Governance enhancement initiative

Rottnest Island Authority
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Background
On 2 June 2016 the Chairman, Chief Executive Officer (CEO) and the Public Sector Commissioner met and agreed that the Public Sector Commission (PSC) would administer the employee perception survey and that a PSC officer would be made available to the Rottnest Island Authority (RIA) to provide advice. It is a statutory function of the Public Sector Commissioner to advise of changes, improvements and management practices which should be implemented in order to improve the efficiency and effectiveness of the whole or any part of the public sector. This is outlined in s.21A of the Public Sector Management Act 1994.

Following this meeting, a project outline was approved by the Chairperson on 13 June 2016 and considered as part of the Board meeting on 23 June 2016. The purpose of the project is to assist the RIA to identify the governance issues and develop a plan of suggested improvements that can be considered to address the issues.

Approach
To gain an understanding of the issues a range of consultation meetings were held. The consultation meetings were held with each Board member and the CEO. A request was made to the CEO to consult with staff whose job roles included elements of governance functions, this request was supported and the CEO added additional staff to be consulted. In addition, some staff, whose job role had not been originally included, requested an individual meeting.

The approach to the meetings included an introduction to the initiative and open questions relevant to gathering information on governance issues and suggestions for improvement. Where staff have a specialist job function, the questions and discussion was tailored to the job function. For example the discussion with the Human Resource Manager included information on oversight of human resources, compliance with Public Sector Standards and human resource performance reporting. During the consultation meetings some people provided examples of situations where they believed the governance was inadequate. In some instances further information was sought on these examples.

It is worthwhile to note the distinct differences between the staff whom participated in the meetings. Some approached the meetings as if participating in an investigatory process, some were keen to actively engage and some appeared reluctant to participate fully.

In addition to the consultation meetings governance documents were sighted, some were available on the intranet and some were requested. In addition, some people provided documents that they wanted to be considered.
The approach also included attendance at two board and two finance and audit committee meetings as an observer and incorporated the opportunity to consider the relevant papers provided. All of the information collected was analysed using various reference materials and publications. A list of these reference documents can be found at the end of the report.

**Limitations**

There are some limitations to be mindful of. The purpose of the consultation was to identify the governance issues and in doing so discussions were predominately on the perceived ‘issues’ or problems. The purpose was not to quantify the extent of the issue, merely to identify the issue and a resulting opportunity to improve.

It is acknowledged that during the consultation people provided their perceptions and experiences and where possible this was confirmed by documentation. The information provided was taken to be accurate for the purposes of developing an improvement plan.

**Governance**

There is no universally accepted definition of governance, for the purpose of this initiative the meaning of the term ‘governance’ was in its broadest sense incorporating the management systems and processes by which the RIA is directed, controlled, held to account and enabled to fulfil the role. Governance is applied at the board and at the organisation level and therefore some of the recommendations are for the Board to consider and some for the CEO.

A common approach to the application of governance principles is the; ‘if not, why not?’ approach, whereby if a particular entity considers a particular principle, best practice, or recommended approach is not followed the entity should be able to explain why it has not been adopted. This fundamental governance approach of ‘if not, why not?’ is encouraged to be utilised and applied at RIA. During some conversations examples were provided across most organisational functions where the public sector framework, best practice or common procedures were not used. The rationale for these deviations was unclear or in some instances unknown. An example of an answer provided; ‘there is no requirement for us’, and this may be the case, the RIA may not be required to, but it does not explain the rationale for not adopting a particular approach. It does not explain the deviation.

**Recommendation 1**

The RIA is encouraged to adopt the ‘if not, why not?’ approach across all organisational functions and ensure that transparent explanations are recorded where there are deviations from standard public sector practices.
Governance framework

The RIA has elements of a governance framework in place, including relevant documentation, a subcommittee structure, delegations, terms of reference for committees and a policy system. The key documents include:

- Board Charter July 2014
- Strategic Corporate Governance Manual March 2016
- Finance and Audit Committee (FAC) Terms of Reference (May 2011?)
- Executive Management Team Terms of Reference March 2013
- Corporate Policy System and oversight schedule.

The Public Sector Principles of Good Governance for WA Public Sector Boards and Committees (PSPGG) suggest that the role and responsibilities of the board are clear and understood. This is commonly found in the Board Charter, induction information and delegations documentation.

The Board Charter, Strategic Corporate Governance Manual and Delegations documents exist however some of the content was found to be outdated and in need of review. The inclusion of additional sections in the Board Charter relating to confidentiality, meetings structure and proceedings, minute taking, succession planning and the like could be considered.

