



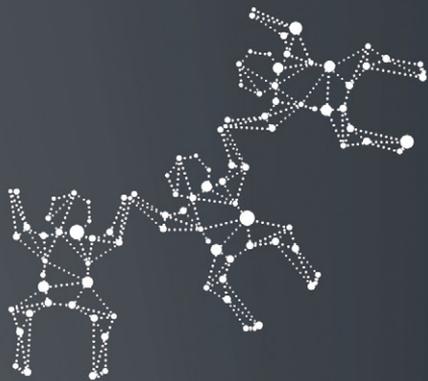
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# MANAGEMENT OF THE COURT

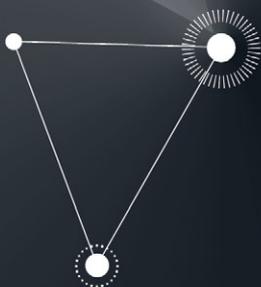


# PART 4



In Aboriginal astronomy, the Triangulum Australe star formation is associated with family relationships. In this part of Iritjinga, certain stars represent parents, while others represent skin groups and kinship. These stars provide guidance about the significance of relationships and the cultural importance of connections being made between the correct groups.

**Dr R Bhathal:** *Astronomy of the First People of Australia: From the Archives and the Indigenous Community* (pg. 5–6).





# MANAGEMENT OF THE COURT

## FEDERAL COURT GOVERNANCE

Since 1990 the Court has been self-administering, with a separate budget appropriation and reporting arrangement to the Parliament.

Under the Federal Court of Australia Act, the Chief Justice is responsible for managing the Court's administrative affairs. The Chief Justice is assisted by the Chief Executive Officer and Principal Registrar.

The Act also provides that the Chief Justice may delegate any of his or her administrative powers to judges, and that the Chief Executive Officer and Principal Registrar may exercise powers on behalf of the Chief Justice in relation to the Court's administrative affairs.

In practice, the Court's governance involves two distinct structures: the management of the Court through its registry structure; and the judges' committee structure which facilitates the collegiate involvement of the judges of the Court. Judges also participate in the management of the Court through formal meetings of all judges. The registries and the judges' committees are discussed in more detail in this part.

## FEDERAL COURT REGISTRY MANAGEMENT STRUCTURE

As outlined in Part 1 of this report, the Court is supported by a national registry structure, with a Principal Registry responsible for managing national issues; National Operations for the implementation of the National Court Framework and its ongoing function; a District Registry in each state and territory which supports the work of the Court at a local level; and Corporate Services for the provision of the corporate services functions to the Federal Court, Family Court, Federal Circuit Court and the NNTT.

A diagram of the management structure of the Court is set out in Appendix 3 on page 133.

## JUDGES' COMMITTEES

There are a number of committees of judges of the Court, which assist with the administration of the Court and play an integral role in managing issues related to the Court's administration, as well as its rules and practice.

An overarching Policy and Planning Committee provides advice to the Chief Justice on policy aspects of the administration of the Court. It is assisted by standing committees that focus on a number of specific issues in this area. In addition, other ad hoc committees and working parties are established from time to time to deal with particular issues.

An overarching National Practice Committee provides advice to the Chief Justice and judges on practice and procedure reform and improvement. There are also a small number of standing committees that focus on specific issues within the framework of the Court's practice and procedure. All of the committees are supported by registry staff. The committees provide advice to the Chief Justice and to all judges at the bi-annual judges' meetings.

## JUDGES' MEETINGS

There were two meetings of all judges of the Court during the year, which dealt with matters such as reforms of the Court's practice and procedure and amendments to the Rules of Court. Business matters discussed included the new practice notes under the National Court Framework, the organisational review, the corporate services merger which commenced on 1 July 2016, the progress of digital hearings, management of the Court's finances and cost savings initiatives.

**Table 4.1: Outcome 1: Federal Court of Australia**

	BUDGET 16-17 (\$'000)	ACTUAL 16-17 (\$'000)	VARIATION (\$'000)
Outcome 1: Apply and uphold the rule of law for litigants in the Federal Court of Australia and parties in the National Native Title Tribunal through the resolution of matters according to law and through the effective management of the administrative affairs of the Court and Tribunal.			
Program 1.1 – Federal Court of Australia			
Administered Expenses	600	1,132	-532
Departmental Appropriation	65,757	66,645	-888
Expenses not requiring appropriation in the budget year	13,102	14,681	-1,579
Total for Program 1.1	79,459	82,458	-2,999
Total expenses for outcome 1	79,459	82,458	-2,999
Average staffing level (number)*	339	318	

\* Please note that average staffing levels have been compared with budgeted figures rather than prior year figures. This is due to the merger of the courts on 1 July 2016, which makes comparison with prior years not meaningful.

The Court's agency resource statement can be found at Appendix 2 on page 132.

## COMPLIANCE REPORT

There were no significant issues reported under paragraph 19(1)(e) of the *Public Governance, Performance and Accountability Act 2013* that relate to non-compliance with the finance law in relation to the entity.

## EXTERNAL SCRUTINY

The Court was not the subject of any reports by a Parliamentary committee or the Commonwealth Ombudsman. The Court was not the subject of any judicial decisions or decisions of administrative tribunals regarding its operations as a statutory agency for the purposes of the *Public Service Act 1999* or as a non-corporate entity under the *Public Governance, Performance and Accountability Act 2013*.

## SECURITY

The safety of all people who attend or work in court premises is a high priority for the courts. Almost \$8.7m was expended for court security services including the presence of security officers, weapons screening, staff training and other security measures. This excludes funding spent on security equipment maintenance and equipment upgrades.

## REPORT ON CORPORATE SERVICES

Corporate Services is responsible for supporting the corporate functions of the Federal Court, Family Court, Federal Circuit Court and the National Native Title Tribunal (NNTT).

In the 2015–16 Budget, the Government outlined reforms that saw the corporate functions of the Family Court and Federal Circuit Court merged with the Federal Court to form a single administrative body with a single appropriation, from 1 July 2016. The reform preserves all the courts' functional and judicial independence while pursuing efficient and effective delivery of shared corporate services for all the courts.

The amalgamated corporate services is expected to generate savings of \$14.129m in operating costs over a five-year period, i.e. 2016–17 to 2020–21, with most of the savings realised in 2019–20 and 2020–21.

