

# Standards, quality processes and accountability



Delivering and coordinating planning and infrastructure for the community are achieved through a strong management structure that is supported by management standards and accountability mechanisms, including:

- legislation
- policies, procedures and delegations
- code of conduct
- culture, values, ethics and standards
- personal performance and development, planning and management
- strategic planning and risk management
- business improvement
- performance monitoring and reporting
- financial monitoring and review
- internal auditing and risk management as outlined by the Audit and Risk Management Committee
- external accountability mechanisms.

## Legislation

Legislation and regulations form an important element of the system of governance. The Department of Infrastructure and Planning is responsible for administering the following Acts and Regulations:

- *Alcan Queensland Pty. Limited Agreement Act 1965* (except to

the extent administered by the Minister for Mines and Energy and Minister for Sustainability, Climate Change and Innovation)

- *Amoco Australia Pty. Limited Agreement Act 1961*
- *Ampol Refineries Limited Agreement Act 1964*
- *Austral-Pacific Fertilizers Limited Agreement Act 1967*
- *Building Act 1975*
- *Central Queensland Coal Associates Agreement Act 1968* (except to the extent administered by the Treasurer; Minister for Transport, Trade, Employment and Industrial Relations; Minister for Main Roads and Local Government; Minister for Mines and Energy; and Minister for Sustainability, Climate Change and Innovation)
- *Central Queensland Coal Associates Agreement Amendment Act 1986*
- *Central Queensland Coal Associates Agreement Amendment Act 1989*
- *Central Queensland Coal Associates Agreement and Queensland Coal Trust Act 1984*
- *Central Queensland Coal Associates Agreement Variation Act 1996*
- *Iconic Queensland Places Act 2008*
- *Industrial Development Act 1963*

- *Integrated Planning Act 1997*
- *Integrated Resort Development Act 1987*
- *Local Government (Robina Central Planning Agreement) Act 1992*
- *Mixed Use Development Act 1993*
- *Plumbing and Drainage Act 2002*
- *Queensland Nickel Agreement Act 1970* (except to the extent administered by the Minister for Transport, Trade, Employment and Industrial Relations, and the Minister for Mines and Energy)
- *Queensland Nickel Agreement Act 1988*
- *Sanctuary Cove Resort Act 1985*
- *Southern Moreton Bay Islands Development Entitlements Protection Act 2004*
- *State Development and Public Works Organisation Act 1971*
- *Townsville Breakwater Entertainment Centre Act 1991*
- *Townsville City Council (Douglas Land Development) Act 1993*
- *Townsville Zinc Refinery Act 1996*
- *Urban Land Development Authority Act 2007*
- *Water Act 2000* (Chapter 2, Part 2, Division 2A and Chapter 2A, Part 2, Divisions 3 & 6 and Part 3, Division 3)



## Other applicable legislation

The Director-General is also responsible for the efficient, effective and economical operation of the department. Numerous pieces of legislation affect the operations of the department and may impact directly or indirectly on operations. Some of these are listed below.

- *Anti-Discrimination Act 1991*
- *Evidence Act 1992*
- *Financial Administration and Audit Act 1977*
- *Financial Management Standard 1997*
- *Freedom of Information Act 1992*
- *Judicial Review Act 1991*
- *Library and Archives Act 1988*
- *Public Service Act 2008*
- *Public Sector Ethics Act 1994*
- *Statutory Bodies Financial Arrangements Act 1992*
- *Whistleblowers Protection Act 1994*
- *Workplace Health and Safety Act 1995*

## Policies, procedures and delegations

Policies provide support in achieving the organisation's objectives by setting clear guiding principles and allocating responsibilities. Procedures provide specific guidance on the steps to be followed to consistently and efficiently achieve a task. Delegation schedules align authority with responsibilities.

The department has approved policies, procedures and delegations to cover all areas of the department's activities: human resource management, risk management and performance management, general administrative matters, financial management and information management. The policies, procedures and delegations are updated as required to ensure that they continue to be relevant and do not present conflicting positions. The responsibility for maintaining the currency of each of the policies, procedures and delegations is clearly assigned to particular areas.

