Insights on cross-agency governance bodies

Introduction

Good governance is key to effective public administration. Good governance supports performance, compliance and accountability.

A notable feature of modern government is the development and implementation of whole-of-government or cross-agency projects, services and programs (referred to as 'initiatives' in this paper).

Depending on their size and scale, such initiatives will often have their own governance arrangements, including a body with some form of oversight responsibility. In recent audits conducted by the Audit Office these have been described as a program or project board, a steering committee, working group or something similar.

The insights provided in this paper relate to cross-agency governance bodies with responsibility for whole-of-government or cross-agency initiatives. Notwithstanding this focus, the insights are also relevant to the activities of other single-agency governance bodies.

The Audit Office has conducted several performance audits in recent years that have considered the role of cross-agency governance bodies. This publication presents insights from the following performance audits:

▶ Human Resource Information Management System (HRIMS) Program (2023)

▶ Implementation of the Aboriginal and Torres Strait Islander Agreement (2023)

▶ Governance arrangements for the planning of services for Parkwood, Ginninderry (2022)

▶ Shared Services delivery of HR and Finance services (2020)

▶ ICT Strategic Planning (2019)

1. Clarity of purpose

Clearly identifying the purpose of the governance body is essential. This is particularly important for a body that involves multiple agencies with different objectives and accountability obligations.

The governance body may broadly have:

- decision-making authority and responsibility;
- an advisory role; or
- a role to facilitate collaboration and information sharing.

Whatever the goal, the purpose of the governance body should be set out in clear, validly approved, terms of reference with a clearly identified date for review. The terms of reference should be aligned to the priorities of the activity, and periodically reviewed to ensure they remain relevant and fit-for-purpose.

The terms of reference should clearly identify the governance body's relationship with other governance bodies within and across other participating agencies. Duplication and disjointedness should be avoided.

2. Relevant and appropriate representation

To maximise its effectiveness, the governance body must be attended by relevant and appropriate people from its constituent agencies. Members must have sufficient seniority and authority to participate in the body. This is especially the case for a governance body with decision-making responsibility.
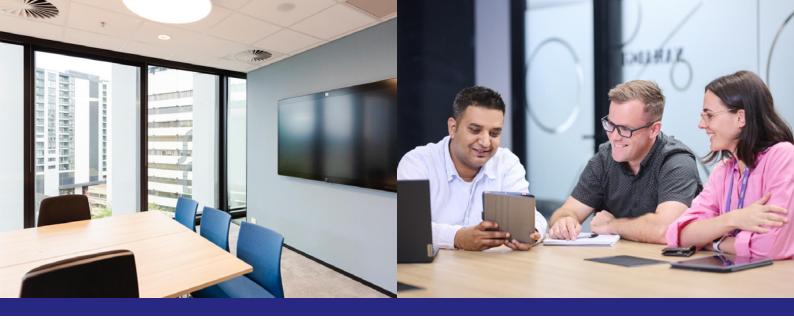
Another key requirement is that the governance body should have the right amount of representation. A large number of members may be appropriate for a governance body established for information-sharing but may not be conducive for decision-making, or for an initiative that needs to be delivered within a tight timeframe.

A key challenge for governance bodies is what to do when nominated representatives do not attend. The use of proxies may be one way to deal with this situation, whereby alternative members are given the same decision-making authority as nominated representatives. Proxies' responsibility and authority must be clearly identified in the body's terms of reference.

It should be noted, however, that regular attendance of proxies may be an indicator that the governance body, as initially envisaged, is ineffective.

3. Robust forward agenda

The governance body should have a well-documented work program and forward agenda. The program should outline the expected activities and priorities of the governance body. The program should have appropriately assigned responsibilities and accountabilities and identified timeframes and milestones. In all instances this should be clearly documented in order to avoid ambiguity and misunderstanding.

Achievements against the work program and forward agenda, and slow progress in meeting expectations, should be acknowledged, reported and mitigated as appropriate.

4. Good administrative arrangements

Good administrative arrangements that support the governance body are essential to its success. Good administrative arrangements involve the preparation of a meeting agenda and the timely preparation (and sign-off) of meeting minutes. A key outcome of the meeting, particularly if it has decision-making authority, is the documentation of action items that arise from the meeting. These will need to be appropriately acknowledged, monitored and resolved as necessary. This needs to be documented, with appropriate acknowledgement from the body.

Members of the governance body should have sufficient time to review and consider the papers for an upcoming meeting. There should be clear arrangements for gathering and circulating meeting papers to allow this to occur. Particular attention should be given to the use of verbal updates for agenda items, particularly for decision-making bodies. Members will need time to critically evaluate information being presented for decision. Such agenda items will need to be comprehensively recorded in the meeting minutes and members empowered to request additional written information before being required to make a decision.

Arrangements for communication and decision-making outside scheduled meetings should be clearly agreed.

To this end, an appropriately resourced secretariat is essential to the effective operation of the body. The level of secretariat support needs to be commensurate with the purpose and responsibility of the body.
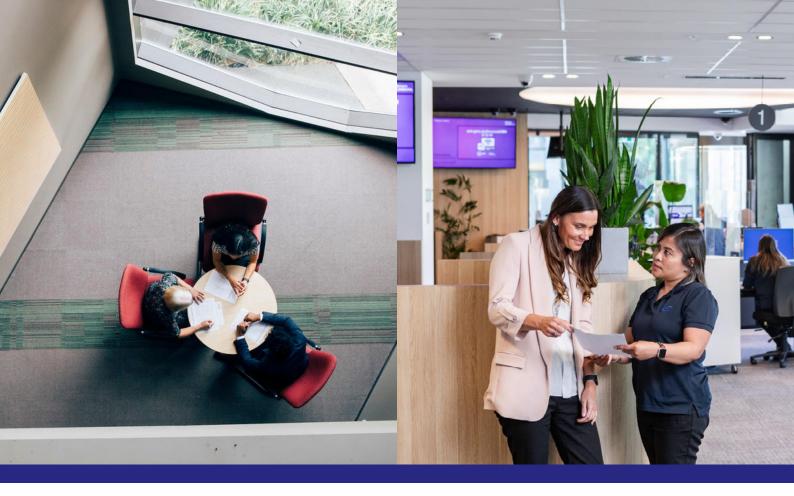
5. Robust reporting

The governance body itself must be accountable for its activities. One key means of achieving this is by implementing agreed and structured reporting on activities, achievements and outcomes.

The governance body may report publicly or otherwise to directors-general and chief executives of its constituent members. Reporting arrangements should be documented and agreed in the approved terms of reference.

Reporting should facilitate self-reflection and review.

Future performance audit activity

Governance bodies are a key instrument of public administration and governance and oversight arrangements will be a feature in the future planning and scoping of performance audits that consider whole-of-government or cross-agency initiatives. Consideration of cross-agency governance bodies will continue to be a feature of performance audits into the future.

About the ACT Audit Office

The ACT Audit Office provides an independent view on the accountability, efficiency and effectiveness of the ACT Public Sector.

Performance audits provide the ACT Legislative Assembly with an independent assessment of the quality of the management of public resources and identify and promote better practices. Further information about performance audits and performance audit reports can be found on the ACT Audit Office website (www.audit.act.gov.au).

The ACT Audit Office publishes an annual performance audit program in June each year. The Performance Audit Program aims to balance coverage across ACT Government agencies and focus on topics that are of interest to ACT Legislative Assembly and the community.

Ideas for performance audits can be submitted to the ACT Audit Office via email: performance-audit-program@act.gov.au

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