With the additional efficiency dividend and changes to the parameter adjustment, a further \$5.3m in savings are now required to meet reduced appropriations.

The objectives of the first year of operation for the amalgamated corporate services were to:

1. Deliver a reduction of the cost of corporate services to the courts of \$1.397m with an appropriation reduction from \$63.978m in 2016–17 to \$62.581m in 2017–18. With the additional efficiency dividend, the appropriation in 2017–18 is now reduced to \$61.361m, excluding funding from new initiatives.
2. Maintain and improve the level of service to all three federal courts and the NNTT.
3. Position corporate services to drive further cost efficiencies in subsequent years.

Most of the savings were expected to be achieved by reducing average staffing levels in the order of 30 per cent over the forward estimates period.

For the 2016–17 year, corporate services has achieved its targets having operated within its reduced budget allocation with staffing levels reduced by 15 per cent at year-end.

The following outlines the major corporate services projects and achievements during the reporting year.

**Table 4.2: Outcome 4: Corporate Services**

	BUDGET 16-17 (\$'000)	ACTUAL 16-17 (\$'000)	VARIATION (\$'000)
Outcome 4: Improved administration and support for the resolution of matters according to law for litigants in the Federal Court of Australia, the Family Court of Australia and the Federal Circuit Court of Australia and parties in the National Native Title Tribunal through efficient and effective provision of shared corporate services.			
Program 4.1 – Commonwealth Courts Corporate Services			
Administered Expenses	–	–	–
Departmental Appropriation	64,228	64,394	-166
Expenses not requiring appropriation in the budget year	53,875	53,509	366
Total for Program 4.1	118,103	117,903	200
Total expenses for outcome 4	118,103	117,903	200
Average staffing level (number)*	150	128	

\* Please note that average staffing levels have been compared with budgeted figures rather than prior year figures. This is due to the merger of the courts on 1 July 2016, which makes comparison with prior years not meaningful.

## AUDIT AND RISK MANAGEMENT

The Chief Executive Officer and Principal Registrar of the Federal Court of Australia certifies that:

- Fraud control plans and fraud risk assessments have been prepared that comply with the Commonwealth Fraud Control Guidelines.
- Appropriate fraud prevention, detection, investigation and reporting procedures and practices that comply with the Commonwealth Fraud Control Guidelines are in place.
- The entity has taken all reasonable measures to appropriately deal with fraud relating to the entity and there have been no cases of fraud during 2016–17 to be reported to the Australian Institute of Criminology.

The entity had the following structures and processes in place to implement the principles and objectives of corporate governance:

- a single Audit Committee overseeing the entity that met four times during 2016–17. The committee comprises an independent chairperson, two judges from the Federal Court of Australia, one judge from the Family Court of Australia, one judge from the Federal Circuit Court of Australia and two additional external members. The Chief Executive Officer and Principal Registrars for each of the courts, the Executive Director Corporate Services, the Chief Financial Officer and representatives from the internal audit service provider and the Australian National Audit Office (ANAO) attend committee meetings as observers
- internal auditors, O'Connor Marsden and Associates, conducted three internal audits during the year to test the entity's systems of internal control
- a Fraud Control Plan
- internal compliance certificates completed by senior managers, and
- annual audit performed by the ANAO who issued an unmodified audit certificate attached to the annual financial statements.

## **PURCHASING**

The Court's procurement policies and procedures, expressed in the Court's Resource Management Instructions, are based on the requirements of the *Public Governance, Performance and Accountability Act 2013*, the Commonwealth Procurement Rules and best practice guidance documents published by the Department of Finance. The Court achieves a high level of performance against the core principles of achieving value for money through efficient, effective and appropriately competitive procurement processes.

## **Information on consultancy services**

The Court's policy on the selection and engagement of all contractors is based on the Australian Government's procurement policy framework as expressed in the Commonwealth Procurement Rules (March 2017) and associated Resource Management Guides and guidance documentation published by the Department of Finance.

The main function for which consultants were engaged related to the delivery of specialist and expert services, primarily in connection with the Court's information technology (IT) infrastructure, International Programs, finance and business elements of the Court's corporate services delivery.

Depending on the particular needs, value and risks (as set out in the Court's Procurement Information) the Court uses open tender, prequalified tender and limited tender for its consultancies. The Court is a relatively small user of consultants. As such the Court has no specific policy by which consultants are engaged, other than within the broad frameworks above, related to skills unavailability within the Court or when there is need for specialised and/or independent research or assessment.

Information on expenditure on all court contracts and consultancies is available on the AusTender website [www.tenders.gov.au](http://www.tenders.gov.au)

## **CONSULTANTS**

During 2016–17, eight new consultancy contracts were entered into involving total actual expenditure of \$451,846. In addition, nine ongoing consultancy contracts were active during 2016–17 which involved total actual expenditure of \$175,520.

Table 4.3 outlines expenditure trends for consultancy contracts over the three most recent financial years.

**Table 4.3: Expenditure trends for consultancy contracts 2014–15 to 2016–17**

FINANCIAL YEAR	NEW CONTRACTS - ACTUAL EXPENDITURE	ONGOING CONTRACTS - ACTUAL EXPENDITURE
2016–17: FCA + FCoA/FCC	\$451,846	\$175,520
2015–16: FCA results only	\$ 840,278*	\$98,313*
2014–15: FCA results only	\$ 532,381*	\$88,000*

\* FCA results only: pre-dates the amalgamation of the commonwealth courts corporate services.

## COMPETITIVE TENDERING AND CONTRACTING

During 2016–17, there were no contracts let to the value of \$100,000 or more that did not provide for the Auditor-General to have access to the contractor's premises.

During 2016–17, there were no contracts or standing offers exempted by the Chief Executive Officer and Principal Registrar from publication in the contract reporting section on AusTender.

### Exempt contracts

During the reporting period no contracts or standing offers were exempt from publication on AusTender in terms of the *Freedom of Information Act 1982*.

### Procurement initiatives to support small business

The Court supports 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/](http://www.finance.gov.au/procurement/statistics-on-commonwealth-purchasing-contracts/)

In compliance with its obligations under the Commonwealth Procurement Rules to achieve value for money in its purchase of goods and services, and reflecting the scale, scope and risk of a particular procurement, the Court applies procurement practices that provide small and medium-sized enterprises the appropriate opportunity to compete for its business.

