



## GOOD GOVERNANCE FOR TAFE COLLEGES' GOVERNING COUNCILS

**PURPOSE:** this document provides an overview of board governance and supporting resources to guide best governance practice. The document is based on the Public Sector Commission's *Good Governance Principles* included in their publication [Board Essentials](#).

GUIDING LEGISLATION	
<i>Vocational Education and Training Act 1996</i>	<i>Public Sector Management Act 1994</i>
<i>Financial Management Act 2006</i>	<i>State Records Act 2000</i>
<i>Equal Opportunity Act 1984</i>	<i>Industrial Relations Act 1979</i>
<i>Workers Compensation and Injury Management Act 1984</i>	<i>Occupational Health and Safety Act 1984</i>

PUBLIC SECTOR GOVERNANCE PRINCIPLE	GOVERNANCE DOCUMENTS	ADDITIONAL RESOURCES				
<p><b>1. The roles and responsibilities of the board are clear and understood</b></p> <p>There is clarity regarding the roles and responsibilities of the board, individual members, the MD and the minister.</p> <p>Appropriate instruments are established that describe the responsibilities of the board collectively and of individual members, conforming to the public sector principles in Part 2 of the PSM Act.</p> <p>Processes exist to ensure these are known and understood.</p> <p><input type="checkbox"/> Does the board have a documented board charter which clearly sets out the roles and responsibilities of the board and individual members?</p> <p><input type="checkbox"/> Has the minister issued a statement of expectation to the board and has the board responded with a statement of intent?</p> <p><input type="checkbox"/> Is there a comprehensive induction process in place for new board members?</p> <p><input type="checkbox"/> Are delegations of authority from the board to the CEO or chief employee formally documented?</p>	<table border="1"> <thead> <tr> <th>KEY</th> </tr> </thead> <tbody> <tr> <td>☀ TAFE Document</td> </tr> <tr> <td>❖ DTWD Document</td> </tr> <tr> <td>📄 PSC Template</td> </tr> </tbody> </table> <p><u>Governance Documents</u></p> <ul style="list-style-type: none"> <li>☀ Board Charter</li> <li>☀ Induction Process</li> <li>☀ Delegations of Authority (Board to CEO)</li> <li>❖ <a href="#">Governing Council Handbook for TAFE Colleges</a></li> <li>📄 Delegations of Authority (Minister to Colleges)</li> <li>📄 Statement of Expectation Template</li> <li>📄 Statement of Intent Template</li> </ul>	KEY	☀ TAFE Document	❖ DTWD Document	📄 PSC Template	<p><input type="checkbox"/> <a href="#">PSC Good governance guide for boards and committees</a></p> <p><input type="checkbox"/> Standards Australia, AS 8000-2003 Corporate governance – Good governance principles</p> <p><input type="checkbox"/> <a href="#">Treasurer's Instruction 107: Authorisation</a></p> <p><input type="checkbox"/> <a href="#">Treasurer's Instruction 951: Related and affiliated bodies</a></p> <p><input type="checkbox"/> <a href="#">Australian National Audit Office, June 2014, Public Sector Governance: Strengthening performance through good governance</a></p>
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<p><b>2. The board structure and composition ensures relevant expertise and diversity</b></p> <p>Board members have the necessary skills, experience and knowledge to enable the board to collectively fulfil its role.</p> <p>Consideration is given to optimising a gender balance and to other forms of diversity relevant to the role and function of the board.</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Is the board aware of the process or requirements for board appointments, including the role of the minister?</li> <li><input type="checkbox"/> Does the board use a 'skills matrix' to ensure members have the necessary skills, experience and knowledge to enable the board to fulfil its purpose?</li> <li><input type="checkbox"/> Is there sufficient diversity on the board?</li> <li><input type="checkbox"/> Has the board developed a succession plan to identify the skills needed by the board?</li> <li><input type="checkbox"/> Are board members able to commit the time required to effectively undertake their role?