

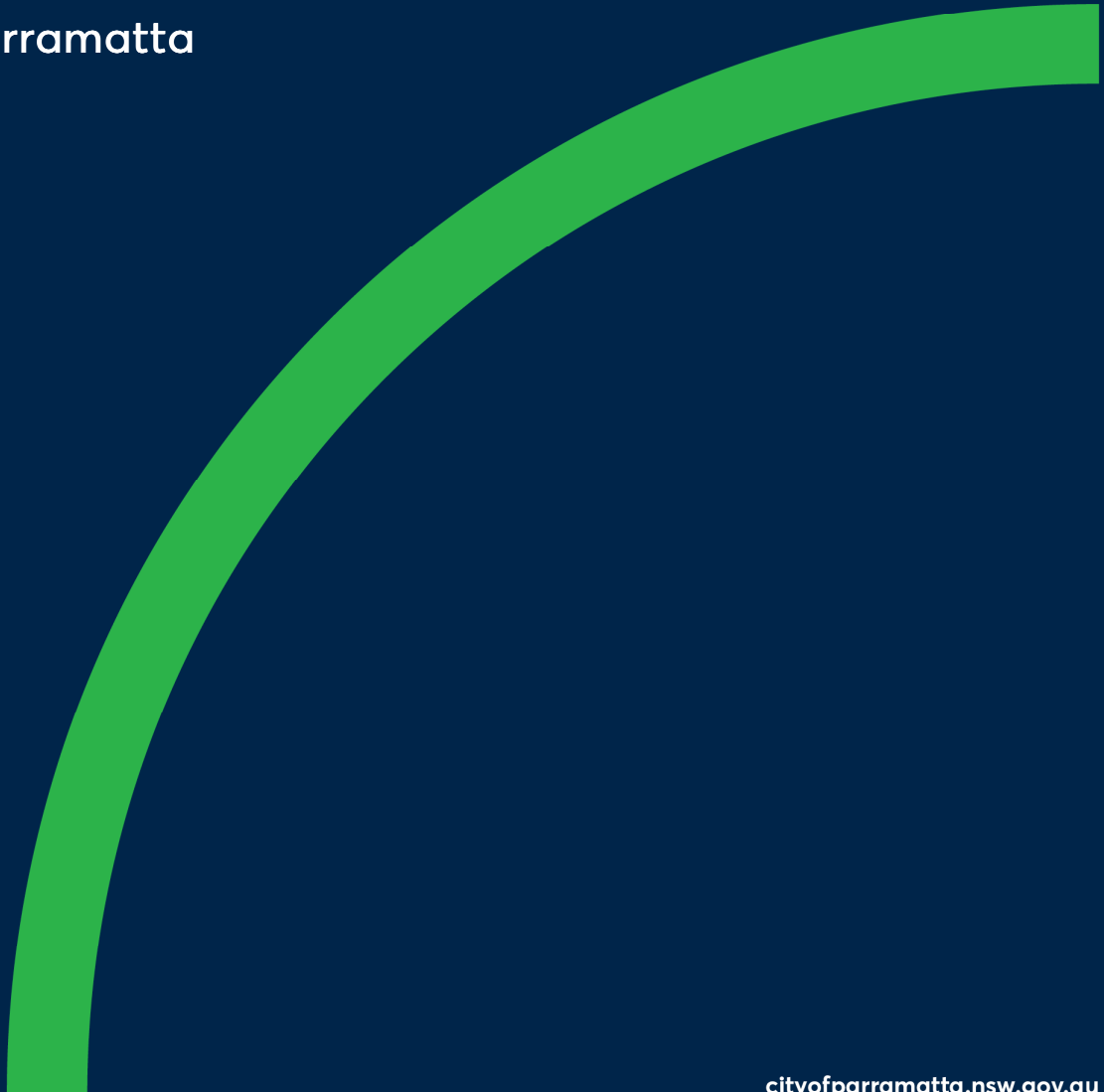


**CITY OF
PARRAMATTA**

Governance Framework

City of Parramatta

April 2019



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1. The Governance Framework

1.1. Governance Defined

Purpose

This Governance Framework has been prepared to ensure our compliance with all relevant legislation including the *Local Government Act 1993 (the Act)* and the pursuit of best practice as a democratic local government.