The Court recognises the importance of ensuring that SMEs are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury's website at [www.treasury.gov.au/](http://www.treasury.gov.au/). In doing so, the Court utilises some of the following initiatives or practices:

- the Commonwealth Contracting Suite for low-risk procurements valued under \$200,000, and
- electronic systems or other processes used to facilitate on-time payment performance, including the use of payment cards.

## ASSET MANAGEMENT

### Commonwealth Law Court buildings

The Court occupies Commonwealth Law Court (CLCs) buildings in every Australian capital city (eight in total). With the exception of two CLCs in Sydney, the purpose-built facilities within these Commonwealth-owned buildings are shared with other largely Commonwealth Court jurisdictions.

From 1 July 2012, the CLC buildings have been managed in collaboration with the building 'owners', the Department of Finance (DoF), under revised 'Special Purpose Property' principles. Leasing and management arrangements are governed by whether the space is designated as special purpose accommodation (courtrooms, chambers, public areas) or usable office accommodation (registry areas). An interim Memorandum of Understanding was signed by the Court with DoF for 2016–17, as has been the annual practice since 2012, with negotiations yet to be reached on a long-term agreement.

### Regional registries – leased

Corporate Services also manages some 13 regional registry buildings across the nation, located in leased premises. Leased premises locations include Albury, Cairns, Canberra, Dandenong, Dubbo, Sydney, Launceston, Newcastle, Townsville and Wollongong. There are also arrangements for use of ad hoc accommodation for circuiting in Alice Springs and Coffs Harbour.

### Regional registries – co-located

The courts co-locate with a number of state court jurisdictions, leasing accommodation from their state counterparts. The following arrangements are in place:

- the Court's Darwin registries (there is a separate registry for the FCoA, FCC and FCA) are co-located in the Northern Territory Supreme Court building under the terms of a Licence to Occupy between the Court and the Northern Territory Government, and
- the Court has a FCoA and FCC registry in Rockhampton, and formerly circuiting to this premises six weeks per year, under the terms of a Licence to Occupy between the Court and the Queensland State Government. Since the Commonwealth Attorney-General announced a new full-time judicial appointment there in early 2016, negotiations continue with the State Government regarding full-time accommodation options.

### Queen's Square, Sydney

The Federal Court in Sydney is located in the Law Courts Building in Queens Square, co-tenancing with the NSW Supreme Court. This building is owned by a private company (Law Courts Limited) a joint collaboration between the Commonwealth and New South Wales governments. The Court pays no rent, outgoings or utility costs for its space in this building.

### Projects and capital works delivered in 2016–17

The majority of capital works delivered in 2016–17 were projects addressing the urgent and essential business needs of the courts. Projects included:

- several furniture and compactii replacements where equipment had reached end of life
- security upgrades in Adelaide, Canberra, Newcastle, Sydney, Brisbane and Melbourne
- minor registry upgrades in Cairns
- minor chambers upgrade in Canberra
- acoustic upgrades to address WHS issues in Parramatta, and
- construction of a full suite of mediation rooms in Queens Square in Sydney, and Perth CLC.

## ENVIRONMENTAL MANAGEMENT

The Court provides the following information as required under s 516A of the *Environment Protection and Biodiversity Conservation Act 1999*.

The Court, together with other jurisdictions in shared premises, ensures all activities are undertaken in an environmentally sustainable way, and has embedded ecologically sustainable development (ESD) principles through the following:

- an Environmental Policy which articulates the Court's environmental commitment to raising environmental awareness and minimising the consumption of energy, water and waste in all accommodation.

- a National Environmental Initiative Policy which is intended to encourage staff to adopt water and energy savings practices. It provides clear recycling opportunities and guidance, encourages public transport and active travel to and from the workplace. Salary initiatives are offered for staff to purchase rainwater tanks, solar panels and hot water systems, to encourage active participation in environmental initiatives at all levels. Next year this initiative will be further developed on to ensure broader and more active uptake across all court jurisdictions where possible.

### Monitoring of actual impacts on the environment

The Court impacts on the environment in a number of areas, primarily in the consumption of resources. Table 4.4 lists environmental impact/usage data where available (noting data is for the full court jurisdictions this financial year, whereas before the merger all courts reported separately, and only FCoA and FCC figures were reported pre-financial year 2016–17).

**Table 4.4: The Court's environmental impact/usage data, 2016–17**

	2012-13 FCFCC ONLY	2013-14 FCFCC ONLY	2014-15 FCFCC ONLY	2015-16 FCFCC ONLY	2016-17 FCFCC AND FCA
Energy usage privately leased sites (stationary)*	6490 GJ (Giga joules)	6237 GJ	5383 GJ	5722	5315 GJ
Transport vehicles – energy usage	6100 GJ	6035 GJ	5871 GJ	6002 GJ	112,721 L/ 970,500 km Petrol + 59,776 L/ 650750 km Diesel + 4749 L/ 83420 km dual fuel = 6535 GJ or 12,075 tonnes CO <sub>2</sub>
Transport flights (estimated)	3,101,516 km  860 tonnes CO <sub>2</sub>	3,461,665 km  962 tonnes CO <sub>2</sub>	2,843,969 km  783** tonnes CO <sub>2</sub>	3,829,5970 km  Emissions report unavailable from new travel provider	FCFCC 3,247,252 km 532 tonnes CO <sub>2</sub> FCA 6421353 km 909 tonnes CO <sub>2</sub> Total 9668605 km or 1442 tonnes CO <sub>2</sub>
Paper usage (office paper)	27,181 reams	23,964 reams	30,385 reams	33,872 reams	FCFCC 29,576 reams FCA 6403 reams Total 35,979 reams

\* Note: DoF reports for CLCs; these figures are for the leased sites only.

\*\* This figure does not include the emissions for 45,830 km travelled under a new travel booking provider for the courts which commenced operation in May 2015 (emission figures not available at this time).

## **Measures to minimise the Court's environmental impact: Environmental Management System**

The Court's Environmental Management System (EMS) has many of the planned key elements now in place.

They include:

- an environmental policy and environmental initiatives outlining the Court's broad commitment to environmental management, and
- an environmental risk register identifying significant environmental aspects and impacts for the Court and treatment strategies to mitigate them.

