

welcome to the board

your introduction to the good practice guide on governance
for Victorian public sector entities



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**your introduction to the
good practice guide on
governance for
Victorian public sector
entities**

The Victorian Government has vested the State Services Authority with functions designed to foster the development of an efficient, integrated and responsive public sector which is highly ethical, accountable and professional in the ways it delivers services to the Victorian community.

The key functions of the Authority are to:

- identify opportunities to improve the delivery and integration of government services and report on service delivery outcomes and standards;
- promote high standards of integrity and conduct in the public sector;
- strengthen the professionalism and adaptability of the public sector; and
- promote high standards of governance, accountability and performance for public entities.

The Authority seeks to achieve its charter by working closely and collaboratively with public sector Departments and agencies.

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Welcome to the Board is relevant to all Victoria's public entities

1 about *welcome to the board*

Welcome to the Board has been developed for you in your role as a member of a Victorian public entity Board – see Box 1 for a definition of public entities.

Welcome to the Board covers the key concepts of public entity governance and how best to apply them. This includes the roles of the Board, the CEO and the Department in relation to the entity; the functioning of an entity Board, including strategic planning and risk management; the Board's legal requirements; and what is expected of you.

Providing Boards with information about these concepts is very important. Public entity Boards make an essential contribution to public administration and to ensuring that the Victorian Government performs all its roles effectively and efficiently. *Welcome to the Board* provides you with up-to-date information about your role, and the potential pitfalls that you and entities can encounter.

Welcome to the Board serves as an entrée to the *good practice guide on governance for Victorian public entities* (the Guide). The Guide provides more detailed information on the various governance topics and is an essential document for Board members seeking to better understand their role and the environment in which they operate. The Guide is a web resource available at www.ssa.vic.gov.au.

Box 1: What is a Victorian public entity?

Welcome to the Board applies to all Victorian public entities. Under the *Public Administration Act 2004* a Victorian public entity is defined as a body, whether corporate or unincorporated, that:

- is established;
 - by or under an Act or the *Corporations Act*; or
 - by the Governor-in-Council; or
 - by a Minister;
- has a public function to exercise on behalf of the State or is wholly owned by the State; and
- in the case of a body corporate, the Governor-in-Council or a Minister has the right to appoint at least one half of the directors.

This definition includes many types of organisation, including public hospitals, water authorities, port corporations and channel authorities, government school councils and cemetery trusts.

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2 introduction to governance

'Governance' is about how a public entity is controlled and managed. It includes the relationships between an entity's Minister, Board, senior management and stakeholders, and the administrative arrangements that support these relationships.

Good governance provides the foundation for high performance. It strengthens community confidence in a public entity, and helps ensure entities' reputations are maintained and enhanced. Good governance enables entities to perform efficiently and effectively, and to respond strategically to changing demands.

Public entity governance is a key part of the Victorian public sector accountability framework (refer to Figure 1) in which Ministers are accountable to Parliament and the community, and entity Boards are accountable to their Minister. In this framework, accountability is further strengthened by agencies such as the Auditor-General and the Ombudsman.

The Victorian Government is committed to achieving high standards of public administration and public entity governance. Victoria's Parliament enacted the *Public Administration Act 2004* (PAA) to ensure good governance across the whole of the Victorian public sector (see Box 2).

Box 2: The Public Administration Act 2004

The *Public Administration Act 2004* (PAA) creates a comprehensive framework to ensure good governance of the whole of the Victorian public sector.

The PAA contains provisions that:

- specify the structure of the Victorian public service, including the creation of Departments and employment of employees and executives
- specify public sector values that indicate the standards expected of public officials in performing their duties
- specify public sector employment principles and processes to ensure merit and equity in public sector employment
- provide for good governance of newly created public entities
- provide for good governance across the whole public sector
- enable a whole-of-government direction that requires public entities (or a class of public entity) to comply with specific government policies

Directors on the Board of a public entity are bound by the PAA public sector values (section 7). Public entities must promote the public sector values to the officers they employ, and any statements of corporate values adopted by entities must be consistent with the public sector values. It is the responsibility of the Board to model the values and to ensure staff are informed of the values.

Section 8 of the PAA requires public entity Boards to ensure that the CEO has a strategy to ensure that employment processes reflect the PAA employment principles.

