



Crown
Solicitor's
Office

Corporate Governance Framework

A guide to governance
arrangements for the
Crown Solicitor's Office

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Crown Solicitor's Message

I'm pleased to present the Governance Framework ("the Framework") for the NSW Crown Solicitor's Office ("the CSO").

The CSO aims to be the legal service provider of choice to NSW Government agencies. To ensure we continue to provide quality legal services to the NSW Government, we have consolidated our governance arrangements to better define our risks and opportunities and ensure accountability, transparency and quality assurance.

This Framework is a strategic tool, allowing the CSO to assess its strengths and weaknesses in current practice, and is based on the eight key principles and 17 key governance components as set out by the Audit Office of NSW in the Governance Lighthouse – A Strategic Early Warning System.

Our governance arrangements are intended to be agile and receptive to changes in government priorities, legislation and the regulatory landscape; and to ensure currency, the Framework will be reviewed annually, to capture and reflect any changes to our strategic goals, structural alignment and current best practice.

Lea Armstrong

Crown Solicitor

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Corporate Governance

2.1 Principles

Governance is the systems and processes that govern the way an organisation operates, the way people in an organisation are expected to behave, and the way the organisation and its people are held to account for their actions.

The Framework is based on best practice public sector governance, and identifies the processes and systems which drive and support good governance in the CSO.

According to the Australian National Audit Office, good governance has two main requirements:

Performance

The Framework outlines how we use our corporate governance arrangements to contribute to our overall performance and the delivery of outcomes, through:

- Equitable and cost-effective decision-making through efficient use of resources;
- Improving results by effective use of performance information and staff feedback; and
- Increasing the 'value' of our business using a cycle of continuous improvement.

Accountability

The Framework outlines how we use our corporate governance arrangements to ensure that we meet the requirements of the law, regulations, published standards and community expectations. This is achieved through:

- Fulfilling our legislative and compliance obligations in the best interests of the NSW Government on behalf of the community;
- Clear procedures, roles and responsibilities to ensure confidence in our decisions and actions;
- Acting impartially and ethically to meet community expectations of integrity and transparency; and
- Acting in accordance with our professional responsibilities as a legal practice and our duties as officers of the courts.

The Framework provides a balance between performance and accountability to ensure that we provide better services, use resources in the best and most efficient ways, capture opportunities to add value to our public assets and processes, act with integrity and ethically in the best interests of the NSW Government, and that our corporate decisions are supported by transparent information, clear lines of accountability and responsibility and compliant procedures.

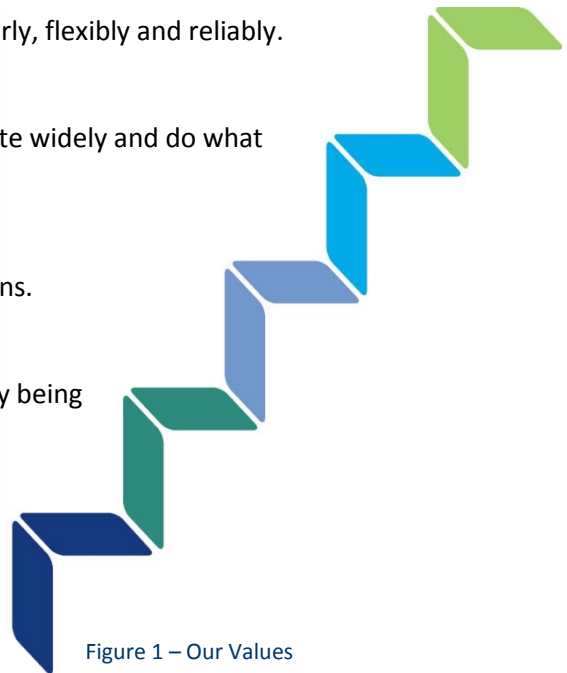
2.2 Values

The NSW public sector is committed to upholding its core values of integrity, trust, service and accountability.

The CSO's values are guided by the Code of Ethics and Conduct for NSW Government Sector Employees. Further, the CSO values respect, and has included it as a 'value in practice', leading to our values being readily identified by the acronym STAIR.

The CSO values are embedded into the Framework to ensure that governance practices are consistent with the behaviours we value.

