

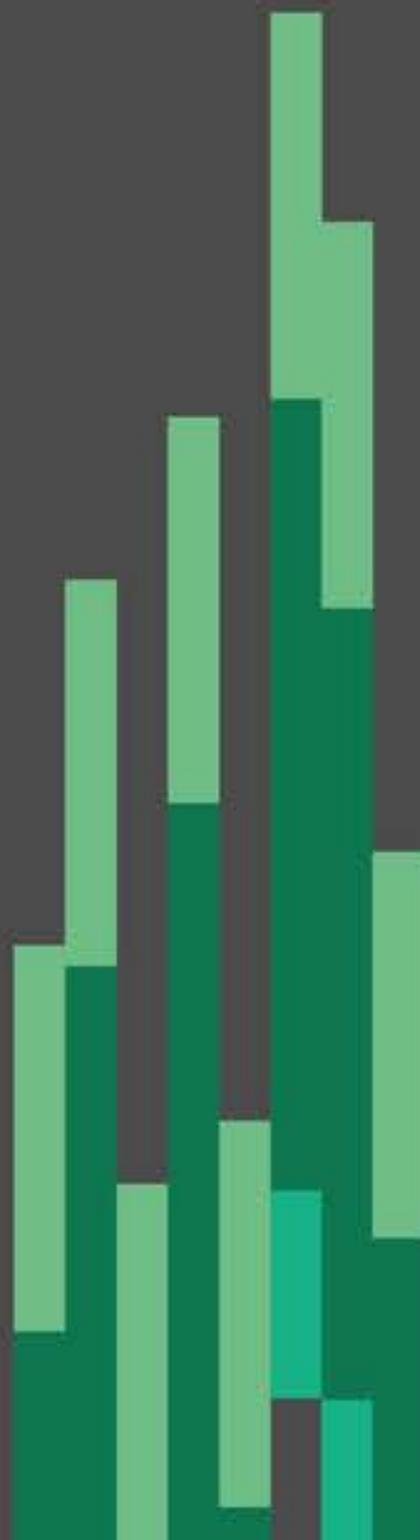
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Victorian  
Independent  
Remuneration  
Tribunal

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# Annual Report

2020-21



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# Message from the Chair

Dear Minister

Financial year 2020-21 was the second year of the Tribunal's operations. It was a year of consolidation, but also a year when many of the important tasks set out in the Tribunal's enabling legislation were completed, while some new tasks commenced.

It was also a year when Victoria continued its efforts to recover from the bushfires of the 2019-20 summer season and to minimise the impacts on employment and the economy of the COVID-19 pandemic. As it has gone about its work, the Tribunal has been mindful of the burden, including loss of income, felt by many Victorians over this time.

In terms of highlights, among the Tribunal's work impacting Members of Parliament (MPs) was a review of superannuation arrangements including recommendations about enhanced transitional support for MPs leaving office, a root and branch review of the MP Guidelines to ensure clarity and transparency about the purpose and use of work-related parliamentary allowances and the Electorate Office and Communications Budget, along with an annual adjustment to MPs' salaries and allowances required under our legislation.

In relation to public sector executives, the introduction of the first comprehensive remuneration bands for public entities meant that entities were no longer required to seek the Tribunal's approval for individual Chief Executive Officer pay – except where an entity proposes to pay above the band in which case the advice of the Tribunal must be sought. The year also saw the Minister for Government Services request the Tribunal's advice on executive remuneration in the transport infrastructure and finance sectors. The Tribunal commenced reviews into these sectors to equip it with the capacity to provide informed, evidence-based advice to

the Minister based on the latest market intelligence. These reviews will also inform remuneration decisions in these important sectors in the future.

Also, the Tribunal began work on a Determination of the value of allowances payable to local government Mayors, Deputy Mayors and Councillors giving effect to an amendment that was made to its Act in April 2020. The Determination will take effect on 18 December 2021.