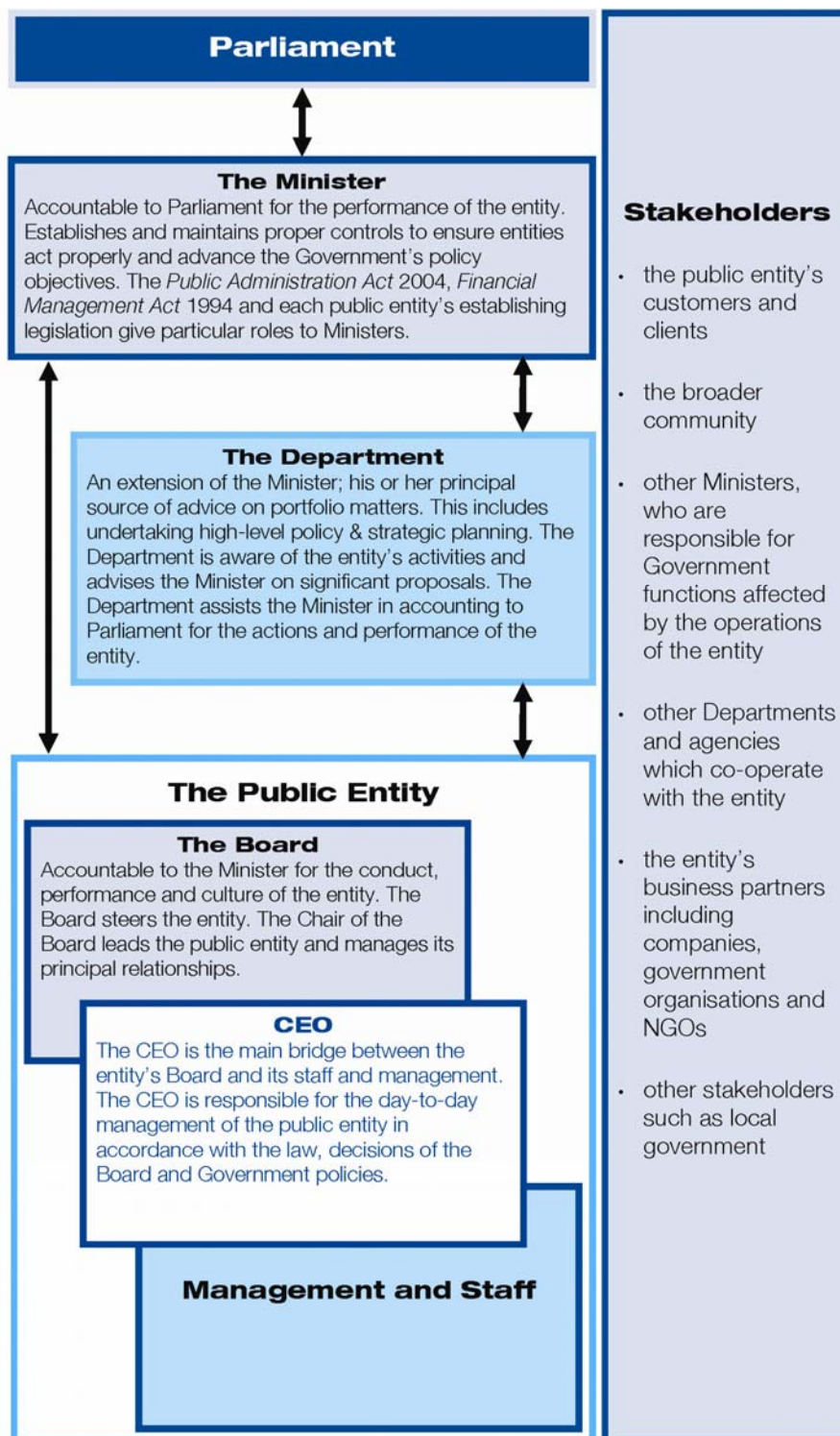
Governance is about how an entity is controlled and managed

Good governance underpins high performance

All members of a Board play a critical role in the good governance of an entity

Ministers are accountable to Parliament. Boards are accountable to their Minister

Figure 1: Accountability framework and key relationships



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3 roles and conduct

the roles and duties of a public entity board

The role of a public entity Board is to **steer** the entity. This includes:

- a **strategic role** – of setting the overall operational direction of the entity; and
- a **stewardship role** – of ensuring that the entity’s activities reflect the public sector values and employment principles, and that the entity has arrangements in place to meet its statutory obligations.