Recommendation 2

The Board Charter, Strategic Corporate Governance Manual and Committee Terms of Reference are reviewed and updated. The review should include a comparison of other government statutory authority’s documentation.

A Delegation of Authority Register (November 2015) is available on the intranet. The last review was approved by the Board in November 2015. At this time the Board received the delegations that had been amended. The delegated items that relate to the functions and powers at s.5.1 and s.5.2 of the RIA Act would benefit from additional information. These delegations, as read, could be interpreted as the CEO has sole control and management of the RIA.

Recommendation 3

The Delegation of Authority Register is reviewed and further information provided in relation to s.5.1 and s.5.2.
Recommendation 4

The RIA considers a periodic review of the Delegation of Authority Register in its totality.

The PSPGG continue by outlining that processes exist to ensure that the relevant roles and responsibilities are understood. If the aforementioned recommendations are accepted a process for communication to the staff of the RIA should be completed. There appears to be an assumption that submitting a paper to the FAC is sufficient, even when there are factors included outside of the FAC remit.

Recommendation 5

The RIA implements a process to ensure that RIA staff understand the respective roles and responsibilities of the various committees and tailor their papers accordingly.

Audit function

The RIA has an employee whose role is internal audit. This has the potential to present a situation of difficulty for the employee, whom has responsibilities to the CEO and to the FAC. For small government entities this situation is intensified, whereby the employee has regular interactions with the organisational units that are subject to his/her scrutiny.

In 2004 the Auditor General found that:

‘Contracting out of IA services can represent better value for money than maintaining a wholly in-house audit function, particularly for small to medium sized agencies. It can also enable agencies to access a level of skills or experience not normally available in-house, such as in the area of information technology’.

In the same report the Auditor General also found that:

‘Enhancements should be made across the public sector for the inclusion of independent members on audit committees’.

Although the RIA FAC is comprised of independent members, consideration could be given to the appointment of an additional FAC member who is not a Board member and solely focussed on scrutiny of information provided at the FAC. Schedule 1 s.6 of RIA provides this power.
Recommendation 6

The RIA considers contracting out Independent Audit services in line with Auditor General’s 2004 report.

It is worthwhile to note that if the RIA does contract out Independent Audit services, there will still be a component of an internal role required to manage the audit function within the RIA.

Committees

The FAC is a subcommittee of the Board and considers a significant amount of detailed information. The Board may wish to consider alternative sub-committee structures such as:

- a purely Finance
- an Audit and Risk, or Audit and Corporate Governance
- Asset Management, Contracts and Asset Development.

There is literature to suggest that sub-committees of the Board can provide important leverage by alleviating the load of non-urgent issues. These sub-committees can be temporary if there is a particular risk, or initiative that requires additional focus or permanent committees.

Recommendation 7

The Board consider alternative sub-committee structures.

There were a number of organisational committees referred to during the conversations. Some staff were unsure what committees existed and if some that used to exist still did. The Occupational Safety and Health Committee has recently been re-established, however the terms of reference are dated 2012. The Executive Management Team Committee terms of reference is dated March 2013 and appears to be a predominately advisory committee.

Recommendation 8

The organisational committee structure is reviewed and published on the intranet and terms of reference for each committee clarified and updated.
In addition a Development Assessment Team (DAT) Committee was referred to. The terms of reference for this committee are dated August 2012. The DAT’s role is to ensure that proposed developments have been considered within the development planning approval process. It is understood the membership outlined in the terms of reference is not accurate. It appears that the membership is comprised of internal staff. This effectively creates internal tension which allows staff to scrutinise other staff proposals.

**Recommendation 9**

The development assessment process and associated committee is reviewed to ensure that appropriate independent transparent scrutiny of development applications takes place and ensures that appropriate separation between decision makers and assessors exist.

**Compliance reporting**

The PSPGG suggest that there is an effective procedure in place for ensuring compliance with legal, financial, record keeping and other requirements. This is not limited to public sector requirements but is to include other requirements relevant to the role of the entity. For instance the RIA may have environmental compliance and Building Services Act 2011 compliance requirements that would also be included. A draft compliance framework was developed in 2012 but not approved or implemented. A licence compliance register is available on the intranet which appears to be a useful tool that was comprehensive and was last updated in June 2016.

**Recommendation 10**

The RIA implements an effective procedure to ensure compliance and periodically provide assurance to the Board of this compliance.