### **Other measures**

During 2016–17, the Court worked within its EMS to minimise its environmental impact through a number of specific measures, either new or continuing.

### **Energy**

- electricity contracts continued to be reviewed to ensure value for money, and
- ongoing staff education to reduce energy use where possible, such as shutting down desktops and switching off lights and other electrical equipment when not in use.

### **Information technology**

- in addition to the desktop auto shutdown program that commences at 7pm, staff continued to be encouraged to shut down their desktops as they leave work to maximise energy savings
- e-waste was recycled or reused where possible, including auctioning redundant but still operational equipment, and
- ensuring fully recyclable packaging where possible.

### **Paper**

- an electronic court file (ECF) was introduced for the Federal Court and the FCC (general federal law) in 2014. Matters commencing with the courts are now handled entirely electronically. Over 40,000 ECFs have been created, comprising almost 500,000 electronic documents – effectively replacing the use of paper in court files.
- family law eFiling also continues to be expanded, with 66 per cent of divorce applications now being electronically filed.
- clients are encouraged to use the online portal system, and staff are encouraged to send emails rather than letters where feasible
- secure paper (confidential etc) continued to be shredded and recycled for all court locations
- non-secure paper recycling was available at all sites, and
- most printers are set to default double-sided printing and monochrome.

### **Waste/cleaning**

- cleaning contracts for the CLCs (via the DoF which acts as the lessor) and the majority of the privately leased sites came into effect in 2014. Provision for waste co-mingled recycling (such as non-secure paper, cardboard, recyclable plastics, metals and glass) forms a part of both contracts, with regular waste reporting included in the contract requirements for the privately leased sites
- printer toner cartridges continued to be recycled at the majority of sites
- recycling facilities for staff personal mobiles were permanently available at 11 sites
- secure paper and e-waste recycling was available at all sites, and
- fluorescent light globes continued to be recycled for all sites.

## Corporate culture/communication

- the courts participated in Earth Hour in 2016–17.

## Property

Fitouts and refurbishments continued to be conducted in an environmentally responsible manner including:

- recycling demolished materials where possible
- maximising reuse of existing furniture and fittings
- engaging consultants with experience in sustainable development where possible and including environmental performance requirements in relevant contracts (design and construction)
- maximising the use of environmentally friendly products such as recycled content in furniture and fittings, low VOC (volatile organic compounds) paint and adhesives, and energy efficient appliances, lighting and air conditioning
- installing water and energy efficient appliances, and
- project management – the courts project planning applies ESD principles from ‘cradle to grave’ – taking a sustainable focus from initial planning through to operation, and on to end of life disposal. Risk planning includes consideration of environment risks and mitigations are put in place to address environmental issues.

## Travel

The Federal Court supports the use of videoconferencing facilities in place of staff travel. Although some travel is unavoidable, staff are encouraged to consider other alternatives.

## Review and improvement of environmental strategies

As is noted in its Environmental Policy, the Court is committed to ‘continual improvement in environmental performance’. Reviews are periodically conducted of environmental impacts and improvement strategies. In 2016–17 the Court collected and reported relevant energy use data under the Energy Efficiency in Government Operations Policy.

## Additional ESD implications

In 2016–17, the Court did not administer any legislation with ESD implications, nor did it have outcomes specified in an Appropriations Act with ESD implications.

## MANAGEMENT OF HUMAN RESOURCES

### Staffing profile

At 30 June 2017, the Court employed 1102 employees under the *Public Service Act 1999* (this excludes 57 casual employees).

The *Courts Administration Legislation Amendment Act 2016* designated all employees of the Federal Court of Australia, the Federal Circuit Court of Australia and the Family Court of Australia to be employees of the Federal Court of Australia.

Employees are assigned to each jurisdiction as follows:

- Federal Court of Australia – 373 (excludes 57 non-ongoing casual employees)
- National Native Title Tribunal – 74 (excludes casual employees)
- Federal Circuit Court of Australia – 560 (excludes casual employees), and
- Family Court of Australia – 95 (excludes casual employees).

The high number of non-ongoing employees is due to the nature of the engagement of judge’s associates, who are typically employed for a specific term of 12 months. The courts additionally engage casuals for irregular and intermittent courtroom duties. This fluctuates as needed.

At 30 June 2017, the Court employed 19 employees who identify as Indigenous. The breakdown in each jurisdiction is as follows:

- Federal Court of Australia – six
- National Native Title Tribunal – five
- Federal Circuit Court of Australia – seven, and
- Family Court of Australia – one.

More detailed staffing statistics can be found in Appendix 9 commencing on page 189.

## Employee consultation

The Court's approach to change management and human resources issues is characterised by transparency and consultation. The National Consultative Committees of the Federal Court, Federal Circuit Court and Family Court were combined in 2016 and the new committee met three times throughout the year. The Court's other Consultative Committees and Work Health and Safety Committee continued to operate. Minutes of all committees are placed on the courts' intranets where they are readily accessed by staff.

## Enterprise agreement and workplace bargaining

The courts' two 2011–2014 Enterprise Agreements expired on 30 June 2014 and court management has continued negotiations with the Community and Public Sector Union and bargaining representatives for a replacement agreement during the year. The process has not yet completed and will continue in 2017–18 in line with the Australian Government Public Sector Workplace Bargaining Policy.

During the reporting period, the Court relied on determinations under s 24 of the Public Service Act for setting the employment conditions of all substantive Senior Executive Service (SES) employees. See Table A9.12 in Appendix 9.

The Enterprise Agreements and s 24 determinations provide a range of monetary and non-monetary benefits to the Court's employees. Employees may choose to participate in salary sacrifice arrangements including for motor vehicles through novated lease, and for making additional superannuation contributions.

Non-salary benefits provided by the Court to employees include:

- motor vehicles
- car parking
- superannuation
- access to salary sacrificing arrangements
- computers, including home-based computer access
- membership of professional associations
- mobile phones

- studies assistance
- leave flexibilities
- workplace responsibility allowances (for example, first aid, fire warden, community language), and
- airline club memberships.

During the reporting period, the Court had:

- 12 employees on an Australian workplace agreements
- 18 employees on common law contracts
- 32 employees on individual flexibility arrangements, and
- 14 employees on determination s 24 arrangements.