Generally, each senior manager has the following key roles and responsibilities:

- **Legislation:** responsible for communicating and ensuring compliance with legislative requirements
- **Policy:** responsible for communicating and implementing the department's policies

- **Procedures:** responsible for developing and implementing departmental procedures to improve efficiency, effectiveness or economy of service delivery
- **Program development:** responsible for defining output specifications, costs of required services, budget allocation, service agreements, practice standards and service standards
- **Evaluation and review:** responsible for monitoring performance against service standards and cost/quality targets and evaluation of programs and services.

## Code of conduct

The department has a code of conduct (the code). The code guides staff on what is expected of them and informs the public of the standards of conduct they can expect when dealing with the department. The code is based on the five ethics principles set out in the *Public Sector Ethics Act 1994*, which are:

- respect for the law and system of government
- respect for persons
- integrity
- diligence
- economy and efficiency



Application of the code is supported by:

- departmental policies, procedures and guidelines
- strategies such as training and education to assist staff in applying the five ethics principles.

The code requires employees to disclose to an appropriate authority suspected or known fraud, corrupt conduct or maladministration by another public sector employee. Employees who make such disclosures attract the legal protections contained in the *Whistleblowers Protection Act 1994*.

## Culture, values, ethics and standards

Effectively communicating values and standards (legislation, policies and delegations and the Code of Conduct) ensures that all members of the organisation receive up-to-date, quality information about their expected roles, responsibilities and authorities. The department uses a number of tools to effectively communicate and seek employee commitment to its values and standards, such as:

- department induction program and local induction process
- targeted training for new and changed policies and procedures
- electronic access to departmental policies and procedures

- consultation during development of departmental policies and procedures.

Communicating values and standards is also supported through organisational charts, position descriptions, individual or team performance and development planning, and effective systems and processes.

## Performance and learning plans

The departmental performance management system builds on the purpose and requirements of the Office of the Public Service Directive (18/97—Performance Management) through its integrated and flexible planning and review processes. These processes focus on achieving organisational objectives through:

- planning
- individual and group accountability
- developing and maintaining a skilled and motivated workforce with professional development and reward and recognition initiatives.

The department's system provides for a planning and review framework that:

- sets work goals and objectives consistent with the department's Strategic Plan
- encourages regular and constructive feedback for all employees
- provides professional and personal career development

- recognises and rewards excellence
- deals fairly but decisively with poor performance or conduct.

The Director-General is committed to ensuring all departmental staff have in place a performance and learning plan.

## Strategic planning

The department's direction and priorities are outlined in the department's Strategic Plan, which is based on an understanding of the needs of clients, the views of stakeholders and partners, the ways in which the environment is changing, and the expectations and priorities of government. A shared understanding of, and commitment to, the strategic intent is required to ensure the intentions of the plan are achieved throughout the department. The Strategic Plan is supported by cascading plans and resource agreements.

The planning process complements the governance framework by:

- making explicit the mechanisms to deliver the outputs funded by government
- setting in place mechanisms that support strategic planning and strategic intent
- supporting accountability for public funds through reporting and compliance mechanisms
- striking a balance between management and compliance



- providing greater clarity of roles and responsibilities to better focus managers on delivering agreed outcomes
- enabling structure and consistency in decision-making processes
- providing a mechanism to enable the department to redirect funding to areas of need.

The department develops a number of plans that support the Strategic Plan, including:

- Operational plans for each of the four departmental groups
- Information and communication technology strategic plan
- Workforce management plans
- Risk management plans
- Asset management plan
- Portfolio service plan

## Performance monitoring and reporting

A performance reporting framework is being developed to report on progress towards key priorities and deliverables. The department will take a coordinated 'scorecard' approach where performance data is collated from monthly financial

reports, business reports, output performance reports, and analysis from a rolling evaluation of major programs and projects. These reports will provide an opportunity to discuss performance issues and business improvement initiatives. The reporting framework will ensure that:

- measures are linked to realistic accountability, resources and deliverables in a meaningful way
- measures are focused on outcomes and align with the Service Delivery Statements and the Strategic Plan
- reports effectively flag areas that need to improve performance
- reports look at the data holistically and consider links across program areas
- reports enable effective corporate governance and continuous improvement.