</li> </ul>	<table border="1" data-bbox="1196 304 1417 408"> <tr> <th>KEY</th> </tr> <tr> <td>☛ TAFE Document</td> </tr> <tr> <td>❖ DTWD Document</td> </tr> <tr> <td>📄 PSC Template</td> </tr> </table> <p><u>Governance Documents</u></p> <ul style="list-style-type: none"> <li>☛ Succession Plan</li> <li>❖ DTWD Nomination Process</li> <li>❖ DTWD Skills Matrix template</li> <li>❖ DTWD Governing Council Evaluation template</li> <li>❖ DTWD Self-assessment for Governing Council members template</li> <li>📄 Board Appointment Process</li> <li>📄 Board Skills and Diversity Matrix</li> <li>📄 Good Governance Guide for Boards and Committees</li> </ul>	KEY	☛ TAFE Document	❖ DTWD Document	📄 PSC Template	<ul style="list-style-type: none"> <li><input type="checkbox"/> <a href="#">PSC Equity and Diversity Workforce Planning Toolkit</a></li> <li><input type="checkbox"/> <a href="#">Public Sector Commissioner's Circular: 2013-04 Equal Employment Opportunity Management Plans and Workforce Planning in the Public Sector</a></li> <li><input type="checkbox"/> <a href="#">Equal Opportunity Commission – Fact sheets</a></li> <li><input type="checkbox"/> <a href="#">Commissioner's Instructions No.1 – Employment Standard</a></li> <li><input type="checkbox"/> <a href="#">Australian Institute of Company Directors Corporate Governance Framework</a></li> <li><input type="checkbox"/> <a href="#">Australian Institute of Company Directors – website</a></li> <li><input type="checkbox"/> <a href="#">Governance Institute of Australia – website</a></li> <li><input type="checkbox"/> <a href="#">Governance Institute of Australia – Strategies for gender diversity</a></li> <li><input type="checkbox"/> <a href="#">Department of Local Government and Communities - Being Board Ready: A Guide for Women. Circular 10-2014</a></li> <li><input type="checkbox"/> <a href="#">Department of Local Government and Communities, Office of Multicultural Interests – Diversifying Boards: Your cultural advantage</a></li> <li><input type="checkbox"/> <a href="#">PSC Succession Planning</a></li> <li><input type="checkbox"/> <a href="#">Australia Institute of Company Directors: Six steps towards a board skills matrix</a></li> </ul>
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<p><b>3. The board has a strategic focus</b></p> <p>The board sets the overall strategic direction of the public sector body and monitors performance against the intended outcomes.</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Does the board understand the strategic environment it operates within, including the key risks?</li> <li><input type="checkbox"/> Is the board clear on its role and scope of engagement in strategy?</li> <li><input type="checkbox"/> Has the board set aside time in its yearly calendar for focused strategy development?</li> <li><input type="checkbox"/> Is strategy alignment considered as a key factor in all board decision making?</li> <li><input type="checkbox"/> Does the CEO or chief employee regularly report to the board on the progress of implementing the strategic plan?</li> </ul>	<table border="1" data-bbox="1196 268 1420 371"> <tr><td>KEY</td></tr> <tr><td>☛ TAFE Document</td></tr> <tr><td>❖ DTWD Document</td></tr> <tr><td>📄 PSC Template</td></tr> </table> <p><u>Governance Documents</u></p> <ul style="list-style-type: none"> <li>❖ <a href="#">Board Annual Planning Calendar</a></li> </ul>	KEY	☛ TAFE Document	❖ DTWD Document	📄 PSC Template	<ul style="list-style-type: none"> <li><input type="checkbox"/> <a href="#">Outcome Based Management Guidelines 2004 (Department of Treasury)</a></li> <li><input type="checkbox"/> <a href="#">Public Sector Commissioner's Circular: 2009-22 Strategic Asset Management Framework</a></li> <li><input type="checkbox"/> Standards Australia, AS 8000-2003 Corporate governance – Good governance principles</li> <li><input type="checkbox"/> Project Management Standards ISO/IEC 17025</li> </ul>
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<p><b>4. Relevant risks are identified and managed</b></p> <p>The board ensures that an appropriate system of risk oversight and internal controls are in place to enable effective identification and management of risk.</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Is there an effective procedure in place for the board to identify, assess and manage risk?</li> <li><input type="checkbox"/> Does the board devote time in its agenda to consider risk?</li> <li><input type="checkbox"/> Does the board ensure that management has designed and implemented systems to give effect to policies and procedures endorsed by the board, and to periodically report to the board as to what extent those risks are being effectively managed?</li> <li><input type="checkbox"/> Does the board conduct a comprehensive risk governance review on a regular basis?