No performance bonus payments were made in 2016–17.

## Work health and safety

The Court continued to promote a proactive approach to Work Health and Safety (WHS) management. Court management engaged with the Court's Health and Safety Committee to promote health and safety in the workplace. Work in this area focussed on ensuring that the Court complies with its responsibilities under the *Work Health and Safety Act 2011*.

Specific measures included:

- regular meetings of the national WHS committee, with four meeting held during the reporting year
- WHS workplace inspections and follow-up audits
- 49 workstation assessments for staff, with five conducted internally by trained Health and Safety representatives
- annual influenza vaccinations for all staff, with 594 employees taking up the vaccination offer
- access to eyesight testing and reimbursement for spectacles where needed for screen-based work
- access to free confidential counselling services through the Court's Employee Assistance Program

- access to professional debriefing following trauma/critical incidents in the workplace is part of the Employee Assistance Program, and
- health and fitness related activities (e.g. participation in community-based fitness events) by providing funding via the Court's health and fitness policy. A weekly yoga class is held at the Sydney registry once per week for staff to attend in the lunchbreak.

### Agency and scheme worker's compensation average premium rates

**Table 4.5: Premium rate summary for the Court's and overall scheme since 2013–14**

	2013–14	2014–15	2015–16	2016–17
Latest premium rates	0.88%	1.18%	1.00%	1.02%
Overall scheme premium rate	1.65%	1.93%	1.85%	1.72%

The Court's workers compensation premium for 2016–17 was 1.02 per cent of payroll costs.

During the reporting year, the Court had:

- no notifiable incidents reported to Comcare under s 38 of the WHS Act
- no provisional improvement notices issued under s 90 of the WHS Act
- no enforcement notices issued under Part 10 of the WHS Act, and
- no incidents under ss 83-86 of the WHS Act (ceasing of work due to a reasonable concern of exposure to serious risk).

### Workforce planning

A critical component of the full implementation of the Court's NCF and the ECF projects has been workforce planning to ensure that organisation structures and work practices are realigned and standardised across the Court, and that staff develop greater legal competency and strong skills for working in a digital environment, to support the work of judges and registrars and deliver high quality and efficient services to clients. As part of the re-orientation of positions within the Court during the year, there was an increase in advertised recruitment activity, movement of current staff, and initial, medium and long-term training and development to build capability to support the NCF and its ongoing operation.

### Retention strategies

The Court has a range of strategies in place to attract, develop, recognise and retain key staff including flexible work conditions and individual flexibility agreements available under the Enterprise Agreements. The Court continued to refine and customise these through 2016–17 as required to meet specific issues and cases.

### **Work life balance**

The courts' Enterprise Agreements and a range of other human resources policies, provide flexible working arrangements to help employees balance their work and other responsibilities, including young families and ageing parents. The options available include access to part-time work, job sharing, flexible leave arrangements, purchased leave, and long-term leave with or without pay.

The Court also provides a range of other family-friendly initiatives including improved parental and adoption leave arrangements and homework rooms or similar appropriate facilities for staff with school-aged children.

### **Reward and recognition**

The Court encourages and recognises exceptional performance through its annual National Excellent Service Award, which is presented by the Chief Justice each year to mark the anniversary of the Court's Foundation Day – 7 February 1977. The award recognises the work of individual staff and/or teams who consistently demonstrate a high level of commitment to service, integrity and professionalism. The winner of the 2016 National Excellent Service Awards was Anna Masters, Judgments Officer.

As Judgments Officer, Anna oversees the preparation and publication of on average 1800 judgments per year to the Court's website and intranet, as well as managing the distribution of judgments to the legal publishers. For every one of these judgments, Anna ensures that the Court's work is of the highest quality. In February 2016, a new judgment template was introduced. Anna's involvement in this was significant over the implementation and transition period.

### **Training and development**

New starters with the Court are educated on the APS Code of Conduct and Values and relevant policies on commencement. The courts' intranets contain eLearning modules on pre-induction package, fraud prevention and control, time management and workplace wellness as well as a Code of Conduct refresher and APS induction.

The study assistance policy continued to operate and provided 33 employees with leave and/or financial assistance to pursue approved tertiary studies during 2016–17. The Court supports staff to gain tertiary qualifications in disciplines identified as important by the courts, the NNTT and the Australian Public Service. The policy's objectives are to foster a highly-skilled and committed workforce and to enhance the skills and employment prospects of staff.

### **Diversity**

The Court continues to develop guidelines and implement strategies to remain inclusive of cultural and lifestyle differences across employees and clients. Work continues to carry out the Court's Multicultural Plan, Reconciliation Action Plan and website/intranet accessibility activities. Client information is made accessible through translators and translated documents. Employees have access to appropriate software or other support to enable them to work effectively. Staff are also provided with guidance and training in dealing with clients from varying backgrounds as needed.

### **Disability reporting mechanism**

Since 1994, non-corporate Commonwealth entities have reported on their performance as policy adviser, purchaser, employer, regulator and provider under the Commonwealth Disability Strategy. In 2007–08, reporting on the employer role was transferred to the Australian Public Service Commission's State of the Service reports and the APS Statistical Bulletin. These reports are available at [www.apsc.gov.au](http://www.apsc.gov.au). From 2010–11, entities have no longer been required to report on these functions.

The Commonwealth Disability Strategy has been overtaken by the National Disability Strategy 2010–2020, which sets out a 10-year national policy framework to improve the lives of people with disability, promote participation and create a more inclusive society. A high-level, two-yearly report will track progress against each of the six outcome areas of the strategy and present a picture of how people with disability are faring. The first of these progress reports was published in 2014 and can be found at [www.dss.gov.au](http://www.dss.gov.au)

### **One HR system**

Significant work was undertaken by Human Resources throughout 2016–17 to prepare to merge the courts' two separate Aurion HR information management systems. This was a complex and challenging project which involved extensive testing over many months. The databases were successfully merged in March 2017.

## **INFORMATION TECHNOLOGY**

The work of the information technology (IT) section of corporate services in 2016–17 was dominated by the amalgamation of corporate services areas. This amalgamation will be a multi-year undertaking as the technology architectures and approaches of the two entities were very different. The overall goal of this amalgamation is to create a technology environment that is simple, follows contemporary industry standards, and meets the evolving needs of judges and staff across all of the courts and tribunals.