## Financial planning, monitoring and review

The broad financial and budget resource management responsibilities of the department include:

- controlling and overseeing the department's budget
- monitoring expenditure and revenue against budgets
- ensuring that the legal appropriation is not exceeded

- ensuring assets and liabilities are effectively managed
- ensuring the department operates within its approved fiscal limit
- developing strategic budget and resource management policy
- providing strategic financial advice
- coordinating the annual budget and monthly reporting processes with Queensland Treasury (including budget documentation, monitoring and reporting, grants monitoring and identifying and resolving strategic resource management issues)
- completing the annual financial statements, including the consolidation of special purpose vehicles.

The Financial Management Standard 1997 and the *Financial Administration and Audit Act 1977* provide the principles and policies of financial administration and audit of all Queensland Government departments and statutory bodies.

The department's *Financial Management Practice Manual* provides policy and practice guidelines to enable the department to carry out day-to-day management, accounting and financial functions. The *Financial Management Practice Manual* is required to be developed and applied under section 46M of the *Financial Administration and Audit Act 1977*.



The purpose of the manual is to:

- outline general government and departmental policies and procedures relevant to the financial management of the department
- detail specific policies and practices developed by the department to give effect to that general policy
- provide all officers of the department with an understanding of its financial affairs.

Every officer engaged in the financial management of the department is required to comply with the policies and practices set out in the manual. These include:

- knowledge of the relevant requirements of the *Financial Administration and Audit Act 1977* and the Financial Management Standard 1997
- efficient, effective and economic use of the resources of the department
- proper recordkeeping
- proper control over expenditure and revenue
- proper stewardship over assets (physical, intellectual, commercial) and portable and attractive items
- value for money
- sufficient internal controls
- financial reports that are true and fair

- procedures in place for delegated officers to act appropriately.

Appropriate financial controls at business unit level are an imperative part of preparing the department's required financial reporting processes. The following reporting is undertaken:

- monthly reconciliations
- monthly reporting
- systems appraisals
- end-of-year financial statements.

## Internal Audit

An effective internal audit function acts as an independent, objective assurance and consulting service that is designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, control and governance processes.

Internal Audit maintains its independence by reporting directly to the Director-General as well as to the Audit and Risk Management Committee, and assists the accountable officer in the effective discharge of statutory functions and duties placed on that officer. Internal Audit's role in auditing corporate governance within the organisation includes the following:

- promoting appropriate ethics and values within the organisation

- ensuring effective organisational performance management and accountability
- communicating risk effectively and controlling the flow of information to appropriate areas of the organisation.

Internal Audit also has a role in evaluating the design, implementation and effectiveness of the organisation's ethics-related objectives, programs and activities.

## Integrated risk management (including business continuity management)

Integrating risk management into business activities is a major element of the governance framework. Developing an organisational risk management culture will assist in achieving:

- better outcomes in service effectiveness and efficiency
- a rigorous basis for strategic management through considering key elements of risk and opportunities
- business continuity
- greater transparency in decision making and accountability.

The Australian/New Zealand Standard for Risk Management (AS/NZS 4360:2004) defines risk management as the culture, processes and structures that are directed



towards realising potential opportunities while managing adverse effects. Integrating risk management activities into strategic and operational planning, project management, business continuity management and decision-making activities will assist in achieving business objectives within an acceptable degree of risk.

The department reviews its strategic and operational risks and maintains risk registers on an ongoing basis. To support the regular review, the department maintains practices, procedures and resources to support managing risk within its risk tolerance. The responsibility for managing risks on a day-to-day basis, including escalating strategic or operational high or extreme risks, rests with the appropriate functional areas. This is strategically directed by the Integrated Risk Management Framework strategy, policies and procedures, and overseen by the Audit and Risk Management Committee.

The policy objective is to develop a risk management culture within the department to assist all employees to implement sound risk management practices relevant to their business. These practices seek to add value to the business operations of the department through eliminating or minimising potential threats or losses and exploiting opportunities. This is enhanced through the following strategies:

- integrating the practice of continuous risk management into departmental strategic and operational planning processes, decision-making and project management activities

- providing training and awareness programs that promote a risk management culture
- implementing risk management documentation and reporting processes to address risk at the strategic and operational levels that may affect whole-of-government, portfolio or departmental objectives.

