

Governance – risk management and accountability

Risk management

The Public Trustee is committed to ensuring efficient and effective performance: risk management is integral to achieving our vision.

The Public Trustee's risk management framework supports the maintenance of a risk management culture within the office and assists staff to implement sound risk management practices.

Our risk management policy and procedures are reviewed periodically and were last approved in January 2016. Our risk management policy was developed with reference to *AS/NZS ISO 31000:2009, Risk Management—Principles and Guidelines*. The policy, together with the risk management procedures, provide a systematic and structured approach to integrating risk management into the broader governance arrangements of the office.

Our risk management framework encompasses:

- fraud and corruption control
- business continuity planning
- insurance coverage
- sources of assurance including internal controls.

These are supported by the Chief Finance Officer, Head of Internal Audit, the Director Governance and Executive Directorate and the Director Strategy and Risk together with the expertise of the ARMC.

Governance and Executive Directorate

The Governance and Executive Directorate was established in late 2011 and is responsible for the essential components of effective governance including compliance, conformance and reporting, within the organisation. The Directorate reports directly to the Public Trustee of Queensland and has 17 areas of responsibility, including the following:

- reviewing and evaluating governance arrangements
- co-ordinating information and decision support
- ensuring internal conformance and accountability
- overall responsibility for assisting in planning and performance monitoring
- co-ordinating external compliance and accountability including annual reporting and strategic planning
- business continuity planning
- fraud and corruption control framework
- risk management framework
- management of complaints process
- the project management office.

The directorate is responsible for the effective implementation and compliance of particular legislative imperatives within the organisation. These include the:

- *Right to Information Act 2009*
- *Information Privacy Act 2009*
- *Public Interest Disclosure Act 2010*.

External scrutiny

The Public Trustee is subject to external scrutiny by entities including the:

- Auditor-General, Queensland Audit Office
- Queensland Ombudsman
- Crime and Corruption Commission Queensland
- Legal Affairs and Community Safety Committee.

Internal audit

The Audit and Evaluation Unit provides independent, objective assurance and consulting activity to improve the operational performance of the Public Trustee.

The role of the unit is defined in our Audit and Evaluation Charter which is approved by the Public Trustee and endorsed by the ARMC. The unit operates in accordance with the *Audit Committee Guidelines: Improving Accountability and Performance (Queensland Treasury)*. The charter has regard to the *Financial and Performance Management Standard 2009* and the standards of auditing as disseminated by the Institute of Internal Auditors.

The unit is autonomous and reports directly to the Public Trustee of Queensland. Our strong links with the Queensland Audit Office (QAO) provide the foundation for a collaborative audit approach to ensure optimal audit coverage across all areas of the organisation.

The current Head of Audit and Evaluation Unit is appropriately qualified and holds the following qualifications:

- Bachelor of Commerce (Honours)
- Certified Internal Auditor (CIA)
- Certification in Control Self-Assessment (CCSA)
- Certified Financial Services Auditor (CFSA)
- Certified Information Systems Auditor (CISA).

During the 2015–16 financial year the Audit and Evaluation Unit conducted independent reviews and audits of our internal controls, business processes and management practices.

The unit provides the following types of audits:

- financial and compliance audits
- operational and efficiency audits
- information system audits
- investigations.

Our Strategic and Annual Internal Audit Plan is developed in consultation with key stakeholders and takes into account the significant risks identified by management through the Risk Management Framework.

The operations of Audit and Evaluation are overseen by the ARMC.

Our key achievements for 2015–16 included:

- reviewing Client Services and corporate operations to provide the Executive Director Investment Services and CFO with assurances to support sound processes and procedures underpinning the financial statements
- providing information papers for general consumption to both Client Services and across support activities, to raise awareness of current issues being encountered and to assist directors and managers to understand and address topical issues
- ongoing development of the unit's Computer Assisted Audit Techniques (CAAT) which has been progressed to introduce continual monitoring of payments. Further reporting requirements have been developed to assist with the expansion of CAAT that is supported by the recent introduction of data analysis software
- assessment of external risks identified through communications with other organisations
- reviewing the unit's audit management software to ensure the timely review and implementation of past issues and recommendations
- developing and implementing data analytics to identify transactions requiring further review
- providing advice, support and guidance to staff to assist in discharging their responsibilities in accordance with the Public Trustee's policies and procedures.

Information systems and recordkeeping

The Public Trustee continues to improve its compliance with the *Public Records Act 2002*, and the principles contained in Government standards Information Standard 40 (Recordkeeping), Information Standard 31 (Retention and Disposal), Information Standard 18 (Information Security) and Information Standard 34 (Metadata).

Areas that have been progressed during 2015–16 include:

- updating and auditing the Public Trustee Recordkeeping Framework and associated recordkeeping policies and procedures to support changes in the Public Trustee
- reviewing service delivery roles to incorporate both physical and digital recordkeeping
- continuing mandatory online recordkeeping training for all staff and contractors
- reviewing the maturity of recordkeeping practices for the different records collections within the Public Trustee to inform compliance and improvement efforts
- formalising and auditing the Physical Records Disaster Recovery Plan
- maintaining and supporting the Public Trustee's electronic Document and Records Management System (eDRMS) to ensure reliability, performance and security of electronic records
- disposing of all public records in accordance with the Public Trustee approved Retention and Disposal Schedule (QDAN 651) and the General Retention and Disposal Schedule for Administrative Records.

Work has commenced to renew the Recordkeeping Strategy and Public Trustee Retention and Disposal Schedules in line with digitisation initiatives during 2016–17. New entries will address records captured by existing and upgraded electronic systems. The updated Schedules will be submitted to Queensland State Archives for approval.