CORPORATE GOVERNANCE

GOVERNANCE FRAMEWORK

Governance holds the department and its people to account through defined responsibilities, policies, systems and processes. It is the system through which the department is controlled and operates to achieve its performance objectives and accountability.

The department's governance framework is based on the Australian Securities Exchange principles of corporate governance, which have been reworked for a public sector environment.

The department is governed by 9 principles, each of which has operational elements used to assess governance maturity level and identify opportunities for improvement.

Governance principles

1. Government and public sector relationship	The department's relationship with the government is clear
2. Management and oversight	The department's management and oversight is accountable and has clearly defined responsibilities
3. Organisational structure	The department's structure serves its operations
4. Operations	The department plans its operations to achieve its goals
5. Ethics and integrity	Ethics and integrity are embedded in the department's values and operations
6. People	The department's leadership in people management contributes to individual and organisational achievements
7. Finance	The department safeguards financial integrity and accountability
8. Communication	The department communicates with all parties in a way that is accessible, open and responsive
9. Risk management	The department identifies and manages its risks

EXECUTIVE COMMITTEES

The department's governance structure is made up of a Governance Board and supporting committees focused on important governance elements.

The Governance Board and committees oversee the allocation of resources across the department and the development and implementation of policies, plans and procedures. This provides a foundation of good governance for the department's activities.

The committees report to the Governance Board, except the Audit and Risk Management Committee, which reports directly to the Chief Executive Officer, as outlined in the diagram below.

Chief Executive Officer

Audit and Risk Management Committee

Governance Board

Divisional work health and safety committees

Emergency Management Committee

Information and Communications Technology (ICT) Governance Committee

Each committee's functions and performance for 2019-20 are outlined in this section. Membership as at 30 June 2020 is outlined in Appendix 1.

GOVERNANCE BOARD

The Governance Board provides governance and leadership to several committees that support the department's objectives and purpose.

The Governance Board is the department's principal planning and decision making body on corporate governance matters. The Chief Executive Officer is primarily responsible for providing strategic leadership and systems development for the department.

The Governance Board includes representatives from all divisions in the department. Other department officers attend Governance Board meetings as required.

The responsibilities of the Governance Board are to:

- set the strategic direction for the department
- act as a consultative forum, providing advice on current and future directions for the agency
- provide advice and support on the planning, implementation, monitoring and reporting of the department's performance against its corporate responsibilities and objectives
- report against deliverables identified in the department's strategic plan through the annual report and budget papers
- act as the department's Work Health and Safety approving body
- provide a forum to consider issues arising from divisional activity that may be relevant to other Governance Board members
- act as a decision making body that considers and determines responses to policies that impact on the wider community
- maximise opportunities for partnerships, networking and information sharing

The Governance Board also act as the decision making body for department policies and systems, including:

- managing risk and assurance in relation to compliance with statutory requirements
- strategic human resource and workforce planning and management
- financial and budget management
- information and records management
- technology and telecommunications planning and management

The Governance Board appoints committees as required.

COMMITTEES

Audit and risk management committee

- monitors the department's strategic, corporate and operational risk management functions and activities and the adequacy of the internal controls established to manage identified risks
- monitors the internal audit function (including review of the annual internal audit program, review and monitoring of audit terms of reference, audit outcomes, management responses and implementation of the audit recommendations)
- monitors the external audit program (including audit outcomes, the department's responses and implementation of the audit recommendations)
- reviews and comments on the state of organisational governance within the scope of the committee's terms of reference in the areas of the department's risk management framework, the internal controls framework and external accountability

The Audit and Risk Management Committee held four meetings during the year on 31 July 2019, 12 December 2019, 2 April 2020 and 18 June 2020.