As you know, in making its Determinations the Tribunal must consider, amongst other matters, current and projected economic conditions and trends, and the financial position and fiscal strategy of the State including wages policy. The Tribunal's Act also provides, in relation to MPs — but applying equally across the public sector — as a first statement of principles that an MP should receive fair and reasonable recompense for performing their public duties. As in the previous year the Tribunal has striven to get that balance right.

Finally, I would like to acknowledge the exemplary work of the Tribunal's Secretariat in every aspect of its work.

On behalf of the Tribunal's members, it is my pleasure to submit this report to you.

Yours sincerely

A handwritten signature in black ink, appearing to read 'W. McCann', with a long, sweeping underline.

**Warren McCann**

Chair

Victorian Independent Remuneration Tribunal

## Abbreviations and glossary

Abbreviation or term	Definition
AO	Administrative Office
CEO	Chief Executive Officer
EO&C Budget	Electorate Office and Communications Budget
FMA	<i>Financial Management Act 1994 (Vic)</i>
Local Government Determination	(forthcoming) Determination setting the values of allowances for Mayors, Deputy Mayors and Councillors in Victoria
MP	Member of the Parliament of Victoria
MP Annual Adjustment Determination	<i>Members of Parliament (Victoria) Annual Adjustment Determination 2021</i>
MP Determination	<i>Members of Parliament (Victoria) Determination 01/2019</i>
MP Guidelines	<i>Members of Parliament (Victoria) Guidelines No. 02/2019</i>
PE Determination	<i>Remuneration bands for executives employed in prescribed public entities (Victoria) Determination No. 1/2020</i>
PE Guidelines	<i>Prescribed Public Entity Executive Remuneration Guidelines</i>
PEER Policy	Public Entity Executive Remuneration Policy
PESES	Public Entity Senior Executive Service
SES	Senior Executive Service
Tribunal	Victorian Independent Remuneration Tribunal
VIRTIPS Act	<i>Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019 (Vic)</i>
VPS	Victorian Public Service

Abbreviation or term	Definition
VPS Annual Adjustment Determination	<i>Remuneration bands for executives employed in public service bodies (Victoria) Annual Adjustment Determination 2021</i>
VPS Determination	<i>Remuneration bands for executives employed in public service bodies (Victoria) Determination No. 01/2020</i>
VPSC	Victorian Public Sector Commission

# 1. About the Tribunal

The Victorian Independent Remuneration Tribunal (Tribunal) was established under the *Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019* (Vic) (VIRTIPS Act) to:

- support transparent, accountable and evidence-based decision-making in relation to the remuneration of Members of the Parliament of Victoria (MPs) and Victorian public sector executives
- bring Victoria into line with other Australian jurisdictions that already had independent tribunals to review and determine remuneration for MPs and public sector executives.

In addition, in April 2020, the Tribunal was given responsibility for setting the remuneration of elected Victorian local government officials.

The Minister responsible for the Tribunal is the Minister for Government Services. In performing its functions, the Tribunal must act independently and impartially and is not subject to the control or direction of any person, including the Minister.

## 1.1 Functions of the Tribunal

The VIRTIPS Act requires the Tribunal to inquire into and make determinations in relation to:

- salaries and allowances for MPs
- remuneration bands for executives employed in public service bodies
- remuneration bands for executives employed in prescribed public entities

- allowances for elected local government officials — Mayors, Deputy Mayors and Councillors.

Amongst other functions, the VIRTIPS Act also provides the Tribunal with powers to:

- make guidelines with respect to the use of work-related parliamentary allowances and the Electorate Office and Communications Budget (EO&C Budget) for MPs
- make guidelines with respect to the placement of public sector executives within remuneration bands determined by the Tribunal
- provide advice about proposals to pay executives above the relevant remuneration band set by a determination
- inquire into and determine remuneration packages for Chief Executive Officers (CEOs) employed by prescribed public entities
- provide advice to the Minister on any matter relating to the remuneration of any specified occupational group.