</li> </ul>	<table border="1" data-bbox="1196 799 1420 903"> <tr><td>KEY</td></tr> <tr><td>☛ TAFE Document</td></tr> <tr><td>❖ DTWD Document</td></tr> <tr><td>📄 PSC Template</td></tr> </table> <p><u>Governance Documents</u></p> <ul style="list-style-type: none"> <li>☛ Risk Management Procedure</li> <li>❖ <a href="#">Board Agenda</a></li> <li>📄 <a href="#">Circular: 2009-19 Risk Management and Business Continuity Planning</a></li> </ul>	KEY	☛ TAFE Document	❖ DTWD Document	📄 PSC Template	<ul style="list-style-type: none"> <li><input type="checkbox"/> <a href="#">Public Sector Commissioner's Circular: 2012 – 05 Code of Practice – Occupational Safety and Health in WA Public Sector</a></li> <li><input type="checkbox"/> <a href="#">Treasurer's instruction 825: Risk management and security</a></li> <li><input type="checkbox"/> Standards Australia – AS/NZS ISO 31000: 2009 Risk Management</li> <li><input type="checkbox"/> <a href="#">Risk Management Guidelines (RiskCover)</a></li> </ul>
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<p><b>5. Control systems have integrity and support accountability</b></p> <p>The board has a system in place to ensure there is a flow of information to the board (and to the public sector body) that supports effective policy and coordinated decision making. Control systems are in place to ensure accountability to relevant oversight bodies and to external stakeholders. The integrity of financial statements and other key reports is safeguarded.</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Has the board established an audit subcommittee?</li> <li><input type="checkbox"/> Does the board have an effective procedure in place for ensuring compliance with legal, financial and record keeping requirements?</li> <li><input type="checkbox"/> Is the board provided with sufficient information to assess the financial and non- financial position and performance of the public sector body?</li> <li><input type="checkbox"/> Is there a clear performance reporting link to the objectives set out in the strategic and business plans, and where relevant, to the performance agreement with the CEO?</li> <li><input type="checkbox"/> Do reports to the board include appropriate information to facilitate meaningful review?</li> <li><input type="checkbox"/> Do all existing board subcommittees have clear terms of reference?</li> <li><input type="checkbox"/> Is there a process by which the chair of each board subcommittee reports back to the full board regarding the activities of each subcommittee?</li> </ul>	<table border="1" data-bbox="1196 336 1417 440"> <thead> <tr> <th>KEY</th> </tr> </thead> <tbody> <tr> <td>☛ TAFE Document</td> </tr> <tr> <td>❖ DTWD Document</td> </tr> <tr> <td>📄 PSC Template</td> </tr> </tbody> </table> <p><u>Governance Documents</u></p> <ul style="list-style-type: none"> <li>☛ Audit Sub-Committee Terms of Reference</li> <li>☛ Audit Sub-Committee Reporting Process</li> <li>☛ Strategic and Annual Business Plan</li> <li>❖ DTWD Delivery and Performance Agreement</li> <li>❖ Section 40 Estimates (Treasury)</li> <li>📄 Managing Directors Performance Agreement (PSC)</li> </ul>	KEY	☛ TAFE Document	❖ DTWD Document	📄 PSC Template	<ul style="list-style-type: none"> <li><input type="checkbox"/> <a href="#">Treasurer's Instruction 951: Related and affiliated bodies</a></li> <li><input type="checkbox"/> <a href="#">Chartered Secretaries Australia – Compliance in the public sector</a></li> <li><input type="checkbox"/> <a href="#">Outcome Based Management Guidelines 2004 – Department of Treasury</a></li> <li><input type="checkbox"/> <a href="#">Australian National Audit Office, August 2011, Public Sector Audit Committees</a></li> <li><input type="checkbox"/> <a href="#">Australian National Audit Office, August 2003, Public Sector Governance</a></li> <li><input type="checkbox"/> <a href="#">Treasurer's Instruction 902: Statement of compliance</a></li> <li><input type="checkbox"/> <a href="#">Treasurer's Instruction 904: Key performance indications</a></li> </ul>