**Corporate policy system**

There is a suite of policies available on the intranet, including a policy on policy development and ongoing reporting on the status of policies. All of these features are consistent with good practice. There are opportunities to improve the policy system and the policies. The last report on corporate policy status was in July 2016 which stated that out of 84 policies, 25 are due for review and 14 need to be drafted or finalised. Some of the policies have been ‘due for review’ for some time with some examples provided below.

- Fraud and Corruption Control Plan (December 2014) with an annual review requirement
• Managing Conflicts of Interest for Authority Members (June 2012) with a three year review requirement
• Approval of Projects/Sub-Projects over $150 000 in value (July 2012) with an annual review requirement
• Cash Management (June 2013) to be reviewed every two years
• Purchase Orders (August 2014) with an annual review requirement
• Information Communications Technology (ICT) policies from 2005 to 2013 with varying review requirements
• Emergency Management (March 2011)

The policy system would benefit from clarity on which policies should be approved by the Board and which the CEO. It could be assumed that organisational policies are for the CEO and those that relate to the functions and powers of the RIA are for the Board. However the current policy on policy development states:

‘Policies are to be approved by the Chief Executive Officer, unless he or she refers a policy to the RIA’s governing body for endorsement’

This policy has been approved by the CEO and provides for the policy to be amended by the CEO at his/her discretion.

The policy suite does appear comprehensive in some areas but there were some policy gaps in the functional areas of human resources, contract management and occupational safety and health.

As a result of the preliminary enquiry it appears that there are outdated policies, policy gaps and improvements to policy clarity and rigour that can be made.

**Recommendation 11**

The RIA renews the corporate policy system and provides clarity on approval authority and implements deadlines to ensure that policies are renewed within a reasonable timeframe.

**Recommendation 12**

The RIA consults with similar government statutory authorities to compare the RIA corporate policy suite and confirm its completeness or take action to rectify policy gaps.
**Recommendation 13**

The RIA include a mandatory additional step in the policy development and review process whereby the policy custodian is required to research contemporary practice and changes in the external environment on the policy topic and (if organisational policies) review policies on the same topic from other government entities.

**Recommendation 14**

The RIA update the existing ‘policy development and review process’ to require the assessment of the policy effectiveness to be considered by the policy approving authority (CEO or Board).

**Recommendation 15**

The RIA consider the use of the PSC peer review process for policies relating to integrity, conduct and the management of conflicts of interest.

**Board process**

The Board papers include agenda’s, minutes, action sheet and relevant papers. There is a process in place to review the proposed agenda prior to the meeting and an agreement that papers would be distributed at least five days before the meeting. In determining the agenda consideration could be given to allocating a time limit for items, to ensure that matters of strategic relevance are given appropriate time. Following the meeting, the CEO reviews the action list and draft minutes and then distributes to all board members but it is unclear if there is an agreed timeframe for this, or if the same approach applies to the FAC.

The approach to the minute taking and coordination between the Board and sub-committee papers is completed by two different organisational units. A common approach to the committees and agreed process timeframes may assist with streamlining the process.

The papers presented to the board include a coversheet, which provides the recommendations. In some instances this cover sheet was used as a template for the paper itself. There are opportunities to improve the quality, structure and clarity of the papers. There was discussion at the last meeting in relation to the minutes of the previous meeting and if the minutes were an accurate reflection of the risk management item. There are various opportunities available for staff whom take
minutes, manage papers and author papers to attend seminars, workshops and the like which may assist in improvement of the papers.

**Recommendation 16**

The RIA develop and implement a common approach, standard templates and agreed timeframes for the processes that relate to the papers for the board and any subcommittees.

**Recommendation 17**

Consideration is given to governance professional development being provided for Staff involved in the board and sub-committees.

During the meetings some Board Members acknowledged that the Board’s time was currently heavily weighted towards oversight rather than, balanced between oversight and strategy. The PSPGG principle suggests that the Board sets the strategic direction and the CEO regularly reports on the progress of implementing the strategic direction.

The strategic direction is articulated in the Rottnest Island Management Plan (RMIP) and reports on key performance indicators and divisional reports provided.

During the meetings there was feedback from staff that the level of reporting was high, and feedback from the Board that the quality of reporting was low, which prompted additional questions. In addition there were reports of decisions made that appeared to be inconsistent with the RMIP and a lack of clarity on the process for such decisions.

**Recommendation 18**

The RIA establishes a decision register that provides a transparent mechanism for staff and an easily accessible corporate history of decisions made.