## 1.2 Tribunal Members

The Tribunal consists of up to three Tribunal members. A Secretariat, that sits within the Department of Premier and Cabinet, supports the work of the Tribunal.

### Warren McCann — Chair

Mr McCann has an extensive public service career, with senior appointments in Victoria, South Australia and at the Commonwealth level, including as Chief Executive Officer of the South Australian Department of Premier and Cabinet, and Commissioner for Public Sector Employment in South Australia. Mr McCann is a Fellow of the Australian Institute of Public Administration. Prior to his commencement as inaugural Chair of the Tribunal in 2019, Mr McCann served as

Special Adviser to the Victorian Department of Premier and Cabinet's Office of Public Sector Executive Remuneration.

### **The Honourable Jennifer Acton — Member**

Ms Acton has significant workplace relations experience, including as a former Presidential Member of Australia's national workplace relations tribunal.

She is currently the Chair of the Victorian State Trustees Ltd and the Port of Hastings Development Authority. In addition to being a lawyer and economist, Ms Acton is a graduate of the Australian Institute of Company Directors.

Ms Acton has been a Member of the Tribunal since its inception.

### **Barbara Belcher — Member**

Ms Belcher is a former senior Commonwealth public servant, having held various roles in the Department of Prime Minister and Cabinet, including Head of the Government Division responsible for matters related to parliament and public administration. Ms Belcher chaired the Australian Government's Committee for the Review of Parliamentary Entitlements, and conducted an independent review of whole-of-government internal regulation (the Belcher Red Tape Review). Ms Belcher is a former member of the Victorian Public Sector Commission Advisory Board, and is a Fellow of the Institute of Public Administration.

Ms Belcher has been a Member of the Tribunal since its inception.

## **1.3 Annual report requirement**

Section 40 of the VIRTIPS Act specifies that the Tribunal is to prepare, as soon as practicable after the end of each financial year (and no later than 31 October), an annual report to the Minister about the following activities in the preceding 12 months to 30 June:

- (a) information about the number of Determinations made by the Tribunal

- (b) details of any disclosure of an interest recorded in the minutes of a meeting of the Tribunal under section 14(4) of the VIRTIPS Act
- (c) a review of the operations of the Tribunal, including the work undertaken by the Tribunal
- (d) the number of MPs who have not complied with requests for further information by the Compliance Officer in the preceding year in relation to Determinations about separation payments
- (e) the number of appeals heard by the Compliance Officer in the preceding year in relation to separation payments and the outcome of the appeals
- (f) the number of MPs who have not complied with requests for further information by the Compliance Officer in the preceding year in relation to appeals relating to work-related parliamentary allowances and the EO&C Budget
- (g) the number of appeals heard by the Compliance Officer in the preceding year in relation to appeals relating to work-related parliamentary allowances and the EO&C Budget, and the outcome of the appeals
- (h) a report on the performance of the function of the Compliance Officer in the preceding year
- (i) any other prescribed matter.

These matters are addressed in this report.

## 2. Review of operations

In 2020-21, the Tribunal undertook work in relation to remuneration arrangements for the following occupational groups:

- MPs in Victoria
- Victorian Public Service (VPS) executives employed in public service bodies, namely departments, Administrative Offices (AOs) and the Victorian Public Sector Commission (VPSC)
- executives employed in prescribed public entities in Victoria.

The Tribunal also commenced work on a Determination of allowances payable to Mayors, Deputy Mayors and Councillors in local government in Victoria.

### 2.1 Members of Parliament

During 2020-21, the Tribunal's work in relation to MPs comprised:

- a Determination setting out an annual adjustment to the values of salaries and allowances payable to MPs
- a review of superannuation arrangements for existing and former MPs
- a comprehensive review of the Members of Parliament Guidelines governing the purpose and use of work-related parliamentary allowances and the EO&C Budget.

