

Good Governance Framework

April 2020

community inspired leadership



City of
KINGSTON

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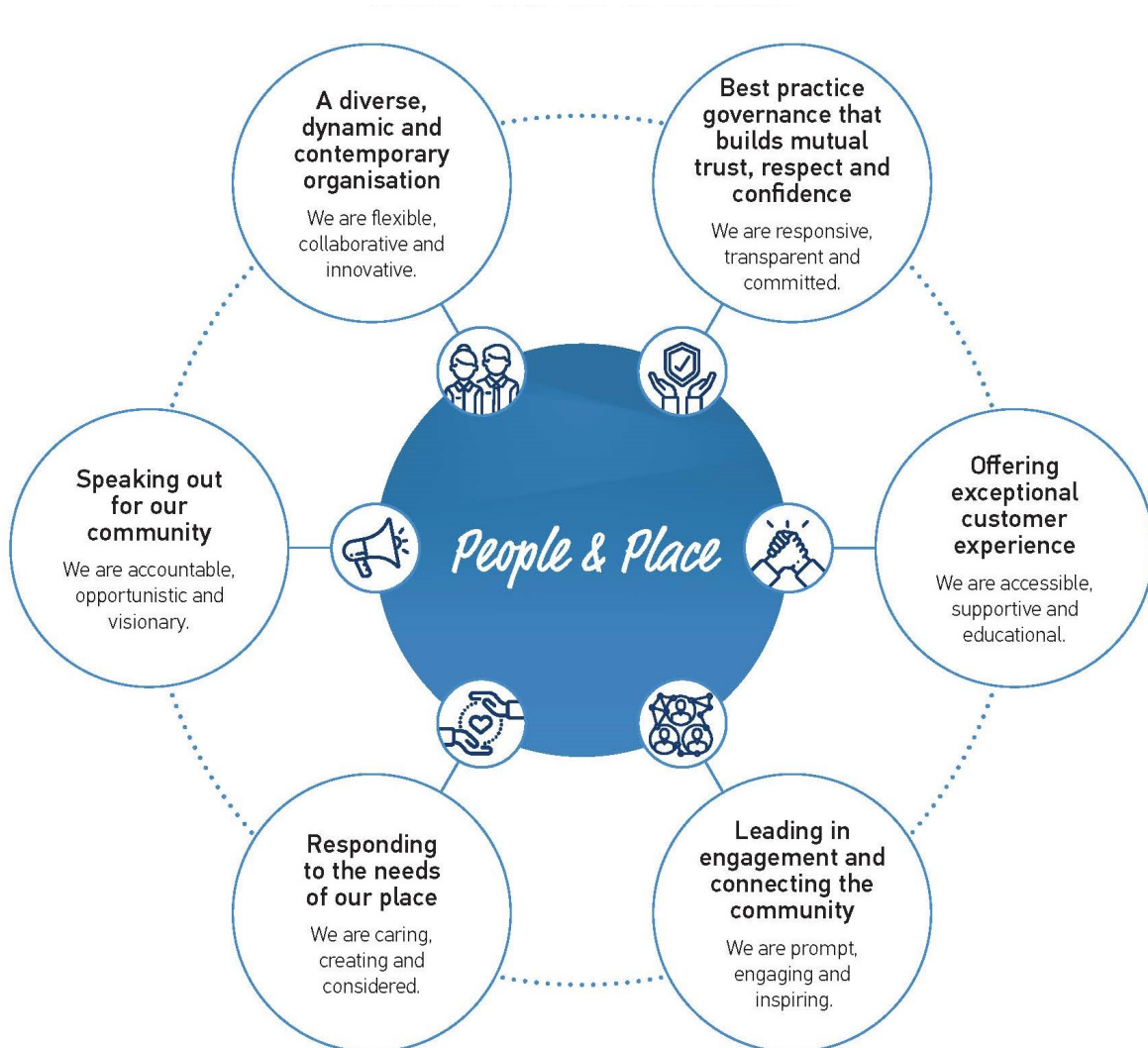
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1. Introduction

1.1. Towards Exceptional

The City of Kingston is committed to excellence in governance. This commitment is linked to the organisational 'Towards Exceptional' plan that strives for excellence in all we do because we care and are empowered to make a difference to people's everyday lives (Figure 1). Towards Exceptional highlights six pillars of specific focus areas to build a strong foundation. One of the six 'Towards Exceptional' pillars include the opportunity to strengthen excellence in best practice governance that builds mutual trust, respect and confidence. The development of the Good Governance Framework is a key element of the implementation of Towards Exceptional.

