Corporate services

Government bodies

The department administers the grant funding itemised below on behalf of the following organisations:

- Building Queensland Board ($1.771 million)
- GasFields Commission Queensland ($2.5 million)
- Queensland Reconstruction Authority ($204.840 million)
- Brisbane City Council for management of South Bank and Roma Street Parklands ($13.681 million).

Payments made to the Building Queensland Board, Queensland Reconstruction Authority and Brisbane City Council represent 1 January 2018 to 30 June 2018 only. These functions were transferred into the department as part of the Machinery of Government changes effective 1 January 2018.

Further information about the operations, priorities and achievements of these bodies can be found in their annual reports, with a link to these provided on the department's website: **www.dsdmip.qld.gov.au**

Other government bodies within the department's portfolio include:

- Commonwealth Games Infrastructure Authority
- Economic Development Board
- Gladstone Foundation Board of Advice
- Industry and Manufacturing Advisory Group
- North Stradbroke Island Economic Transition Strategy
- Queensland Urban Design and Places Board.

Further information is available on the department's website: **www.dsdmip.qld.gov.au**

Risk management

The department is committed to a robust and integrated Enterprise Risk Management Framework that reflects our vision, values, objectives and resources while supporting good governance, accountability obligations and decision-making.

A medium risk appetite has been established to best support calculated risk in order to maximise the department's capacity to achieve strategic objectives.

Risk management is effectively managed in accordance with the *Financial Accountability Act 2009* (FAA) and aligns with the international standard for risk management (ISO 31000:2018: Risk management – Guidelines).

During 2017, a Risk and Opportunity Maturity Strategy project was initiated to embrace a developing risk maturity that promises a proactive, integrated, inclusive and accountable approach to risk management.

The department's Audit and Risk Management Committee (ARMC) reviews the effectiveness of the department's Enterprise Risk Management Framework, processes and system of risk registers. The ARMC also assesses and contributes to the department's internal audit planning processes that encourage opportunities for best practice risk management through continuous improvement.

Internal audit

Pursuant to section 29 of the *Financial and Performance Management Standard 2009* (FPMS), the department has established an independent Internal Audit function.

Through its assurance activities, Internal Audit aids the accountable officer in the discharge of that officer's functions and duties under the relevant provisions of the FAA and FPMS.

Internal Audit provides an independent, objective assurance and consulting activity designed to add value and improve the department's operations and assist the department to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

Internal Audit operates under an approved charter that sets the purpose, authority and responsibilities of the department's internal audit function. It has been prepared with reference to:

- the relevant provisions of the FAA and the FPMS
- the Institute Internal Auditors (IIA) International Professional Practice Framework
- the Queensland Treasury Audit Committee Guidelines: Improving Accountability and Performance
- better practice guidance issued by the Australian National Audit Office.

The scope of Internal Audit coverage for 2017–18 was set out in the approved Internal Audit Strategic Audit Plan 2017–20 and Annual Audit Plan 2017–18, subsequently amended for MoG changes that took effect 1 January 2018. This plan followed a risk-based methodology, balancing emerging issues against reviews of core business, emerging initiatives and transactional processes. Auditable areas were identified based on consultation, assessment of risk and assurance mapping.

Achievements of Internal Audit during 2017–18 include:

- developing and delivering a risk-based annual plan of audits covering assurance about, and improving effectiveness of, governance, financial controls, systems, operations, compliance and risk management
- providing advisory services to the department to help improve risk management, control and governance, and business operations
- completing audits and reviews as detailed in the annual internal audit plan and as directed by the Director-General resulting in recommendations for improving governance processes and business operations
- assessing the effectiveness and efficiency of key departmental financial and operating systems, reporting processes and activities

- proactively following-up with management regarding their timely implementation of internal and external audit recommendations
- managing a co-sourced service delivery model for the provision of an effective internal audit function
- providing effective secretariat services for the department's ARMC.

External scrutiny

In addition to his annual audit of the department's financial statements, the Auditor-General conducted performance audits and whole-of-government audits, in accordance with the QAO Strategic Audit Plan and advice to the Director-General. QAO audits directly applicable to the department included:

- *Auditor-General's Report 4: 2017–18,* Integrated Transport Planning—tabled in Parliament 12 December 2017
- *Auditor-General's Report 6: 2017–18,* Fraud Risk Management—tabled in Parliament 15 February 2018
- *Auditor-General's Report 8: 2017–18,* Confidentiality and Disclosure of Government contracts—tabled in Parliament 20 February 2018
- *Auditor-General's Report 11: 2017–18,* Queensland Government: 2016–17 results of financial audits—tabled in Parliament 22 February 2018.