## MP Annual Adjustment Determination

Section 18 of the VIRTIPS Act requires the Tribunal to make a determination providing for an annual adjustment to the values set out in its current MP Determination. Section 24 of the VIRTIPS Act specifies that the Tribunal is required to consider a range of economic and financial factors, as well as submissions received, when making a determination.

In June 2021, the Tribunal made the *Members of Parliament (Victoria) Annual Adjustment Determination 2021* (MP Annual Adjustment Determination) which took effect on 1 July 2021. The annual adjustment included a:

- 2.5 per cent increase to each of the basic salary, the additional salaries for specified parliamentary office holders, and the expense allowance
- 0.8 per cent increase to each of the electorate allowance, the international travel allowance and the EO&C Budget.

The Tribunal made no adjustment to the parliamentary accommodation sitting allowance, the motor vehicle allowance, or the commercial transport allowance.

The annual adjustment applies to the values of the MP salaries and allowances that had been set in the first comprehensive *Members of Parliament (Victoria) Determination No. 01/2019* which took effect in September 2019.

The MP Annual Adjustment Determination, including a Statement of Reasons, is available on the Tribunal's website.

## Review of superannuation arrangements

Section 39 of the VIRTIPS Act specifies that the Tribunal was to review and report on superannuation arrangements for MPs, including potential inequalities or irregularities between superannuation arrangements, by 20 September 2020. This included a requirement that the Tribunal not consider any option that would make any former or existing MP worse off.

The Tribunal delivered its report on superannuation arrangements for MPs to the Minister for Government Services on 18 September 2020.

As part of its review, the Tribunal:

- published an Issues Paper in May 2020, seeking submissions from all parties
- established a consultative committee comprising MPs from across the Parliament of Victoria
- commissioned actuarial modelling to compare the financial benefits to MPs of the 'New Benefits Scheme' (a defined benefit scheme closed to new entrants in late 2004) and the current accumulation scheme
- considered how superannuation arrangements for MPs in Victoria compare to superannuation arrangements for other Australians, including MPs in other jurisdictions, and including Victorian public sector employees.

The Tribunal's report made three recommendations, including that there be no changes to existing superannuation arrangements for MPs, but that transitional support for MPs leaving Parliament be enhanced. In its response to the Tribunal's review, published in December 2020, the Victorian Government supported all of the Tribunal's recommendations.

The Tribunal's review of superannuation arrangements for MPs is available on the Tribunal's website.

### **Review of MP Guidelines**

In June 2020, the Tribunal commenced a comprehensive review of the *Members of Parliament (Victoria) Guidelines No. 02/2019* (MP Guidelines), which govern the use of work-related parliamentary allowances and the EO&C Budget.

The aim of the review was to identify anomalies or areas of ambiguity in the MP Guidelines. The Tribunal published an Issues Paper in June 2020 and invited all parties to make a submission. The Tribunal received four written submissions and four oral submissions.

In November 2020, the Tribunal published a draft of the proposed new MP Guidelines, together with a Consultation Paper, and again invited submissions from all parties. The Tribunal received five written submissions in response to the consultation draft of the MP Guidelines.

In February 2021, the Tribunal made the new *Members of Parliament (Victoria) Guidelines No. 01/2021*, which replaced the previous MP Guidelines. The new MP Guidelines took effect from 1 May 2021.

The MP Guidelines are available on the Tribunal's website.

## 2.2 VPS executives

During 2020-21, the Tribunal's work in relation to VPS executives comprised:

- a Determination setting out an annual adjustment to the values of the remuneration bands for executives employed in public service bodies set out in the current VPS Determination
- provision of advice to public service body employers proposing to pay individual executives above the maximum values set in the remuneration bands in the VPS Determination
- commencement of a review of remuneration arrangements for executives in the major transport infrastructure sector.

## VPS Annual Adjustment Determination

In May 2020, the Tribunal issued the *Remuneration bands for executives employed in public service bodies (Victoria) Determination No. 01/2020* (VPS Determination) as required by section 21 of the VIRTIPS Act.

