



# Corporate Governance Framework

August 2012

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# 1. Introduction

The Office of the Energy and Water Ombudsman Executive Management Group (EMG) was established by the Energy and Water Ombudsman (EWO) to assist in the stewardship of the Office also known as Energy and Water Ombudsman Queensland (EWOQ). EMG plays an important role in:

- setting and monitoring the strategic direction of EWOQ
- monitoring financial and non-financial performance across EWOQ
- promoting innovation, research, continuous improvement and quality client service
- ensuring the optimum use of human, financial and information resources and infrastructure.

Corporate governance refers to the processes by which organisations are directed, controlled and held to account. It encompasses authority, accountability, stewardship, leadership, direction and control exercised in the organisation (Australian National Audit Office, 1999).

## 2. Role and responsibilities of the Energy and Water Ombudsman

The EWO is responsible for the efficient and effective operation of the office under the following legislation:

- *Financial Accountability Act 2009*
- *Financial Accountability Regulation 2009*
- *Financial and Performance Management Standard 2009*
- *Statutory Bodies Financial Arrangements Act 1982*
- *Statutory Bodies Financial Arrangements Regulation 2007*
- *Public Service Act 2008*
- *Public Service Regulation 2008*
- *Public Records Act 2002*
- *Public Records Regulation 2004*
- *Right to Information Act 2009*
- *Right to Information Regulation 2009*
- *Public Sector Ethics Act 1994*
- *Public Sector Ethics Regulation 2010.*

There are also a range of other policies, directives and standards with which the EWO must comply.

Under the *Energy and Water Ombudsman Act 2006*, accountability resides solely with the EWO. However, the EWO may establish discretionary management structures to assist in the governance of the office. Within EWOQ, EMG plays an important role in assisting the EWO to make informed decisions with confidence that proper controls and safeguards are in place and risks are well managed.

Under s78 of the *Financial Accountability Act 2009*, the EWO is required to establish an internal audit function; and under Information Standard 2 to establish an appropriate ICT governance structure. Within EWOQ, these obligations have been met under the office's corporate governance framework.

### **3. Executive Management Group Terms of Reference**

The role, responsibilities and functions of EMG have been determined by the EWO and are set out in the following Terms of Reference.

#### **3.1 Purpose and role**

- Setting the strategic direction and determining organisational outcomes for EWOQ by:
  - establishing strategic and corporate priorities
  - providing leadership in organisational improvement
  - monitoring performance across key areas and progress with new initiatives, significant projects and activities
  - promoting innovation, research, continuous improvement and quality client service
  - ensuring optimum use of human, financial and information resources and infrastructure.
- Reviewing and adopting:
  - strategic and business plans
  - policies, procedures and delegations
  - codes of conduct
  - management information systems
  - the control environment.
- Monitoring and reviewing:
  - reports from operational areas and other Committees of EWOQ performance against the strategic plan
  - the control environment
  - its own performance.
- Monitoring and responding to relevant initiatives and developments in the energy and water sector.
- Monitoring the effectiveness of other Committees forming part of the Corporate Governance framework being:
  - Senior Management Group
  - Audit and Risk Management Committee
  - Information Steering Committee.
- Responding to requests for advice / information by the Advisory Council.
- Create sub-committees to perform specific tasks or assignments.

### **3.2 Membership**

The membership of EMG, appointed by the EWO, consists of:

*Standing members:*

- Energy and Water Ombudsman (Chair)
- General Manager, Operations
- Manager, Corporate Services

*Invited members:*

- a standing invitation has been issued to the Manager, Policy and Research
- any EWOQ staff member invited by the EWO
- any other guest invited by the EWO

### **3.3 Procedural matters**

*Meeting frequency:*

EMG meetings are held monthly (or at the discretion of the Chair).

*Quorum:*

The quorum consists of at least two of the three standing members.

*Secretariat:*

The function of secretariat for EMG will be provided by the Executive Support Officer, office of the Energy and Water Ombudsman.

*Agenda:*

There is a standing agenda for each meeting and relevant issue papers are either circulated to members prior to the meeting or tabled at each meeting. Matters are considered and decided in accordance with the agenda.

*Minutes:*

Minutes of the meeting are available for perusal by any member.

The minutes are to record the names and positions of those attending committee meetings, as well as apologies.

The minutes must clearly identify responsibilities and time lines for action items. Minutes of the preceding meeting must be confirmed at each meeting, which includes a review of the action items outstanding.