Board members do not participate in day-to-day management; that is the role of the Chief Executive Officer (CEO). The roles and duties of Boards, as established by legislation, Ministerial directions and letters of agreement, are summarised in Box 3.

The Board steers the entity on behalf of the responsible Minister. The Board must inform the Minister, and the Department Head, of major risks to the public entity, and of the measures in place to address the risks.

The Board is responsible for its own effectiveness as a governing body. It needs to ensure adequate procedures are in place for assessing the performance of individual Board members, dealing with poor performance by directors and resolving disputes between directors. The Board must also ensure it has efficient procedures in place to govern the conduct of its meetings and to keep records.

Boards’ legal requirements include applying the Directors’ Code of Conduct, issued by the Public Sector Standards Commissioner, and ensuring that the public entity has relevant policies to deal with conflicts of interest and gifts to directors.

In many public entities, the Board appoints the CEO. If a Board does not have the authority to appoint and set remuneration for a CEO, it often has a critical role in advising the Minister on the capabilities and experience required of a potential CEO to deliver the strategic goals and priorities of the entity.

The Board steers the entity...

... and the CEO manages the entity...

...on behalf of the Minister

The Board is responsible for its effectiveness as a governing body

The Directors’ Code of Conduct is binding for public entity Board members

Box 3: Roles and duties of Victorian public entity Boards

Strategy	<ul style="list-style-type: none">• set the broad strategy for the entity to meet its objectives and performance targets• ensure the preparation of and approve strategic plans, annual reports, key procedures and policies• approve decisions related to strategic initiatives such as commercial ventures, significant acquisitions, internal restructures and disposals• approve the annual budget• ensure that the entity follows corporate planning guidelines provided by the Minister, the Treasurer or the Department
Governance	<ul style="list-style-type: none">• where the legislation permits, appoint the CEO• establish performance measures for the CEO and a succession plan• establish and monitor governance arrangements for the entity, including reporting systems to meet the information needs of the Minister, Department, central agencies and the Board• establish and review policies regularly (eg. policies on fraud and conflicts of interest)• foster a culture and set of values with reference to the duties and values detailed in the <i>Public Administration Act 2004</i>• apply the Directors' Code of Conduct issued by the Public Sector Standards Commissioner (see Box 5)• evaluate the performance of the Board, the public entity and the CEO
Risk management	<ul style="list-style-type: none">• integrate risk management into the entity's strategic planning process• notify the Minister of known risks to the effective operation of the Board• monitor and review the effectiveness and currency of internal financial and operational risk management, compliance and reporting systems• ensure that the entity operates within the establishing legislation, within any delegations and within rules and procedures relating to the use of public funds

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skills and qualities of board members

Individual Board members hold the key to whether a public entity succeeds. This applies to whether it delivers the required output and whether it operates in an ethical and appropriate way.

Board members need to have the right skills to carry out their roles. Some legislation specifies the type of skills required of members of public entity Boards. Where the legislation is silent on skill requirements, the Board should develop a skills matrix indicating the skills and qualities it requires in its members. Key skill types are shown in Box 4.

The Board should review its skills profile as part of an annual corporate governance review. In some cases, the Board may be asked to advise the Minister on the Board's skill requirements. The Board should be aware of the Government's policy on diversity in framing its advice.

Every Board member has a role to play

Every Board needs the right skill mix including strategic, communication and financial skills

Box 4: Key skills, qualities and experience for entity Board members

Skills	<ul style="list-style-type: none">• strategic thinking• planning and leadership• risk management and audit• reading and understanding financial statements• legal, financial and other professional skills• marketing and communication• industry-specific skills and knowledge• stakeholder management
Qualities	<ul style="list-style-type: none">• integrity and standing in the community• demonstrated honesty• tolerance of different views• a track record of acting in good faith and in the best interests of an organisation• ability to listen, analyse, think clearly and work well with others• willingness to attend meetings, ask questions and take responsibility
Experience	<ul style="list-style-type: none">• working on a Board• networking and dealing with stakeholders• working in a regional, rural or remote context• performing at high levels in relevant fields of expertise• previous experience as a Chair (if the person is to be a Chair)

conduct of public entity board members

In 2006, the Public Sector Standards Commissioner issued a binding code of conduct for Victorian public entity Board members. The code of conduct is given in Box 5. The Directors' Code of Conduct and guidance notes are available via www.ssa.vic.gov.au and in printed form.