**Recommendation 19**

The RIA develop an annual planning calendar that includes details of the range of Board activities that will be fulfilled over a year. The planning calendar should include the performance and compliance reporting schedule.
Governance of contracts and purchasing

There are policies, links to external sites and flowcharts available on the intranet relating to procurement, assets and projects. During the discussions there were examples provided that indicated significant issues. It is possible that the examples provided in discussions were ‘one-off’ variances rather than systematic and that processes appear to not have been followed in those instances due to other unknown factors. Despite these examples some staff reported that they believed purchasing and compliance was good at the RIA. The examples raised indicated that the following issues may exist and require further exploration:

- Contracts expired with limited planning to ensure new contracts in place before expiry.
- Purchases made that do not appear to be consistent with common use arrangements.
- Potential contract splitting.
- The process for contract variations.
- Purchases made with no contracts in place.
- Adherence to State Supply Commission Procurement Policy.
- Use of the Department of Finance - Low Value Maintenance Panel.

The information does suggest that a more comprehensive audit and review should be completed by a specialist in the area. The review work would outline if the issues exist, the extent and nature of the issues and required resulting actions.

Recommendation 20

An independent audit and review is completed by specialists to determine the extent and nature of the issues.

From the information presented, the following recommendations are made;

Recommendation 21

The RIA develops an overarching contract management plan which provides a schedule of key dates and a policy on contract management processes and timelines.

The contract management plan should incorporate contracts and all agreements, or memorandums of understanding that exist with external parties.
Recommendation 22

The RIA consider if there is adequate separation of roles and responsibilities for contract management and contract management oversight as per the Auditor General’s report (February 2016) for high value contracts.

The application of the project management methodology is useful for organisational projects as well as building projects. Project management was evident in some instances, but did not appear to be consistently applied.

Recommendation 23

The RIA adopt a project management methodology and either develop or review the existing project documentation to standardise the approach.

The Department of Finance division of Building Management and Works (BMW) is responsible for the delivery and management of a property portfolio that supports the delivery of government services. This includes the delivery of new building projects, maintenance programs for existing buildings, and the provision of office accommodation for government employees. A lack of clarity exists on if the resources and expertise of BMW are available for RIA usage.

Recommendation 24

The RIA seek written confirmation from BMW on the availability of resources, panels and supports available to RIA in the area of building management and works.

Recommendation 25

The RIA engage with the Department of Finance to source expertise and advice in the areas of government procurement, contract management and state supply.

The Department of Commerce (DoC) administer the Building Services Act 2011. The DoC advises to;

‘Always use a registered builder, painter or building surveyor. The best way to protect your investment in a building service provider is to ensure they are registered with the Building Commission’

The Building Service Act 2011 and associated Building Regulations 2012 provide the legal framework for the building industry. During the conversations there were examples of some projects where a registered builder was not used, or not sourced as the primary provider. There may, or may not have been a ‘requirement’ to use a
registered builder on these projects. Furthermore, it is worthwhile to consider if the use of a non-registered builder may have liability implications if the works were structural. This is a specialised area that requires industry knowledge to provide appropriate advice. Similar to contracts and procurement it is worth further exploration to ensure any risks are known.

Recommendation 26

The RIA review the works that have been completed by a non-registered builder to ascertain any non-compliance and if there are any associated risks or liabilities.

Recommendation 27

The RIA considers the mandatory use of registered building service providers in line with the Department of Finance advice.

It is understood that the RIA organisational model for procurement has recently changed to a more centralised model. This centralised model may assist with an increased focus on the consistent use of best practice government procurement procedures.

Recommendation 28

The RIA develop clear procurement guidelines and associated policies and ensure effective oversight of procurement practices exist.

The Auditor General published a report in November 2014 on Purchasing through Common Use Arrangements. The recommendations arising from the report were:

All Agencies should ensure that:

- All non CUA purchases are justified and approved by the appropriate delegated authority
- State Supply Commission policies are followed for all purchases (whether within CUA or outside CUA) and appropriate buying rules for contracts are followed
- A regular comprehensive review of purchases for suppliers outside the CUA is performed.
Recommendation 29

The RIA ensures that the recommendations from the Auditor General’s report of Purchasing Through Common Use Arrangements dated November 2014 are applied.

There are three Asset Management Policies on the intranet, the most recent being 2016. There is also a draft asset management plan. There is a list of capital projects, however it is understood that this list was developed as a result of consultation with staff rather than as part of a planning process.

