

Objective

The Department of Treasury & Finance (DTF or the Department) is committed to maintaining corporate governance principles, through which the Chief Executive manages and provides leadership throughout the organisation. Our emphasis is on operating an ethical organisation that is focused on achieving government specified outcomes as detailed in our Corporate Plan.

Scope

Corporate governance refers to the responsibilities, practices, policies and procedures by which the Department is managed and led. In simple terms, it describes the sound governance practices to ensure objectives are achieved in line with the requirements of the law, regulations, published standards and community expectations of probity, accountability and openness.

This policy describes the mechanisms of good governance and leadership of the Department.

Responsibilities

Chief Executive

Under the *Public Sector Act 2009*, the Chief Executive is responsible to the Treasurer for the leadership and management of the Department.

Senior Executives

The Chief Executive is assisted by the Chief Operating Officer and the Deputy Chief Executive.

The Head of each Branch forms the Executive Leadership Group (ELG). Although the ELG is not a decision-making body, it provides a forum to monitor and coordinate departmental activities and an opportunity for Branch Heads to discuss and comment on issues that affect the Department as a whole.

The ELG Group meets monthly, with the Chief Executive chairing the meetings.

Supporting Committees

In addition to the above, the Chief Executive may establish committees to provide support and ensure a sound and effective governance framework. They provide a useful structure for the Chief Executive to make informed decisions with assurance that all proper controls are in place and that risks are well managed.

A typical committee structure would feature a balance of mandatory and consultative supporting committees as follows:

- Senior Executive Leadership Group (ELG);
- Risk & Performance Committee (mandatory) responsible for:
 - Risk management;
 - Performance;
 - Strategy;
 - Operations;

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- Financial management;
- Procurement;
- Customer service;
- Service delivery;
- DTF's control framework;
- External accountability responsibilities;
- Compliance with legislation;
- Internal and external audit activities;
- Monitoring agency complaints and complaint procedures;
- An information and Communications Technology Committee;
- People Management Committee(s) to:
 - Develop policies and practices to attract and retain staff;
 - Develop policies and practices to manage staff performance;
 - Seek staff input into administration and workplace issues;
- An Occupational Health and Safety Committee (Mandatory);

When considering forming a committee the following should be considered:

- Does this committee enhance the Department's strategic focus;
- Is it the best use of senior people's time;
- Could these outcomes be achieved in another way.

This policy describes the general governance of a committee.

Minimum requirements for committee governance

Terms of reference

All committees are required to establish clear terms of reference/charters including the purpose and role of the committee, the responsibilities of its members, and its accountability to the Chief Executive.

Each committee should be established to provide advice and support to the Chief Executive in discharging their responsibilities for managing and leading the Department. Each committee should have a purpose which includes:

- Obtaining value for money in the expenditure of any public money;
- Providing for the ethical and fair treatment of parties interacting with the Department;
- Ensuring probity, proper process, accountability and transparency in operations;
- Providing independent assurance when monitoring risk and control frameworks, internal audit and external accountability;
- Providing leadership and strategic oversight in high level areas such as human resource management, work health & safety and injury prevention and management; and
- Providing leadership and oversight of the use of information technology.

Authority

Each committee is accountable to the Chief Executive and:

- Has the authority to make enquiries and request any Departmental information it deems relevant to its activities;
- Is authorised to obtain any independent professional or technical advice it considers necessary within approved budgets and established delegations;
- Shall have no executive power regarding its findings, recommendations and actions; and
- May request the attendance of any employee, including Branch Heads, at committee meetings.

Functions

The functions of a committee include:

- Assess and endorse projects for approval by the appropriate delegate;
- Provide a focus for the coordination, management and monitoring of projects;
- Advise on risks that need to be managed;
- Advise on policies and strategies;
- Continue to explore opportunities for process and efficiency improvements;
- Advise on the interests of DTF;
- Recommend strategies to influence the development of a positive DTF culture;
- Ensure communication to employees and all stakeholders;
- Provide advice to the Chief Executive of any emerging issues and suggest strategies;
- Provide a complaint resolution process where appropriate to that committee; and
- Contribute to DTF meeting current and future objectives.

Membership

The Chief Executive determines the membership of some committees. Members should be senior staff who possess a sound understanding of the core business and strategic direction of DTF together with critical competencies pertinent to the committee.

Some Managers may also be required to provide specialist advice pertinent to the committee subject matter.

The members of the committee (excluding the Risk & Performance Committee) should consist of:

- A chairperson (who is also a member);
- Four nominated Branch Heads or Senior Executives;
- An operational manager for specialist advice;
- Other staff and/or external individuals who may be invited or required to attend meetings from time to time; and
- Employee representatives may be nominated representing a cross section of employees in the organisation.

Members and the Chairperson can be appointed for an initial period of three years after which time they

are eligible for reappointment, after a formal review of their performance.

At least one member will be rotated annually.

In the case of the Risk & Performance Committee the members of the committee should consist of:

- A chairperson (independent);
- At least three independent members;
- At least one Branch Head or Senior Executive;
- Operational Manager for specialist advice;
- Other staff and/or external individuals who may be invited or required to attend meetings from time to time; and
- Employee representatives may be nominated representing a cross section of employees in the organisation.

The chairperson and the members should serve a maximum term of seven years. A succession plan should be put in place for the chair.

The Chief Executive must attend the meetings but is not required to be a member of the Committee.

The Chairperson

The role and responsibilities of the chairperson include:

- Guiding meetings according to the agenda and time available;
- Ensuring all discussion items result in a decision, action or definitive outcome;
- May be re-elected;
- Ensuring all other considerations outside of the meeting process result in a decision, action or definitive outcome; and
- Ensuring the implementation of procurement strategies and policy directions throughout DTF.

Conflicts of Interest

Committee members must declare any conflicts of interest at the start of each meeting. Details of any conflicts of interest should be appropriately minuted.

Where members or observers at committee meetings are deemed to have a real, or perceived, conflict of interest it may be appropriate that they are excused from committee deliberations on the issue where a conflict of interest exists.

Induction

New members will receive relevant information and briefings on their appointment to assist them to meet their committee responsibilities.



Corporate Governance policy

Meeting frequency

Committees should meet quarterly or more regularly on occasions to deal with emerging issues or priorities. Some committees might chose to meet monthly or the chair person can convene other meetings as required.

Quorum

A quorum of the committee shall consist of at least half of the committee members. Should there not be a quorum, the meeting shall be rescheduled.

Operating procedure

- An agenda will be compiled and circulated three days prior to the planned meeting time;
- Minutes of all meetings shall be recorded and distributed as draft within three days of the meeting. Minutes will be approved by the committee at the next meeting and signed by the chairperson as an accurate record of the meeting;
- All members shall carry equal voting rights;
- The chairperson will have the casting vote if required;
- The committee may establish such sub-committees as members think fit to provide assistance with specific functions;
- Sub-committees shall report regularly to the committee and may or may not include members of the committee;
- Sub-committees shall develop a charter for their operation, which shall be approved by the committee prior to the commencement of their task.

Reporting

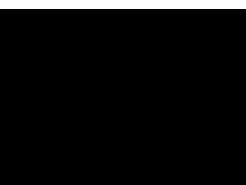
The committee reports to the Chief Executive, providing advice and recommendations.

Approval/review

Review the performance of each committee and its appropriateness on an annual basis. Ensure committees are and remain strategically focused, aligned and integrated.

Determine whether committees are ongoing or time/purpose limited.

Each committee's terms of reference are subject to annual review and approval by the Chief Executive.



CHIEF OPERATING OFFICER
13/11/2017