Box 5: Directors' Code of Conduct

As a director and member of a Board of a Victorian public entity you must:

- act with honesty and integrity. Be open and transparent in your dealings; use power responsibly; do not place yourself in a position of conflict of interest; strive to earn and sustain public trust of a high level.
- act in good faith in the best interests of the public entity. Demonstrate accountability for your actions; accept responsibility for your decisions; do not engage in activities that may bring you or the public entity into disrepute.
- act fairly and impartially. Avoid bias, discrimination, caprice or self-interest; demonstrate respect for others by acting in a professional and courteous manner.
- use information appropriately. Ensure information gained as a director is only applied to proper purposes and is kept confidential.
- use your position appropriately. Do not use your position as a director to seek an undue advantage for yourself, family members or associates, or to cause detriment to the public entity; ensure that you decline gifts or favours that may cast doubt on your ability to apply independent judgement as a Board member of the public entity.
- act in a financially responsible manner. Understand financial reports, audit reports and other financial material that comes before the Board; actively inquire into this material.
- exercise due care, diligence and skill. Ascertain all relevant information; make reasonable enquiries; understand the financial, strategic and other implications of decisions.
- comply with the establishing legislation, or its equivalent, for your public entity. Act within the powers and for the functions set out in your public entity's establishing legislation and/or ministerial charter.
- demonstrate leadership and stewardship. Promote and support the application of the Victorian public sector values; act in accordance with the Directors' Code.

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the role of a public entity board Chair

Needless to say, the Chair holds a special position on the Board. The task facing public entity Chairs is an important and complex one. To succeed, a Chair must possess particular skills, knowledge and qualities. Critical among these are leadership and relationship management skills. Key roles of the Chair are set out in Box 6. The Chair should ensure that all policies adopted by, or relevant to, the public entity and its Board are made readily accessible to all Board members.

The Chair leads the Board and develops its members as an effective team

Box 6: The role of the Chair

- | | |
|-------------------------|--|
| Leadership | <ul style="list-style-type: none">• builds an effective Board with the necessary skills and capabilities• leads the Board members and develops them as a cohesive and effective team• assists Board members' understanding of their role, responsibilities and accountability• informs members about developments in Government policy, priorities and financial reporting• sets the Board's agenda and ensures key issues are discussed and there are no potential conflicts of interest or duty• ensures interactive participation by all Board members• arranges adequate support for members• welcomes new members and leads the process for their induction• manages the evaluation of the performance of the CEO and the Board• represents the Board to external parties as an official spokesperson for the entity |
| Relationship management | <ul style="list-style-type: none">• establishes an effective and constructive working relationship with the CEO• acts as the key liaison point between the Board and senior management of the public entity• informs the Minister about significant issues and events• delivers the corporate plan and annual report to the Minister• actively encourages a strong relationship between the internal audit committee and the Board |

There are several potential consequences from breaches of Board members' duties

breaches, indemnities and insurance

A Board member who fails in his or her duties may face a variety of consequences. For minor or technical breaches, there may be counselling by the Chair or admonition by the Minister. For significant breaches, the Board member may not be reappointed, or there may be action to remove the Board member (if the public entity's establishing legislation permits it or if the public entity falls under Division 3 of Part 5 of the PAA). The Board member may face legal action if the breach causes loss or damage to another person or organisation.

Where a member acted honestly and properly and is confronted with legal action, he or she may be protected by insurance or may qualify for an indemnity from Government:

- under Victorian Government policy, indemnities are provided for Ministers and servants of the Crown who have acted honestly and properly in connection with their duties in the course of conducting Government business; and
- the Victorian Managed Insurance Authority (VMIA) may provide an indemnity to Board members of a statutory authority or a State-owned company.

The Board as a whole should assess its own performance and deal with underperforming members

performance assessment

The Board as a whole should assess the performance of the Board, the CEO and possibly the Chair, using a variety of mechanisms and performance indicators agreed to by the Board. The Boards of larger entities should consider using corporate governance consultants, at least in alternate years, to manage Board performance assessments in an impartial way. An annual performance assessment is usual. More thorough three-yearly reviews are also valuable.

In addition to assessing the Board, CEO and Chair's performance, Boards must ensure that there are adequate procedures for assessing the performance of individual Board members and for dealing with underperformance.

