

The background is a teal color with a blurred image of a grass seed head. Overlaid on this are several white geometric shapes, including triangles and hexagons, some of which are solid and others are just outlines. The text is centered in the middle of the page.

# **CHAPTER 3**

## MANAGEMENT FRAMEWORK

# CORPORATE GOVERNANCE

The APVMA is a prescribed agency under the *Financial Management and Accountability Act 1997*. The APVMA is also a body corporate with a separate legal identity from the Commonwealth of Australia. The APVMA CEO is responsible for the governance and management of the APVMA, with the support of the executive team (see Chapter 1), the Advisory Board and the Audit Committee (see Appendix A).

## PLANNING

### Corporate and operational plans

As an independent statutory authority, the APVMA is required to conduct rigorous corporate planning and reporting. Our planning and reporting requirements are set out in Part 6 of the *Agricultural and Veterinary Chemicals (Administration) Act 1992*.

Our central planning document is the corporate plan, which defines the principal objectives of the APVMA and gives a broad outline of the strategies to achieve those objectives. Each corporate plan has a life of three years. The minister approved the *Corporate plan 2012–15* in 2012.

In addition, each year an operational plan is developed that sets out the actions needed to achieve the outcomes in the corporate plan. Our operational effectiveness is measured through the performance indicators set out in the *Operational plan 2013–14* and the Portfolio Budget Statement 2013–14.

### Input to decision-making

We place a high priority on stakeholder interaction and consultation. Stakeholders from industry, chemical users, government and the community all provide input and are involved in our decision-making, and development of guidelines and operational policy.

We have established committees and processes to facilitate this involvement (see Appendix B). We also conduct public consultation to inform proposals, and form internal and external working groups, focus groups and reference groups to address specific issues.

## ACCOUNTABILITY

### Internal accountability structures

#### *Corporate risk management*

The methodology used for assessment of risk at the APVMA is consistent with the International Risk Management Standard and best practice. A comprehensive Risk Management Plan is in place.

Risks are reviewed by the APVMA's Senior Leadership Team on a regular basis to ensure that all risks facing the organisation are identified. Risks are assessed and scored, with consensus sought on the likelihood of the risk occurring and the possible consequences. For high and unacceptable risks, treatments are then developed and controls are documented. The risk treatments are regularly monitored to ensure that they are implemented.

A Risk Register is maintained to document the risks. The Risk Register is a dynamic document and is constantly updated to ensure that it reflects the risks facing the organisation.

The APVMA Audit Committee regularly reviews this framework and the Risk Register.

### ***Fraud control***

In 2012–13, we developed the Fraud Control Plan, which covers 2012–14. The plan complies with the *Commonwealth fraud control guidelines*. The Fraud Control Plan includes fraud prevention, detection, investigation, reporting and data collection procedures. The APVMA takes all reasonable measures to minimise the incidence of fraud, and to investigate and recover the proceeds of fraud if it occurs.

### ***Quality management systems***

We maintain strong controls over our key processes to ensure that legislative obligations are met. The APVMA Quality Management System (QMS), which is accredited against AS/NZS ISO 9001:2008, emphasises responsiveness to customers and stakeholders, consistency of output, efficient resource management and continuous improvement. The QMS is monitored and reviewed every two months by section managers through the Quality Improvement Committee. Improvements are made in light of stakeholder feedback, internal audits of the system, progress of preventive and corrective actions, leadership strategies, the process approach of the system, factual decision-making and supplier relations.

Internal audits were completed in 2013–14 on:

- Public Affairs and Communication
- Information Services
- Veterinary and Pesticides Residues
- Veterinary and Pesticides Registration
- Pesticide Chemistry—Evaluation and Reporting
- Application Management and Enquiries—Administration
- Chemical Review Assessments
- Information Technology.

An external auditor, accredited by the Joint Accreditation System of Australia and New Zealand, audited the QMS in August 2013. This was a surveillance audit, which detected two minor nonconformances. The APVMA welcomed the findings as an opportunity to continue to improve the system, to ensure continued compliance with AS/NZS ISO 9001:2008.

During 2013–14, we rewrote the majority of our internal work instructions in preparation for the commencement of the legislative reforms.