Section 22 of the VIRTIPS Act requires the Tribunal to make a determination providing for an annual adjustment to the values set in the current VPS Determination. The Tribunal made the *Remuneration bands for executives employed in public service bodies (Victoria) Annual Adjustment Determination 2021* (VPS Annual Adjustment Determination) in June 2021. This Determination took effect on 1 July 2021.

Taking into account the factors specified in section 24 of the VIRTIPS Act, the Determination includes:

- a 'standard rate' increase of 2.5 per cent to the notional salary component of the remuneration bands
- an additional increase (around \$450 per year) to the base of the Senior Executive Service-1 (SES) band and the AO Head-1 band
- a further adjustment to the remuneration bands equivalent to the increase in executives' superannuation entitlements which took effect on 1 July 2021.

The VPS Annual Adjustment Determination, including a Statement of Reasons, is available on the Tribunal's website.

## Advice on proposals to pay above the band

Section 37 of the VIRTIPS Act requires that the Tribunal provide advice to public service body employers on proposals to pay an executive above the maximum of the executive's relevant remuneration band as set by a Determination.

The Tribunal has established a process for public service body employers to apply to the Tribunal for advice on proposals to pay an executive above the relevant remuneration band. This includes the Tribunal publishing the advice it provides to individual employers on the Tribunal's website, to support greater transparency in relation to remuneration arrangements for executives.

In 2020-21, the Tribunal provided advice in response to 29 requests from public service body employers to pay executives above the maximum of an executive's relevant remuneration band.

The 29 requests for advice were:

- received from seven different public service body employers
- related to 82 individual executives.

Of the 82 individual executives (many of whom related to the same public service body):

- 66 were existing executives (appointed to their current roles prior to the making of the Tribunal's Determination)
- 14 were new executives
- one was an executive re-appointed to an existing role
- one executive received a mid-contract remuneration adjustment.

### **Request for advice from the Minister**

Section 37(3)(a) of the VIRTIPS Act states that the Minister may request the Tribunal to provide advice about any matter relating to remuneration or funding in relation to any specified occupational group. When requested, the Tribunal must provide its advice to the Minister within a reasonable time.

In line with this provision, the Tribunal received a request from the Minister for Government Services to review current remuneration arrangements for executives in the major transport infrastructure sector. The Tribunal has been asked to consider appropriate remuneration in this sector given competition for quality talent in the public and private sectors, and given competing works programs in other jurisdictions. The request for advice was received by the Tribunal in June 2021.

As at 30 June 2021, the Tribunal was in the process of formulating its advice.

### **2.3 Public entity executives**

During 2020-21, the Tribunal's work in relation to prescribed public entity executives comprised:

- the first comprehensive Determination of the values of remuneration bands for executives employed in prescribed public entities (PE Determination)
- the first set of Guidelines to help public entity employers to place executives within the remuneration bands set by the PE Determination
- a subsequent Determination setting out an annual adjustment to the values of the remuneration bands set out in the current PE Determination
- provision of advice to public service body employers proposing to pay individual executives above the maximum values set in the remuneration bands in the PE Determination
- commencement of a review of remuneration arrangements for public entity executives in the finance sector
- Determinations of the remuneration of CEOs in prescribed public entities in accordance with the Public Entity Executive Remuneration Policy (PEER Policy) (June 2020 to December 2020 only).

## Determination of remuneration bands for public entity executives

Section 19 of the VIRTIPS Act requires the Tribunal to make a Determination setting the values of the remuneration bands for executives employed in prescribed public entities. The *Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards (Prescribed Public Entities) Regulations 2019* (Vic) prescribes approximately 140 public entities, such as water corporations and TAFEs. The consultation and policy requirements of section 24 of the VIRTIPS Act also apply to the making of these Determinations.

The Tribunal published its notice of intention to make a determination in January 2020, and called for submissions from all parties.