Outcomes from the meetings included:

- reviewed and monitored the implementation of the agency's 2019-20 Internal Audit Plan and provided input into the 2020-21 Internal Audit Plan for Governance Board endorsement and CEO approval.
- reviewed the department's audit reports and monitored management implementation of audit recommendations conducted under the internal and external audit programs
- reviewed the department's systems of risk oversight and management including Strategic and Operational Risk Registers. The committee developed an Executive Director divisional risk register update template to be provided at each committee meeting by divisions along with their operational risk registers which provides the committee with an overview of the quarterly reviews and updates of each division with the intention to ensure risk management is reviewed consistently and on a regular basis by divisions
- reviewed the processes in place for financial and performance reporting within the scope of the committees terms of reference
- reviewed the Committees Terms of Reference
- reviewed and endorsed the department's Internal Audit Charter

Work health and safety committees

As part of the work health and safety (WHS) framework, committees are established in each division across the department.

All divisional committees:

- act as a consultative forum that provides advice on safety matters
- keep informed about standards of health and safety
- recommend maintenance and monitoring of programs, measures and procedures relating to the health and safety of workers
- conduct regular workplace inspections, including, when requested, a workplace relocation/redesign or when an incident occurs
- consider and make recommendations about proposed workplace changes that may affect the health and safety of the workers
- review hazard and incident report trends and make recommendations as required

In addition, the Bushfires NT WHS committee also:

- coordinates all WHS and risk management frameworks across Bushfires NT and volunteer bushfire brigades
- monitors and manages all WHS incidents
- reviews and manages all standard operating procedures, fire-ground practices and general occupational policies
- manages feedback links to staff and volunteers in relation to any WHS matter

Emergency Management Committee

The Emergency Management Committee:

- leads department activities before and during an event and reviews and evaluates activities after an event
- manages communication and emergency messaging for staff and assists with coordination of messaging across government
- ensures the department has an emergency management plan in place
- assists in coordinating the department's cyclone plans and monitoring cyclone preparedness

Information and Communications Technology (ICT) Governance Committee

The ICT Governance Committee:

- reviews and endorses business cases and project plans for ICT initiatives and investment decisions
- oversees the delivery of ICT initiatives and performance review of project delivery
- oversees the development and monitoring of the ICT strategic direction and its policies
- periodically monitors the department's ICT environment to ensure risks and issues are identified and appropriately managed
- reviews and endorses submissions for major ICT investments or initiatives for approval by the Northern Territory Government ICT Governance Board

STATUTORY COMMITTEES AND BODIES

At 30 June 2020, the department was responsible for the following statutory committees and bodies.

Membership details can be found in Appendix 2.

Water advisory committees

Water advisory committees are established under section 23 of the Water Act to provide advice and recommendations to the department on water management and allocations. This includes advice on developing and implementing water allocation plans. Its members are appointed by the Minister for Environment and Natural Resources.

Drillers Qualification Advisory Committee

The Drillers Qualification Advisory Committee is established under section 54 of the Water Act 1992 and Water Regulation 12 to advise the Controller of Water Resources on matters relating to licensing drillers. Its members are appointed by the Minister for Environment and Natural Resources.

Water Resources Review Panel

The Water Resources Review Panel, established under section 24 of the Water Act 1992, consists of a Chairman and a group of 8 people with qualifications or experience in bore drilling, primary industry, secondary industry, Aboriginal affairs, public health, environmental management, fisheries and mining. All members are appointed by the Minister for Environment and Natural Resources.

Bushfires Council of the Northern Territory

The Bushfires Council of the Northern Territory, established under section 21 of the Bushfires Management Act, recommends measures to the Minister for Environment and Natural Resources for effective fire mitigation and management on all Territory land apart from urban emergency response areas serviced by the Northern Territory Fire and Rescue Service. Its members are appointed by the Minister for Environment and Natural Resources.

Regional bushfires committees

Under the Bushfires Management Act 2016, regional bushfires committees are established in the 5 regional fire management zones to recommend measures to mitigate, manage and suppress bushfires to the Bushfires Council in its fire management zone and endorse regional bushfire management plans prepared by Bushfires NT. Its members are appointed by the Minister for Environment and Natural Resources.

Pastoral Land Board

The Pastoral Land Board is established under section 11 of the Pastoral Land Act and monitors the condition and use of pastoral land to ensure its sustainable use and economic viability. Its members are appointed by the Minister for Environment and Natural Resources.