Recommendation 30

The RIA progresses an asset management plan and considers the asset management system in totality particularly where improvements can be made.

Human resource governance

The human resource governance component covers many elements including:

- ensure oversight of human resource practices, requirements, legislation
- ensures fair, compliant, transparent processes are in place to manage the workforce
- develop strategies to ensure the entity has the skilled, motivated workforce to fulfil its role
- Ensures a workplace culture with strong ethics and integrity.
Oversight and compliance

The Public Interest Disclosure Act 2003 states that:

The principal executive officer of a public authority must:

- designate the occupant of a specified position with the authority as the person responsible for receiving disclosures of public interest information;
- prepare and publish internal procedures relating to the authority’s obligations under this Act;

During the consultations staff believed that the RIA did not have a Public Interest Disclosure Officer (PID Officer). Each year entities are required to advise the PSC on the occupant of the specified position as the person responsible. A copy of the draft return to PSC for period ending July 2016 named one individual. The individual named reported that they were unaware they were the PID Officer. A subsequent report was made which named a different officer. That officer believed that they were not the PID Officer as they had not been provided any training.

Recommendation 31

The RIA designate specified positions as PID Officers and arrange for the appropriate training. The RIA considers the specification of more than one position and also consider specifying a board member position.

Recommendation 32

The RIA prepare and publish internal PID procedures relating to the RIA’s obligations.

The human resource oversight, incorporating the payroll component is unclear. There was advice provided of steps in human resource processes, such as selection and appointment, that were ‘approved’ by human resources and a periodic report on leave balances. The RIA has policies that relate to human resources but some have expired and there appears to be policy gaps.

Recommendation 33

The RIA develop and implement human resource oversight mechanisms to ensure compliance with relevant Acts and human resource performance monitoring.
**Recommendation 34**

The RIA provide assurance that the


**Recommendation 35**

The RIA review their policy and oversight processes for recruitment and selection and implement the recommendations of the Auditor General’s report; Verifying employee identify and credentials of December 2015.

The RIA may also wish to consider the PSC publication ‘More than a matter of trust’ which provides guidance on all steps of the recruitment, selection, appointment and induction process.

The occupational safety and health (OSH) component has changed in that a contractor on the island conducts some OSH activities. It is acknowledged that the contract details are unknown but OSH responsibility for staff cannot be contracted out. OSH incorporates many elements and it is unclear where accountability rests for the function within RIA

**Recommendation 36**

The RIA confirm internal occupational safety and health accountability and ensures appropriate policies, procedures and systems are in place to monitor and address issues.

The RIA may also consider consultation with Worksafe to ensure best practices are being adopted.

**Fair, compliant, transparent processes**

There was comment from staff in relation to the allocation of houses for staff to live on the island. It is perceived by some as not being a transparent process and some people believed that the allocation of such houses resulted in the house not being available for rent and therefore resulted in a loss of revenue. There is an employee housing policy but the process and/or criteria by which decisions are made are not available.
**Recommendation 37**
The RIA publish documentation to provide clarity on the process and criteria used for allocation of staff housing.

**Recommendation 38**
The RIA ensure the approach to staff housing is consistent with the approach used by the Department of Housing Government Employee Housing scheme.

**Recommendation 39**
The RIA review the need and current approach to the house – referred to as the CEO house – and determine a policy position and implement transparent oversight of the policy.

**Recommendation 40**
The RIA publish further details on the process for the selection of staff to fulfil the Island Duty Coordinator role.

There were also comments made about other human resource processes that they perceived to be inconsistently applied, particularly the ‘working from home’ arrangements, timekeeping and vehicle access.

**Skilled, motivated workforce**
The strategic approach to ensuring a skilled, motivated workforce was unclear. The workforce and diversity plan has expired.

**Recommendation 41**
The RIA develop workforce plans to ensure compliance with Public Sector Commissioner’s Circular 2013-04 and ensure that staff are involved in the development of such plans.

There were numerous comments about bullying and how the organisation does not address or implement strategies to prevent it. There is an Unhealthy Workplace
Behaviour Policy, but the processes that support this policy are unknown. There does not appear to be any proactive strategies in development or underway to address the issues raised. Similarly the avenues to report issues need further consideration.

**Recommendation 42**

The RIA review the unhealthy workplace behaviour policy and consider documenting the processes that are available to support this policy. In addition the RIA considers the implementation of pro-active strategies to prevent unhealthy workplace behaviour.

**Recommendation 43**

The RIA implement a system to collect and analyse employee exit survey information and utilise this intelligence to inform workforce planning.