The Tribunal made the *Remuneration bands for executives employed in prescribed public entities (Victoria) Determination No. 1/2020* in December 2020 (PE Determination).

The PE Determination set a new executive remuneration framework for executives in prescribed public entities, consisting of three distinct and contiguous Public Entity Senior Executive Service (PESES) remuneration bands for subordinate executives. The minimum and maximum values of each of the remuneration bands are broadly aligned with the minimum and maximum values of the SES bands that apply to executives employed in Victorian public service bodies. One exception is that the base (minimum value) of the PESES-1 band is lower than the base of the SES-1 band. This distinction was made to accommodate the existing remuneration of the CEOs of some small public entities.

## Public Entity Guidelines

In accordance with section 36(6) of the VIRTIPS Act, the Tribunal issued guidelines in December 2020 to help prescribed public entity employers place executives within the remuneration bands set by the Tribunal in the PE Determination.

The *Prescribed Public Entity Executive Remuneration Guidelines* (PE Guidelines) apply to the appointment of new executives in prescribed public entities, and to the appointment of existing executives in prescribed public entities, where the appointment involves a change in the employment contract.

The PE Guidelines provide public entity employers with three guiding principles for making remuneration decisions:

- executive remuneration should be fair and reasonable
- executive remuneration should be competitive
- executive remuneration arrangements should be robust.

The PE Guidelines also list specific factors that prescribed public entity employers should consider when setting the remuneration of executives within the relevant band, including:

- the ‘work value assessment score’ of the role as determined by the Victorian Public Entity Executive Classification Framework (administered by the VPSC)
- the experience, knowledge and capability of the individual executive
- current remuneration of the individual executive
- labour market pressures affecting the position
- remuneration relativities with other executives within the organisation
- relativities with other executives in the same remuneration band
- transitional considerations.

The PE Guidelines are available on the Tribunal’s website.

## **Public Entity Annual Adjustment Determination**

Section 20 of the VIRTIPS Act requires the Tribunal to make a determination providing for an annual adjustment to the values of the remuneration bands set in the current PE Determination. However, the Tribunal cannot make the annual adjustment determination within nine months of the date on which the current determination under section 19 was made (18 December 2020). Therefore, the earliest date the Tribunal may make an annual adjustment determination for prescribed public entity executives is 19 September 2021.

Once made, the annual adjustment determination will take effect retrospectively from 1 July 2021 (section 25(5) of the VIRTIPS Act).

In June 2021, the Tribunal published its notice of intention to make an annual adjustment determination for prescribed public entity executives and called for submissions from all parties. In addition, the Tribunal wrote to prescribed public entity employers to inform them of the notice of intention and to request that executives be directly informed of the notice of intention and the opportunity to make a submission to the Tribunal.

As at 30 June 2021, the Tribunal had received two submissions.

The notice of intention for the making of the PE Annual Adjustment Determination is available on the Tribunal's website.

## **Advice on proposals to pay above the band**

Section 37 of the VIRTIPS Act requires that the Tribunal provide advice to prescribed public entity employers on proposals to pay an executive above the maximum of the relevant remuneration band set by a PE Determination.

Following the making of the PE Determination in December 2020, the Tribunal developed and published a process for public entity employers to apply to the Tribunal for advice on proposals to pay executives above the relevant remuneration band. As part of this process, the Tribunal publishes its advice to individual employers on the Tribunal's website to support greater transparency in relation to executive remuneration arrangements.

In 2020-21, the Tribunal provided advice on ten applications by public entity employers in relation to existing executives who were being paid above the maximum of the newly-created PESES-3 remuneration band specified in the PE Determination. The requests for advice were:

- received from nine different prescribed public entity employers
- related to 12 individual executives (one advice related to three executives from the same prescribed public entity employer).

### **Request for advice from the Minister**

Section 37(3)(a) of the VIRTIPS Act states that the Minister may request the Tribunal to provide advice about any matter relating to remuneration or funding in relation to any specified occupational group. When requested, the Tribunal must provide its advice to the Minister within a reasonable time.