It is an overview of the governance program that has been put in place so that Elected members and Employees can meet their governance responsibilities. It also enables our community and stakeholders to have an understanding of governance and demonstrates how all people associated with our Council can participate.

What is governance?

Governance is the act of governing. It encompasses all the legislative, regulations, rules and processes for making and implementing decisions, that define expectations, grant power or verify performance. Governance is how the City of Parramatta ensures and enhances good governance principles throughout our organisation, in order to maintain the trust of the community.

What is good governance?

Good governance relates to processes and behaviours essential for Council to achieve its intended purpose, and conforms by complying with all relevant laws, codes and directions while meeting community expectations of probity, accountability and transparency.

It impacts on all sectors of our community and the practice of good governance is considered critical in ensuring that:

- Council meets its ethical and legal obligations
- Council establishes and maintains confidence and trust in carrying out its functions
- Council makes its decisions that are consultative and are in the best interests of all stakeholders
- Council provides transparency and accountability for all its actions
- Council reviews and improves the services provided to the community

It is defined by the following principles:

Good governance is accountable:

Accountability is vital. The City has an obligation to report, explain and be answerable for the consequences of decisions we have made on behalf of our community.

Good governance is transparent:

The Community and stakeholders should be able to follow and understand our decision-making process. This means they will be able to clearly see how and why a decision was made, what information, advice and consultation Council considered, and which legislative requirements (when relevant) Council followed.

Good governance follows the rule of law:

This means that decisions are consistent with relevant legislation or common law and are within the powers of Council.

Good governance is responsive

The City should always try to serve the needs of the entire community while balancing conflicting interests in an appropriate, timely and responsive manner.

Good governance is equitable and inclusive

Our community's wellbeing derives from the community's satisfaction that Council has considered their interests in the decision-making process. This means that all groups, particularly the most vulnerable, should have opportunities to participate in the process.

Good governance is effective, efficient and sustainable

The City should implement decisions and follow processes that make the best use of available staff, resources and time, to ensure the best possible results for our community.

Good governance is participatory

Anyone affected by or interested in a decision, should have an opportunity to participate in the process for making that decision, whether this is by being provided with information, or consultation to provide them with opportunity to give their opinion or recommendations.

Why is good governance important to the City?

- It underpins the confidence that the community has in Council and its services
- It affects the quality of our outputs – goods, services and programs
- It is a value adding activity
- It ensures that the City meets its legislative responsibilities
- It is a strong reminder to the Council that it is ultimately accountable to the community it serves

Good Governance must be accompanied by a good governance culture therefore making it necessary that the attitudes, values, beliefs and behaviours of Council's Leaders must support good governance. This will result in the Council, the Chief Executive Officer, Employees and the Community being confident that our organisation is being run efficiently, is sustainable and is carrying out the objectives, policies and plans of Council.

1.2 Introduction

Local governments are experiencing increasing scrutiny of their operations and activities, creating a need for full and open disclosure of their governance systems. As with the private sector's long-standing focus on governance issues, we must consider the principles of key stakeholder rights, risk management, corporate reporting, disclosure etc to develop suitable governance frameworks that ensure effective, transparent and sustainable administration of the City's affairs.

The Audit Office of NSW Governance Framework

The Audit Office of NSW provides a strong framework which Council has chosen to adopt as its framework. The framework is set across 8 key principles and 17 components that underpins Good Governance and promotes public confidence. Good governance is defined as those processes and behaviours that ensure an organisation performs by achieving its intended purpose and complies with all relevant laws, codes and directions while meeting community expectations of probity, accountability and transparency.