**Workplace culture with strong ethics and integrity**

**Recommendation 44**

The RIA consider the following resources and ensure that decisions and processes fulfil the intent of the publications.

*CEO Gateway Message – Attendance at conferences and events*

*CEO Gateway Message – Contracting, Sponsorship and Grants arrangements*

*The Integrity Coordinating Group – Gifts, Benefits and Hospitality: A Guide to Good Practice*

There is a comprehensive range of benefit options that staff can access including:

- Employee Benefits Package
  - Discounted Accommodation
  - Free Bus Pass
  - Retail discounts
  - Bike Hire
  - Train tickets
  - 16 Ferry Vouchers per year.
In accordance with s.26 of the Rottnest Island Authority Act 1987 (RIA Act), staff are either employed under Part 3 of the PSM Act or as wages staff. Some of these employee benefits appear to be beyond the provisions of the Public Service Award 1992/Public Service and Government Officers General Agreement 2014 for public service staff and in the case of other wages staff, the benefits would appear to be beyond the relevant award/agreement. It is unknown under what provision the RIA approved such a package. There is a general provision in the RIA Act, (s.13(1)) which provides for the RIA to do all things necessary to manage the island.

Notwithstanding the legal and industrial issue there are other factors to consider when implementing such a package. There are some unknowns such as what was the intent of the package, have any evaluations been completed and what oversight is in place? The package is unusual in the public sector, particularly as parts of the package can be used by family or friends of the employee.

There are other options available to some employees:

- Island Staff accessing additional ferry vouchers.
- Selected staff fulfil the island duty coordinator role and associated perceived benefits.

There are provisions in the industrial agreement to allow for overnight stay, on-call, availability and the like which would be necessary for the Island Duty Coordinator role. The Island Duty Coordinator policy provides additional details on requirements and provisions for claiming time in lieu.

The important factors to consider here are:

- What is the authority for such a package?
- If authority exists, what is the rationale?
- If authority exists and rational is clear, what oversight and transparent reporting is in place?

Recommendation 45

The RIA consults with the Department of Commerce Labour Relations Division to ascertain if the policy is consistent with relevant industrial framework.
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<th>Recommendation 46</th>
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<td>The RIA conduct a comprehensive review of the options available for employees in totality bearing in mind the legal, industrial and <em>Public Sector Management Act 1994</em> requirements.</td>
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<td>The RIA consider the employee benefits package and determine a policy position, and if determined that it should continue ensure that the RIA has the legal authority to do so.</td>
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<td>If the RIA cease the employee benefit package, consult with the Department of Commerce Labour Relations Division about the appropriate process to follow to cease such a package.</td>
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<td>The RIA provide assurance to the Board that all Fringe Benefits Tax obligations for all of the elements of such a package have been managed in accordance with requirements.</td>
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<th>Recommendation 50</th>
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<td>The RIA conduct a comprehensive review of the human resource function and determine if the current structure, capability and resources are meeting the RIA’s requirements.</td>
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Other elements of governance

This was a preliminary overview of the governance issues to ascertain where improvements could be made. In doing such work there are elements of governance that require further more detailed examination and areas that were not considered. These other elements of governance that would benefit from some exploration are; information governance and compliance with *State Records Act 2000* and technology governance.

Financial governance is best considered by the Auditor General and Department of Treasury.

Risk Management has not been included as it has been the subject of discussions during the period of this preliminary work.

The governance accountabilities within the organisational structure should be confirmed. The CEO should consider if the organisational structure has the appropriate separation of functions between delivery and oversight.

**Acknowledge staff**

The staff of the RIA are thanked and acknowledged for their time and input to this analysis. In recent times the staff have participated in a variety of reviews and surveys and this is an additional constraint on their time.

It should be noted that on the whole staff themselves recognised where there were opportunities for improvement. Some staff had drafted documents with suggestions or new policies for consideration. Therefore it is suggested that whichever recommendations from this report are accepted relevant staff are actively engaged in the design and implementation of them.
Conclusion

This report was prepared as a general function of the Public Sector Commissioner as outlined in s.21A of the PSM Act. The purpose of the work was to broadly identify the governance issues at the RIA and make recommendations on any changes that should be implemented. The report has suggested improvements in the areas of the governance framework, contracts and procurement and human resource governance. The improvements stemmed from discussions with officers and a preliminary review of selected documentation. It should be noted that there may be additional opportunities for improvement that were not evident from this methodology.
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