Weed advisory committees

Weed advisory committees are established under section 16 of the *Weeds Management Act 2001*. Its members are appointed by the Minister for Environment and Natural Resources. During 2019-20 only the Gamba Grass Weeds Advisory Committee was established.

Northern Territory Environment Protection Authority (NT EPA)

The NT EPA is an independent statutory authority established in 2013 under the Northern Territory Environment Protection Authority Act (NT EPA Act) to protect the environment.
Its objectives are to promote ecologically sustainable development, effective waste management and minimisation strategies, and enhance community and business confidence in the Territory's environment protection regime.
Its members are appointed by the Administrator of the Northern Territory, with the exception of the Chairperson of the Northern Territory Planning Commission, who is appointed by the Northern Territory Minister for Infrastructure, Planning and Logistics in accordance with the *Planning Act 1999*.

The NT EPA:

- advises the Minister for Environment and Natural Resources on matters relating to ecologically sustainable development and the protection of the environment
- assesses the environmental impacts of developments
- administers the Container Deposit Scheme under the Environment Protection (Beverage Containers and Plastic Bags) Act 2011
- manages the impacts of waste and pollution on the environment through the Waste Management and Pollution Control Act 1998

NON-STATUTORY COMMITTEES AND BODIES

Darwin Harbour Advisory Committee

The Darwin Harbour Advisory Committee provides advice on an integrated research and monitoring plan to inform management of Darwin Harbour and protect the aquatic environment and critical habitats at risk from climate change. Its members are appointed by the Minister for Environment and Natural Resources.

Lhere Mparntwe (Todd River) Working Group

The Lhere Mparntwe (Todd River) Working Group developed a strategy to promote effective use and management of the natural resources of the Lhere Mparntwe (Todd River) and its immediate catchment (including the Charles River) within the town of Alice Springs. The Working Group was finalised in October 2019 and has been replaced with the Lhere Mparntwe (Todd River) Strategy Implementation Advisory Group

Aboriginal Land Management Advisory Group

The Aboriginal Land Management Advisory Group (ALMAG) provides advice and recommendations to the department on all relevant aspects of the development, implementation, delivery and reporting of the Aboriginal Ranger Grants Programs under the Protecting Country, Creating Jobs initiative.

Alice Springs Town Basin Water Availability Working Group

The Alice Springs Town Basin Working Group was established in November 2019 by the Minister for Environment and Natural Resources to review the current use of Town Basin water, consider efficiency measures and provide advice to the Minister about potential options to augment the basin water supply to drought proof the town. It finalised a report for the Minister in June 2020.

CORPORATE PLANNING FRAMEWORK

Organisation structure

The Chief Executive Officer is supported by the Governance Board through a clearly defined organisation structure. The organisation structure is published on the department's intranet and is shown on page 10.

Strategic Plan 2017-20

The Strategic Plan as shown on pages 8-9 sets out the department's strategic direction and priorities, including key priorities and deliverables set by the Minister for Environment and Natural Resources and government. The plan provides a holistic view of the department's strategic priorities with a broader focus on themes rather than specific service lines. The 6 strategic priorities give stronger emphasis on the importance of working in partnership with our stakeholders, the community and across the department.

Strategic Workforce Development Plan 2016-20

The Strategic Workforce Development Plan 2016-20 has actionable strategies to address current and future workforce challenges. Priorities outlined in the plan are leadership, diversity, culture and workforce planning for the future.

A key challenge for the department is to ensure our workforce has the capacity and capability to deliver against the strategic priorities set by government.

Aboriginal Employment Strategy 2016-20

The Aboriginal Employment Strategy focuses on sourcing and developing the right people and ensuring they have a supportive, sensitive and appropriate workplace to grow and develop in.

The strategy aims to increase Aboriginal employment in the department in all occupations, levels of employment and locations, improve Aboriginal workforce capability, and grow the department into a mature and culturally competent workplace.