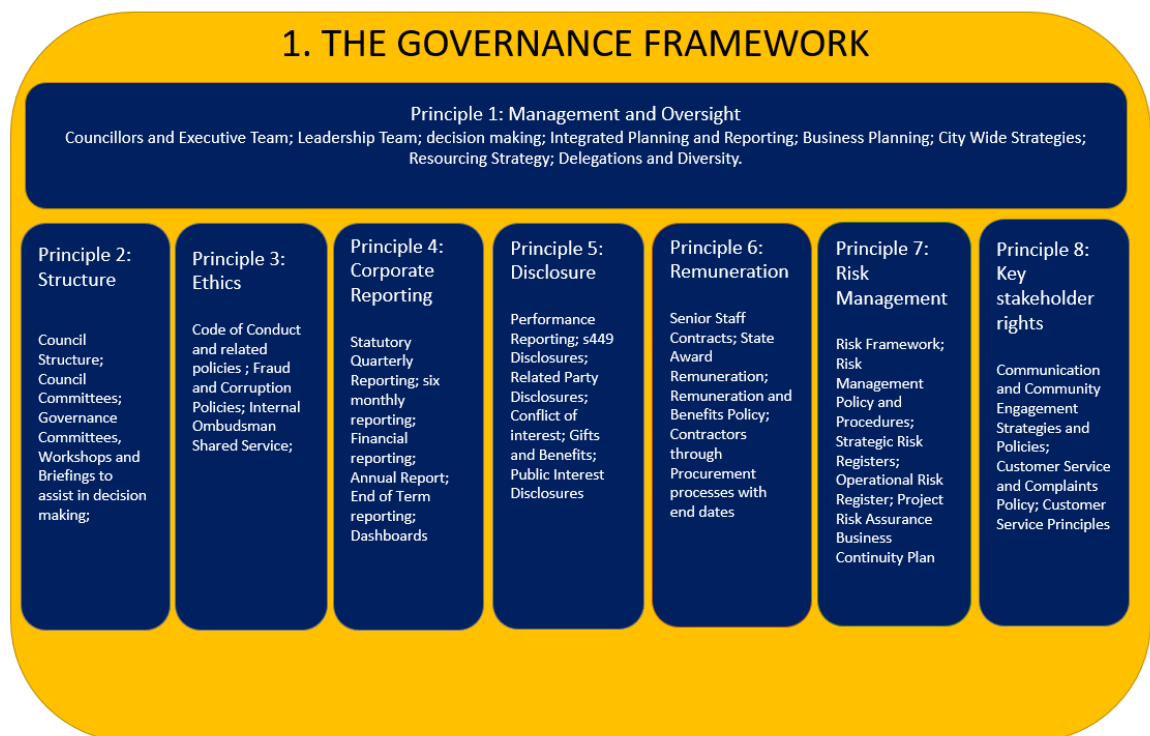
Figure 1 Governance Lighthouse - Audit Office of New South Wales

2. Our Governance Framework in Action

The City of Parramatta is a dynamic organisation providing many different services to residents of the Parramatta Local Government Area. It is important to view our day to day activities through the lens of good governance by recognising different activities, policies, procedures and frameworks provide opportunity to demonstrate strong governance and leadership in facilitating good decision making and management.

Governance should be enduring and not something referred to when things are tough. It should be recognised through the implementation of processes and procedures that demonstrate transparency and accountability that is accompanied by a good governance culture whereby attitudes, values, beliefs and behaviours of leaders must set the standard and be reflected in roles and responsibilities.

City of Parramatta's Governance Framework is summarised in Figure 2 below:



2.1. Our Culture and Values

Good governance is reflected in the values and behaviours of Council. Our values guide our behaviours. All staff are encouraged to keep these values “front of mind” in all dealings with our customers, partners and their fellow workers.

Our Values	Our Behaviour
Integrity	We deliver on promises We act ethically We take responsibility for our actions and speak up respectfully
Customer Focus	We communicate openly with our customers We are responsive to customer needs and create new relationships as our City grows
Teamwork	We support the roles of leadership We collaborate within and across our teams We build effective partnerships with colleagues and our community to achieve our goals
Innovation	We build on our strengths We champion creative solutions We seek new and sustainable ways to deliver superior outcomes

2.2. City of Parramatta Governance Framework

This Framework is built on 8 Governance Principles recommended by the Audit Office of NSW. The City of Parramatta has kept the 8 Principles and 17 key governance components prescribed by the Audit Office and aligned the Governance structure to that model.

The City of Parramatta’s Governance Framework aims to provide proper and democratic government, to the residents, ratepayers, commercial, business, visitors and workers who interact with our Local Government Area.