Figure 1. Towards Exceptional



1.2. Good Governance

Good governance assures our performance and accountability in how we work and delivery of community outcomes. The development of the Good Governance Framework articulates what makes up good governance at Council and describes how it is achieved (Figure 2, Appendix 1). The main purpose for developing the Good Governance Framework includes:

- lays the foundation to pursue best practice governance
- embeds a consistent and collective approach to governance
- enables Councillors and staff to resonate with good governance best practice
- enables the organisation to mature and continually progress good governance

Good governance is everyone's responsibility and the framework has been specifically designed to include the whole organisation. The framework reflects our fundamental purpose of serving the community interest. This is achieved through constructive relationships between the Community, Councillors, CEO and Council staff. The four cornerstones of good governance that drive our actions, behaviours and decisions include;

- Leadership and Direction – 'Drive it'
- Accountability – 'Own it'
- Integrity – 'Live it'
- Transparency – 'Show it'

The cornerstones are further explained in this document. To bring the Good Governance Framework to life, each cornerstone has been mapped against a set of objectives, linked to measurable actions (Appendix 2). It is acknowledged that the action items and measures are not exhaustive but represent realistic and effective initiatives to achieve the objectives of each cornerstone. It is important to note that the development of an overarching education program will raise awareness and build good governance capability and confidence across our organisation.

An annual assessment will identify the extent to which good governance is occurring at Council. The assessment will also inform the iteration process ensuring continuous improvement as we pursue Towards Exceptional in best practice governance. The annual assessment will be reported to the Corporate Leadership Group, Council and the Audit and Risk Committee.

2. Local government context

The Local Government Act 2020 (the Act) Act recognises local government as a distinct and essential tier of government. It consists of democratically elected Councils, that has the necessary functions and powers to ensure the peace, order and good government of its municipality.

The Act states the role of a Council is to provide good governance for the benefit and wellbeing of the municipal community. Council must apply the specified governance principles in performing its role as listed below. These principles are integrated into the Good Governance Framework:

- Council actions and decisions are to be made in accordance with the relevant law
- priority is to be given to achieving the best outcomes for the municipal community, including future generations
- the economic, social and environmental sustainability of the municipal district, including mitigation and planning for climate change risks, is to be promoted;
- the municipal community is to be engaged in strategic planning and strategic decision making;
- innovation and continuous improvement is to be pursued;
- collaboration with other Councils and Governments and statutory bodies is to be sought
- the ongoing financial viability of the Council is to be ensured
- regional, state and national plans and policies are to be considered in strategic planning and decision making
- transparency of Council decisions, actions and information

3. City of Kingston municipality

The Kingston municipality covers an area of 91 km² and has an estimated population of 163,431 people. Kingston is divided into three wards each with three councillors. The North Ward includes Moorabbin, Highett, Heatherton, Oakleigh South, Clarinda, Clayton South and Dingley Village. The Central Ward includes Cheltenham, Mentone, Parkdale, Moorabbin Airport, Mordialloc and Braeside. The South Ward includes Aspendale, Waterways, Chelsea, Chelsea Heights, Bonbeach, Carrum and Patterson Lakes.

The City of Kingston expenditure for 2019-20 amounted to approximately \$182.433million with works comprising road maintenance and construction, community, cultural and youth activities, town planning and development, waste management and recycling, maintenance of parks and public areas, public health and animal control, library services, and business and tourism support.

Kingston is one of the state's main employment centres, having one of the largest and most concentrated industrial sectors in Victoria. Community and business networks play an important role in linking and supporting local businesses. Almost 30 per cent of the community work locally and enjoy improved work-life balance.

The City of Kingston's Chief Executive Officer leads the operations of a corporate structure of 1,450 staff that work across a broad range of roles to support Council and deliver services in the

community. The Organisational Structure is made up of four divisions: Community Sustainability, Corporate Services, Planning and Development, and City Assets and Environment

4. Good Governance Framework

The Good Governance Framework represents the key features of what makes up good governance at Council. At the heart of good governance at Council is relationships. The operating environment of Council requires strong, trusting and constructive relationships between the community, the elected Councillors and the CEO and Council staff. The significance and dependence of these working relationships is represented in the visual design, sitting central and connected.

The four cornerstones of what makes up good governance include;

- Leadership and Direction – ‘Drive it’
- Accountability – ‘Own it’
- Integrity – ‘Live it’
- Transparency – ‘Show it’

Each cornerstone aims to inspire a commitment to practicing good governance. This is achieved through a principles-based approach, coupled with a call to action in the cornerstone titles.: Each cornerstone includes a set of high level objectives, linked to actions and deliverable measures action.