Recommendations addressed to the department were accepted and management plans are in place to implement those recommendations. Management's progress in implementing all recommendations is monitored and followed-up by Internal Audit and reported to the ARMC for review and noting.

Ethics and governance

Our Ethics and Governance Framework ensures systems, policies, procedures and resources are in place to provide assurance that all activities are conducted in an ethical, accountable and transparent manner.

The department's Ethics and Governance Unit plays a key role in this endeavour, enabling an ethical culture and right sized governance across the organisation. The Unit provides a range of services aimed at ensuring that the department's ethics and governance requirements and standards remain central to the department's operations. Specialist advice and services are provided in relation to:

- complaints management
- registering declarations of interests and managing conflicts of interest
- gifts and benefits
- contacts with lobbyists
- preventing fraud and corruption
- training and development related to ethics and governance
- liaising with the Crime and Corruption Commission (CCC) and the Queensland Ombudsman's Office
- the management of public interest disclosures and complaints related to corrupt conduct
- right to information and privacy
- corporate policy coordination and review
- corporate delegations.

Within the realm of governance, the corporate policies and delegations have undergone a comprehensive review during 2017–18. The reviewed and updated policies and the development of complementary procedure documents will ensure that all corporate policies support requirements outlined in relevant legislation, as well as the ethical principles in the *Public Sector Ethics Act 1994*. The corporate delegations which have been reviewed support the operations of the department by ensuring that delegated accountabilities and responsibilities are clear, whilst ensuring that decisions can be made at the most appropriate levels of the department.

Departmental employees uphold the Code of Conduct for the Queensland Public Service and receive regular training on the code, starting at induction. During 2017–18, there were 22 workshops and training sessions delivered to staff on topics related to ethics and the Code of Conduct, including eight sessions delivered to SES and equivalent staff and nine sessions delivered to regional staff in the department's Regional and Economic Development Group.

Employees also have access to other training and development opportunities in relation to ethics and governance. During 2017–18, all staff were required to complete on-line code of conduct training, with over 95 per cent of staff completing this training. Information on ethics and governance was also embedded in the quarterly corporate induction sessions. The Ethics and Governance Unit has also provided tailored advice and information sessions to staff across the department on request, with over 200 pieces of specialist advice being provided.

During 2017–18, much of the advice and training has been focused on ensuring staff have an improved understanding and appreciation of the implications of gifts and benefits, as well as fraud and corruption prevention.

Each financial year the customer complaints that have been received, resolved and under management are reported, and this information is available on the department's website: **www.dsdmip.qld.gov.au**. During 2017–18, there were 35 complaints lodged against the department, of which 18 resulted in business improvement and/or management action.

Information systems and records management

The department's information management strategy ensures compliance with the *Public Records Act 2002*, *Public Service Act 2008*, Information Standard 40 – Recordkeeping and Information Standard 31 – Retention and Disposal of Public Records.

Departmental employees are required to remain aware of their recordkeeping obligations and the requirement to capture, manage and secure documents, correspondence and files in the department's electronic Document Records Management System (eDRMS).

As part of the department's long-term goal of building an information management framework focused on integration of business systems, extensive mapping of data and information architecture is underway. This will assist in the

use and accessibility of information to support decision-making.

Improvements to information security and associated security protocols have been a priority during 2017–18 and key initiatives included:

- strengthening authentication systems
- strengthening vulnerability management capability to reduce risk to websites
- increased security reviews, assessment and monitoring processes
- completion of information security classification labelling of departmental information (correspondence, documents and files) in the eDRMS
- delivery of mandatory employee information security eLearning training module.

The department continues to work towards more digital processes with a focus on the 'born digital stay digital' approach to managing its information and records. A sizable percentage of files are received electronically and managed through internal electronic approval processes. There was a 50 per cent reduction of physical files moved to storage compared to the previous year, an indicator of the increasingly digital nature of transactions.

The department did not experience any loss of files or important data.

Queensland Government open data

The department publishes some information relating to its annual reporting requirements via the Queensland Government Open Data website (https://data.qld.gov.au).

Items covered are:

- consultancies
- language services
- overseas travel.