

Accountability

Internal audit

Internal audit is a key component of our corporate governance. The function operates under a charter consistent with the Institute of Internal Auditors’ standards and approved by the department’s Director-General.

The Chief Auditor is directly accountable to the Director-General for leading an effective and efficient internal audit function and for ensuring the internal audit activity meets its objectives and adds value to Transport and Main Roads. This includes the implementation of risk-based strategic and annual internal audit plans, and coordinating audit activities with the external auditors, Queensland Audit Office (QAO), to best achieve appropriate audit objectives for the department.

The Chief Auditor reports regularly to the Audit and Risk Committee, which reviews the work of the internal audit function. The relationship with the committee is based on Queensland Treasury and Trade’s Audit Committee Guidelines.

The Internal Audit team has a central role in improving operational processes and financial practices by:

- assessing the effectiveness and efficiency of departmental financial and operating systems, reporting processes and activities
- identifying operational deficiencies and non-compliance with legislation or prescribed requirements
- assisting in risk management and identifying deficiencies in risk management
- bringing a broad range of issues to management’s attention, including performance, efficiency and economy
- monitoring whether agreed remedial actions are undertaken.

During the past year, Internal Audit:

- developed and delivered a risk-based annual plan of audits approved by the Director-General and completed 34 audit reports, covering assurance about, and improving effectiveness of controls, systems, project management, operations and risk management
- engaged with the Audit and Risk Committee about proposed audit plans and their alignment to the risks of the department
- commenced a shift in audit plans to focus on business performance, while maintaining appropriate control assurance coverage
- provided advice and assistance on key projects and initiatives
- monitored and reported on the implementation of agreed audit recommendations
- maintained an effective working relationship with Queensland Audit Office.

Figure 26: Internal Audit team experience

< 5 years	5–10 years	10–20 years	> 20 years
0%	20%	40%	40%

External scrutiny

Our operations are subject to regular scrutiny from external oversight bodies.

Auditor-General reports

In addition to his audit of the department's financial statements, during 2014–15 the Auditor-General conducted audits where recommendations were specifically addressed to the department, were for all agencies to consider or included learnings potentially applicable to the department.

These audits included:

- Report 1: 2014–15 Results of audit: *Internal control systems 2013–14*
- Report 2: 2014–15 *Hospital infrastructure projects*
- Report 4: 2014–15 Results of audit: *State public sector entities for 2013–14*
- Report 8: 2014–15 *Traveltrain renewal: Sunlander 14*
- Report 9: 2014–15 *2018 Commonwealth Games progress*
- Report 10: 2014–15 *Bushfire prevention and preparedness*
- Report 11 : 2014–15 *Maintenance of public schools*
- Report 16: 2014–15 Results of audit: *Local government entities 2013–14*
- Report 17: 2014–15 *Managing child safety information*
- Report 20: 2014–15 *Managing water quality in Great Barrier Reef catchments*

These audit reports are available at www.qao.qld.gov.au/reports-tabled-in-2014-15-financial-year

In addition, the following audits (currently in progress) includes coverage of the department's operations:

- Transport Infrastructure Projects
- Road Safety – Traffic Cameras
- Royalties for the Regions
- Results of audit: Internal control systems 2014–15.

Coronial inquests

The whole-of-government coronial reporting arrangements were revised in late 2014. As of 1 January 2015, the Attorney-General now has sole responsibility for the reporting and ongoing monitoring of the implementation of recommendations made at coronial inquests. The new arrangements will provide a timelier response to the next of kin of the deceased, the community and coroners of the measures the government is taking in response to coronial recommendations.

The improved arrangements require ministers to inform the Attorney-General within six months of the recommendation being made whether recommendations are supported. Ministers will provide implementation progress updates every six months until implementation is delivered. The Attorney-General will ensure responses are easily accessed by posting the responses on the Queensland Courts website, next to the coroners' findings of inquest.

TMR is currently finalising its first report under the new arrangements. The June 2015 report will include responses to recommendations handed down in 2014, as well as status updates on the implementation of earlier recommendations.

Crime and Misconduct Commission reports

The *Crime and Corruption Act 2001* provides for the reduction of the incidence of corruption in the public sector.

The department maintains a cooperative and strong relationship with the Crime and Corruption Commission (CCC) through its Ethical Standards Unit, which maintains responsibility for CCC liaison and routinely works with the CCC to deal with and prevent any allegation of corrupt conduct.