Information and Communications Technology (ICT) Strategic Plan 2015-19

The ICT Strategic Plan will be re-developed in 2019-20. Divisional ICT roadmaps are being finalised, providing a business focused bottom up approach to the strategy design. Upon completion of these roadmaps, work will start on a whole of department data strategy and enterprise architecture. These roadmaps and strategies will be used to inform the new ICT Strategic Plan.

Business plans

Business plans are developed for divisions and individual business units. They outline actions and projects aligned with the department's strategic plan and contribute to its objectives. Business plans are developed in consultation with staff, with tasks

flowing through to executive contract and staff performance reviews.

Annual Strategic Risk Assessment

The ability to remain responsive to risk is a priority for the department.

The annual Strategic Risk Assessment was centred on the department's Risk Management Framework. This framework guided the assessment of identified risks within the current operating and internal control environment, with treatments identified for all new and emerging risks.

Agreed risks and treatment actions were detailed in the department's Strategic Risk Register. The audit of controls in place for managing risks was considered when developing the department's Internal Audit Plan.

Throughout 2019-20, the Governance Board reviewed the department's strategic risks and considered any new and emerging risks.

The Risk Management Framework is accessible to all department divisions to guide their management of risks specific to their operations.

Detailed Work Health and Safety (WHS) risk registers for each division are managed by divisional WHS committees.

COVID-19

In line with the Northern Territory Government's commitment to keep Territorians healthy and safe and to protect businesses and jobs as well as keep the Territory on the road to recovery, the department's Governance Board developed and released its COVID-19 Response Plan. The Response Plan informed staff of measures and requirements to ensure their health and safety; ensure the department's compliance with the Australian and Northern Territory government's directions pertaining to COVID-19 whilst ensuring critical business continuity; provide guidance for implementation of the department's priority and critical activities; and ensure communication methods were streamlined to ensure consistency of messaging.

The Response Plan and messaging was updated as circumstances changed and this was communicated to staff through regular communiques from the CEO.

DEPARTMENTAL COMMUNICATIONS

Internal communications

The Chief Executive Officer (CEO) produces a monthly e-newsletter to promote department news, staff achievements, and project and program outcomes The newsletter is emailed to all department staff and placed on the intranet. All staff are encouraged to contribute articles and information each month. In 2019-20, 7 newsletters were published.

Following the impact of COVID-19 in March 2020, the 'CE Newsletter" was replaced with a regular Governance Board COVID-19 Advice, which provided staff with updates on the impacts of COVID-19 on the department and the Northern Territory more generally.

Other internal communication and information sharing activities include corporate communication emails to provide information to staff about important warnings or events. This information is also published on the intranet.

Unfortunately, due to COVID-19 the Senior Leaders Forum was cancelled in 2020.

External communications tools

Bushfires NT produces a newsletter each month called Hot Topics which has been in production since May 2015. The newsletter provides a regular update of interesting stories and events from Bushfires NT and the bushfires brigade volunteers.

Volunteers are encouraged to supply articles and achievements each month.

The department regularly contributes to other government department newsletters, for example the Katherine Rural Review, Barkly Beef and Top Paddock.

The Pastoral Land Board also prepares a newsletter for pastoralists and stakeholders, providing an update or overview of topical issues affecting Northern Territory pastoralists.

Future priorities
- Review all division's online content to increase user accessibility and satisfaction.
- Ongoing improvement of content on the
- department and nt.gov.au website.
- Continue to mprove communications with the general public through the department's social media accounts, and engagement with digital content.
- Increasing the profile of the expertise of staff within the department.

CORPORATE GOVERNANCE

Corporate governance accountabilities

The department is required to comply with the Financial Management Act, Public Sector Employment and Management Act, *Procurement Act 1995* and other legislation, such as the *Anti- Discrimination Act 1992* and the Work Health And Safety (National Uniform Legislation) Act.

The department's corporate governance framework and the relevant statutes are promoted to staff in many ways, including through the department's induction programs.

Internal controls

The department has a number of internal control mechanisms in place to mitigate workplace risks.