Service	We provide high quality services fairly, flexibly and reliably.
Trust	We communicate clearly, collaborate widely and do what we say we will do.
Accountability	We take responsibility for our actions.
Integrity	We show leadership and courage by being honest, consistent and impartial.
Respect	We embrace diversity and treat everyone with respect.



2.3 Governance Elements

There are six interrelated elements that guide our practices:



Service

The provision of timely and quality legal services, not just advice, which supports compliance by our clients with all applicable laws and policies.



Results

Quality services delivered to our clients through efficient organisational structures, resource management, planning, systems, monitoring and review activities.



Partnerships

A shared understanding of the CSO's priorities achieved through effective collaboration, and mutually beneficial exchanges of information, experience and ideas.



Sustainability

Organisational performance sustained and improved through the implementation of appropriate performance reporting recommendations, internal controls, stakeholder feedback and evaluation outcomes of internal and NSW Government policies.



People

Functions, structures and culture support organisational goals through quality leadership, clear lines of accountability, clarity around role requirements and expectations, and staff who feel empowered and valued.



Risk Management

Regular assessments of risk factors allow the CSO to appropriately classify, respond to and effectively manage risks.



Figure 2 – Governance Elements of the CSO

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Governance Practices

The Framework is implemented through strategies, policies, processes and resources that provide ongoing confidence in the integrity of our services. These practices have been mapped against the six governance elements to ensure our practices are rigorous and robust. Documents for some practices are currently under development or review; links will be provided to elements when they are available or as part of the annual review cycle of this document.

3.1 Service

Corporate and Strategic Business Plans

Corporate and Strategic Business Plans set direction and communicate purpose, priorities, outcomes, values, and performance measures of success. Corporate Plans are reviewed and updated every three years, and Strategic Business Plans are reviewed annually to determine compliance with accountabilities, discuss new relevant initiatives and ascertain performance results, which support the delivery of the CSO's priorities and services.

Open Government

The CSO is committed to supporting the open government principles of transparency, participation, collaboration and innovation. To do this (aligned with NSW Government), the CSO:

- Complies with open access requirements;
- Communicates online with its internal and external stakeholders.

Governance Committees

The CSO Executive advises and supports the Crown Solicitor in discharging her responsibilities in delivering CSO services. The Extended Leadership Group also provides support in developing the CSO's policy and organisational direction. Ad hoc working groups or committees can be established to support any one of the governance entities within the CSO.

Legislation

Legislation which is common to NSW Public Service agencies includes:

- *Annual Reports (Departments) Act 1985 or Annual Reports (Statutory Bodies) Act 1984*
- *Anti-Discrimination Act 1977*
- *Copyright Act 1968*
- *Government Advertising Act 2011*
- *Government Information (Public Access) Act 2009*

- *Government Sector Employment Act 2013*
- *Independent Commission Against Corruption Act 1988*
- *Industrial Relations Act 1996*
- *Ombudsman Act 1974*
- *Privacy and Personal Information Protection Act 1998*
- *Public Authorities (Financial Arrangements) Act 1987*
- *Public Finance and Audit Act 1983*
- *Public Interest Disclosures Act 1994*
- *Public Works and Procurement Act 1912*
- *State Records Act 1998*
- *Work Health and Safety Act 2011*
- *Workplace Injury Management and Workers Compensation Act 1998.*

The CSO is also required to comply with other material legislation which affects how we provide services; including:

- *Legal Profession Uniform Law Application Act 2014.*

Financial and Administrative Delegations

CSO manuals contain delegations of powers and authority to specific roles within the CSO to exercise functions for the efficient continuation of business and accountability for use and management of public money. Some of these powers are conferred on the Attorney General, who has delegated this authority to responsible roles within the CSO. Ensuring these delegations are appropriately documented improves the accountability and transparency of decision-making. The CSO maintains a Financial and Administrative Delegations manual.

Financial and Budget Management Framework

The CSO maintains a number of policies and strategies to ensure fiscal responsibility and accountability. Financial plans provide frameworks to deliver cost effective services, maximise value and plan for future resource allocation, investment and financial sustainability. Yearly budget reviews and periodic performance measures also offer assurance around meeting savings targets, submissions of any Parameter and Technical Adjustments and determining appropriate reallocation of funding to major projects, where necessary.

Human Resources Delegations

Human Resources delegations assign powers and authority to specific roles within the CSO to exercise functions to ensure efficient continuation of business and accountability for the management of all personnel-related matters.