Figure 2. Good Governance Framework



4.1. Relationships

Relationships are at the heart of good governance. This is essential given the complexity and diversity of services provided by Council. The ability for the community, Councillors and the CEO and Officers to constructively work together, is a key ingredient to the success of achieving good governance. Conversely, broken relationships have a damaging effect on all dimensions of governance as cited in several reports from integrity agencies and Municipal Monitor's¹.

Councils are made up of two parts: the elected representatives (Councillors) and administration (Council staff). While it is recognised that roles and responsibilities are mandated by the Act, building cooperation and trust requires more than legislative provisions. It is recognised that the nature of relationships offers diversity and differences in opinions, and public consensus will not always be realised. However, our values and professionalism, with commitment to the cornerstones of the Good Governance Framework enables a constructive approach in support of the important democratic setting.

The community

Local government is closely connected to its municipal community and gives people a say in matters affecting their local area. Council exists for the community and serving the community interest is central to operations and service delivery. The community are responsible for electing Councillors to represent their views and needs. Community members are encouraged and afforded the opportunity to engage with Councillors to improve representation, respond to community needs and build relationships. Council officers are also active in community engagement and consultation. These interactions identify community needs and informs considerations around objectives, priorities and resource allocation.

Councillors

Councillors are democratically elected by residents and ratepayers to represent and advocate for the views and needs of the community. Councillors take an Oath of Office to carry out this role impartially, to the best of their ability, and in the best interests of the community. The role of Councillors is set out in the Act which provides clarity and guidance of the role and expectations. The key aspects of the Councillor role include; high level decision-making, setting the strategic direction of the council and representing the local community. Councillors are accountable to each other and the community.

The Mayor

The Mayor is elected by fellow Councillors for a one or two-year term. The heightened responsibility includes guiding Councillors in their roles, expectations and supporting the interactions and function of the group. The Mayor takes the chair at all meetings of the Council, is the spokesperson and represents the Council at civic and ceremonial occasions. The Mayor actively promotes and develops opportunities for the municipality, often developing and maintaining extensive networks.

¹ Municipal Monitor to Whittlesea City Council, March 2020

Council CEO

The CEO is appointed by the Councillors and is ultimately accountable to the group. The CEO liaises with the Mayor on council matters and is responsible for providing advice and sufficient information to Councillors to enable effective decision making. The CEO is responsible for the day to day running of Council, including managing the organisational structure, ensuring implementation of council decisions and ensuring organisational capability in performance, decisions and outcomes.

Council staff

Council staff ensure the administration, operations and service delivery of the organisation. Council staff are responsible for providing advice, implementing Council's direction and acting on Council decisions. Council staff also provide advice and expertise to help inform Councillor considerations and decisions. The Local Government Act provides conduct principles for staff including:

- act impartially
- act with integrity including avoiding conflicts of interest
- accept accountability for results
- provide responsive service

4.2. Leadership and Direction – ‘Drive it’

“A leader takes responsibility for finding the potential in people and processes, and who has the courage to develop that potential.” – Brenè Brown

Leadership and Direction is about driving the organisation to success through setting a clear vision and implementing effective strategic plans. However, leadership is not only about outcomes, where commitment to values, paving the way for how we work and establishing strong foundations across processes, systems and people is just as important.

The Leadership and Direction – ‘Drive it’ cornerstone recognises our democratic and organisational Leaders set the organisation’s tone and drives the vision to deliver the best possible outcomes for the community. This is achieved through the development and implementation of the Council plan, other strategic plans and fiscal management. Leadership is also instrumental in building our constructive culture where values are embedded, expectations are clear, and roles and responsibilities are understood and accepted. The organisation is committed to developing and supporting leaders to perform their role, the linchpin for ensuring effective guidance and driving good governance in everyday practice

4.3. Accountability – ‘Own it’

“On good teams coaches hold players accountable, on great teams players hold players accountable” – Joe Dumars

Accountability is about ensuring that those making decisions and delivering services are answerable for them. Effective accountability supports staff and leaders to meet their obligations and expectations and this greatly contributes to good governance. Common elements of accountability include sound decision making processes, compliance, performance management, audit and risk programs. Accountability is often viewed to be reactive and viewed with a negative inference². While reactive means are necessary, focus ought to also include proactive means.