Corporate delegations

The Chief Executive Officer (CEO) delegates certain powers to other employees under the Financial Management Act 1995, Public Sector Employment and Management Act 1993, Contracts Act 1978 and Procurement Act 1995. In 2019-20, the following CEO approved delegations were in place:

- Human Resources delegations
- Procurement and Contract delegations
- Financial delegations
- Information (Records) Security delegations

Conflict of interest

Conflicts of interest, whether real or perceived, can erode confidence in the department's integrity. All employees are responsible for declaring any conflicts. Employees, executive directors and branch managers must also take all reasonable steps to prevent involvement in the declared conflicts.

Whistle blowers

Staff can report wrongdoing in accordance with the *Independent Commissioner Against Corruption Act 2017*. As at 30 June 2020, the department's Executive Officer, was the department's Protected Disclosure Officer.

Code of conduct

Through internal training, such as the corporate induction program, staff are regularly reminded of their responsibility to act in accordance with the Northern Territory Public Service Code of Conduct.

Freedom of information and privacy

In accordance with the Information Act, a range of Northern Territory Government policies and procedures are in place to enable individuals to access records and information held by the department.

Accounting and property manual

In accordance with the Financial Management Act, the department has an Accounting and Property Manual that specifies finance procedures and internal control requirements. The Accounting and Property Manual was updated in 2019-20 and made available on the department's intranet.

INFORMATION MANAGEMENT

Information requests

The department is subject to the Information Act (the Act) and is required to meet the obligations placed on it under the Act.

Members of the public can gain access to documents or records held by the department through Freedom of Information requests unless the document is within an exception or exemption category specified in the legislation.

The Act also defines strict timeframes for dealing with these requests for information.

During 2019-20, the department received 14 applications for access to government or personal information under the Act.

The table below provides statistical data about the formal access applications the department received.

INFORMATION ACT REQUESTS	2017-18	2018-19	2019-20
Applications carried over from previous year	-	1	4
Applications to access personal information	-	-	2
Applications to access government information	12*	12	12
Applications to access personal and government information	-	2	-
Applications to correct personal information	-	-	-
Applications transferred		-	6
Requests withdrawn	1	1	-
Requests refused	-	-	-
Internal reviews	-	-	-
Responses completed within 30-day period	10	10	5
Responses completed exceeding 30-day period	-	-	4
Applications handled as at 30 June	10	10	9
Applications pending	1	4	3

* 2 relate to the same issue

Ombudsman enquiries

The department received 1 enquiry from the Ombudsman during the reporting year.

MONITORING THROUGH AUDITS AND REVIEWS

Internal audits

The following risk-based internal audits were conducted under the department's 2019-20 Internal Audit Plan. Management implementation of audit recommendations is monitored by the department's Audit and Risk Management Committee.

INTERNAL AUDIT	FOCUS	OUTCOME
Official Duty Travel July to December 2019	Review of the department's official duty travel against the Northern Territory Government Air Travel Policy.	The audit found a 'satisfactory' level of compliance. Recommendations were made to improve existing controls.
NTG Agency Report – Breaches of Cabinet Information Security	NTG Agency Report – Breaches of Cabinet Information Security	The audit found a 'satisfactory' level of compliance. No breaches were identified.
Value for Territory Assurance Program 1 January 2019 to 31 December 2019	To assess the department's compliance with the Northern Territory Government Procurement Framework, Buy Local Plan and agency procurement and contract delegations.	The audit found a level of 'some improvement required'. Recommendations were made to improve existing controls.
Granting of an Unzoned Land Clearing Permit Under the Planning Act	To assess the level of compliance of whether the granting of Permits for the clearing of native vegetation were made in accordance with the requirements set out in the Planning Act, the Northern Territory Planning Scheme, the Land Clearing Guidelines and any other relevant Northern Territory Government policies.	The audit found a level of compliance of 'satisfactory'. Recommendations were made to improve existing controls.
Audit of a decision to grant a Waste Discharge Licence under the Water Act	To assess the level of compliance of whether grants of Waste Discharge Licences were made in accordance with the requirements for licences set out in the Water Act, the Water Regulations 1992, the Guidelines on Waste Discharge Licences under the Water Act and relevant Northern Territory Government policies.	The audit was commenced in the 2019-20 financial year; however, was unable to be completed by the 30 June 2020 deadline. A request for extension until 31 August 2020 was granted by the Chief Executive Officer and the audit outcomes will be included in the 2020-21 financial year.