## Complaints management

Complaints management is a key element of the governance framework. The department's Complaints Management Policy (CG-PN-001) was developed in accordance with the Office of the Public Service Commissioner Directive 13/06—Complaints Management. The department values feedback from its clients, customers, employees and the public. All employees are responsible for supporting the handling of complaints. Complaints against the department's actions and decisions, or against the conduct of its employees, are dealt with in a responsive, confidential, thorough and impartial manner.

Where practical and appropriate, the department will seek to resolve complaints locally and informally at the point where the complaint is received. Otherwise, the complaint will be referred for management and investigation, and will be resolved formally. Any decisions made in relation to complaints will be justified by providing a written statement of reasons where

required. During the course of dealing with a complaint, departmental employees:

- limit communication to those who need to know about the matter as part of their duties and to those who have a legitimate interest in knowing
- ensure that the complaint and investigation are made in good faith—that is, the complaint and/or investigation should not be motivated by ulterior motives.

Quarterly reports will be provided about the quality and effectiveness of the complaints management system in resolving and managing complaints.

## External accountability mechanisms

The accountability framework includes external accountability mechanisms in the form of auditing and financial statement certification by the Auditor-General, the Auditor-General's reports tabled in the Parliament, and public reporting through annual reports. These mechanisms provide the Parliament with assurance that accountable officers are managing their department efficiently, effectively and economically.



The external accountability mechanisms that complement the internal governance framework include:

- freedom of information
- judicial review of administrative decisions
- the Ombudsman
- Queensland Audit Office
- Crime and Misconduct Commission
- Estimates Committee
- Public Accounts Committee.

Information regarding the department's performance is provided to the community through performance information contained in the annual Service Delivery Statements and the department's Annual Report.

## Shared services governance

The department is provided with a range of corporate services by the shared services provider, Shared Services Agency (SSA). The provider is part of a whole-of-government approach to corporate services that aims to standardise business processes, consolidate technology, and pool resources and expertise in order to deliver a seamless, cost-effective and client-focused service to departments.

The heads of corporate services meet with SSA on a regular basis. The department's interests are represented by the Deputy Director-General, Strategy and Governance;

the Executive Director, Organisational Capability; and the Executive Director, Financial and Asset Management.

Currently, the Department of the Premier and Cabinet provides library and research services and some ICT services to the department through service level agreements. This is managed by the Executive Director, Organisational Capability. Service level agreements define the nature, form and scope of services to be provided on a fee-for-service basis. Agreements are reviewed annually with some pricing mechanisms determined on a whole-of-government basis.

## Special purpose vehicles

The Queensland Government, by decision of Cabinet, has established a number of special purpose vehicles (SPVs) to deliver priority water and transport infrastructure. These SPVs are private companies, typically tasked with a specific deliverable by the Queensland Government. The current companies are listed below:

- South East Queensland (Gold Coast) Desalination Company Pty Ltd
- Queensland Water Infrastructure Pty Ltd
- Western Corridor Recycled Water Pty Ltd
- Southern Regional Water Pipeline Company Pty Ltd
- City North Infrastructure Pty Ltd.

All companies have boards and directors that provide governance in accordance with corporations law.

The department meets its governance responsibilities in relation to the SPVs in line with shareholder agreements, trust deeds or other contractual agreements. The SPV Governance Unit of the department has responsibility for developing a governance policy and performance reporting framework for SPVs. The SPV Governance Unit of the department acts as a liaison point between the department and the board of each SPV.

The four water companies (South East Queensland (Gold Coast) Desalination Company Pty Ltd; Queensland Water Infrastructure Pty Ltd; Western Corridor Recycled Water Pty Ltd; Southern Regional Water Pipeline Company Pty Ltd) are provided with further strategic oversight by a Water Infrastructure Project Board established as a statutory body under section 113 of the *State Development and Public Works Organisation Act 1971*. The board has Cabinet-endorsed functions to manage negotiations and activities associated with the drought response infrastructure.