Implementation of the Nugget Knowledge Management System in 1999-2000 will allow improved data collection, particularly for collecting data on verbal complaints and compliments, and performance on timeliness of phone and letter responses.