Assessment of the CEO by the Board differs from the assessment of the Chair and Board members and will depend on how the CEO's appointment is made and the resulting employment contract. For example, the CEO may be assessed against key performance indicators set after discussion with the Board early in the cycle, or as part of employment contract negotiations. Assessment of the CEO will usually be carried out by a committee of the Board reporting to the full Board.

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the role of the Chief Executive Officer (CEO)

The CEO plays a critical role in the governance of a public entity. Key aspects of the CEO's role are listed in Box 7.

The CEO is employed to manage and lead the organisation. He or she is the primary link between the entity's Board and the staff of the entity. The CEO is accountable to the Board as a whole, rather than to individual members.

The CEO is the primary link between the Board and the staff

The CEO develops and implements the operational plan of the organisation and is accountable to the Board for the expenditure, operational activities and administration of the entity in accordance with the Board's strategy and legal requirements. The CEO is responsible for implementing the policies of the Board and for achieving the outcomes and performance objectives of the entity. The CEO is required to prepare a range of reports for presentation to the Board.

The CEO must behave ethically at all times.

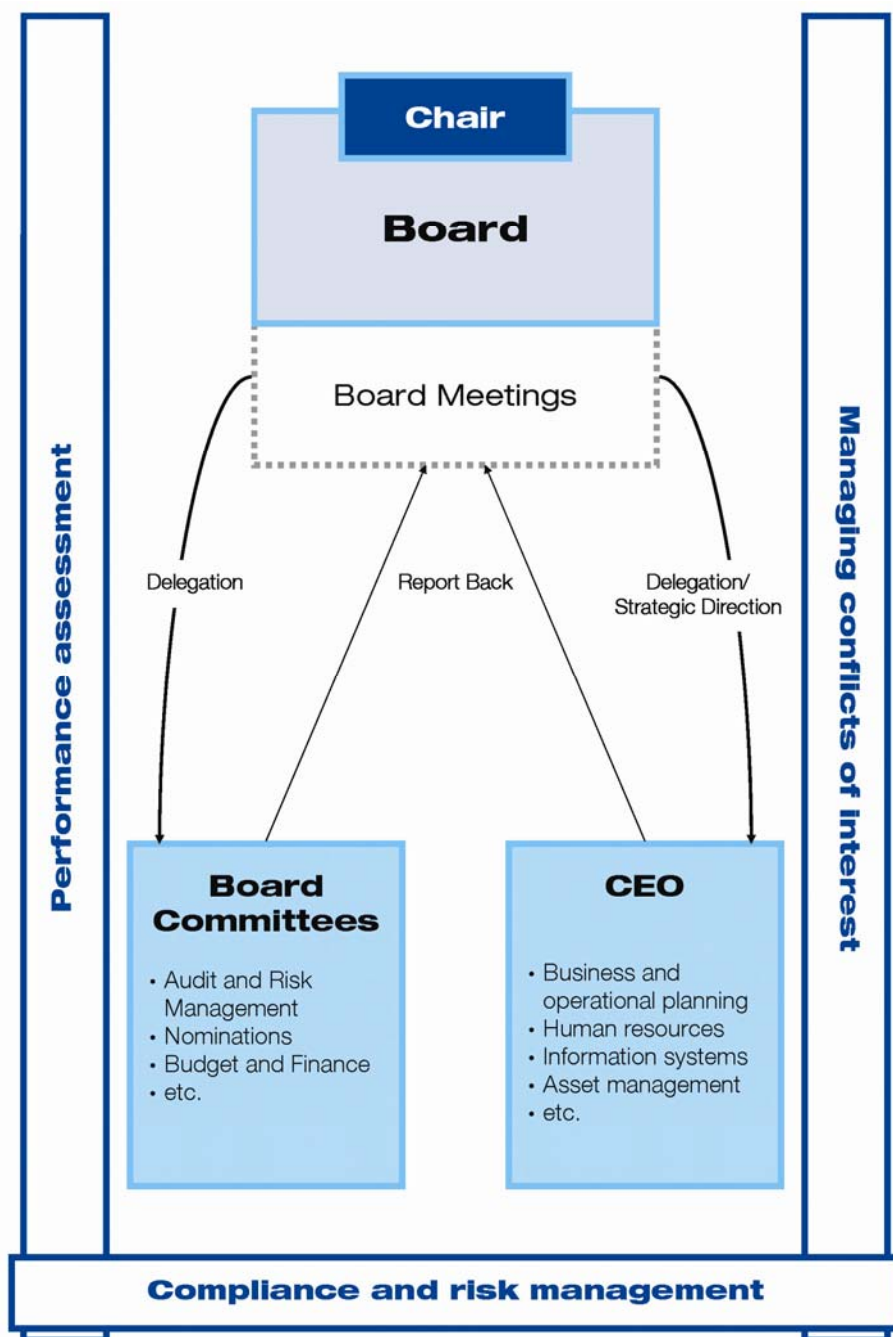
Box 7: The role of the CEO

- manage the effective and efficient day-to-day operations of the public entity in accordance with the strategy, business plans and policies of the Board
- translate the strategic plans of the Board into action
- ensure the entity's organisational functions are effective. These include financial management, human resource management, information systems management, risk management, communications, marketing, fund raising, asset management and reporting
- keep Board members informed about existing and amended Ministerial directions, amendments to legislation, and other such critical information relating to the Board's functions and powers
- ensure compliance and alignment with the entity's establishing legislation and Government policies affecting the public entity
- maintain effective communication and co-operation with stakeholders in collaboration with the Chair
- oversee the employment and management of staff
- implement Board decisions
- provide advice and information to the Board of any material issues concerning strategy, finance, reporting obligations and any other major matters that arise
- prepare the annual strategic plan including organisational performance targets for Board approval
- prepare the public entity's annual report
- liaise with and, where appropriate, report to the portfolio Department.

4 operations of the board

Boards set the strategic direction and risk management framework for their public entity. The framework within which Boards operate is summarised in Figure 2.

Figure 2: The operational framework of the Board



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board meetings

Meetings are held to allow the Board to make decisions regarding the entity's strategy and operations. For effective and accountable decision-making in meetings there needs to be:

- clear definition of how the Board conducts business, including whether decisions are taken by consensus or vote;
- a carefully prepared agenda;
