



Department of Local Government and Planning



# Corporate Governance Framework

## Corporate Governance Framework (the Framework)

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## Introduction

As the accountable officer for the Department of Local Government and Planning, I have the responsibility, in collaboration with my Board of Management, to ensure that we meet our strategic objectives and deliver our services in an efficient, effective and economical way.

The Department is managed in an accountable and transparent way through effective corporate governance which is defined as *how the department manages the performance of its functions and operations*.

The Board of Management, as the senior decision making body of the Department, recognises that governance facilitates optimal performance and is essential for an organisation to be well run and function effectively. The expectation of high standards of governance within the Department are anchored in the ethics principles (each of which is supported by a set of values) outlined in the *Public Sector Ethics Act 1994* of:

- Integrity and Impartiality
- Promoting the public good
- Commitment to the system of government
- Accountability and transparency

Corporate governance includes the structures, systems and processes used to manage an organisation in an open and accountable way. Governance arrangements are an integrated part of the Department's business model and cycle and are overseen by a number of departmental Boards and Committees endorsed by the Board of Management. These Boards and Committees seek to add business value and make decisions on key aspects of the Department's management and guide the decision making of senior management. The Department's primary governance committee, the Board of Management is provided with information by exception to streamline operations.

The Board of Management has endorsed six governance principles, each of these underpinned by legislation and policy. The commitment to these principles in the performance of our duties aligns with the delivery of transparent and accountable government and in our responsibility for the efficient, effective and economical operation of the Department.

Endorsed 30/6/11

Jack Noye  
A/Director-General

## Governance Principles

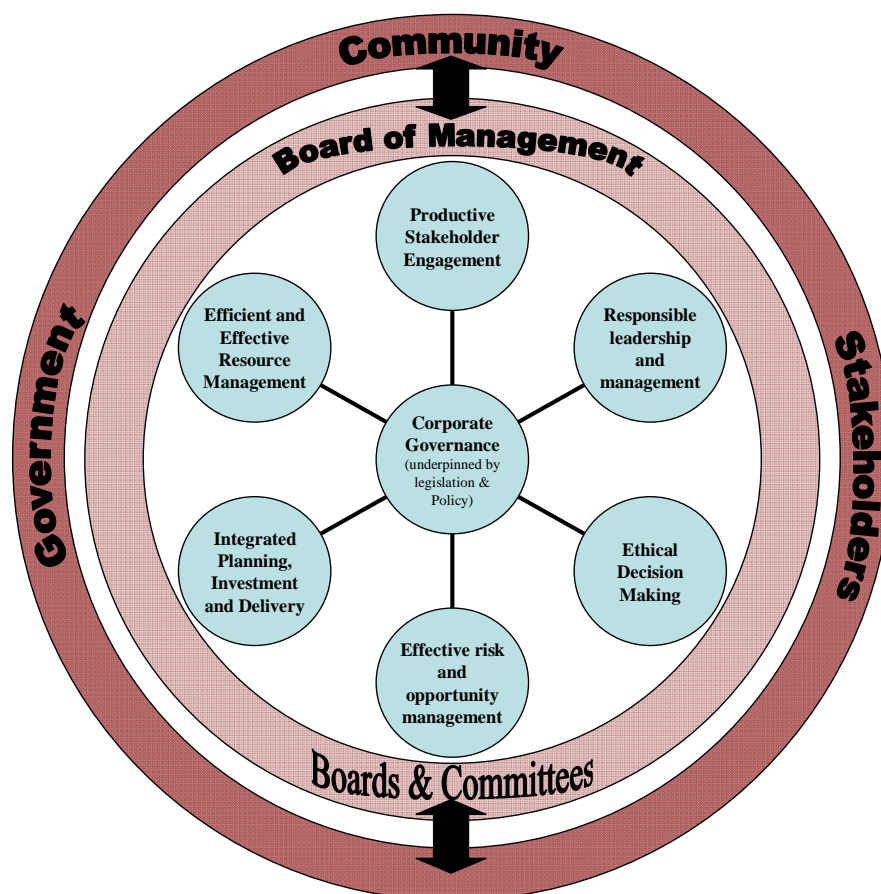
To achieve the highest standards of corporate governance, the BoM has endorsed six governance principles. Each of these principles is underpinned by relevant legislation and/or policy and/or good governance practice (eg: *Financial and Performance Management Standard 2009*). Commitment to these principles in the performance of our duties supports the delivery of a transparent and accountable government. Each principle is of equal importance.

### Governance Principles:

- Productive stakeholder engagement
- Responsible leadership and management
- Ethical decision making
- Effective risk and opportunity management
- Integrated planning, investment and delivery
- Efficient and effective resource management

The Department's policies and procedures guide effective decision making and assign responsibilities to support delivery of services in accordance with the legislation and the Government's policy position and expectations.

The following image shows how the framework and principles are applied within the Department, to ensure sound governance and the delivery of high quality services to the Department's stakeholders and the community.