### **WAN consolidation**

The first amalgamation project in IT was to consolidate the two wide area network (WAN) technologies onto a single technology platform and single telecommunications contract. This consolidation is a fundamental first step in bringing the two technology environments together. It also represented a significant cost saving in the IT operation. The consolidation was completed in late 2016.

### **Email consolidation**

Judges and staff of the Family Court and Federal Circuit Court were successfully migrated from Lotus Notes email to the Microsoft Office 365 cloud email platform. To facilitate this migration, a secure connection to the Microsoft cloud environment was established via the Court's Macquarie Telecom Secure Internet Gateway service. This connection will be used to access other public cloud services from Microsoft Azure and is a critical element of the technology roadmap. The migration required more than 1500 individual mailboxes to be converted from Lotus Notes and hundreds of millions of emails to be migrated to the Office 365 cloud service. It was completed in early 2017.

### **Novell migration**

The Family Court had retained a legacy network directory infrastructure based on Novell technology. This created significant complexity in the environment for integrating applications, reducing flexibility and increasing costs. This was converted to the industry standard Microsoft Active Directory technology in early 2017.

### **Application development**

The Family Court maintained an internal software development team for the support and maintenance of its bespoke business systems. By comparison, the Federal Court had long outsourced these functions to specialist commercial vendors. These services are presently provided by Datacom. After analysis and commercial negotiations, the Family Court internal function was outsourced to Datacom under the same service level agreement as the Federal Court. This represents a significant cost saving as well as standardising service levels and preparing for the unification of these business systems as an outcome of the Digital Court Program.

## **IT service desk**

The staffing of the IT service desk was expanded to include a permanent staff member in the Parramatta registry. The two heritage service desk teams have been amalgamated into a single support group, operating on a national roster system to maximise hours of support. The team has standardised onto a single service management tool which provides an online service portal available to all judges and staff. This portal provides access to report service incidents and to make service requests. The portal also surveys a random sample of judges and staff at the closing of an incident ticket to gauge customer satisfaction; this information is used for staff coaching.

## **People and process**

There has been a significant restructure of the IT organisation in response to the amalgamation. This is now largely complete, with the key IT functions now in single work groups operating under unified processes. An outcome of this restructuring has been a considerable reduction in the total number of IT staff. Coupled with key technology projects aimed at reducing IT operating costs, IT is tracking well against the cost reduction targets set for the amalgamation.

A key part of process unification was the rollout of the Federal Court IT Infrastructure Library (ITIL) compliant change management process across the merged organisation. This has established a robust mechanism for planning, coordination and communication of changes across IT. The bi-weekly change advisory board meetings provide an opportunity for IT management to meet to discuss service and project issues to decide the best way to communicate activity to court customers.

## **Courtroom technology**

The program to modernise the courtroom technology of the Federal Court has shifted to a lifecycle maintenance footing with equipment being replaced as it reaches end of useful life. The courtrooms of the Family Court and FCC will require significant investment to bring them to a state equivalent to the Federal Court. Aside from there being significantly more courtrooms, these courtrooms

have relatively aged equipment and were built to a variety of design standards. During this year three courtrooms were completely upgraded for courtroom technology including video conferencing. There is increasing demand across all courts for video conferencing facilities.

Ten courtrooms have been set up for evidence display in an etrial. This enables a PC on the associate's table to display evidence to monitors located throughout the courtroom – bench, witness box, bar table etc.

## **WiFi project**

For the past two years the Court has executed a program to establish WiFi access to support public Internet access for practitioners and members of the public and a secure private WiFi access for judges and staff. The private WiFi access is a key supporting technology for the Court's shift to greater use of contemporary mobile computing technologies including tablet PCs. During the reporting year, the network was expanded to include the Perth and Adelaide Commonwealth Law Court buildings, covering all areas used by the courts in the entity. The networks in Melbourne and Brisbane were extended to include all areas used by the Family Court and Federal Circuit Court.

## **Continuous deployment**

Initial deployments of tools to support automated testing and deployment of new application code were made in development and test environments. These tools remove slow, error prone manual processes and are expected to improve turn-around times in application development. This will be a critical element in the Digital Court Program. These tools will be further expanded with the deployment of the hybrid cloud infrastructure detailed in the technology roadmap.

## Technology roadmap

A technology roadmap was developed this year to map out the transition in IT architectures, infrastructures and processes over the coming 3-5 years. A key element of this roadmap is the shift to a hybrid cloud infrastructure within the data centre environment. Hybrid cloud will marry private and public cloud services within a single management platform. This architecture will allow IT to place workloads on the most cost effective platform weighing up considerations of performance and availability.

## WEBSITE

### Federal Court

The Federal Court website is the main source of public information and a gateway to the Court's suite of online services such as eLodgment, eCourtroom and the Commonwealth Courts Portal. It provides access to a range of information including court forms and fees, guides for court users, daily court listings and judgments. In the reporting year, 3,423,849 pages were viewed by 694,955 users, an increase of over seven per cent from the previous year. The most popular pages continue to be online services, judgments and daily court listings.

Several enhancements were made to the Federal Court website in 2016–17. The most significant of these were the addition of nine National Practice Area pages to support the launch of the National Court Framework and the release of the National Practice Notes. Laid out in dashboard style, the pages display key information relating to each of the practice areas such as applicable forms, fees, legislation and practice notes. The pages also display the latest judgments and judges' speeches.

The NCF reforms together with the new practice notes necessitated a revision and reorganisation of a large portion of website content. One noteworthy mention is the addition of a new section, 'I am a Party' which guides SRLs through court processes and sources of legal information and help. Two plain English guides on human rights and administrative and constitutional law were also published.

The range of subscription offerings to the public was expanded with the addition of the **Judgments by NPA** email alerts. Launched in June 2017, there are already over 1000 subscribers to the service.

The Federal Court celebrated its 40th anniversary in February 2017. To mark the occasion, a collection of archival documents, videos and photos relating to the establishment of the Court in February 1977 were made available on the website.

### Family Court and Federal Circuit Court

Corporate Services also has responsibility for the management of the Family Court and Federal Circuit Court websites. Like the Federal Court website, these sites provide access to a range of court information including forms and fees, 'How do I' guides, daily court listings and judgments.