- papers, usually flagged as relevant to particular items on the agenda, circulated no less than five working days before meetings;
- frank and open discussion, with all useful questions from members put and answered;
- accurate, timely records of decisions, discussion and dissent;
- rules about access to information; and
- ability and willingness to seek independent and external professional advice at the public entity's expense, as required.

Some establishing legislation sets out meeting procedures; commonly, this covers who needs to attend and how often, how a vote will be taken, roles of office bearers and notification rules. Boards should supplement these meeting requirements, if required, with additional meeting procedures documented in the Board Charter or governance policy.

The Board should ensure that the decisions it makes are legally valid, comply with Government policy, and are ethically sound and fair. The Board must consider all aspects of an issue and, if necessary, seek professional advice to help members understand the full implications of any decisions they may make.

A range of reports should be presented at Board meetings. For example, the Chief Financial and Accounting Officer (CFAO) or Treasurer should explain the current financial situation, and committee or sub-committee reports should be presented by the committee Chairs for acceptance and relevant action.

After each meeting, a draft of the minutes should be sent to the Chair within 24 hours and then sent to members when approved.

The extent of attendance at Board meetings of the CEO, CFAO and senior managers is determined by the Board, as is attendance of other public entity staff and external parties. As a matter of good practice, the Board should ensure that meetings are not dominated by attendees who are not Board members.

Robust meeting procedures support effective decision making

The Board is responsible for how meetings are conducted

conflicts of interest and duty

A conflict of interest is a real, perceived or potential conflict between the personal or business interests of a member and the member's duty to act in the interests of the public entity. There can also be a conflict between the duty a member has to the public entity and a duty he or she has to another entity.

All conflicts of interest must be resolved in favour of the public interest

Wherever a conflict of interest or duty may be perceived, the matter must always be resolved in favour of the public interest rather than the individual Board member.

Declarations of private interests must be completed by candidates for appointment to the Board. Every Board member is required to review and update their declaration of interests as their circumstances change, and at least once annually.

A stakeholder representative on a Board may have a conflict of duty. The best way to deal with this problem is to consider the degree, nature and extent of such potential conflicts and make these known to all involved, including other Board members. An agreement should be reached concerning the absence of the stakeholder representative from some parts of Board meetings.

A Departmental employee may be required to serve on the governing Board of a public entity in the same portfolio, possibly a public entity from which the Department purchases services. The Departmental employee faces two sets of imperatives:

- seeking to ensure the entity's functions meet Government policy objectives, and considering the Department's interests as a customer; and
- acting as a Board member whose duty is to pursue the interests of the entity.

