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|  | Governance e-alert  No. 2 - October 2015 |  |

# Welcome

Welcome to the 2nd edition of the Department of Environment, Land, Water and Planning's (DELWP's) governance e-alerts. As part of my responsibility to support and oversee DELWP agencies on behalf of our ministers, l have decided to focus this e-alert on integrity-related topics.

As Secretary of DELWP, l have a duty to have policies and processes in place that will best ensure all those who work in my department act and make decisions with integrity, in accordance with the public sector values. This is a duty which the boards of all DELWP agencies share in relation to their own organisations.

Board members and staff of DELWP agencies are entrusted by the Victorian community to act with integrity, impartiality and accountability. The right culture is lead from the top, assisted by ensuring that all those involved understand the processes and standards of conduct required.

I am committed to assisting the boards of DELWP agencies to have policies and guidance in place that foster a culture of integrity and help the organisation to meet its governance obligations and good practice. DELWP's governance website, On Board, provides a growing range of model polices, guidance notes and other governance resources to support you and your agency. I hope that you will make visits to [On Board](http://www.depi.vic.gov.au/about-us/boards-and-governance/on-board-governance-guides-and-resources) an ongoing part of your commitment to excellence in your role.

# \\internal.vic.gov.au\DEPI\HomeDirs1\DO20\Desktop\Leaf.jpg Director's Code of Conduct - updated

The Victorian Public Sector Commission is set to release a major update to the *Code of Conduct for Directors of Victorian Public Entitie*s. The code is binding on board members of public entities and is expected to also be binding on the holders of statutory offices, such as members of ministerial advisory committees appointed under statute.

New obligations are included in the updated code, most of which are based on s 79 to 85 of the *Public Administration Act 2004* - e.g. the requirement for certain board policies to be in place; the process for managing material conflicts of interest; and the need to ensure that all decisions are consistent with government strategy, as part of the board's accountability to the minister. DELWP's [model policies](http://www.depi.vic.gov.au/about-us/boards-and-governance/on-board-governance-guides-and-resources/model-policies) can assist your board to ensure that it complies with the new requirements.

**Further information:** the [updated code](http://vpsc.vic.gov.au/resources/directors-code-of-conduct-and-guidance-notes/) will be available from the VPSC website.

# \\internal.vic.gov.au\DEPI\HomeDirs1\DO20\Desktop\Leaf.jpg Employee's Code of Conduct - updated

The Victorian Public Sector Commission has also recently updated the *Code of Conduct for Victorian Public Sector Employees*. The updated code has only minor changes, the purpose of which is to 'clarify existing requirements, particularly in the key areas of conflicts of interest and gifts and benefits, rather than introduce new obligations'. Your agency can use the recent update as an opportunity to remind staff that they are bound by the code and to ensure they have ready access to it, since a breach of the code may constitute misconduct.

**Further information:** the [updated code](http://vpsc.vic.gov.au/resources/codes-of-conduct/) is available from the VPSC website.

# \\internal.vic.gov.au\DEPI\HomeDirs1\DO20\Desktop\Leaf.jpg Conflict of interest - DELWP model policy adopted for Victorian public sector

I'm pleased to tell you that DELWP's recently updated model policy on [Conflict of Interest](http://www.depi.vic.gov.au/about-us/boards-and-governance/on-board-governance-guides-and-resources/conflict-of-interest) has been adopted by the Victoria Public Sector Commission and adapted for use by boards across the Victorian public sector. A great endorsement of DELWP's model policy and of the ongoing collaboration between our two organisations.

Naturally, boards of DELWP agencies should continue to use the DELWP model policy, which is tailored specifically to your needs. In addition to the standard model policy for major DELWP agencies, there is an edition for waste and resource recovery groups and another for small (category 3) committees of management.

**Further information:** see the [Conflict of Interest](http://www.depi.vic.gov.au/about-us/boards-and-governance/on-board-governance-guides-and-resources/conflict-of-interest) support module on On Board.

# \\internal.vic.gov.au\DEPI\HomeDirs1\DO20\Desktop\Leaf.jpg Conflict of interest - new simplified Declaration of Private Interests form!

Welcome news for board members who dread the usually onerous task of completing their annual *Declaration of Private Interests* (DOPI): DELWP has released a simplified version of the form. There are now only four questions, all of which you can answer by a 'tick of the box'. From now on, the only time you need to list your interests is if they are not already recorded in your board's *Register of Interest*.

Board members of water corporations, catchment management authorities, and any other boards whose establishing Act requires them to complete additional documents (such as primary and ordinary returns) can now simply attach this information to the new DOPI form.

**Background:** the [Appointment and Remuneration Guidelines](http://www.dpc.vic.gov.au/index.php/policies/governance/appointment-and-remuneration-guidelines) issued by the Department of Premier and Cabinet require board members of all Victorian public sector boards to complete an annual DOPI. An update should also be lodged if there is a relevant change in your interests.

**Further information:** see the [Conflict of Interest](http://www.depi.vic.gov.au/about-us/boards-and-governance/on-board-governance-guides-and-resources/conflict-of-interest) support module on On Board.