Compliance Management

Within the CSO, compliance management has been distilled into two main components, each with distinct compliance obligations and supporting policy bases. These compliance components are Legislative Compliance and Policy Compliance.

Legislative Compliance Framework

The CSO's Legislative Compliance framework provides the principles and tools to ensure operations are conducted in accordance with legal, constitutional and NSW Government policy requirements.

Policy Compliance Framework

The CSO's Policy and Procedure Policy provides a clear framework for policy and procedure development within the CSO, setting out review periods, approval pathways and the procedure for ensuring policies are appropriately published to staff and maintained in the CSO's Policy and Procedure Register. The CSO's policies, procedures and guidelines are contained in, or referred to in, the Staff Manual, which is a central source of information and guidance for CSO staff. All staff are required to apply the CSO's policies, procedures and guidelines.

Continuous Disclosure

The CSO complies with its open access obligations under Part 3 of the *Government Information (Public Access) Act 2009* ("the *GIPA Act*"), including making open access information publicly available.

Privacy Policy

The CSO's privacy policy (through its privacy management plan) outlines the protocols for the protection of individuals' personal information. The policy covers how personal information is collected, why it is collected and how it will be used and stored. The CSO's privacy management plan is currently being enhanced.

Records Management

Good records management ensures that the CSO can efficiently provide services and be accountable for its records. It is particularly important that accurate and relevant records are accessed and used when providing services and for other purposes. Effective records management practices are mandated by the *State Records Act 1998*, and can strengthen the CSO's ability to comply with obligations to disclose information or records under subpoena, summons, calls for papers (Standing Order 52), or in response to requests for information under the *GIPA Act*, and to manage personal information in accordance with the *Privacy and Personal Information Protection Act 1998*.

Annual Reporting requirements

The CSO's Annual Report demonstrates performance to NSW Parliament and the community, and enhances accountability through transparent reporting of achievements and disclosure of plans and issues. Reporting requirements are outlined in the *Annual Reports (Departments) Act 1985*.

3.2 Results

The CSO has developed, and reviews, key performance indicators ("KPIs") to identify performance against key performance measures, such as provision of advice on time and provision of advice on budget. Performance against these KPIs is reviewed each month to support delivery of the CSO's client service standards. KPIs are currently under review to ensure that they reflect client needs, and are supported through the review of the CSO's IT and reporting systems.

Organisational Structure

The CSO's organisational structure aligns its functions and operations with service delivery. The structure provides clear lines of reporting and accountability to support appropriate service delivery. Efficiently designed organisational structures support the CSO in providing client service within Government and delivering on the CSO's strategic priorities. The organisational chart is made available online, to promote transparency.

Reporting Framework

Monitoring and reporting systems provide an avenue for assessing delivery performance, and identifying potential issues before they arise. For monitoring and reporting systems to be effective, they should be aligned with the CSO's outcomes and generate information that is appropriate for both internal performance management needs and external reporting requirements. The CSO is developing a Reporting Framework which will outline a systems model, capable of evolving to suit changing priorities when required. Performance monitoring and reporting should also provide assurance that relevant legislative, policy and ethical requirements are being met, with performance information being signed off at the Executive Level.

Capital Investment Plan

Capital investment policy involves an agency aligning its 10-year asset planning strategy with its service delivery priorities, taking into consideration the limits of available resources. The CSO is not a capital intensive organisation and is not required to prepare a Total Asset Management Plan to Treasury. The CSO does, however, plan and provide for self-funded capital investment over a 10-year period.

ICT Strategy

The CSO is developing a specific ICT strategy aligned with the whole of government Digital and ICT strategy. This strategy will govern investment planning and design principles for ICT capabilities and services.

Procurement Policy Framework

Procurement of goods and services is an essential enabler of effective and efficient program delivery. The NSW Procurement Policy Framework sets out the policy and operating framework for the NSW public sector procurement system, and provides a single source of guidance on the rules for procurement. The fundamental objective of the Framework is to ensure that government procurement activities achieve best value for money in supporting the delivery of government services. The mandatory requirements set out in the Framework are based on the law and policy governing efficient and transparent procurement activities. Agencies are required to test, on a regular basis, compliance with the Procurement Policy Framework.