Parliamentary committees

The Transport, Housing and Local Government Committee conducted the following parliamentary inquiries relating to the Department of Transport and Main Roads portfolio in 2014–15:

- *Examination of Portfolio Subordinate Legislation*
- *Inquiry into Coastal Sea Freight*
- *Consideration of 2014–15 portfolio budget estimates*

The Infrastructure, Planning and Natural Resources Committee conducted the following parliamentary inquiries relating to the Department of Transport and Main Roads portfolio in 2014–15:

- *Local Government and Other Legislation Amendment Bill 2015*

The Utilities, Science and Innovation Committee conducted the following parliamentary inquiries relating to the Department of Transport and Main Roads portfolio in 2014–15:

- Examination of Portfolio Subordinate Legislation

Committee reports can be found at www.parliament.qld.gov.au/work-of-committees/committees/THLGC

Internal scrutiny

Industrial and employee relations

During the 2014–15, the department:

- significantly decreased complex case management issues by approximately 70 per cent
- actively managed the high level complex case management issues that had been referred to the Queensland Industrial Relations Commission and/or Industrial Magistrates Court resulting in no detrimental outcomes for the department
- constructed the department's Executive Leadership Team Enterprise Bargaining Pack which clearly outlined the three phases of the EBA process – preparation, negotiation and implementation.
- worked collaboratively with other state government departments, the Public Service Commission and applicable unions to deliver the Queensland Public Service Award.

Ethics and conduct

The principles contained in the Code of Conduct for the Queensland Public Service provide staff with direction and guidance in shaping an ethical workplace and making better decisions.

The department continues to enhance an ethical workplace culture through designing, developing and implementing aligned policies, processes and procedural systems to raise ethical awareness and prevent alleged wrongdoing and corrupt conduct.

This includes:

- mandatory online ethical decisionmaking and awareness training, Which Way Would You Go
- face-to-face ethics awareness sessions with business units
- access to ethical standards information and guidance within our One TMR intranet site

To assist the department in complying with the *Public Sector Ethics Act 1994*, all employees are provided with workplace ethics education and training.

The department also has a Public Interest Disclosure Policy and Procedure that assists us in complying with the *Public Interest Disclosure Act 2010*. The policy promotes a work culture that encourages and welcomes such disclosures as a way to continually improve our operations, and protects those who make public interest disclosures.

These documents outline the processes we use to encourage, assess, manage, record and report public interest disclosures. Public reporting on such disclosures is undertaken by the Queensland Ombudsman.

Our Ethical Standards team maintains responsibility for investigating allegations of unethical conduct including serious matters constituting alleged corrupt conduct. The team also assists the department in coordinating and managing public interest disclosures.

Fraud and corruption control

In line with the Queensland Government's objectives of integrity and accountability, the department maintains its zero tolerance to fraud and corruption.

The department's *Fraud and Corruption Control Framework and Policy* were approved in June 2015 for department wide implementation.

This suite of documents, together with existing departmental policy, will assist our managers with their ongoing responsibility for the prevention, detection, reporting and reduction of risks and exposures to any fraud.

Information systems and recordkeeping

The department is required by legislation and government standards to keep and maintain proper records of its activities.

To ensure recordkeeping compliance, the department is committed to meeting its responsibilities under the *Financial Management Standard 1997*, the *Public Records Act 2002* and the Queensland Government Information Standards. As such, we manage all departmental information in its original format.

TMR recognises the importance of records management in the digital information economy and is working towards ensuring systems and processes are in place to support the transition from a paper-based to a digital environment. Departmental systems and processes are in place to ensure full and accurate records of departmental business are documented, preserved and made accessible as required under legislation.

To support full compliance going forward, the department has embarked on the investigation of a suitable replacement for existing records management systems as well as the expansion of this solution into other areas of TMR that manage significant document libraries.

A framework of strategies, policies, standards, procedures, education and training materials and compliance tools has been developed and will be continuously maintained to assist managers of business areas within the department to comply with the principles of records management. Compliance with the policies and standards included in the recordkeeping framework is mandatory.

All department records are kept in accordance with retention and disposal schedules approved by Queensland State Archives (QSA).

The current schedules for the department are:

- the General Retention and Disposal Schedule (GRDS) (QDAN 249) for administrative records
- Queensland Disposal Authority Number 474 (QDAN 474) for service function records
- Queensland Disposal Authority Number 479 (QDAN 479) for business maps and plans of state-controlled roads
- Queensland Disposal Authority Number 690 (QDAN 690) for Maritime Safety Sector records

These schedules ensure the department complies with the statutory obligations for the retention and disposal of records, meets accountability requirements and community expectations, and preserves the corporate memory. They set out the length of time records must be kept after a certain trigger event, such as a record end date or sale of land.

During 2014–15, the department commenced reviewing legacy and backlogs of records to determine their eligibility for disposal against the QSA approved schedules. A program of work is underway to appraise and dispose of eligible records to reduce secondary storage costs.

In addition, consultation is also underway with QSA to archive the department's large volume of permanent records currently held in secondary storage, in order that they remain viable for access by future generations. These records may relate to resumptions for new state roads and the building of bridges and other large infrastructure.



Records of evidential quality are created, managed and disposed of in accordance with legal requirements.