The benefits to the organisation that derive from a robust governance framework in local government includes:

- Providing clear guidelines for the role of the Council, Councillors and the CEO (General Manager), ensuring that all responsibilities are properly allocated and performance expectations are understood
- Assisting Council and the CEO (General Manager) in delivering good governance
- Ensuring legal and ethical compliance
- Influencing processes that set clear guidelines for planning at all levels
- Acting as a point of reference for disputes
- Providing a guide for inductions for newly elected members and employees

The Framework provides guidance on processes associated with decision making by which the City is directed, controlled and held to account. For the organisation to demonstrate good governance, there needs to be a clear understanding about responsibility and accountability.

Principle 1: Management and Oversight

Leadership

The City of Parramatta is governed by the Lord Mayor and 14 Councillors that represent the 5 wards of Dundas, Epping, North Rocks, Parramatta and Rosehill. The role of the Lord Mayor is prescribed in Section 226 of the NSW Local Government Act 1993 (the Act). The Lord Mayor is elected by his/her peers and serves for a period of 2 years. The role of the Councillors is prescribed in Section 232 of the Act and Councillors hold office for a period of 4 years.

Section 335 of the Act recognises the functions and role of the General Manager. Within the City of Parramatta, the General Manager is known as the Chief Executive Officer (CEO). The CEO is employed under a performance based contract over an agreed period which ranges between 1 – 5 years. Other Senior Roles within Council are also subject to performance based contracts including the Chief Operating Officer, Chief Financial Officer, Director Strategic Outcomes and Development, Director City Services, Director Property and Significant Assets and Director City Identity, Experience and Engagement. On the 8 October 2018, Council adopted its new Organisational Structure which identified 5 Executive Directors and 1 Director. Each will be subject to performance based contracts. The Executive Directors are as follows: Executive Director City Strategy and Development, Executive Director City Engagement and Experience, Executive Director City Assets and Operations, Executive Director Community Services and Executive Director Corporate Services. These position now make up the Executive Team. The Director Property Development Group will report to the Chief Executive Officer but will not be part of the Executive Team. The new Organisation Structure will be in place by the 1 March 2019.

The principles of Section 8 of the Act provide guidance “to enable councils to carry out their functions in a way that facilitates local communities that are strong, healthy and prosperous”.

As provided in the Act, the Guiding Principles for Councils are as follows:

1. Exercise of General Functions

- a) Councils should provide strong and effective representation, leadership, planning and decision making,
- b) Council should carry out functions in a way that provides the best possible value for residents and ratepayers,
- c) Councils should plan strategically, using the integrated planning and reporting framework, for the provision of effective and efficient services and regulation to meet the diverse needs of the local community,
- d) Councils should apply the integrated planning and reporting framework in carrying out their functions so as to achieve desired outcomes and continuous improvements,
- e) Council should work co-operatively with other councils and the State Government to achieve desired outcomes for the local community.
- f) Councils should manage lands and other assets so that current and future local community needs can be met in an affordable way
- g) Councils should work with others to secure appropriate services for local community needs,
- h) Councils should act fairly, ethically and without bias in the interests of the local community.
- i) Councils should be responsible employers and provide a consultative and supportive working environment for staff.

2. Decision – making

- a) Councils should recognise diverse local community needs and interests
- b) Councils should consider social justice principles

- c) Councils should consider the long term and cumulative effects of actions on future generations
- d) Councils should consider the principles of ecologically sustainable development
- e) Council decisions-making should be transparent and decision-makers are to be accountable for decision and omissions.

3. Community Participation – Councils should actively engage with their local communities, through the use of the integrated planning and reporting framework which requires all NSW Councils to develop a Community Participation or Engagement Strategy.

Strategic and business plans

The City of Parramatta implements the Management and Oversight Governance Principle through its various plans, policies and delegations.

The main suite of strategic planning is included within the Integrated Planning and Reporting Framework. This legislated framework is designed to bring long term financial sustainability, asset management, community engagement and organisational planning together to better inform decision making and achieve the Community's desired outcomes.

The Community Strategic Plan is the highest strategic plan, developed by Council on behalf of the Community and its stakeholders. In response to the Community Strategic Plan, Council implements a Delivery Program and Operational Plan that aligns with all programs, projects and services to meet the needs identified by the Community.

Councils Delivery Program is supported by the Resourcing Strategy. It is through the Delivery Program that we identify those activities Council is responsible for. The Resourcing Strategy includes the Long Term Financial Plan, Asset Management Strategy, Information Technology (IT) Strategy and Workforce Strategy.