During the reporting year, the websites underwent the following improvements:

- A list of former Family Court judges and their appointment and retirement dates.
- In October 2016, the FCC changed the procedure for applying for divorce, requiring applicants to eFile the application rather than paper filing. A suite of 'How do I' pages was created to guide applicants through the process. The 'How do I apply for divorce' page has dynamic features that allow applicants to self-select content to check their eligibility to apply for divorce in Australia. It also provides information on what they need to know before applying.
- The 'How do I' pages for self-represented litigants were enhanced with improved interactivity as well as a range of new pages to help guide applicants and respondents through the family law process in a step-by-step manner. Information is categorised by topic area, making it easier to find.
- New 'How do I' pages for lawyers were created to assist in utilising the Commonwealth Courts Portal (CCP).
- The FCC judgments section was updated and split into tabs for general federal law and family law, as well as the month they were uploaded onto AustLII. This improved navigation and reduced slow page load times.
- Interactivity in pages across the websites was enhanced.

Page views and the most accessed areas include:

- **Family Court:** 5,651,131 page views by 1,397,381 users, an increase of over six per cent on the previous year. The most popular pages were applying for divorce, forms, court lists and fees.
- **Federal Circuit Court:** 4,747,909 page views by 877,383 users, an increase of over 10 per cent on the previous year. The most popular pages were court lists, forms, applying for divorce, registering for the CCP and eFiling an application for divorce.

In 2017–18 work will commence on a project to amalgamate all the websites to a common platform, providing better search facilities across all websites and savings in licence and software fees.

## DIGITAL STRATEGY

The Court's digital strategy aims to take advantage of technology opportunities to achieve benefits to the courts and all users. The Court uses technology to maximise the efficient management of cases by increasing online accessibility for the legal community and members of the public, as well as assisting judges in their task of deciding cases according to law quickly, inexpensively and as efficiently as possible.

The CCP ([www.comcourts.gov.au](http://www.comcourts.gov.au)), launched in July 2007, is a continuing initiative of the Federal Court, the Family Court and the Federal Circuit Court. The CCP provides free web-based access to information about cases that are before these courts. After registering, lawyers and parties can keep track of their cases, identify documents that have been filed and view outcomes, orders made and future court dates. Users log on using a single user ID and access multiple jurisdictions from a single central web-based system.

One of the objectives of the digital strategy is to create an environment where actions are commenced, case managed and heard digitally. A significant component of this objective was achieved with the introduction of electronic court files (ECFs) in July 2014 for the Federal and Federal Circuit

Court (general federal law). Matters commencing with the courts since its deployment are now handled entirely electronically. The Court's official record for such matters is the ECF and to date, over 40,000 ECFs have been created.

The family law eFiling functions continue to be expanded with 66 per cent of divorce applications now being electronically filed. This accompanied with the ability for staff to scan and upload documents to the case management system, has provided the Federal Circuit Court with a fully electronic divorce file.

The Court has continued to promote the use of electronic filing applications, eLodgment for general federal law and eFiling for family law matters. These applications continue to be enhanced to facilitate the ability to file all documents electronically in future years.

In 2016–17 the number of active users of eLodgment increased to 17,300 and over 156,000 documents were electronically lodged. By June 2017, 98 per cent of documents filed with the Court were done so electronically.

Similarly, the following statistics highlight the significant growth in the number of CCP users as at 30 June 2017:

- 7953 firms now registered (up from 6843 at 30 June 2016)
- lawyer registrations have increased to 16,527 (up from 14,031 at 30 June 2016), and
- total registered users is now at 317,248 (up from 247,887 at 30 June 2016).

The growth in eLodgment and eFiling users can be attributed to the Court's approach in promoting and improving both systems. The Court continues to consult with the users about enhancements made to the systems ensuring that any changes ensure improved usability.

During the reporting year, 689 general federal law matters were conducted in eCourtroom. The majority of these were applications for sub-service heard by the Court's registrars. These matters are ordinarily dealt with entirely in eCourtroom, saving the parties time and cost in attending court, and the Court costs in setting up courtrooms. Most matters in eCourtroom are completed within two weeks of the eCourtroom commencing.

The systems had a number of enhancements made in the reporting year. These included:

### General federal law

- additional NPAs added and an update of listing reasons to improve national consistency in case management
- improvement of the orders production and stamping process to ensure timely availability of stamped orders on the Commonwealth Courts Portal
- tuning of the database to enhance performance and user experience
- introduction of new forms in eLodgment as a result of changes to the Bankruptcy Rules. These were subject to a transition period where both the old form and new form were accepted, and
- updates to the fee structure to accommodate the biennial fee increase.

### Family law

- electronic sign and seal of all orders excluding appeals and consent orders, which allows clients to access sealed copies of orders in a timely manner from the CCP, and
- updates to the fee structure to accommodate the biennial fee increase.

The Court continues to expand its real time business intelligence work to assist in decision making, monitoring trends and workload management. This has removed the need for a lot of manual input of data into spreadsheets and assists registries in planning and ensuring that the Court maximises the available resources effectively to meet a fluctuating workload.

All the elements of the Court's digital strategy have streamlined the way in which the Court operates, allowing all court users to focus on resolving differences as quickly, inexpensively and efficiently as possible. This fulfils the Court's legislative purpose to facilitate the just resolution of disputes.

## RECORDKEEPING AND INFORMATION MANAGEMENT

### Corporate structure

From 1 July 2016 records management for the Family Court and the Federal Circuit Court came under the corporate responsibilities of the Federal Court. Records management reporting now incorporates the three federal courts and the NNTT.

### 40th anniversary

The Federal Court celebrated its 40th year of foundation in 2017. The first swearing in of judges was on 7 February 1977. In celebration, many documents from the Court's archives were displayed on the Court's website covering the background to the Court's foundation, legislative base and comments at the time. These documents will continue to be available on the website throughout the year.

### Working digitally

The Court continues to implement targets and pathways to meet the Federal Government's benchmarks for working digitally by 2020. Procedures have been implemented in many business areas to streamline work processes and business systems to ensure standards are met and records received digitally are managed digitally.

### Records management systems

As a result of the amalgamation of the commonwealth courts corporate services, there are three separate electronic document records management systems. The Court is presently in the process of replacing all these systems with one system.