A master copy of the minutes of the meeting must be maintained by the officer responsible for the secretariat function and must contain supporting reports and submissions, etc.

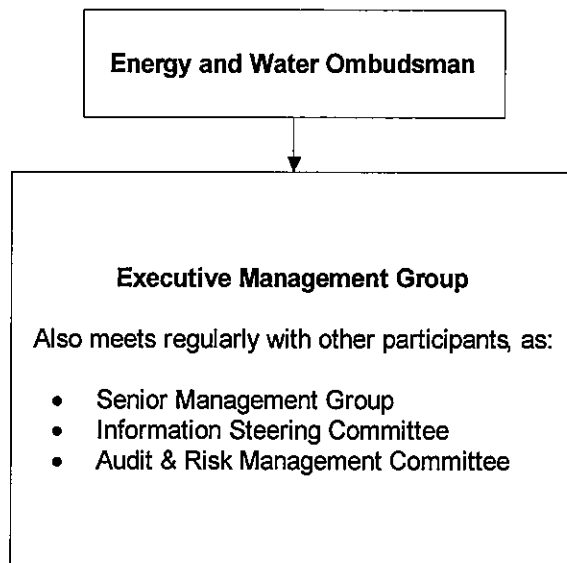
### **3.4 Annual review**

The effectiveness of the Committee is to be reviewed annually, having regard to the Terms of Reference.

Other issues pertaining to the operation of EMG may also be examined at the discretion of the EWO. The report of such review is to be tabled at an EMG meeting.

## 4. EWOQ Corporate Governance Structure

The current committee structure supporting EWOQ is illustrated below:



Further information on each committee is detailed in the following tables.

## 5. Senior Management Group

Senior Management Group				
Terms of Reference <i>(confirmed by EMG)</i>	Membership	Reporting arrangements	Responsibilities	Supporting area
<p>The Senior Management Group is responsible for :</p> <ul style="list-style-type: none"> <li>providing the strategic, business and operational direction for EWOQ, and</li> <li>ensuring good corporate governance is in place to undertake its activities as outlined in the <i>Energy and Water Ombudsman Act 2006</i>.</li> </ul>	<p>General Manager Operations (Chair)            Manager, Corporate Services            Manager, Policy &amp; Research            Regional Managers, South Queensland, Central Queensland, North Queensland            Energy and Water Ombudsman</p>	<p>Meetings are held quarterly.            Agendas are developed collaboratively.            Minutes are recorded.</p>	<ul style="list-style-type: none"> <li>Strategic, business and operational direction, and</li> <li>Corporate Governance as required by legislation.</li> </ul>	<p>Self supporting</p>

## 6. Audit and Risk Committee

Audit and Risk Management Committee – The Audit and Risk Management Committee reports directly to the Energy and Water Ombudsman				
Terms of Reference	Membership	Reporting arrangements	Responsibilities	Supporting area
<p>The Audit and Risk Management Committee is responsible for:</p> <ul style="list-style-type: none"> <li>• reviewing EWOQ's Annual Audit Work Plan and subsequent amendments to ensure optimum, cost-effective internal audit coverage of operations</li> <li>• reviewing internal audit reports</li> <li>• ensuring that appropriate follow-up action is taken in respect of internal audit reports</li> <li>• promoting proper coordination with other internal and external review activities including follow-up as necessary, of the Auditor-General's reports</li> <li>• reviewing the scope and quality of work performed by audit services.</li> <li>• the development of a</li> </ul>	<p>Regional Manager, South Queensland (Chair) Energy and Water Ombudsman EMG members (Manager Corporate Services attends as an observer) External member QAO representative (observer) CAA Audit representative (observer)</p>	<p>Audit and Risk Management Committee meetings occur quarterly to review:</p> <ul style="list-style-type: none"> <li>• performance of audit services and as required to review internal audit reports</li> <li>• review progress with the implementation of treatment strategies to address key risks</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Financial Accountability Act 2009</i></li> <li>• Financial and Performance Management Standards - Part 2 Governance</li> </ul>	Corporate Services



**Audit and Risk Management Committee – The Audit and Risk Management Committee reports directly to the Energy and Water Ombudsman**

Terms of Reference	Membership	Reporting arrangements	Responsibilities	Supporting area
<p>systematic and coordinated risk management framework linked to the agency's planning processes</p> <ul style="list-style-type: none"> <li>• executive management accountability for risk management within their respective work units</li> <li>• the ongoing effectiveness of performance management systems</li> <li>• the appropriate monitoring of the impact of changes to the risk profile of EWOQ</li> <li>• review the financial statements for compliance with prescribed accounting and other requirements</li> </ul>				