# \\internal.vic.gov.au\DEPI\HomeDirs1\DO20\Desktop\Leaf.jpg Meetings and decisions - update to DELWP model policy

The update to DELWP's model policy for boards on [Meetings and decisions](http://www.depi.vic.gov.au/about-us/boards-and-governance/on-board-governance-guides-and-resources/meetings-and-decisions) has been released, together with editions for waste and resource and recovery groups and small (category 3) committees of management. New inclusions include:

* a requirement for board members to confirm at the start of each board meeting that their entries in the *Gifts Register* and the *Register of Interests* are 'complete and correct'
* a process for board resolutions where urgent decisions are required between board meetings.

The *About the model policy* guidance note has also been updated and a new 'overview' guidance note issued.

**Further information:** see the [Meetings and decisions](http://www.depi.vic.gov.au/about-us/boards-and-governance/on-board-governance-guides-and-resources/meetings-and-decisions) support module on On Board.

# \\internal.vic.gov.au\DEPI\HomeDirs1\DO20\Desktop\Leaf.jpg Induction and education - new guidance for major DELWP agencies

Every member appointed to the board of a major DELWP agency should be provided with a suitable inductionprogram and kit by the agency, under the direction of the chair. It is recommended that the chair also conduct an inductionbriefing, preferably one-on-one. To assist, DELWP has updated and expanded the induction resources it provides, including:

* a guidance note on the *Governance resources available from DELWP*
* 'overview' guidance notes on *Meetings and decisions* and *Conflict of interest.*

DELWP recommends that these new resources be included in all induction kits. They are also useful as a 'refresher' to assist existing board members to keep up-to-date with governance obligations and good practice.

To further support your agency, the recently updated *Induction Programs and Kits* guidance note sets out the recommended contents for your agency's induction program and induction kit for board members.

**Further information:** see the [Induction and education](http://www.depi.vic.gov.au/about-us/boards-and-governance/on-board-governance-guides-and-resources/induction-and-continuing-education) support module on On Board.

# \\internal.vic.gov.au\DEPI\HomeDirs1\DO20\Desktop\Leaf.jpg Small committees of management - new induction pack and policy pack

Over 840,000 hours of voluntary labour are contributed each year by committees who manage crown land reserves on behalf of their local community, such as recreation reserves and public halls. To assist, DELWP has released guidance that is written specifically for these small (category 3) committees, including:

* *Help from DELWP*, a guidance note that lists the resources and support available from DELWP
* an **induction pack** with guidance notes on meetings and decisions, conflict of interest, dispute resolution, and code of conduct (including gifts)
* a **policy pack** with model policies on the above topics, which committees can simply insert their name into and adopt.

An update to the *Committees of management responsibilities and good practice guidelines* will also be available shortly.

**Further information:** see the [Committees of management](http://www.depi.vic.gov.au/about-us/boards-and-governance/on-board-governance-guides-and-resources/committees-of-management) support module on On Board.

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A key message in DELWP's new [guidance note](http://www.depi.vic.gov.au/about-us/boards-and-governance/on-board-governance-guides-and-resources/integrity-complaints) on the role of the Independent Broad-based Anti-corruption Commission (IBAC) is that anyone wishing to make a 'protected disclosure' about alleged corrupt or other 'improper' conduct by a board or staff member of a DELWP agency must go straight to IBAC.

* A DELWP agency *cannot* receive a protected disclosure (except for the Environment Protection Agency).
* A protected disclosure can only be made to IBAC, regardless of whether the complainant is a member of the public or a whistleblower from within the agency.

All DELWP agencies must have a suitable complaints handling process. However, if your agency is contacted by a person who wishes to allege that corrupt or other improper conduct is, has, or will occur (a 'whistleblower'), they must immediately be redirected to IBAC.

**Further information:** see the new [Integrity Complaints](http://www.depi.vic.gov.au/about-us/boards-and-governance/on-board-governance-guides-and-resources/integrity-complaints) support module on On Board.

# \\internal.vic.gov.au\DEPI\HomeDirs1\DO20\Desktop\Leaf.jpg Privacy and data protection - new guidance materials from DELWP

In my last e-alert l introduced DELWP's *Privacy Collection Statement Builder,* which can assist your agency to develop a Privacy Collection Statement that complies with the *Privacy Protection and Data Act 2014.* DELWP now also offers [guidance](http://www.depi.vic.gov.au/about-us/boards-and-governance/on-board-governance-guides-and-resources/privacy) which your agency can use to help staff to understand the requirements of the new Act:

* Guide to privacy information
* Guide to privacy terms
* Guide to de-identifying information.

**Background:** the new Act applies to all DELWP agencies. It replaced the *Information Privacy Act 2000.*

**Further information:** see the [Privacy support module](http://www.depi.vic.gov.au/about-us/boards-and-governance/on-board-governance-guides-and-resources/privacy) on On Board.

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From time to time, DELWP is asked how its agencies should approach any civil claims made against them. The answer is simple: the Victorian public sector is bound by the [Revised Model Litigant Guidelines](http://www.justice.vic.gov.au/home/justice+system/laws+and+regulation/victorian+model+litigant+guidelines). The guidelines, which are issued by the Attorney General, apply to all litigation, regardless of whether it involves a court, tribunal, inquiry, arbitration or alternative dispute resolution process. Your agency should instruct its lawyers to follow the guidelines when acting on its behalf.

