

CORPORATE GOVERNANCE

The Bureau's corporate governance framework is designed to provide a sound basis for decision making, to define mechanisms for accountability and stewardship and to promote both leadership and strategic direction for the Bureau.

Corporate governance within the Bureau is based around:

- the legislative foundation provided by the *Meteorology Act 1955*, the *Water Act 2007*, the *Public Service Act 1999*, and the *Financial Management and Accountability Act 1997*;
- a robust executive and management structure;
- a mechanism for stakeholder input and review through the Bureau of Meteorology Advisory Board, and a number of theme-based consultative committees;
- sound procedures for risk management and fraud control;
- an internal audit plan that addresses key business and financial risks to improve Bureau business and management practices;
- an audit committee focussing on fraud, risk management and internal audit, and oversight of the preparation of the Bureau's financial statements;
- an extensive planning and reporting framework with well-defined corporate planning processes;
- detailed asset management policies and guidelines; and
- a service charter setting out the standards of service to the community.

ORGANISATIONAL ARRANGEMENTS

Both internal and external factors have led to a number of significant changes in the organisational and management arrangements of the Bureau during 2007-08 (see Director's Report, page 1) .

As of 30 June 2008, the Bureau of Meteorology comprised:

- four divisions: Services, Research and Systems, Corporate, and Water;
- twelve branches: Observations and Engineering; Communications and Computing Systems, Ionospheric Prediction Service, Weather Services Policy, Central Operations, Water Data Management, Water Analysis and Reporting, Water Forecasting Services, Water Information Technology Planning and Development, Executive and International Affairs, Management, and Finance and Budgets;
- the Centre for Australian Weather and Climate Research (a joint research operation with the CSIRO);
- seven regional offices located in the state capital cities and Darwin;
- 58 meteorological field offices across Australia, offshore islands and Antarctica;

- two solar observatories; and
- a commercial arm called the Special Services Unit (SSU – to be discontinued at the end of 2007-08).

The Director of Meteorology has formal charge of the Bureau under the *Meteorology Act 1955* and has the responsibilities and powers of an agency head under the *Public Service Act 1999*. Supporting the Director, Deputy Directors oversee key functions of the Bureau as follows:

- **Deputy Director (Services):** heads the Services Division which has the direct responsibility for Output Group 1.3 (Meteorological and Related Services and Products), with the exception of the hydrological component.
- **Deputy Director (Research and Systems):** heads the Research and Systems Division which has the direct responsibility for Output Groups 1.1 (Meteorological and Related Data) and 1.2 (Meteorological and Related Research) and, since December, for Ionospheric Prediction Products.
- **Deputy Director (Water):** was established in August, replacing the Special Executive Advisor (Hydrology) position, to head the Water Division, which has the direct responsibility for Output Group 1.5 (Water Information), and for the hydrological component of Output Group 1.3.

Since 1 January, the role of Division Head for the Corporate Division has been performed by the Director of Meteorology following the discontinuation of the position of Deputy Director (Corporate Activities).

The Director of Meteorology, the three Deputy Directors and (since 1 January) the three Assistant Directors in the Corporate Division form the Bureau Executive. The Executive has the responsibility for setting strategic policies and priorities for the Bureau and is the highest level decision making body within the organisation. Executive meetings are chaired by the Director and generally held fortnightly as circumstances permit.

The actions of the Executive are supported by Senior Management Meetings which involve all members of the Executive and all Branch Heads and the Manager of the Special Services Unit. These meetings are held fortnightly on the alternate week to Executive meetings. As well as general program reporting, senior managers respond to key issues that are referred by the Executive for consideration at the branch level.

The production of the Bureau's outputs are managed on a national basis within the head office division and branch structure, however, most day-to-day operational activities are managed within each of the seven Regional Offices under the guidance of the Regional Directors. Since September, the Regional Directors report to the Deputy Director (Services) and are integral to the operation of the Bureau's management framework for planning and operations.

In addition to the general division and branch structure, there are now a number of specialist roles which are attached to senior positions. Since January, these specialist functions are as follows:

- **Chief Climatologist**, performed by the Assistant Director (Central Operations);

- **Chief Information Officer**, performed by the Assistant Director (Information Technologies); and
- **Chief Financial Officer**, performed by the Assistant Director (Finance and Budgets).
The senior staff of the Bureau as at 30 June 2008 are shown in relation to the organisational structure in the fold-out at the back of this report.