## 7. Information Steering Committee

Information Steering Committee – Note: EMG meets as the Information Steering Committee				
Terms of Reference <i>(confirmed by EMG)</i>	Membership	Reporting arrangements	Responsibilities	Supporting area
<p>The Information Steering Committee:</p> <ul style="list-style-type: none"> <li>• develops ICT strategic plans</li> <li>• endorses ICT policies and standards</li> <li>• monitors performance of core business systems</li> <li>• oversees significant ICT projects</li> <li>• monitors performance of Shared Service providers</li> <li>• ensures compliance with WOG information technology policies and standards</li> </ul>	<p>Energy and Water Ombudsman (Chair) EMG members Regional Manager, Central Queensland  CAA IT Representative  Senior Information Technology Officer (Observer)</p>	<p>Meetings are held monthly.</p>	<ul style="list-style-type: none"> <li>• Government Information Architecture framework</li> <li>• Government Information Technology Conditions framework</li> <li>• Government Information Standards</li> <li>• Software License Management</li> </ul>	<p>Corporate Services</p>

APPROVED



Forbes Smith  
Energy and Water Ombudsman

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# APPENDIX 1

## ENERGY AND WATER OMBUDSMAN QUEENSLAND SENIOR MANAGEMENT GROUP, TERMS OF REFERENCE

### 1. Title

The name of the group shall be the Senior Management Group and shall be referred to as the SMG.

### 2. Purpose

To provide strategic, business and operational direction and to ensure good corporate governance is in place to ensure that the Office of the Energy and Water Ombudsman Queensland (EWOQ) can undertake its activities as outlined in the *Energy and Water Ombudsman Act 2006* and the Corporate Governance Framework.

### 3. Membership

3.1 Membership of SMG shall include the positions of:

- General Manager Operations;
- Manager, Corporate Services;
- Regional Manager – South Queensland;
- Regional Manager – Central Queensland;
- Regional Manager – North Queensland;
- Manager – Policy and Research

The Energy and Water Ombudsman is not a member of SMG but will attend meetings when available.

3.2 Membership of SMG may be reviewed from time to time, with other officers holding EWOQ positions, invited to join the SMG.

3.3 Any movement of SMG membership shall be at the agreement of the existing members of SMG. However, the Energy and Water Ombudsman has the ultimate discretion for the membership of the group.

### 4. Chairperson

The Chairperson of SMG shall be the General Manager Operations or a delegate. Their responsibilities include:

- Scheduling SMG meetings and notifying members;
- Inviting specialists to attend meetings when required by the members; and
- Guiding each meeting according to the agenda and time available.

### 5. Duration and frequency of meetings

5.1 SMG meetings shall normally be conducted quarterly, on a rotational basis, with one meeting held in the North Queensland Region, one meeting held in the Central Queensland Region and two meetings to be held in the South Queensland Region.

5.2 Where necessary, the Regional Manager or delegate where the SMG meeting is to be held, shall be responsible for ensuring a suitable room is available to conduct the meeting.

5.3 The meetings shall be conducted over the approximate time of two days, subject to the agenda and available time.

## **6. Secretariat**

6.1 The agenda for each SMG meeting shall be prepared and circulated by the General Manager Operations, after inviting the members of SMG to provide agenda items.

6.2 The minuting of each SMG meeting shall be the responsibility of the host Regional Manager or a delegate. For meetings held in the South Queensland Region, this responsibility shall be shared between the Regional Manager – South Queensland and the Manager – Policy and Research.

6.3 Distribution of the minutes of each SMG meeting shall be undertaken by the host Regional Manager or Manager Policy and Research and be made available to SMG members as soon as reasonably possible after the conclusion of the SMG meeting.

6.4 Members can provide the secretariat with proposed amendments to the minutes.

6.5 The minutes shall be accepted by the SMG as a true and accurate record at the commencement of the next SMG meeting.

## **7. Confidentiality of discussions of meetings**

Discussions undertaken at SMG meetings are to be kept confidential between the members of SMG, except for items of discussion that it has been agreed by SMG are to be shared amongst the officers of EWOQ.

The above Terms Of Reference for the Senior Management Group, Energy and Water Ombudsman Queensland, have been agreed to by all SMG members at this meeting of 2 September 2010:



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Signature of General Manager Operations