## Applying the Governance Principles

The table below details how each guiding principle is applied, monitored and reported on throughout the organisation based on legislation and policy to ensure sound high level governance.

Principle	Practice	Legislation and Policy	Governance arrangements	Reporting
Productive stakeholder engagement	<ul style="list-style-type: none"> <li>The organisations relationships with government, community and stakeholders is clear and respected</li> <li>The Department is committed to engaging with stakeholders in the development and implementation of legislation, policies, programs and services.</li> <li>Consultation and communication with stakeholders is thorough, accurate and clear.</li> </ul>	<ul style="list-style-type: none"> <li><i>Right to information Act 2009</i></li> <li><i>Information Privacy Act 2009</i></li> <li><i>Library Act 1988</i></li> <li><i>Public Records Act 2002</i></li> <li>Media, Communications, Marketing and Engagement Policy</li> </ul>	<ul style="list-style-type: none"> <li>Board of Management</li> <li>Information Steering Committee</li> <li>Consultative Committee</li> </ul>	<ul style="list-style-type: none"> <li>Annual Report</li> <li>Board of Management Report</li> <li>RTI Annual Report (JAG)</li> <li>Ministerial reports</li> <li>Service Delivery Statement (SDS)</li> </ul>
Responsible leadership and management	<ul style="list-style-type: none"> <li>Leaders work co-operatively to achieve the strategic objectives and strategies of the Department and demonstrate the values, principles and policies of the organisation and government</li> </ul>	<ul style="list-style-type: none"> <li><i>Public Service Act 2008</i></li> <li>Qld Public Service Capability and Leadership Framework</li> <li><i>Whistleblowers Protection Act 1991</i></li> </ul>	<ul style="list-style-type: none"> <li>Board of Management</li> </ul>	<ul style="list-style-type: none"> <li>Annual Report</li> <li>Strategic Plan</li> <li>Senior Executive Performance Agreements</li> </ul>
Ethical decision making	<ul style="list-style-type: none"> <li>Ethical principles and integrity are embedded in the operations and decisions of the Department</li> </ul>	<ul style="list-style-type: none"> <li><i>Public Sector Ethics Act 1994</i></li> <li><i>Anti-Discrimination Act 1991</i></li> <li><i>Integrity Act 2009</i></li> <li>Code of Conduct for the Queensland Public Service</li> <li><i>Whistleblowers Protection Act 1994</i></li> </ul>	<ul style="list-style-type: none"> <li>Ethics Committee</li> <li>Audit and Risk Management Committee</li> </ul>	<ul style="list-style-type: none"> <li>Annual Report</li> </ul>

Principle	Practice	Legislation and Policy	Governance arrangements	Reporting
Effective risk and opportunity management	<ul style="list-style-type: none"> <li>• Risk is identified and actively managed</li> <li>• Pro-active and supportive risk planning that lead to opportunities for collaborative improvement for effective management decisions</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Financial and Performance Management Standard 2009</i></li> <li>• <i>Financial Accountability Act 2009</i></li> <li>• Integrated Risk Management Framework</li> </ul>	<ul style="list-style-type: none"> <li>• Audit and Risk Management Committee</li> <li>• Board of Management</li> <li>• Workplace Health and Safety Committee</li> </ul>	<ul style="list-style-type: none"> <li>• Annual Report</li> <li>• Board of Management Report</li> </ul>
Integrated planning, investment and delivery	<ul style="list-style-type: none"> <li>• High standards of propriety and probity are maintained in the stewardship of public funds and resources and in the leadership and management of the Department.</li> <li>• Activities and decisions are open to reasonable scrutiny and can withstand a 'public defensibility' test for fairness, equity and 'value for money'.</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Public Service Act 2008</i></li> <li>• <i>Financial and Performance Management Standard 2009</i></li> <li>• <i>Auditor General Act 2009</i></li> <li>• State Procurement Policy</li> <li>• Performance Management Framework <ul style="list-style-type: none"> <li>○ Strategic Planning</li> <li>○ Business Planning</li> <li>○ Project &amp; Program management</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Finance and Asset Management Committee</li> <li>• Information Steering Committee</li> <li>• Board of Management</li> </ul>	<ul style="list-style-type: none"> <li>• Annual Report</li> <li>• Portfolio, Program and Project reporting</li> <li>• Board of Management Report</li> <li>• SDS</li> </ul>
Efficient and effective resource management	<ul style="list-style-type: none"> <li>• Employees are qualified and competent and have a clear understanding of their roles and responsibilities.</li> <li>• Employees take responsibility for decisions and actions</li> <li>• Public resources are used appropriately and effectively</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Public Service Act 2008</i></li> <li>• <i>Financial and Performance Management Standard 2009</i></li> <li>• <i>Financial Accountability Act 2009</i></li> <li>• Financial Management Practice Manual</li> <li>• Corporate Services Delegation Manuals</li> <li>• Qld Public Service Capability and Leadership Framework</li> </ul>	<ul style="list-style-type: none"> <li>• Finance and Asset Management Committee</li> <li>• Information Steering Committee</li> <li>• Ethics Committee</li> </ul>	<ul style="list-style-type: none"> <li>• Board of Management Report</li> <li>• Annual Report</li> <li>• SDS</li> </ul>

## Legislation Policies and Delegations

The legislation administered by the Department is outlined in the *Administrative Arrangements Order (No. 1) 2011*.