The Centre for Australian Weather and Climate Research (CAWCR), formally established in September, is a joint research operation with the CSIRO. The CAWCR Director reports to both organisations through a supervisory committee which includes the Director of Meteorology and the Deputy Director (Research and Systems). An Appropriations Sub-committee is responsible for appropriating and assigning allocated resources from each organisation for the joint research operation's activities, while a Resources Sub-Committee, provides input into preparation of its annual plan and research group plans, and monitors and reports on the use of allocated resources.

Supporting the management of the Bureau, there are a number of specifically-focussed committees that report to the Executive. The current committees and their roles are as follows:

- Budget and Program Committee – supports budget and resource planning activities and provides ongoing monitoring of the financial performance of the Bureau.
- IT Standing Committee – oversees and coordinates all information and communications technology activities within the Bureau of Meteorology.
- Australian Meteorological Data and Information Services System (AMDISS) Management Committee – undertakes broad coordination and strategic development of AMDISS.
- Data Management Committee – undertakes coordination and implementation of data management activities within the Bureau.
- Asset Purchase Monitoring Committee – undertakes monitoring and reporting on progress of the asset replacement program including expenditure and obligations.
- Bureau of Meteorology Staff Consultative Committee – provides a formal forum for unions and staff representatives to meet with the Director of Meteorology and other senior Bureau management to address workplace relations and related issues.
- National Occupational Health and Safety Committee – oversees and coordinates the Bureau's compliance with the Occupational Health and Safety Act and its implementation, including the development of policies, promotion of safe work practices, and reviewing, monitoring and reporting functions.
- Heritage Management Steering Committee – oversees the preparation, implementation and ongoing review of Commonwealth Heritage Management Plans within the Bureau, including reporting against the Bureau's Heritage Strategy.
- Training and Staff Development Committee – oversees planning and coordination of all training activities within the Bureau.
- Library Committee - provides advice to the Executive and to the Chief Librarian on matters relating to library services.

- Charging Policy Review Committee –reviews and coordinates detailed aspects of the Bureau’s Charging Policy.
- Basic Product Set Review Committee – provides recommendations to the Executive through the Assistant Director (Weather Services) on revisions to the Bureau’s Basic Product Set.

The Bureau also has steering committees for all major projects including the Pacific Islands – Climate Prediction Project, the Forecast Streamlining and Enhancement Project, the Australian Tsunami Warning System Project, the Australian Water Resources Information System Project, the Management Services Centralisation Project, the Human Resource Management System Project, the Radar Network and Doppler Services Upgrade Project, the Large Scale Data Storage System Project, the VRO/BMTC Accommodation Project (overseeing the move to new accommodation of the Victoria Regional Office and the Bureau of Meteorology Training Centre) and the Field Office Replacement Project which is coordinated with other major observation and cross-program field infrastructure initiatives through the Major Observations Program Infrastructure Coordination Management Committee.

BUREAU OF METEOROLOGY ADVISORY BOARD

The Bureau of Meteorology Advisory Board is responsible for advising the Minister (or Assistant Minister or Parliamentary Secretary) with responsibility for the Bureau and the Director of Meteorology on issues of relevance to the proper discharge of the functions of the Bureau, including the national and international environment for meteorological service provision, the Bureau’s corporate strategy and strategic plan, and broad scale resourcing and implementation issues.

The annual report of the Advisory Board for 2007-08 is provided at Annex A.

BUREAU OF METEOROLOGY AUDIT COMMITTEE

The Bureau of Meteorology Audit Committee has responsibility for fostering the development and implementation within the Bureau of:

- an effective and efficient audit service;
- compliance with applicable laws and regulations;
- reliable financial and management reporting;
- an appropriate fraud control plan, with supporting procedures; and
- risk identification and management processes.

The Audit Committee met six times during 2007-08, in August, September, December, February, April and June.

The main work of the Committee during the year was to monitor:

- the annual audit program (including compliance, financial, operational, information technology and risk management audits) and development of the next year’s program;
- the acceptance of the Bureau’s 2006-07 financial statements;
- the process for reporting compliance with the financial management framework;
- the further refinement of the audit process;

- the follow up of past audit recommendations;
- the operation of the Risk Sub-committee including finalisation of an improved Risk Management Framework and a risk identification and assessment program;
- progress with the implementation of enhanced Business Continuity Management arrangements;
- arrangements for executive scrutiny of risk management;
- finalisation of work on fraud risk assessment and a Fraud Management Plan; and
- finalisation of updated Chief Executive Instructions.