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<p><b>6. A culture of responsible and ethical decision making is promoted</b></p> <p>The board, together with the CEO, sets the tone for ethical and responsible decision making throughout the public sector body.</p> <p>Decision making is informed, consistent, balances the requirements of multiple stakeholders and is responsible and ethical.</p> <p>The public interest and the public sector Code of Ethics are actively applied as the benchmark for individual conduct and open and accountable governance.</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Is there a current and comprehensive code of conduct for board members?</li> <li><input type="checkbox"/> Are members familiar with the code of conduct and is adherence reviewed regularly?</li> <li><input type="checkbox"/> Are mechanisms in place for engaging and communicating with stakeholders and appropriately considering their positions in decision making?</li> <li><input type="checkbox"/> Is strategy alignment considered as a factor in every board decision?</li> <li><input type="checkbox"/> Is the board clear on its role in setting the strategic direction?</li> <li><input type="checkbox"/> Does management regularly report progress to the board on resource planning and management for the public sector body?</li> </ul>	<table border="1" data-bbox="1196 268 1420 371"> <thead> <tr> <th>KEY</th> </tr> </thead> <tbody> <tr> <td>☛ TAFE Document</td> </tr> <tr> <td>❖ DTWD Document</td> </tr> <tr> <td>📄 PSC Template</td> </tr> </tbody> </table> <p><u>Governance Documents</u></p> <ul style="list-style-type: none"> <li>☛ Code of Conduct (Board)</li> <li>❖ Ethical Decision Making Online Learning</li> <li>📄 Western Australian Public Sector Code of Ethics</li> <li>📄 Conduct Guide for Boards and Committees</li> </ul>	KEY	☛ TAFE Document	❖ DTWD Document	📄 PSC Template	<ul style="list-style-type: none"> <li><input type="checkbox"/> <a href="#">Corruption and Crime Commission Misconduct Resistance Framework</a></li> <li><input type="checkbox"/> <a href="#">Corruption and Crime Commission Misconduct</a></li> <li><input type="checkbox"/> <a href="#">Commissioner's Instruction No 8 – Codes of conduct and integrity training</a></li> <li><input type="checkbox"/> <a href="#">Integrity Coordinating Group: Identifying and managing conflicts of interest in the Western Australian public sector</a></li> <li><input type="checkbox"/> <a href="#">Public Sector Commission – Conduct &amp; integrity</a></li> </ul>
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<p><b>7. The board operates effectively</b></p> <p>The board ensures that it manages its business efficiently and effectively, within the limits of the statutory functions and powers of the public sector body, to enable it to fulfil its role. The board undertakes both informal and formal reviews of performance on a regular basis and has appropriate board succession planning in place.</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Are meeting agendas sufficiently focused?</li> <li><input type="checkbox"/> Do board meetings involve a frank and open discussion, advanced circulation of board meeting agendas and papers, a record of decisions made and a record of the actions or progress against those reported to the board?</li> <li><input type="checkbox"/> Is respect, collegiality and confidentiality maintained throughout and between all board meetings?</li> <li><input type="checkbox"/> Does the board evaluate and review the performance of its board members and the board itself at least yearly?</li> </ul>	<table border="1" data-bbox="1160 323 1379 427"> <tr><td>KEY</td></tr> <tr><td>● TAFE Document</td></tr> <tr><td>❖ DTWD Document</td></tr> <tr><td>📄 PSC Template</td></tr> </table> <p><u>Governance Documents</u></p> <ul style="list-style-type: none"> <li>❖ Board Agenda</li> <li>❖ Board Minutes</li> <li>❖ Board Survey</li> </ul>	KEY	● TAFE Document	❖ DTWD Document	📄 PSC Template	<ul style="list-style-type: none"> <li><input type="checkbox"/> <a href="#">Administrative Instruction 102: Official Communications</a></li> <li><input type="checkbox"/> <a href="#">Administrative Instruction 728: Media and Public Communications</a></li> <li><input type="checkbox"/> <a href="#">Public Sector Commissioner's Circular 2009/10: Communication Agreements Between Ministers and Agencies</a></li> <li><input type="checkbox"/> <a href="#">State Records Office: Recordkeeping Plan</a></li> <li><input type="checkbox"/> <a href="#">State Records Office - State record keeping, principles, policies and standards</a></li> <li><input type="checkbox"/> <a href="#">Ombudsman Western Australia – Record keeping guidelines</a></li> </ul>
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