



CORPORATE GOVERNANCE FRAMEWORK OVERVIEW

PREAMBLE

This document can either be a reference point as a checklist for governance documents, systems and processes that are best practice to assist decision making and corporate/organisational effectiveness and/or as the official simplified version of a Governance Framework.

This tool is a helpful resource for newly appointed CEOs to identify the governance health check for their organisation. This may assist in identifying the focus of their planning and understanding the maturity of their new organisation. It is important to acknowledge that this template may not be exhaustive and/or include documents or plans that your organisation has in place. This does not diminish their importance for our organisation.

Councils are encouraged to customise this document with their branding, style guide, values and any specific Council related protocols. Some of the terminology may be different for your organisation, for example, your council might:

- have a separate Audit Committee to the Risk Committee, or a combined Audit and Risk Committee or have a completely different name such as Business Improvement Committee;
- calls your Executive Leadership Team (CEO and Directors Meeting) or Executive Management Team.

The references to organisational structure titles and documents are indicative only and not proposed to be best practice titles. However, it is encouraged that there are clear lines of relationships/reporting and that documents/strategies do not conflict with each other.

All pages from this point forward make up the template for your Council's use/reference.

TIP: always refer to another document for specifics rather than repeat content

Recognition to Townsville Regional Council, Isaac Regional Council Mount Isa City Council

NB: This template/resource is a living document. If there is an omission that you wish to propose is included, please forward information to ga@lagmaql.org.au

Tips:

- Refer to supporting documentation - the Corporate Governance Annual Checklist
- Depending on your size, number of employees, etc, not all items listed will pertain to your council

A more comprehensive Corporate Governance Framework template will be developed in the future

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Version Control

Version	Date	Comments	Endorsed by ELT

Next review due: <xxx>



Recommend to review every two years.
Option is to set KPI's or report against your performance on the Framework

OBJECTIVE

The framework is based on best practice local government governance and identifies the practices that drive and support good governance.

Good governance is a set of responsibilities and practices, policies and procedures used by our executive to provide strategic direction, ensure objectives are achieved, manage risks and use resources responsibly and in a transparent way.

Good governance provides an environment where political, economic and social development occurs with positive outcomes

The role and responsibilities of local government in Queensland are established in legislation. Local government have statutory through the *Local Government act 2009* and the supporting *Local Government Regulation 2012*.

The *Local Government Act 2009 s295(1)* states that ‘On the commencement, a local government in existence immediately before the commencement continues in existence as a local government’.

Principles

The framework is underpinned by the following principles of local government defined by the *Local Government Act 2009* (section 4):

- To ensure the system of local government is accountable, effective, efficient and sustainable, Parliament requires—
 - anyone who is performing a responsibility under this Act to do so in accordance with the local government principles; and
 - any action that is taken under this Act to be taken in a way that—
 - is consistent with the local government principles; and
 - provides results that are consistent with the local government principles, in as far as the results are within the control of the person who is taking the action.

Local Government Principles:

- transparent and effective processes, and decision-making in the public interest; and
- sustainable development and management of assets and infrastructure, and delivery of effective services; and
- democratic representation, social inclusion and meaningful community engagement; and
- good governance of, and by, local government; and
- ethical and legal behaviour of councillors and local government employees *and councillor advisors*.

NB: the references councillor advisors may not be applicable to your Council

Values

<Include your organisational Values>

<name> Council is committed to performance and accountability to ensure good governance:

Performance

We use governance arrangements to contribute to our overall performance and the delivery of outcomes:

- to improve results by effective use of performance information
- for more equitable and cost-effective learning outcomes due to efficient use of resources
- to increase the value of our business using a cycle of continuous improvement.

Transparency / Accountability

We use governance arrangements to ensure that we meet the requirements of the law, regulations, standards and community expectations:

- to fulfil obligations and legislative requirements in the best interests of our customers
- with clear procedures, roles and responsibilities to ensure confidence in our decisions and actions
- to act impartially and ethically to meet community expectations of integrity, transparency and openness.

Transparent and Good Governance:

- Builds trust and confidence
- Improves efficiency
- Improves consistency
- Assists to meet legislative compliance
- Improves service delivery

GOVERNANCE ELEMENTS

Each element/system of governance helps council meet its goal of great governance and includes high performing staff, high standards of policies, practices and procedures, risk management, responsible use of resources, being trustworthy, reliable and dependable.

Corporate objectives

- Corporate Plan
- Annual Operational Plan
- Annual Budget
- Adopted Strategies

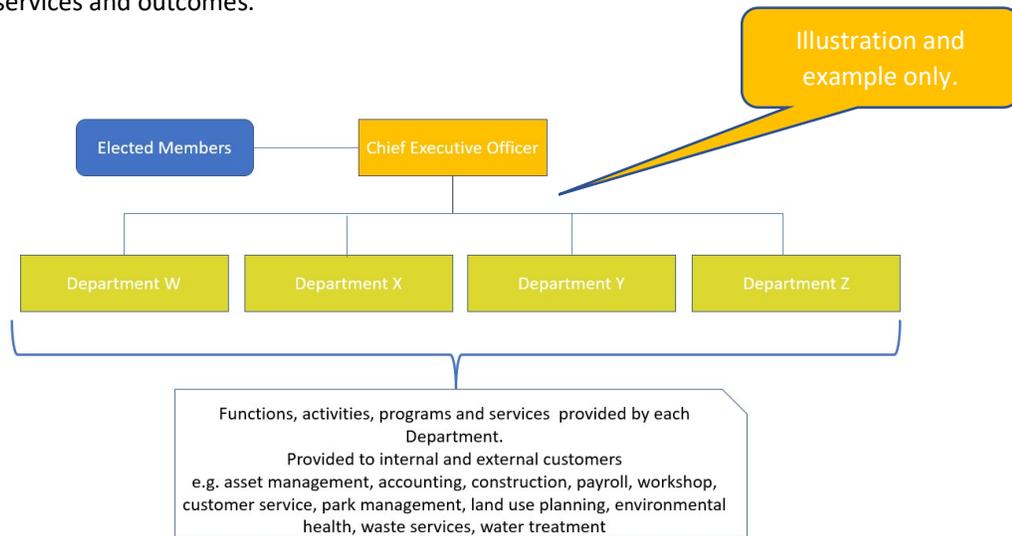
Some councils also have a Community Plan. This is not a legislative requirement, unlike those listed