In April 2021, the Minister for Government Services requested that the Tribunal benchmark the base remuneration for 14 specialist investment roles at the Victorian Funds Management Corporation, and at the Treasury Corporation of Victoria.

As at 30 June 2021, the Tribunal was in the process of formulating its advice.

## Determinations under the PEER Policy

In July 2019, at the request of the Minister under section 23 of the VIRTIPS Act, the Tribunal assumed responsibility for determining total remuneration packages for CEOs in specified public entities in accordance with the PEER Policy.

This function was the responsibility of the Tribunal until the *Remuneration bands for executives employed in prescribed public entities (Victoria) Determination No. 01/2020* was made in December 2020.

The PEER Policy detailed the Victorian Government's approach to executive remuneration in specified public entities. Among other matters, the PEER Policy provided a:

- framework of five guiding principles for setting public entity executive remuneration
- procedure for public entities to make submissions to the Tribunal to determine remuneration arrangements for CEOs.

In 2020-21, the Tribunal determined the total remuneration packages of six CEOs (or equivalent) of specified public entities. Of these:

- four Determinations related to new appointments of CEOs
- two Determinations related to mid-contract increases to the remuneration of existing CEOs.

The PEER Policy also required that a specified public entity make a submission to the Tribunal to seek its advice if the proposed remuneration of a subordinate executive would:

- exceed 80 per cent of the approved total remuneration package for the CEO of the same public entity

- result in the average total remuneration package of all of the CEO's direct reports exceeding 70 per cent of the CEO's total remuneration package.

In 2020-21, the Tribunal provided one advice in relation to the remuneration of a subordinate executive in a specified public entity.

This requirement was removed when the *Remuneration bands for executives employed in prescribed public entities (Victoria) Determination No. 01/2020* was made in December 2020.

## 2.4 Mayors, Deputy Mayors and Councillors

The VIRTIPS Act requires the Tribunal to make a Determination setting the value of the allowances payable to Mayors, Deputy Mayors and Councillors in all 79 Councils in Victoria (Local Government Determination). The Local Government Determination must also provide for Council allowance categories, which may be specified for a Council or a group of Councils.

In making the first Local Government Determination, the Tribunal must comprehensively review existing allowances payable to Mayors, Deputy Mayors and Councillors, and review existing allowance categories under the *Local Government Act 1989* (Vic), while taking into account:

- similar allowances for elected members of local government bodies in other states
- allowances for persons elected to other voluntary part-time community bodies (section 23A(5)(a)).

As outlined in section 24 of the VIRTIPS Act, the Tribunal is also required to consider a range of economic and financial factors, and any submissions received, when making the Determination.

On 17 June 2021, the Minister for Local Government requested that the Tribunal make the first Local Government Determination. The Determination will take effect on 18 December 2021 — six months from the day the Tribunal received the Minister’s request.

## 3. Other Tribunal matters

### 3.1 Tribunal meetings

The Tribunal held twenty regular meetings and five special meetings over 2020-21. Minutes were kept for each meeting.

There were no incidences of a disclosure of an interest recorded in the minutes of a meeting of the Tribunal under section 14(4) of the VIRTIPS Act.

### 3.2 Finance

Section 45 of the *Financial Management Act 1994* (Vic) (FMA) requires the Tribunal to prepare a report of operations and financial statements for each financial year.

In accordance with a determination made by the Assistant Treasurer under s. 53(1)(b) of the FMA, the Tribunal's report of operations and financial statements is consolidated with the annual report of the Department of Premier and Cabinet for 2020-21, and all subsequent financial years.