Northern Territory Auditor-General audits

The Office of the Northern Territory Auditor-General selected the department for the following external audits during 2019-20. Audit results are published in the Auditor-General's reports to the Legislative Assembly.

INTERNAL AUDIT	FOCUS	OUTCOME
Agency Compliance Audit ending 30 June 2020	To assess compliance against the Financial Management Act and other Northern Territory Government policies and directives.	The audit found a 'satisfactory' level of compliance. Recommendations were made to improve existing controls.
End of Year Review 30 June 2019	To assess the adequacy of selected aspects of end of financial year controls over reporting, accounting and material financial transactions and balances with the primary purpose of providing support to the audit of the Treasurer's Annual Financial Statement.	The audit found a 'satisfactory' level of compliance. Recommendations were made to improve existing controls.
Performance Management System Audit	To assess the performance management systems of the agency.	The audit found a 'satisfactory' level of compliance. Recommendations were made to further enhance the effectiveness of management and monitoring of performance measures.

Records management

The Chief Executive Officer of a public sector organisation has a duty to ensure that the organisation complies with Part 9 of the Information Act. The Records and Information Management Standards require agencies to comply with core principles for the effective management of records and information. This is to ensure records are disposed of in accordance with the Information Act. All organisational records, including records in business systems, must be covered by a current and authorised records disposal schedule and be reviewed when major legislative or policy change affects the regulatory environment.

Insurable risk

In accordance with Treasurer's Directions M2.1 Insurance Arrangements, the department is required to detail mitigation strategies and processes it has in place to reduce the likelihood or severity of its insurable risks. Insurable risks are generally related to workers compensation, assets and inventories, public liability and indemnities. They exclude financial risks and legal costs in action.

The table below outlines the department's identified insurable risks and the strategies implemented to reduce those risks.

INSURABLE RISK CATEGORY	MITIGATION STRATEGIES	TOTAL VALUE / TOTAL NUMBER OF CLAIMS 2019-20
Public liability	• Formal risk assessments completed • Repairs and maintenance program in place to reduce risks associated with physical assets, managed by DIPL • Ongoing review of practices and procedures to ensure public safety • Appropriate signage • Education campaigns for staff • Building audits, for example security, maintenance, compliance • Appropriate security and testing, for example fire systems, alarms, patrols and staff	Nil claims
Workers' compensation	• Formal risk assessments completed • Workplace health and safety (WHS) framework in place • WHS policies and standard operating procedures in place • Work site assessments • Job-specific training and support • Utilisation of Employee Assistance Program (EAP) • Early intervention program • Critical incident debriefings • Work life balance strategies	In 2019-20, 1 new workers compensation claim was submitted. There were 3 carry over claims from the previous year and 2 claims reopened. There were 3 claims and 1 claim was settled. As at 30 June 2020, 2 claims remain open.
Asset and inventories	• Formal risk assessments completed • Ongoing review of policies and practices to guide standard operating procedures to protect assets and inventories • Asset registers maintained for fixed and leased assets	Nil claims
Vehicles (for example motor vehicles, ATVs and boats)	• Regular service and maintenance checks • Driving training (4 wheel drives, ATVs, boat handling)	15 Internal claims valued at $24,433
Indemnities	• Formal risk assessments completed each year and with each new agreement	Nil claims

Commercial insurance premium

	TOTAL NUMBER TOTAL VALUE OF CLAIMS		
	2017-18	2018-19	2019-20
Department – overseas travel insurance, small value one-off insurance	$123 Nil claims	$92 Nil claims	$13 Nil claims
Department – workers compensation	$393,007 11	$390,000 8	$390,000 6
Water Resources Division – renew Industrial Special Plant Insurance Policy for Atlas Copco Drill Rig	$6,097 Nil claims	$8,292 Nil claims	$8,715 Nil claims