Corporate Governance directs and controls local government and allows for better decision making. Below is an overview of the Corporate Governance framework process and practice systems.

Organisational framework

These structural elements are set in place by legislation, the council, and the CEO. They provide leadership and direction for councillors, management and employees.

A strong organisational structure supports the flow of information and decision making. Contemporary thinking allows for an appropriate structure to be embedded into your organisation, however the most operating structures in local government respond to the delivery of internal and external services and outcomes.



The overarching framework for decision making is the Integrated/Strategic Planning Framework. This provides an overview of the relationships between strategic and planning documents, decision making structures and reporting/monitoring.

All elements of this Integrated/Strategic Planning Framework are listed in this document, with most being a legislative requirement.

Organisational standards

These are set by Council and determine the cultural behaviours expected in the organisation.

- Organisational values
- Legislation
- Council policies (including codes of conduct)
- Delegations of Authority
 - Council to CEO
 - CEO to Employees
 - Instruments of Appointment
 - Include, but not limited to financial delegations, administrative/signing, decision making, authority to act
- Administrative policies (or Management directives)
- Communication standards
- Risk management
- Compliance Framework

Accountability framework

These structural elements provide assurance that the local government achieves its goals.

Control monitoring and review

- Council (and committees) – public decision making forums
- Audit and Risk Committee
- Executive Leadership Team and Extended Management Team
- Internal audit
- Risk Management - manage, monitor and review risks
- Internal reporting / internal controls

External Reporting

- External audit
- Financial accountability
- Performance reporting
- Corporate governance disclosure

FRAMEWORK ELEMENTS

The following provide further detail on the Organisational and Accountability Frameworks and how they inter-relate within the overarching Corporate Governance Framework (and decision making).

Corporate Structures/Strategic Documents

- Executive Arm – Mayor & Councillors
- Administrative Arm – Chief Executive Officer
 - Organisational structure
 - Executive Leadership Team
 - Employees
- Strategic Documents
 - Community Plan
 - Corporate Plan
 - Annual Operational Plan
 - Long term Financial Plan
 - Asset Management Plans
 - Planning Scheme
 - Department Business Plans
- Decision making
 - Ordinary meetings
 - Standing Committees
 - Budget meetings and committees
 - Advisory Committees
 - Strategic workshops
 - Executive Leadership Team
 - Employees (delegations of authority, recommendations to Council)
- Organisational
 - Executive office
 - Directorates
 - Departments / Branches / Business Units

Tip: ensure all are aware of each other's roles and responsibilities

Decisions of Council can only be made at Council meetings, and if delegated, Standing Committees.

All other forums are usually only advisory in nature reporting to Council.

Governance Accountability and Control (Planning and Reporting)

- Reporting and performance
 - Financial statements
 - Asset register
 - Annual report
 - Operational plan and quarterly report
 - Department Business Plans
 - Risk and audit reports
 - External reporting agencies
 - Performance management review/system (incorporated in the above)
- Controls monitoring and review
 - Codes of conduct
 - Complaints management
 - Audit – internal and external
 - Audit Committee
 - Registers and disclosures
 - Governance and internal controls
- Risk management
 - Enterprise risk management
 - Risk Registers
 - Fraud and Corruption Control Plan
 - Business Continuity Plans
 - Disaster and Emergency Management
 - Insurance
 - Capability and Leadership Framework
 - Workforce/Succession Planning Framework
- Legislative and organisational compliance
 - Council resolutions
 - Local laws
 - Council policies and procedures
 - Delegations of Authority Registers
 - Instruments of appointment
 - Workplace Healthy and Safety plan/s
 - Industrial agreements, inductions, position descriptions, professional development
 - Legislation state and federal
 - Corporate Calendar
- Financial management
 - Annual budget
 - Long term asset management plan
 - Long term financial forecast
 - Financial policies
 - Procurement Policy

- Data and information management
 - Records Management Policy and Procedures, including data management
 - Right to Information
 - Information Privacy
 - Information Security
 - Information Technology and Communication Governance

LEGISLATION

- *Local Government Act 2009*
- *Local Government Regulations 2012*
- *Integrity Act 2009*
- *Public Sector Ethics Act 1994*
- *Information Privacy Act 2009 (Qld)*
- *Planning Act 2016*
- *Public Interest Disclosure Act 2010 (Qld)*
- *Public Records Act 2002*
- Industrial agreements, awards and guidelines
- Industry and Australian Standards

This list is not exhaustive for all legislation and/or standards that Queensland local governments are bound.

REFERENCE MATERIAL

- Available on LG Central
 - Local Government Compliance Priority Matrix
 - LG Health Check – Self-Assessment