Under s. 8(3)(d) of the FMA, and Standing Direction 1.5, the Assistant Treasurer has also exempted the Tribunal from the requirements of the Standing Directions for 2020-21, and all subsequent financial years. While the exemption has been provided on an ongoing basis, it is subject to the Tribunal confirming with the Executive Director, Budget Strategy, Department of Treasury and Finance, prior to the end of May each year, that:

- the Tribunal has established and maintained alternative arrangements to ensure that no aspect of financial governance is compromised
- there has not been any significant change to the Tribunal's risk profile and functions

- there has not been any key audit finding that might suggest deficiencies in the Tribunal’s financial management and internal control systems.

The Tribunal Chair, as the Accountable Officer for the Tribunal, provided this confirmation for the 2020-21 financial year.

### **3.3 Freedom of information requests**

The Tribunal did not receive any freedom of information requests in 2020-21.

## 4. Office of the Compliance Officer

The VIRTIPS Act establishes an Office of the Compliance Officer, which is ‘attached’ to the Tribunal, but does not formally constitute a part of the Tribunal.

The VIRTIPS Act and the *Parliamentary Salaries, Allowances and Superannuation Act 1968* (Vic) specify the Compliance Officer’s functions and powers. The Compliance Officer is responsible for independently hearing and determining appeals from current and former MPs in relation to the use of work-related parliamentary allowances, the EO&C Budget and the separation payment.

MPs may appeal a decision made by a Clerk of the Parliament, or by the Secretary of the Department of Parliamentary Services, to reject a claim for a work-related parliamentary allowance or regarding their entitlement to receive the separation payment.

The Compliance Officer:

- is not subject to the direction or control of any person
- is not bound by the rules of evidence
- may conduct proceedings with as little formality as considered appropriate
- may publish a statement of findings, and any required actions, on the Tribunal’s website, which is absolutely privileged.

These functions are performed by a primary Compliance Officer or, if not available or otherwise unable to hear an appeal, by the secondary Compliance Officer.

## 4.1. Compliance Officers

Information about the primary and the secondary Compliance Officers is provided below. The position of primary Compliance Officer has been vacant since 16 March 2021 when Ms Stefanie Wilkinson resigned from the role.

### Stefanie Wilkinson

Ms Wilkinson served as the primary Compliance Officer from 8 October 2019 until 15 March 2021.

Ms Wilkinson has significant experience in legal practice, specialising in corporate governance and market integrity. At the time of her appointment, Ms Wilkinson was a partner at the law firm Herbert Smith Freehills and an independent member of the Audit Committee of the Parliament of Victoria.

### Jane Brockington

Ms Brockington is the secondary Compliance Officer, appointed to the role on 10 June 2020 for a period of five years.

Ms Brockington is an adviser and independent reviewer with a focus on regulation, integrity and governance. She is Principal of the consultancy, Bridging Policy and Practice, and was previously a senior executive in the public sector. Ms Brockington holds several non-executive director positions and is a fellow of the Institute of Public Administration Australia (Victoria).

## 4.2. Report on the function of the Compliance Officer

The Compliance Officer did not hear any appeals in 2020-21. The Compliance Officer made no requests for further information from MPs regarding separation payments, work-related parliamentary allowances or the EO&C Budget (table 1).

**Table 1: Summary information — appeals heard by the Compliance Officer, 2020-21**

Function	VIRTIPS Act provision	Total appeals
<b>Separation Payment</b>		
Number of MPs who have not complied with requests for further information about separation payments	s40(d)	0
Number of appeals heard in relation to separation payments	s40(e)	0
<b>Work-related parliamentary allowances and the EO&amp;C Budget</b>		
Number of MPs who have not complied with requests for further information about work-related parliamentary allowances and the EO&C Budget	s40(f)	0
Number of appeals heard in relation to work-related parliamentary allowances and the EO&C Budget	s40(g)	0

### 4.3. Other Compliance Officer matters

In April 2021, the secondary Compliance Officer provided a response to the *Review of the proposed resolution for the establishment of a Parliamentary Compliance Officer* by the Parliament of New South Wales Standing Committee on Parliamentary Privilege and Ethics.

This response was published on the New South Wales Standing Committee’s website.