BUREAU OF METEOROLOGY REVIEW

The final report of the Review of the Bureau of Meteorology, *Creating an Australian Bureau of Meteorology for the 21st Century*, was cleared by the Minister for Environment, Heritage and the Arts in May. It was subsequently distributed to all those who provided submissions to the Review, members of the Review Panel and the Bureau of Meteorology Advisory Board.

The objective of the Review, which commenced during 2006-07 and was chaired by Professor Mary O’Kane, was to assess the ability of the Bureau of Meteorology to sustainably fulfil its role as Australia’s National Meteorological and Hydrological Service. In doing this it considered, inter alia, funding and resources, the changing needs and expectations of users of climate and weather services and the effectiveness of the Bureau in meeting its objectives under its existing business model, governance arrangements and management structure. The Review was specifically requested to “make recommendations on the activities the Bureau should undertake, and the financial, operational and structural implications of pursuing those activities, and the required actions to ensure the long-term vitality and sustainability of meteorological and related services”.

The report contained a number of recommendations aimed at improving the efficiency and effectiveness of the Bureau. Work commenced during 2007-08 on implementing most of the key recommendations, including changes to the top management structure and planning and financial management processes, the identification of opportunities for using new technology to generate additional efficiencies, and action towards Government priorities and improving services to the community.

CULTURE SURVEY

Towards the end of 2006-07 the Bureau conducted a Culture Survey its staff. Respondents were asked to indicate their personal values, the perceived values of the current culture, and the culture they desired for the organisation. The survey was conducted, and the results analysed, by an external consultant. More than half the staff responded.

In the early part of 2007-08 staff were advised of the overall outcomes, and a number of briefings were held in Head Office and the Regions, with a staff focus group used to provide additional insight. The consultant’s report and the basic data collected by the survey were placed on the Bureau’s intranet. The Advisory Board and the Review of the Bureau of Meteor-

ology were briefed on the survey outcomes, and the Review panel noted in their report that the results were consistent with the findings of the Review and endorsed the Bureau's decision to address the matters raised by the survey.

The survey results provide useful information about areas of management, administration and leadership which the Bureau plans to address in parallel with organisational and operational changes over the next one to two years. As might be expected, some areas for improvement were highlighted and are being examined over time with a view to follow-up activity to be undertaken in conjunction with other initiatives to support the Australian Public Service (APS) Values and the Bureau's corporate health.

CORPORATE PLANNING AND EVALUATION

Planning in the Bureau of Meteorology is based on a framework of program-based activities delivering Government-agreed Outputs and Outcomes. The Bureau has implemented an annual schedule of planning meetings for generating its five year strategic plan and annual operational plan.

The planning process includes input from the Bureau of Meteorology Advisory Board and in 2007-08 drew on the recommendations of the Review report *Creating an Australian Bureau of Meteorology for the 21st Century*. The planning process in 2007-08 was complemented by a detailed internal reassessment of the Bureau's operations and priorities.

The evaluation of performance against plans is an important component of the Bureau's annual planning cycle. The Bureau monitors and reports, through its annual report to Government, on its performance in achieving planned outcomes and results using a range of indicators.

RISK MANAGEMENT AND FRAUD CONTROL

The Bureau of Meteorology aims to integrate risk management principles into all program planning, activities and management systems and create an environment whereby all Bureau employees will assume responsibility for managing risk.

The Bureau promotes a systematic and rigorous approach to risk management that is fully aligned with the Bureau's planning processes and seeks to identify and manage risks to the achievement of its strategic, program and project objectives. Risk Management is overseen in the Bureau by the Executive and a Risk Sub-Committee. The Risk Sub-Committee reports to the Bureau of Meteorology Audit Committee and monitors the treatment of higher-level risks and the implementation of risk management policy and procedures.