## External accountability structures

### ***APVMA Service Charter***

We aim to provide the highest quality of service to all our stakeholders. The APVMA Service Charter outlines the standards of service that external audiences can expect from dealings with the APVMA. The charter applies to all stakeholders, including the chemicals industry the APVMA regulates, other government agencies, chemical users and the community.

The charter was developed in consultation with stakeholders and is available to all interested parties on the APVMA website or in printed form. A review of the Service Charter that was planned for completion during 2013-14 will now be completed in 2014-15 so that the requirements of the legislative reforms can be taken into account.

### ***Reporting***

Our performance is publicly reported in an annual report that is prepared according to the *Requirements for annual reports for departments, executive agencies and FMA Act bodies*, issued by the Australian Government Department of the Prime Minister and Cabinet.

The *APVMA Gazette* lists all APVMA notices and decisions required under the Agvet Code, including registrations, reviews and changes to registration status. The APVMA Gazette is published fortnightly and is available from the APVMA website.

### ***Parliamentary committees and other reviews***

The APVMA made a submission to the Senate Rural and Regional Affairs and Transport References Committee inquiry into implications of the use of fenthion by Australia's horticultural industry. The APVMA CEO (Kareena Arthy), Executive Director, Pesticides Program (Dr Raj Bhula), and Director, Chemical Review (Dr Matthew O'Mullane) attended a briefing at the request of the committee on 9 December 2013.

The APVMA Executive Director, Pesticides Program (Dr Raj Bhula), and Chief Regulatory Scientist (Dr Les Davies) gave evidence on 20 March 2014 at a public hearing of the Senate Rural and Regional Affairs and Transport References Committee inquiry into the future of the beekeeping and pollination service industries in Australia.

### ***Auditor-General's reports***

The Australian National Audit Office did not conduct any audits of the APVMA in 2013-14, other than the audit of the APVMA 2013-14 financial statements.

### ***Ombudsman***

During 2013-14, there were no reports to Parliament or investigations by the Commonwealth Ombudsman about the APVMA.

### ***Courts and tribunals***

During 2013-14, the APVMA was notified of five matters before the Administrative Appeals Tribunal. One matter has been withdrawn, and the other four are ongoing. The remaining four matters are in relation to withdrawals at preliminary assessment (two) and refusal to grant an application (two). These matters are in the early stages of the tribunal process.

## **Office of the Australian Information Commissioner reviews**

The Office of the Australian Information Commissioner (OAIC) notified the APVMA of one new request for review in 2013-14. A previous application for review, which was notified to the APVMA in February 2012, is still being assessed by the Information Commissioner. One freedom-of-information applicant lodged a complaint with the OAIC about how the APVMA handled her internal review. This complaint has yet to be finalised.

## **Privacy**

The APVMA adheres to the *Privacy Act 1988*. A new privacy policy was implemented on 12 March 2014, incorporating the amendments to the Privacy Act and the new Australian Privacy Principles. The policy is located on the APVMA website. Our operations were not subject to any report or determination by the Privacy Commissioner. We have an entry in the current edition of the Privacy Commissioner's Personal Information Digest.

## **Environmental performance**

The APVMA has adopted an environmental management system in accordance with requirements of s. 516A of the *Environment Protection and Biodiversity Conservation Act 1999*, the Agvet Code and the Greening of Government Program. This enables the APVMA to minimise the impact of its activities on the environment, in alignment with the principles of ecologically sustainable development and environmental management.

The environmental management system, which uses ISO 14001:2004 as its framework, is integrated into the QMS with its auditing and continuous improvement requirements.

The APVMA works to reduce its environmental impact by:

- recycling paper, plastic and kitchen waste to reduce its impact on landfill
- maintaining water tanks for watering gardens at its premises in Canberra
- meeting the whole-of-government Energy Efficiency in Government Operations target for energy usage of 7500 megajoules per person
- purchasing 100 per cent recycled paper
- using environmental criteria guidelines to ensure that environmental impacts are considered for all purchases
- using VM Ware computer hardware to reduce electricity consumption
- using high-efficiency T5 lighting and movement-activated lighting
- using video-conferencing facilities to minimise travel
- using multifunction-device printers that reduce paper waste by secure release and authentication of all print, copy, scan and fax jobs
- collecting waste food from APVMA kitchens and feeding it to worms at our on-site worm farms, thereby reducing landfill.

We also strive to continually improve our environment management systems. Our new electronic document and records management system will facilitate reductions in paper and printer consumables.