Council also has a number of other Plans and Strategies used to assist in the decision making process of Council including the Community Engagement Strategy, Culture and our City, Disability Inclusion Action Plan, Economic Development Plan, Environmental Sustainability Strategy, Reconciliation Action Plan, Socially Sustainable Parramatta Framework, Transport Planning, Parramatta Bike Plan, Parramatta Ways Walking Strategy and Integrated Transport Plan. Copies of all documents are provided on Council's Website.

Council endorses the Community Strategic Plan on behalf of the community and adopts the Delivery Program and Operational Plan. The CEO, Executive Team and Leadership Team are responsible for the implementation of the programs, projects and services within these Plans and are accountable to the Council and the Community.

Business Units are responsible for addressing resourcing requirement for the Operational Plan reflected in their Business Plans and staff work plans to ensure that projects, services, activities and programs are completed within agreed timeframes and budget.

Regular reporting against plans

Council conducts regular reporting on the performance of its plans which are public documents and available on the Council Website. Reporting includes quarterly reporting against the Budget and Operational Plan, six monthly reporting against the Delivery Program and the Annual Report which summarises both operational and statutory activities on a yearly basis. Further to this, at the end of each term of Council, the End of Term Report is tabled at the last meeting of the outgoing Council reporting on the outcomes of the Community Strategic Plan. Other than the Annual Report, all other Reporting documents are resolved by the elected Council and are publicly available. Further, the CEO and Executive Team undergo performance reviews and there is a clear division of responsibilities between the CEO and the Elected Council.

Clear accountability and delegations

Council has many powers and duties which are governed by legislation. Councils Delegation Policy provides the principles by which delegations from the Council and CEO will be determined and enacted. These are exercised within the framework of legislation, policy and procedures. The policy is supported by the Delegations register. As outlined in the Delegations Policy, Council will delegate to the CEO those functions and powers it deems fit in accordance with Part 3, Section 377 of the Act. In turn the CEO then delegates to specified positions and in turn persons occupying those positions to undertake various duties and exercise powers in accordance with legislation. The Delegation of Authority is the mechanism by which Council enables officers to act on its behalf. The Delegations register is reviewed within 12 months of every local government election.

Council separates its regulatory and planning functions appropriately between the Corporate Services Directorate and the Strategic Outcomes and Development Directorate.

Equal Employment Opportunity Policy

In accordance with the Act, Council reviews the organisational structure within its first 12 months in office. Following the review, the organisational structure is adopted in accordance with legislative requirements, which then guides the roles and responsibilities across the organisation.

Council has a robust induction and on boarding framework that assists new starters transitioning into working with the City of Parramatta Council with a focus on standard operating policies, procedures and general knowledge areas.

Staff are provided with ongoing education and training opportunities to support their role in Council. Council also offers career development and performance management through the MyCareer performance management system.

Council has an Equal Employment Opportunity Policy and diversity is considered and reflected in all recruitment and selection processes amongst other areas of Council's business. Council employs a Diversity Officer within the Human Resources Team who reports directly to the Head of HR.

Principle 2: Structure and Key Governance Committees

The City of Parramatta implements the Structure governance principle through its various meetings and decision making forums including Council Meetings, Committee Meetings, Workshops and Briefings.

As elected members, Councillors attend Council Meetings twice monthly with a set agenda and business paper. The management of the Council meetings is dictated by a Code of Meeting Practice which is reviewed, exhibited to the Community and adopted by Council. The current Code provides guidelines on the meeting processes and rules for Council.

Council facilitates a number of internal committees and Councillors are members of a number of external committees. All Committees have well-defined and clear terms of reference with identified Chairs who are independent of management. All Committees have detailed meeting procedures including the taking and subsequent adoption of minutes both at the meeting.