### Annual records management report to National Archives

A new check-up report format to the National Archives of Australia was introduced in the reporting period. In the form of a survey, the report now covers the Federal Court, Family Court, Federal Circuit Court and the NNTT. The report continues to show an improvement in the courts' overall records management, systems and processes.

### **Information Governance Committee**

The Information Governance Committee continues to meet bi-monthly, with membership now including the Family Court and Federal Circuit Court. The committee issued a joint Information Governance Framework in December 2016. The framework is a high-level statement of the Court's vision, principles and direction for information and records management.

### **Records Policy Committee**

The committee continued to meet throughout the year to provide guidance on the management of electronic court files and establish consensus on procedures. It made a number of policy recommendations to assist the national management of court records. The committee now has representation from the Family Court and Federal Circuit Court.

### **Native title files**

A pilot is presently underway to assess the contents of native title files for accessibility. The Court's Native Title files will eventually be located at the National Archives and it is important to examine the accessibility of the documents within the files for suitability of public access and research.

### **Native title artefacts**

The Court was fortunate to acquire the native title collection of David Oldland for the Court's archives. David has assisted the Court at many 'On Country' hearings and determinations and videoed a number of the ceremonies.

### **Tribunals**

Australian Competition Tribunal files from 1980–2009 and Significant Copyright Tribunal files covering 1980–2008 are in the process of being transferred to National Archives. An access agreement is being negotiated with the National Archives and once completed, the files will be available for the public to view via National Archives.

## **LIBRARY SERVICES**

The Federal Court library provides a comprehensive library service to judges and staff of the Federal Court, Family Court of Australia, Federal Circuit Court of Australia, and members and staff of the NNTT.

The library collection consists of both print and electronic materials and is distributed nationally, with qualified librarians in each state capital except Hobart. Services to Tasmania, the Australian Capital Territory and the Northern Territory are provided by staff in the Victorian, New South Wales and South Australian libraries respectively. In Sydney, Federal Court judges and staff are supported by the New South Wales Law Courts Library under a Heads of Agreement between the Federal Court and New South Wales Department of Justice.

Although primarily legal in nature, the Federal Court library collection includes material on Indigenous history and anthropology to support the native title practice areas and material on children and families to support the child dispute practitioners. Details of items held in the collection are publicly available through the Library Catalogue and Native Title Infobase, both of which are accessible from the Federal Court website. The library's holdings are also added to Libraries Australia and are available through Trove. Many items may be borrowed on inter-library loan, subject to the use of judges and court staff.

The primary focus of the past 12 months has been on realigning library services, particularly the library webpage and current awareness activities, to reflect the Federal Court's National Court Framework and national practice areas.

The Federal Court library continues to benefit from collaboration with other court libraries, including as a foundation member of the Australian Courts Consortium for a shared library management system using SirsiDynix software. During 2016–17 this consortium also investigated the possibility of bulk purchasing of textbook titles. Additionally, the Federal Court library continues to be a member of the New South Wales Department of Justice Consortium for the purchase of LexisNexis and CCH products and services.

Assistance to libraries in the Pacific region continues with the Federal Court library organising for the binding of spare loose parts of law reports that will be distributed to Pacific law libraries. Duplicate textbooks were also donated to the University of Papua New Guinea.

## ADVERTISING AND MARKETING SERVICES

A total of \$36,933 was paid for recruitment advertising services in 2016–17. Payments for advertising the notification of native title applications, as required under the *Native Title Act 1993*, totalled \$150,198 over the reporting year. The Court did not conduct any advertising campaigns in the reporting period.

## FINANCIAL MANAGEMENT

Each of the three courts (the Federal Court of Australia, the Family Court of Australia and the Federal Circuit Court of Australia) has a Finance Committee which is made up of judges from the relevant Court as well as the Chief Executive Officer and Principal Registrar.

These committees meet quarterly and oversee the financial management of their respective courts, with the Commonwealth Courts Corporate Services supporting each of these committees. As the Accountable Authority, the Chief Executive Officer and Principal Registrar of the Federal Court has overarching responsibility for the financial management of the three courts and the Commonwealth Courts Corporate Services, together forming the Federal Court of Australia entity.

### Financial accounts

During 2016–17 revenue from ordinary activities totalled \$324.530 million.

Total revenue, in the main, comprised:

- an appropriation from Government of \$245.343 million
- \$39.603 million of resources received free of charge, for accommodation occupied by the Court in Commonwealth Law Courts Buildings and the Law Courts Building in Sydney
- \$25.554 million of liabilities assumed by other government agencies, representing the notional value of employer superannuation payments for the courts' judges
- \$9.656 of assets provided free of charge to the Court in the Law Courts Building in Sydney
- \$4.374 million from the sale of goods and services and other revenue.

Pre-depreciation expenses of \$316.438 million in 2016–17 comprised: \$201.110 million in judges' and employees' salaries and related expenses; \$61.073 million in property related expenses; \$53.983 million in other administrative expenses, and \$0.272 million for the write-down of non-current assets and financing costs.

The net operating result from ordinary activities for 2016–17 was a deficit of \$1.564 million prior to depreciation expenses and other extraordinary asset transactions.

The deficit is significantly lower than the budgeted and approved deficit of \$5.5m and is as a result of the entity closely monitoring costs to ensure savings were achieved wherever possible to better position itself to manage within a financially constrained environment.

The next three-year budget cycle continues to challenge the entity to make further savings. In 2017–18 the entity has an approved deficit of \$2.5m and thereafter is expected to achieve a balanced budget. With over 60 per cent of the entity's costs relating to property and judicial costs, which are largely fixed, the ability to reduce overarching costs is limited. The entity is endeavouring to achieve a budget outcome in 2017–18 in line with the authorised deficit.

When depreciation expenses of \$13.725 million are included, the Court's expenses for 2016–17 totalled \$330.163 million.

Equity increased from \$52.771 million in 2015–16 to \$71.900 million in 2016–17. This includes a net transfer of \$9.747 million from the Family Court and Federal Circuit Court.

Program statements for each of the Court's programs can be found at the following:

- **Federal Court of Australia** – page 47
- **Family Court of Australia** – page 211
- **Federal Circuit Court of Australia** – page 211
- **Commonwealth Courts Corporate Services** – page 49.

## GRANT PROGRAMS

The Federal Court of Australia made no grant payments in 2016–17.