3.3 Partnerships

Engagement with NSW Government agencies and other stakeholders

Engagement with CSO's clients and other stakeholders develops an open and inclusive environment where information, comment, opinion and criticism is valued and utilised. The CSO must be open and transparent, act with integrity and be accountable to NSW Government client agencies and largely internal (to government) stakeholder base. Well managed stakeholder participation is fundamental to the effective planning and delivery of services to our clients.

3.4 Sustainability

Organisational Performance Assessment

The CSO has a focus on continuous improvement with effective use of performance information. Performance reviews will be embedded into strategic planning processes and provide performance information for improving service delivery and promoting system improvement.

Evaluation Framework

The CSO aims to strengthen evaluation practices across the CSO, to improve performance and accountability and ensure business cases are robust and their benefits appropriately tracked. Evaluation should support more informed, evidence-based policy and decision-making to improve the efficiency, effectiveness and appropriateness of the CSO's service to our clients.

Change Management

The CSO has a Change Management Strategy and detailed plan to properly manage a modernisation program within the agency (to modernise the CSO work environment, practices and support services). This plan has been developed in consultation with employees, and allows for a structured process and set of tools to guide divisions in supporting staff to adapt to all aspects of the change, and to establish a new set of practices to support staff.

Complaints Policy

A complaint is an expression of concern or dissatisfaction with the CSO, the quality of services provided by the CSO and/or the behaviour of employees of CSO and/or any individual engaged by

it. The CSO views complaints as opportunities for improvement, and has in place a Complaints Policy that is made publicly available by CSO under the *GIPA Act*. The policy captures external complaints from clients and members of the public. The complaints process is streamlined and can commence internally or be activated through external bodies, including the Ombudsman, the Information or Privacy Commissioner, the Legal Services Commissioner, the NSW Civil and Administrative Tribunal and other agencies of external scrutiny.

3.5 People

Code of Conduct

The CSO's Code of Conduct, in conjunction with the Public Service Commission's Code of Ethics and Conduct for NSW Government sector employees, sets out the standards of conduct, ethics and behaviour required of all employees and a process for managing non-compliance. Under the Code of Conduct, all CSO employees are required to apply the CSO's policies, procedures and guidelines. The Code of Conduct also defines a conflict of interest and provides the process and resources for reporting and escalating real or perceived conflicts of interest.

Industrial Relations, Agreements, Awards and Guidelines

Employees in the NSW public sector have varied employment conditions according to the legislation and industrial award or agreement that applies to the type of job and the division in which employees work. The CSO provides information and links to information retained by central agencies that can assist employees in determining their award, conditions and rights, as part of the CSO's commitment to transparency.

Public Interest Disclosure

The CSO's Public Interest Disclosure Policy outlines how public interest disclosures can be made, and what the CSOs obligations are with respect to protecting individuals who report conduct relating to the CSO, and which may include corrupt conduct, maladministration of a serious nature, serious and substantial waste and government information contraventions.

Performance Framework

The CSO has a performance framework that drives processes and decisions about employee probation, performance, development needs or activities and unsatisfactory performance. The CSO is working on enhancements to this framework.

Health, Safety and Well-being

The CSO's Work Health & Safety Management System ("the WHSMS") encompasses a set of plans, actions and procedures to systematically manage health and safety in the workplace, incorporating key elements such as Work Health & Safety ("WHS") consultation, issue resolution and the application of management principles based around the due diligence framework. The WHSMS complements other operating systems within the CSO, is compliant with WHS legislative requirements, and allows the CSO to improve WHS and injury management performance.

Managing Gifts and Benefits

Accepting a gift or benefit as an employee of the CSO may be viewed as a conflict of interest or be seen by others to influence otherwise impartial decision-making. The Managing Gifts and Benefits Policy provides a framework for the management of gifts and benefits in the CSO and is supplemented by a procedure that provides guidance on processes to be followed.

Grievance Resolution Process

The CSO is committed to providing a safe, harmonious and productive working environment where grievances are dealt with promptly and sensitively. In general, grievances may relate to the interpretation and application of CSO policies, a workplace communication or interpersonal conflict, unsafe work practices or decisions or allegations of discrimination, harassment and or inequality in the workplace. The CSO has adopted the Department of Justice's Grievance Policy.

CSO Values

The CSO understands that the culture of workplaces – how people behave, interact with each other and make decisions – impacts significantly on well-being and productivity at work. The CSO has adopted the Department of Justice's values of Service, Trust, Accountability, Integrity and Respect, and continues to work on creating a culture for the CSO in which all employees can thrive.