**Further information:** see the Victorian Government Solicitor's Office [newsletter](http://www.vgso.vic.gov.au/sites/default/files/UpdatedMarchClientNewsletter_0.pdf) of March 2011.

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The scope of the *Victorian Government Risk Management Framework* has recently been expanded to cover more agencies. New requirements have also been introduced.

* **expanded scope**: any DELWP agency that is a 'public body' (prepares an annual report under the *Financial Management Act*) is now legally bound to comply with the framework
* **new requirements:** there are two new risk management requirements, which relate to managing inter-agency and state significant risks. All public bodies must comply with these requirements from 1 July this year and attest to their compliance in their 2015-16 annual report.

It is also worth also noting that:

* of the other new mandatory requirements in the framework, most are requirements that already existed in Standing Direction 4.5.5 but which have been shifted into the framework itself
* there is now a simpler attestation clause, which covers the agency's compliance with both risk management and insurance requirements. The attestation must be made by the 'responsible body' (usually the board).

**Background:** The framework, which is binding on all 'public bodies' as defined in section 3 of the Act, is published by the Department of Treasury and Finance. It provides the 'minimum risk management standard for the Victorian public sector'.

**Further information:** see the [Victorian Government Risk Management Framework](http://www.dtf.vic.gov.au/Publications/Victoria-Economy-publications/Victorian-risk-management-framework-and-insurance-management-policy). Also see the *DELWP guide to annual reporting - public bodies* in the [Annual Reporting](http://www.depi.vic.gov.au/about-us/boards-and-governance/on-board-governance-guides-and-resources/annual-reporting) support module on On Board.

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The [2015-2016 work plan](http://www.audit.vic.gov.au/reports_and_publications/annual-plan.aspx) for the Victorian Auditor-General's Office (VAGO):

* includes [audits](http://www.audit.vic.gov.au/publications/20150624-Annual-Plan/20150624-Annual-Plan-Table.html) in 2016-17 in the environment, water, local government and planning areas, together with sector-wide governance audits, such as board performance and internal audit programs
* lists [potential audit](http://www.audit.vic.gov.au/publications/20150624-Annual-Plan/20150624-Annual-Plan-Table.html) areas for 2017-18 and beyond - e.g. water security; implementation of the Victorian Coastal Strategy; managing onshore emergency environmental spill incidents; and sector-wide audits, such as executive remuneration.

It is recommended that DELWP agencies [subscribe](http://www.audit.vic.gov.au/about_us/subscribe_newsletters.aspx) to VAGO's news service to ensure they are aware of upcoming audits and to receive news of audit findings, which are often applicable across the public sector. VAGO's website provides information about the audit process. The [practice statements](http://www.audit.vic.gov.au/about_us/the_audit_process.aspx) are particularly useful.

If your agency receives commonwealth funding, it is possible that it may also become the subject of an audit by the Australian National Audit Office ([ANAO](http://www.anao.gov.au/)).

**Background:** Victoria's [Auditor-General](http://www.audit.vic.gov.au/about_us/role_of_the_auditor-general.aspx) is an independent officer of the Victorian Parliament who conducts financial and performance audits and reports to Parliament on the management of resources within the public sector. [ANAO](http://www.anao.gov.au/) performs a similar function in relation to commonwealth-funded agencies.

# Governance help for DELWP agencies

A guidance note that lists the governance resources available from DELWP is located in the [induction and education](http://www.depi.vic.gov.au/about-us/boards-and-governance/on-board-governance-guides-and-resources/induction-and-continuing-education) support module on DELWP's governance website, On Board. The [Governance guides and resources](http://www.depi.vic.gov.au/about-us/boards-and-governance/on-board-governance-guides-and-resources) page has direct links to all of these resources.

DELWP agencies are also supported through our divisions and regional offices. If you are a member of a DELWP agency and have a governance query, please contact your agency's usualrelationship manager or team. Alternatively, contact our Customer Service Centre on 136 186.

# \\internal.vic.gov.au\DEPI\HomeDirs1\DO20\Desktop\Docklands.jpg Other interested readers?

If you know someone who may be interested in receiving DELWP governance e-alerts, please forward this email to them. Interested readers can [subscribe to receive e-alerts](http://eepurl.com/bfeumr). Board members, executives and staff of DELWP agencies and DELWP governance staff are particularly encouraged to subscribe.

Regards,

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**Previous e-alerts:** see the [e-alert support module](http://www.depi.vic.gov.au/about-us/boards-and-governance/on-board-governance-guides-and-resources/e-alerts-and-news) on DELWP's governance website, On Board.

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* Independent Broad-based Anti-corruption Commission's [Insights e-news](http://www.ibac.vic.gov.au/subscribe)
* Department of Treasury and Finance [Accounting policy update](http://www.dtf.vic.gov.au/Publications/Government-Financial-Management-publications/Financial-reporting-policy/Accounting-policy-update-Newsletters) newsletters.