In 2007-08 the Bureau's Risk Management Handbook was substantially revised to meet the *Australian/New Zealand Standard for Risk Management (AS/NZS4360)* and the *Guidelines for Managing Risk in the Australian Public Service* (Report No. 22 of the Management Advisory Board/Management Improvement Advisory Committee). Other significant risk management activities undertaken during the year included:

- the completion of a Bureau-wide fraud risk assessment;
- continued provision of risk management training to staff;

- the implementation of recommendations resulting from a national review of the adequacy of the Bureau's current framework for managing Occupational Health and Safety risks, in particular for the Bureau's observation and engineering programs, which have roles and responsibilities relating to the operation and maintenance of equipment in rural and remote areas;
- participation in the Risk Management Assessment Service provided by Comcover; and
- participation in the annual Comcover Risk Management Benchmarking study leading to a 5.2 per cent discount to the Bureau's Comcover insurance premium in 2007-08.

The results of a fraud risk assessment, conducted in accordance with the Commonwealth Fraud Control Guidelines, were incorporated into the Bureau's 2007 Fraud Control Plan. The Fraud Control Plan provides the basis for the Bureau's fraud control activities during December 2007 to November 2009 and its development was overseen by the Bureau of Meteorology Audit Committee and Risk Sub-Committee.

HERITAGE STRATEGY

Following amendments to the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act), a new national heritage system commenced from 1 January 2004.

Since 1908 the Bureau has demonstrated its commitment to heritage values through its efforts to record and preserve significant parts of its own history in delivering meteorological services to the Australian community.

Complementing this, the Bureau's Heritage Strategy is based on the Commonwealth Heritage management principles and establishes a process for identification and assessment of the heritage values of all places owned or controlled by the Bureau, and development of a Bureau Heritage Register to record the heritage status of each Bureau place.

A preliminary assessment of places owned or controlled by the Bureau and distributed across various government jurisdictions within Australia and its Territories has been undertaken, including sites that may lie within, or in the vicinity of, heritage listed sites.

The Heritage Management Steering Committee commissioned a review identifying and assessing heritage values of Bureau owned and controlled sites that will be the basis of the Bureau's Heritage Register and, where necessary, lead to the development of heritage management plans. As at the end of 2007-08 the report was under consideration.

SERVICE CHARTER

The Bureau's service charter sets out the standards of service clients can expect from the Bureau, their rights and responsibilities and how to find out more about the organisation. The service charter applies to all clients, including other government agencies, community organisations, industry and members of the public, and to all Bureau Outputs.

The charter can be accessed principally through the Bureau's web site at www.bom.gov.au/inside/services_policy/serchart.shtml.

The Bureau invites feedback, including complaints and criticism, through its offices

across Australia and also through a web feedback facility. Approximately ten formal complaints about service were received through Regional Offices during 2007-08. The issues raised were dealt with by the Regional Director concerned; any specific suggestions were considered, and on occasion a minor change was made to a service in response. Over the year the web feedback facility logged about 500 messages classified by the sender as “criticism” and these were redirected to the appropriate area of the Bureau for response and resolution as appropriate.

ETHICAL STANDARDS

During the reporting period, the Bureau continued to demonstrate its commitment to the APS Values and Code of Conduct in a number of ways, including the following:

- the APS Values and Code of Conduct were highlighted in the Bureau’s Certified Agreement 2006-2008;
- briefing information on the APS Values and Code of Conduct was included in induction packages and training sessions provided for new employees;
- the Values and Code of Conduct were referenced in selection criteria for all Bureau positions;
- an online information and training course covering the APS Values and Code of Conduct was available to all Bureau employees;
- upholding the APS Values and Code of Conduct and completion of the online course is expected to be a performance criterion in relation to social justice objectives and work tasks in the Bureau’s Staff Performance Management Scheme;
- workshops and information sessions on the Values and Code of Conduct were delivered to several groups of managers and employees, including at Officers-in-Charge Conferences and Station Managers’ Conferences;
- employees were able to access information on ethical standards via the Bureau’s intranet, as well as through the Australian Public Service Commission’s website;
- guidelines on the acceptance of gifts, managing breaches of the Code of Conduct and potential conflict of interest situations were given particular attention;
- review of action procedures, as provided for in Section 33 of the *Public Service Act 1999*, were made available to aggrieved employees as necessary; and
- the Bureau was represented at external network meetings in relation to performance and conduct issues.

EXTERNAL SCRUTINY

There were no judicial decisions or decisions of administrative tribunals during 2007-08 which affected the Bureau. Similarly, there were no reports by the Auditor-General (other than the report on financial statements), Parliamentary Committees or the Commonwealth Ombudsman, which referred to the Bureau.