Workforce and Diversity Program

The CSO values diversity and relies on the Department of Justice's Workforce and Diversity Program to achieve:

- Improved employment access and participation for workforce diversity groups;
- An inclusive workplace which displays fair and respectful practices and behaviours.

The program also supports a safe working environment, and provides all staff with opportunities to develop their skills and knowledge and have their contributions appropriately recognised. Maintaining a diverse workforce enables the CSO to enhance its capabilities to develop and deliver responsive, high quality services that meet the needs of its clients.

Role Descriptions

Role descriptions are required by the Public Service Commission Guidelines and fulfil an essential governance function of ensuring accountability. They specify the purpose, accountabilities, responsibilities and requisite skills required for each role. Role descriptions can specify pre-requisite qualifications, registrations, or experience, and claims for roles must ensure candidates demonstrate an ability to perform at the level of capabilities specified. The CSO has detailed role descriptions for all solicitors and support staff, which it periodically re-evaluates.

Mandatory Induction Program

The CSO has an induction program which must be completed by all staff within the first month of employment commencement.

3.6 Risk Management

Enterprise Risk Management Framework

The CSO is finalising a Risk Management Framework to govern the approach of the Office to risk management. Risk management is an essential element of good governance, hence it is a legislative and policy requirement for all NSW Government agencies. The CSO's Risk Management Framework will be based on the Department of Justice's framework, and is designed to conform to Treasury Policy TPP15-03 in that it is based on the international risk management standard ISO31000. The CSO Executive team has revised the existing CSO risk register to identify new and emerging risks. Risk treatment plans are being developed for each identified risk, and monitoring and reporting arrangements are being put in place.

Corruption prevention strategy

The CSO recognises the threat of fraud and corruption, and is developing a robust internal control process to prevent and control fraud and corruption. The CSO has adopted the Department of Justice's Fraud Control Policy, which provides employees with a guide on how to reduce the opportunities for corrupt conduct within the CSO and outlines the process for reporting corrupt conduct if they become aware of it. The policy also outlines what the CSO's response is when fraud and/or corruption have been reported or detected.

Business Continuity Framework

The CSO is upgrading its comprehensive Business Continuity Framework to provide guidance on how the CSO will recover and maintain services following a critical disruptive event. The Business Continuity Framework will outline how the CSO prepares, responds to and recovers from a disruption.

Cyber Security

The NSW Government Digital Information Security Policy recognises the growing need for effective cyber security. Ensuring the security of agency data is paramount as government services are increasingly delivered through digital channels. Those accessing CSO services or operating within CSO ICT environment need to be confident that the digital services they use are stable, secure and resilient to cyber-attack.

The CSO adopts the Department of Justice cyber security procedures and protocols.

Strategic Internal Audit Plan

The Internal Audit Plan has been developed to provide an appropriate level of assurance and insights to management and the Audit and Risk Committee over the key risks that may prevent the

achievement of the CSO's Strategic Priorities and the control environment in place around critical business processes.

External Audit Assurance

External reviews provide objective scrutiny. The Audit Office of NSW is the NSW Government's principal oversight entity, and conducts financial and performance audits. Parliamentary Committees also monitor and review public sector organisations against the relevant legislation. The NSW Government may commission additional independent review of government agencies. The CSO is subject to these reviews and audits.

Audit and Risk Committee

In accordance with the NSW Treasury Policy & Guidelines Paper TPP 15-03, issued July 2015, the CSO has (shared with the Department of Justice) an Audit and Risk Committee that oversees and monitors governance, risk and control issues affecting the operations of the CSO.

Acknowledgements

The Department of Justice Corporate Governance Framework (Identifier SD2017-02 issued on 2 June 2017) has been used as a basis for this Framework, with adaptations made to reflect CSO practice.

This document (along with the Department of Justice Corporate Governance Framework) has been developed using best practice governance elements, models, designs and information produced by the following organisations:

- NSW Department of Premier and Cabinet, NSW Public Sector Governance Framework
- Audit Office of NSW, Governance Lighthouse – A Strategic Early Warning System
- Australian National Audit Office, Public Sector Governance: Strengthening Performance Through Good Governance.

This document has been produced by the NSW Crown Solicitor's Office

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