Departmental representatives on Boards may need to seek the agreement of the Chair to be absent from some meetings where it is difficult to resolve the issues around such dual roles in any other way.

delegations

A delegation is where a party with authority or power to do something authorises another party to act on the first party's behalf. It is normal for Boards to delegate certain powers to other parties.

There are important limitations on Board delegations. A Board can only delegate the right to engage in an activity if the Board has the power to engage in that activity itself. Boards should check the relevant legislation before making any delegations to determine if there are restrictions on the Board's delegation powers and on the powers and functions that may be delegated.

Delegations help Boards manage their various roles

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Delegating powers or functions does not absolve the Board or its members from accountability for those powers or functions.

Delegation does not absolve the Board of accountability

Delegation decisions should be made formally by the Board. A decision to delegate must be recorded in the minutes of the relevant Board meeting and the Chair must sign an instrument of delegation on behalf of the Board.

Subject to any restrictions in legislation on the Board's power to delegate, the Board may delegate powers or functions to:

- any of its members;
- a Board committee;
- the Chief Executive Officer; and
- a staff member.

A person who holds a delegation must take care to comply with the limits of the delegation, and any conditions placed on the delegation.

The Board should ensure it receives a regular report on the use of delegations so that it knows how frequently delegations are being used and that they are being applied in the way that was intended.

board committees

It is common practice for Boards to delegate aspects of their work to committees. This allows the Board to distribute its workload and enables the committee to perform a detailed analysis of important or sensitive matters before making recommendations for the Board to consider. The Board, not the committee, is accountable for all decisions.

Committees allow a Board to share its workload, but the Board is still accountable for all decisions

The Board should think about what types of committees it wants when assessing its strategic priorities. It may have several 'standing' or permanent committees, such as an audit and risk management committee and an appointments or nominations committee. Other committees may be established as required.

Committees need to be established with:

- a specific charter, with clear terms of reference;
- delegations which do not undermine the Board's delegations to the CEO;
- an appropriate number of directors including a majority of non-executive directors;
- procedures for agendas, minutes and reporting to the Board; and

- a clear expectation that the decision-making responsibilities of the full Board are not to be compromised by the activities of any committee, and that significant issues will be reported to the Board for the Board to discuss and decide upon.

Boards need to be careful not to establish too many committees. This can create a ‘silo effect’ where the ‘right hand doesn’t know what the left hand is doing’.

An audit and risk management committee is compulsory for some entities

For public entities that are subject to the *Financial Management Act 1994*, the Standing Directions under the Act require an audit and risk management committee to oversee and advise the Board and CEO on matters of accountability and internal control affecting the operations of the public entity.

An audit and risk management committee’s primary role is to consider reports from officers of the public entity and the auditors that provide assurance about the integrity of the entity’s financial processes, systems and reporting.

strategic direction

The Board sets the entity’s strategic direction within the parameters set by Government

A primary responsibility of the Board is to develop and monitor the strategic direction of the public entity through a strategic plan. Boards need to ensure that all their decisions reinforce the agreed strategic direction.

Developing a strategic plan and communicating its contents to all stakeholders is one way in which an entity can ensure it is accountable and that processes are transparent. The purpose of a strategic plan is to drive improvement at a strategic level and ensure that the identified goals are met. The planning process enables an organisation to think through its direction and document what it is doing or planning to do, for whom and why.

The Board should regularly revisit the strategic plan and adjust or update it as necessary. In some cases, the establishing legislation may require that the plan, or part of the plan, must not be published or made available without the prior approval of the Board, the Treasurer and the relevant Minister.

The key elements of strategic planning are:

- defining the purpose and mission of the entity;
- identifying the current aims, objectives and strategy of the entity;
- analysing the entity’s environment and resources; and
- identifying strategic opportunities, threats and choices.

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5 risk management and compliance

risk management

Risk management is a key area of responsibility for a Board. Risk management begins with five questions:

- What can go wrong?
- How likely is it to go wrong?
- What will be the consequences if it goes wrong?
- What will we do to prevent it?
- What will we do if it happens?