Council's internal committees include:

- Aboriginal and Torres Strait Islander Advisory Committee
- Access Advisory Committee
- Audit Risk and Improvement Committee
- Australia Day Awards Judging Panel
- Community Fund Raising Committee
- Heritage Advisory Committee
- Joint Planning Panel

- Major Projects Advisory Committee
- Parramatta Cycleways Advisory Committee
- Parramatta Floodplain Risk Management Committee
- Parramatta Light Rail Community and Business Advisory Committee
- Parramatta Smart City Connect Advisory Committee
- Parramatta Traffic Committee
- Parramatta Traffic Engineering Advisory Group
- Riverside Theatres Advisory Board
- City of Parramatta Wentworth Point Working Group
- City of Parramatta Newington Working Group
- Code of Conduct Review Panel

Councils external committees include:

- Board of Parramasala Pty Ltd
- Greater Western Sydney Local Land Service Local Government Advisory Group
- NSW public Libraries Association
- Parramatta River Catchment Group
- Westpool (Civic Risk Mutual)
- Western Sydney Academy of Sport
- Western Sydney Regional Organisations of Councils (WSROC)

Council's Audit, Risk and Improvement Committee is independently Chaired. The Committee acts in accordance with their Charter and develop and review Council's internal audit program. The committee can speak directly with the Internal Audit Provider (BDO East Coast Partnership), and can do so without management present if desired. Council employs an Internal Audit Officer to oversee and coordinate Council's Audit functions internally as a support to both the contracted Internal Auditor and the External Auditor. The Committee has full access to the information it requires. The External Auditors are the Audit Office of NSW.

Council holds workshops and briefings on different topics between Council meetings. These are designed to provide Council with information on matters of significant importance and interest that assist in decision making.

The Executive Team meet weekly with the Lord Mayor to assist in the management of strategic significance issues and representation relating to Council. The Executive Team meets weekly as an independent group to ensure that they are achieving against organisational outcomes and advising the CEO as required. The Leadership Team (Executive Team and Business Unit Managers) hold a monthly meeting as an extended team for the purpose of shared management of operational matters. The Executive Team also hold weekly cascade meetings with their Business Unit Managers in relation to organisational and directorate issues. It is then the responsibility of the Business Unit Managers to cascade information to their extended teams.

Principle 3: Ethical Framework

The City of Parramatta implements the Ethics governance principle through the Code of Conduct and related policies; the Statement of Business Ethics; Fraud and Corruption Policy; and regular training of all Council officials in these areas. A key policy for Councillors is the Councillor Expenses and Facilities Policy. All key policies are considered and resolved on by the elected Council and in some instances,

they have been subject to public exhibition prior to adoption. The policies cover all the key criteria including Conflict of Interests; Gifts and Benefits Declarations; Fraud and Corruption Policy, Complaints Handling Policy, Interaction Between Councillors and Staff, Public Interests Disclosures Policy, Access to Information Policy, Privacy Management Plan and Statement of Business Ethics.

Senior management in consultation with Human Resources undertake action where required in relation to breaches of policy in accordance with the relevant Award provisions. Compliance related activities are considered in conjunction with the Internal Audit Plan. Councils regulatory unit also provide a key compliance control to ensure environmental, building and health regulations are being adhered to.

Council is a party to the Internal Ombudsman Shared Service (IOSS) along with Cumberland Council and the Inner West Council. This service provides an independent ear regarding administrative conduct, unethical behaviour by Council, corrupt conduct, misconduct or maladministration complaints. Council's Complaints Policy refers to Tier 2 complaints as a reference point for a referral to the IOSS. Tier 2 reports deal directly with the internal review of complaints and/or complaint handling which may require further investigation of issues raised.

Council's Public Interest Disclosure Policy establishes an internal reporting system to encourage and facilitate the reporting of disclosures of corrupt conduct, maladministration, serious and substantial waste of public money, government information contravention or local government pecuniary interest contravention by Councillors and Staff. The policy lists the Public Interest Disclosure Officers and encourages staff to report wrong doing under protection.

Council's Governance and Risk Unit (Risk Management, Internal Audit, Investigations and Probity, Integrated Planning and Reporting (IP&R), Policy and Delegations) provide an overarching range of services that help Council to maintain its compliance obligations.

Principle 4: Corporate Reporting

The City of Parramatta adapts the Corporate Reporting principle through a number of channels including Quarterly Corporate Reports and Financial Reporting which are tabled at the February, May, August and November Meetings each year in line with the statutory requirement set down by the Office of Local Government (OLG). These provide information on the progress of Council against the Operational Plan and Delivery Program. The CEO and CFO sign off on the financial reports including the end of year statements. All reports are presented and adopted by Council and are provided to the Community via Councils Website.