Various legislation including the *Public Service Act 2008*, the *Public Sector Ethics Act 1994*, the *Whistleblowers Protection Act 1994* and the *Financial Accountability Act 2009* guide overall public service management to facilitate the development of a professional, accountable, capable and high performing public service and effective governance.

The Department's Corporate Services Delegations Manual assigns levels of authority from the Director-General to certain positions in the Department. These delegations authorise those position holders to administer the delegated powers.

## Governance Committees

The BoM is the principal leadership, decision making and management forum of the Department.

The BoM is supported by four governance committees -

- Audit and Risk Management Committee
- Finance and Asset Management Committee
- Information Steering Committee
- Ethics Committee (**Proposed Committee for consideration**)

In addition, the BoM sponsors the following two consultative committees which are anchored in industrial instruments –

- Workplace Health and Safety Committee
- Consultative Committee

The agenda and minutes of meetings of the four governance and two consultative committees are routinely provided to the BoM. Emerging committee issues are considered by BoM on an exception basis. Committee reports are included in the Department's Annual Report.

The role and membership of the BoM and the Committees are integral to the establishment and maintenance of governance and accountability in the Department. Membership of governance committees ensures appropriate representation of Business Groups interests across the Department to support collaboration and integration of corporate governance practices.

The Corporate Governance Framework is reviewed annually or more frequently if required, to ensure it supports departmental decision making, achievement of outcomes and compliance with whole of government governance goals and expectations. It is the responsibility of the BoM to determine if the present governance and committee arrangements are providing efficient and robust service delivery.

Appendix 1 - lists the Department's governance committees including the role and meeting schedule.

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## Appendix 1 - Governance Committee Overview

### **Board of Management**

The Board of Management is the most senior decision making body of the Department. It is responsible for departmental positioning, establishing the Department's vision and focus and delivery of business outcomes. As the overall guardian of corporate governance within the Department, the Board ensures there is timely effective decision making across the organisation to address strategic direction and operational delivery.

The Board of Management meets once per month (usually on the fourth Thursday & includes the Chief Finance Officer) to formally consider governance matters and review key reports and management information.

### **Finance and Asset Management Committee**

The Finance and Asset Management Committee (FAMC) provides analysis and advice on departmental budget priorities, financial issues and asset management and reporting.

Meetings are held bi-monthly and incorporated into the Board of Management meeting schedule according to the timing of Government and departmental budget and financial processes.

### **Audit and Risk Management Committee**

The Audit and Risk Management Committee (ARMC) provides independent and objective advice to support the accountable officer's (ie the Director-General) financial and operational management responsibilities.

The ARMC plays a key role with respect to the -

- integrity of the agency's financial information,
- its system of internal controls and
- the legal and ethical decision making of management and employees
- business continuity, risk assessment and opportunity management.

Meetings are held quarterly

### **Information Steering Committee**

The Information Steering Committee (ISC) ensures the development and monitoring of Information and Communication Technology (ICT) and Information Management (IM) projects, resources, systems, processes and investment. It ensures that ISC and IM priorities and resources both support and align with key business priorities and reflect whole-of-Government information and project management policies and direction.

The ISC oversees a number of Project Boards for the oversight and management of significant ICT and IM related projects and initiatives. All Project Boards report through the ISC.

Meetings of the ISC are scheduled bi-monthly

### **Ethics Committee (Proposed)**

The Ethics Committee provides a directional and consultative forum to effectively identify ethics issues and develop strategies which promote the government's integrity agenda across the Department. It's primary role is to lead the promotion of an ethical culture within the Department and establish an ethics community of practice on specific ethics issues.

Meetings are scheduled bi-monthly

### **Workplace Health and Safety Committee**

The Workplace Health and Safety Committee facilitate cooperation between the Department and employees in developing and implementing measures to ensure health and safety at the workplace. It provides advice to the BOM on workplace health and safety issues and assists the Department in meeting its obligations in relation to workplace health and safety.

Meetings are held quarterly and membership includes union representation.

### **Consultative Committee**

The Consultative Committee is the principal consultative forum for dialogue between management of the Department, the Queensland Public Sector Union which covers departmental staff and staff appointed as union representatives. The Committee is responsible for the implementation and monitoring of relevant provisions of the *State Government Departments Certified Agreement 2009* (the Core Agreement, i.e. the enterprise bargaining certified agreement applicable to the Department) and consultation on other industrial issues that arise.

Meetings are held quarterly.