Board members need to understand the risks and liabilities affecting their entity and need to exercise care, skill and diligence in addressing them. A Board should aim to see that all unacceptable risks are brought under control by a Board-approved risk management scheme suited to the entity's size and risk profile.

compliance

Numerous Acts of Parliament apply to public entities. An entity's establishing legislation and the *Public Administration Act 2004* are obvious examples. Other Acts that could apply include:

- legislation aiming to improve administration and privacy such as the *Public Records Act 1973* and *Information Privacy Act 2000*;
- legislation emphasising financial stewardship, including the *Financial Management Act 1994* and *Audit Act 1994*; and
- legislation that has accountability and transparency as a focus, such as the *Freedom of Information Act 1982*, *Whistleblowers Protection Act 2001* and *Ombudsman Act 1973*.

Depending on the precise nature of the entity, other relevant Acts could include the *Corporations Act 2001* (Commonwealth), *Environment Protection Act 1979*, *Equal Opportunity Act 1995*, *Fair Trading Act 1985*, *State Superannuation Act 1988*, Taxation Acts, *Trade Practices Act 1974* (Commonwealth), *Victorian Managed Insurance Authority Act 1996* and WorkCover and occupational health and safety legislation.

In addition to legislation, there are a range of other policies, rules, codes and standards that place obligations on entities. Under the *Public Administration Act 2004*, entities may be required to comply with a specified whole-of-government policy for the purpose of improving standards or service delivery or otherwise supporting a whole-of-government approach, if recommended by the Premier and required by order of the Governor-in-Council.

Boards should embed a risk-management focus

The Board is responsible for ensuring the entity complies with the law

A compliance program is a key part of governance

Compliance obligations also arise from Ministerial directions. A Ministerial direction is a direction addressed to the Board and officers of a public entity, usually through the Chair, requiring it to act in a particular way in relation to certain aspects of its work.

To ensure entities comply with all their obligations, Boards should identify the obligations to be complied with, and embed compliance in everyday operational processes, guidelines, manuals and training programs. A compliance program is an important element in the governance and due diligence of a public entity and should seek to:

- prevent, identify and respond to breaches of laws, regulations, codes or organisational standards;
- promote a culture of compliance within the entity; and
- assist the entity in remaining or becoming a good corporate citizen.

The consequences for Boards that are not compliant with their obligations are serious. Depending on the circumstances, the consequences may include criminal prosecution, civil action for damages for breach of statutory duty, adverse publicity, appointment of an administrator (where legislation permits) and resignation or removal.

You can find the full Guide at:
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good practice guide on governance for Victorian public sector entities

The *good practice guide on governance for Victorian public sector entities* (the Guide) has been developed by the State Services Authority to provide information tailored specifically for Victorian public entity Board members. The Guide is available as a web guide on the State Services Authority website (www.ssa.vic.gov.au).

The Guide is a comprehensive set of governance guidance materials covering the key areas of:

- what it means for you to be a member of a public sector board in Victoria;
- the Directors' Code of Conduct and Guidance Notes;
- the roles and relationships Boards have with Ministers, Departments and other stakeholders;
- good practice approaches in the operational aspects of Boards; and
- compliance and accountability issues for Boards.

The Guide is designed in a modular structure for users to research topics as they require, search for areas of interest and answer questions as they arise.

The screenshot shows the State Services Authority website interface. At the top, the logo for the State Services Authority is displayed with the tagline 'supporting government serving Victorians'. A search bar is located in the top right corner. The main heading of the page is 'good practice guide on governance for Victorian public sector entities'. On the left side, there is a vertical navigation menu with the following items: 'search the guide', 'overview', 'table of contents', 'introduction', 'building and renewing the board', 'on board', 'operations of the board', 'compliance and accountability', 'frequently asked questions', 'dictionary of common terms', and 'reference list'. The main content area is divided into five numbered sections:

- 1 introduction**: Public entities are organisations established and owned by the government to undertake a range of administrative, service delivery and/or regulatory functions outside government Departments.
- 2 building and renewing the board**: Someone considering a Board appointment should be well informed about the Board, its functions and the expected workload.
- 3 on board**: Different personnel and parts of Government perform different roles which contribute to the operations of the Board and the public entity. The Directors' Code of Conduct and Guidance Notes articulate how the Victorian public sector values apply to the Board members.
- 4 operations of the board**: Board meetings are a fundamental governance process. Boards set the strategic direction within an agreed risk management framework.
- 5 compliance and accountability**: Boards must comply with their statutory obligations under all the legislation which affects them.

At the bottom of the page, there are three icons: a question mark for 'frequently asked questions', a book for 'dictionary of common terms', and a stack of papers for 'reference list'. The footer contains the text: 'Last Updated: 20/09/2006. Copyright | Disclaimer | Privacy'.

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