Other Statutory Reporting includes the Annual Report which is provided to the OLG and the Information Commissioner each November and the End of Term Report, which is tabled at the last meeting of the outgoing Council reporting on the outcomes of the Community Strategic Plan.

Principle 5: Disclosure

The City of Parramatta implements the Disclosure principle through its Annual reporting as outlined in its Integrated Planning & Reporting Framework which is publicly available. Council is committed to disclosing performance information openly through its reporting structures to the Elected members at Council meetings. These include quarterly and six monthly reports aligned with the Delivery Program and Operational Plan and Quarterly Financial reviews.

Elected members and those staff members with delegations must comply with the requirements for disclosure of interests as prescribed within the Act and the Code of Conduct. The responsibility rests on the individual to declare disclosures of interest including S449 Disclosure, gifts and benefits, related party disclosures and conflicts of interest. Other registers kept and reported on include Contracts register, secondary employment, investigations and privacy.

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Principle 6: Remuneration

The City of Parramatta implements the Remuneration principle through senior staff contracts; the Local Government State Award; and the Council Consultative Committee. The CEO and Senior Officer's contracts are a standard contract in accordance with the OLG requirements as outlined in the Act and the processes associated with reviews, including reviews of remuneration operate in accordance with those provisions. Council has a Remuneration and Benefits Policy which aims to ensure that staff are appropriately remunerated and aware of the terms and conditions of their employment.

The CEO and Senior Staff are subject to performance based contracts - Staff are paid in accordance with the Local Government Award and Provisions and the City of Parramatta Salary Structure. Provisions for Contractors and Consultants are acquired through the procurement processes with end dates to contracts.

Principle 7: Risk Management

The City of Parramatta implements the Risk Management principle through Council's Risk Management Policy and Procedures. Council has a dedicated Risk and Audit Services Unit in the Governance and Risk area. Council has an adopted Risk Management Strategy. Council's Strategic Risks cascade into the Operational Risk Register. Council aligns its internal audit plan to the risk framework and updates the Risk, Audit and Improvement Committee on any significant risks. Council's Risk Register is a 'living' record.

The Business Continuity Plan provides staff a plan to restore business operations in the event of an unscheduled business disruption to functions performed at Council. The plan provides strong guidance across key phases of a disaster including Emergency response, Crisis Management, Business Recovery and Business Resumption.

A document signed off by the CEO and CFO is incorporated into the relevant financial statements. Both Council Policies and Operational Policies are reviewed and endorsed by the Executive team prior to implementation.

Principle 8: Key Stakeholder Rights

The City of Parramatta implements the Key Stakeholder Rights principle through the Communications and Community Engagement Strategies, Policy and Staff Toolkit to guide consultation, research and engagement across the organisation which includes workshops, physical pop-ups, digital and social media platforms, online panels and surveys.

Council has developed a set of nine principles that guide and shape our approach to all our community and stakeholder engagement activities. These are outlined in Council's Engagement Strategy include:

- Building relationships
- Right to be involved
- Clarity of purpose
- Accessible and inclusive
- Timely
- Tailored

- Coordinated
- Transparent
- Learning from practice

Community members have access to the contact details of their elected representatives and all information is provided on Council Website and included in promotional materials distributed across the Local Government Area Community and Businesses. The community has the opportunity to attend Council meetings either in person or via the live streaming telecast of Council meetings.

Council has a Customer Service Policy and Complaints Handling Policy which provide guidance to members of the public and the management of interactions with Council. Council's commitment to our customers are captured in the Customer Service Policy and include:

- Provide the best possible services to our community by delivering on our promise and making it easy to do business with Council
- To deliver on the reasonable service expectations of our customers
- To guide customers and the organisation in dealing with Customer Requests to ensure the highest possible level of service and commitment is achieved.

Councils Service Principles include:

- Taking the time and use our initiative to understand and meet the customer's needs'
- Treat the customer with respect and courtesy
- Improve convenience and access by providing a range of service options
- Keep wait times to a minimum
- Give clear and accurate information
- Give consistent advice
- Provide service with a smile
- Listen to the customer's feedback
- Respond to complaints promptly
- Provide customers with feedback when their complaint is completed
- Work with the customer to continuously improve and provide the best advice and serviced.