

# Corporate Governance Framework

## Table of contents

---

<b>1. Crown Solicitor's Message</b>	<b>1</b>
<b>2. Corporate Governance</b>	<b>2</b>
2.1 Principles	2
2.2 Values	3
2.3 Governance Elements	4
<b>3. Governance Practices</b>	<b>5</b>
3.1 Service	5
3.2 Results	8
3.3 Partnerships	9
3.4 Sustainability	9
3.5 People	10
3.6 Risk Management	12
<b>4. Acknowledgements</b>	<b>14</b>
<b>5. Policy information</b>	<b>15</b>

## 1. Crown Solicitor's Message

---

"The Crown Solicitor's Office (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 regularly, to capture and reflect any changes to our strategic goals, structural alignment and current best practice.

Karen Smith  
Crown Solicitor

## 2. 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<sup>1</sup>:

#### **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.
- 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.
- 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.

---

<sup>1</sup> <https://www.anao.gov.au/work/audit-insights/board-governance>

## 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.

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

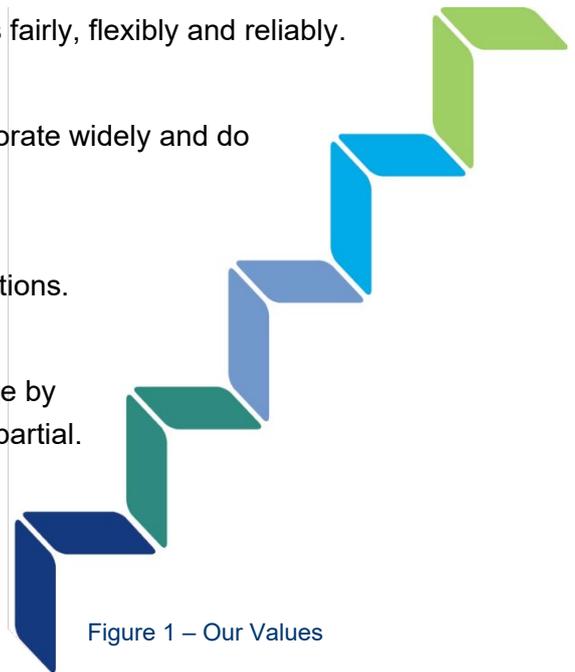


Figure 1 – Our Values

## 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



### 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.



### Results

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



### Risk Management

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



### 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.



Figure 2 – Governance Elements of the CSO

## 3. 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.

### 3.1 Service

#### 3.1.1 *Corporate and Strategic Business Plans*

Corporate and Strategic Business Plans set direction and communicate purpose, priorities, outcomes, values, and performance measures of success. The CSO prepares a Statement of Business Intent and Business Plan, which are submitted annually to NSW Treasury in accordance with the Commercial Policy Framework.

These documents set out the CSO's strategic priorities and the financial summary for the financial year.

#### 3.1.2 *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, as appropriate, with its internal and external stakeholders.

#### 3.1.3 *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, such as the Band 1 Director Group, are established to support governance within the CSO.

#### 3.1.4 *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*
- *Government Sector Finance Act 2018*

- *Independent Commission Against Corruption Act 1988*
- *Industrial Relations Act 1996*
- *Ombudsman Act 1974*
- *Privacy and Personal Information Protection Act 1998*
- *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.*

The CSO maintains a [Register of Material Legislation](#).

### 3.1.5 *Financial Delegations*

Financial delegations assign 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 the [Financial Delegations](#) in the Staff Manual.

### 3.1.6 *Financial and Budget Management Framework*

The CSO maintains a number of policies and strategies to ensure fiscal responsibility and accountability. Financial plans, including budgets and reforecasts, 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.

### 3.1.7 *Employment Delegations*

Employment 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. The CSO maintains the [Employment Delegations](#) in the Staff Manual.

### 3.1.8 *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.

### 3.1.9 *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.

### 3.1.10 *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.

### 3.1.11 *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.

### 3.1.12 *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.

### 3.1.13 *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*. The CSO [Information Security Policy](#) and [Records Policy](#) provide guidance to staff in the overall management of CSO information assets.

### 3.1.14 *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, which are set out in the Statement of Business Intent and the Business Plan. Performance against these KPIs and against budget/forecast is reviewed each month to support delivery of the CSO's financial targets.

### 3.2.1 *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.

### 3.2.2 *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. CSO reporting processes align with the CSO Statement of Business Intent and the Business Plan.

### 3.2.3 *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 currently in receipt of a Small Agency Exemption from [TPP19-07 Asset Management Policy](#), and so is not required to prepare a Total Asset Management Plan. The CSO does, however, plan and provide for self-funded capital investment over a 10-year period, and seeks approval for this expenditure from Treasury. CSO capital expenditure, whilst self-funded, is subject to the Capital Expenditure Approval Limit (CEAL) and therefore Treasury approval is required.

### 3.2.4 *ICT Strategy*

The CSO's investment in information and communications technology (ICT) capabilities continues to place us in a strong position to support our staff working remotely as a result of the COVID-19 pandemic. The continued support and investment in ICT will ensure that the CSO can delivery on its service delivery priorities. The CSO ICT Strategy sets out the CSO ICT enterprise architecture and ICT capital investment program. The ICT Strategy is reviewed on an annual basis by the CSO Executive. The strategy is aligned to the Strong Communities Principal Department ICT Strategy.

### 3.2.5 *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

### 3.3.1 *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

### 3.4.1 *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.

### 3.4.2 *Change Management*

The Department of Premier and Cabinet has published Change Management Guidelines to assist agencies with the management of organisational change, and the Department of Communities and Justice has created a Change Management Strategy template to support the detailed planning of change and communication management strategies.

### 3.4.3 *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

### 3.5.1 *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.

### 3.5.2 *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.

### 3.5.3 *Public Interest Disclosure*

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

### 3.5.4 *Performance Framework*

The CSO has a [Performance Development Policy](#) and MyPDP framework that drives processes and decisions about employee probation, performance, development needs or activities and unsatisfactory performance.

### 3.5.5 *Health, Safety and Well-being*

The CSO's Work Health and 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.

### 3.5.6 *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 decision-making. The [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.

### 3.5.7 *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 a [Respectful Workplaces – Bully and Harassment Policy](#) that outlines the responsibilities of managers and employees to achieve and maintain a workplace where everyone is treated with dignity and respect. The CSO has adopted the Department of Communities and Justice's Management Workplace Issues Procedure.

### 3.5.8 *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 Communities and 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.

### 3.5.9 *Workforce and Diversity Program*

The CSO values diversity and drives its Workforce and Diversity Program through its:

- Recruitment, strategies, policy and guides
- Learning and Development programs
- Wellbeing programs.

Maintaining a diverse workforce enables the CSO to enhance its capabilities and deliver responsive, high quality services that meets the needs of its clients and provides all staff (current and future) with opportunities to develop their knowledge, skill and capabilities.

### 3.5.10 *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.

### 3.5.11 *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

### 3.6.1 *Enterprise Risk Management Framework*

The CSO Risk Management Framework governs the approach of the Office to risk management. The CSO's Risk Management Framework is based on the Department of Communities and 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 Enterprise Risk Management Framework Policy is owned by the CSO Director, Information Management and Technology, and the CSO Executive team continuously reviews the CSO risk register to identify new and emerging risks. Risk mitigation plans are being developed for each identified risk, and monitoring and reporting arrangements are being put in place.

Risk Management is also included as part of the CSO project management framework, specifically in the undertaking of projects in the ICT Strategic Plan.

### 3.6.2 *Corruption prevention strategy*

The CSO has a [Fraud and Corruption 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 responsible roles, and what the CSO's response is when fraud and/or corruption have been reported or detected. Specific fraud and corruption training is provided to all CSO staff.

### 3.6.3 *Business Continuity Framework*

The CSO Business Continuity Plan provides guidance on how the CSO will recover and maintain services following a critical disruptive event. The Business Continuity Plan outlines how the CSO prepares, responds to and recovers from a disruption.

The CSO Business Continuity Plan is reviewed and tested regularly, with established governance committees ready to respond to any BCP event. In addition, the CSO has implemented xMatters as a tool for managing notification to staff during a BCP event.

#### 3.6.4 *Cyber Security*

The NSW Government Cyber 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.

Each year, the CSO undertakes a formal cyber security maturity self-assessment and the Crown Solicitor provides a formal cyber security attestation in the CSO Annual Report.

The CSO has established a suite of information security policies to provide oversight and guidance to CSO staff. The CSO maintains a Cyber Security Incident Response Plan and provides cyber security training to staff, developed under [DCS-2021-02 NSW Cyber Security Policy](#).

#### 3.6.5 *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.

#### 3.6.6 *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.

#### 3.6.7 *Audit and Risk Committee*

In accordance with the NSW Treasury [Internal Audit and Risk Management Policy for the General Government Sector \(TPP20-08\)](#), the CSO has (shared with the Department of Communities and Justice) an Audit and Risk Committee that oversees and monitors governance, risk and control issues affecting the operations of the CSO.

## 4. Acknowledgements

---

The Department of Communities and 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 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.

## 5. Policy information

### Document details

<b>Title:</b>	Corporate Governance Framework
<b>Number:</b>	A29
<b>File reference:</b>	AD2014.66.0002
<b>Date of effect:</b>	20 December 2021
<b>Date of last review:</b>	19 December 2022
<b>Security classification:</b>	Official
<b>Policy owner:</b>	Crown Solicitor

### Document history

Date	Version	Approved By	Comment
13/4/2018	1	Lea Armstrong, Crown Solicitor	
20/12/2021	2	Karen Smith, Crown Solicitor	

### Related documents:

[Governance Lighthouse – A Strategic Early Warning System](#)

[Code of Ethics and Conduct for NSW Government Sector Employees](#)

[Register of Material Legislation](#)

[Information Security Policy](#)

### [Table of Contents](#)

[Financial Delegations](#)

[Records Policy](#)