The Accountability - ‘Own it’ cornerstone includes proactive and assurance elements of accountability across people, processes and systems. Taking responsibility and ownership of actions, behaviours and outcomes is emphasised, where accountability starts with the individual. Another proactive focus includes continuous improvement where enhancements are identified and implemented, and new threats and opportunities are responded to, as we strive towards best practice. Assurance is provided by effective guidance, development and performance management of our people. Rigorous programs such as organisational risk management, compliance attestation, internal and external audit also offer assurance in our work. Accountability mechanisms are designed to protect the organisation and should not become barriers to achieving Council’s objectives.

² Cheung, 2005, p.18

4.4. Integrity – ‘Live it’

“The time is always right to do what is right.” – Martin Luther King, Jr.

Integrity is about doing the right thing. At its core, this relates to behaviours and the tolerance of behaviours in others. Organisations typically have a code of conduct or set of behavioural standards to guide acceptable and consistent conduct. The challenge often arises in embedding behavioural expectations and organisational values. It is well evidenced that strong leadership drives good governance and is essential in building a workplace that instils integrity.³ Setting this tone ultimately sits at the top of an organisation, however the responsibility of effective and values-led leadership extends to the broader leadership group.⁴

The Integrity - ‘Live it’ cornerstone includes the pivotal role of our leaders in setting the tone from the top. This is achieved through clear messaging in applying the code of conduct and values, modelling behaviour, and addressing unacceptable conduct. However, everyone has a role to play in safeguarding integrity and upholding standards. A training and education program will build capability and confidence where integrity challenges are responded to and addressed. A ‘speak up’ program will also provide a mechanism where staff can confidentially seek confidential advice or reporting misconduct. The rights of individuals are also recognised in this governance cornerstone where diversity and inclusion are embraced by the organisation and human rights are considered in decision making processes.

4.5. Transparency – ‘Show it’

“A lack of transparency results in distrust and a deep sense of insecurity”. - Dalai Lama.

Transparency builds trust. The community has the right to free, accessible, current, timely and direct public records. This is achieved by being responsive and open to the community and stakeholders by sharing or making information available. Transparency also applies to the internal workings of an organisation where sharing information, business plans and projects is vital to the efficiency and effectiveness of service delivery.

The Transparency - ‘Show it’ cornerstone includes Councils commitment to upholding the public’s right to know and upholds an *‘if not, why not’* principle to transparency. This openness translates to being proactive or making available information that shows how we work, decision making processes and outcomes. Being open with our community also includes effective engagement and connection, guided by our community engagement policy. This governance cornerstone also addresses transparency within the organisation. Sharing and being open in our work is imperative for improved efficiencies and effectiveness in outcome deliveries for the community. Council staff are supported to work cooperatively and uphold the principle of need to share (as opposed to need to know). This is achieved through; sharing of resources, information and knowledge across teams, congruent policies, responsible system access and ongoing training and development.

³ (Mihelic, Lipicnik, Tekavcic, 2010, p. 32 and Shacklock & Lewis, 2006, p. 9

⁴ Australian Commission for Law Enforcement Integrity (ACLEI) , n.d, Leadership and Culture, para. 3

5. Measure and Assessment

Our well governed and responsive organisation is guided by our Good Governance Framework. The extent to which good governance is occurring at Council will be gauged by the performance of an annual review. This will involve measuring the actions comprised in each cornerstone. The assessment will indicate how Council are tracking in Towards Exceptional in best practice governance, identifying strengths, weaknesses and opportunities. The iterative process allows for further progress to mature good governance across the organisation and respond to an evolving and changing organisational environment. The annual assessment will be provided to CLG, Council and the Audit and Risk Committee.



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Cornerstone	Objective	Action	Measure
Goals		How are objectives achieved?	Monitor progress towards good governance
<p>‘Drive it’</p> <p>Leadership and Direction</p>	<ul style="list-style-type: none"> • We will provide a vision to deliver the best possible outcomes for the community • We will voice the interests of our community ▪ We will foster effective and respectful relationships between the Community, Councillors, the CEO and Council staff ▪ We will establish a strong foundation to build excellent capability and confidence in our people, processes and structures. 	<p><u>Democratic governance</u></p> <ul style="list-style-type: none"> ▪ Deliver a vision through the Council Plan, other strategic plans and the annual budget ▪ Advocate on matters of significant public interest on behalf of the community ▪ Enhance open and trusting relationships with the community, staff and other stakeholders by committing to all pillars of this governance framework ▪ Exercise powers and responsibility of the Councillor role in accordance with overarching laws and governance principles <p><u>Organisational governance</u></p> <ul style="list-style-type: none"> ▪ Implement the Council Plan, strategic plans, business plans and budget ▪ Understand the communities needs and issues of importance ▪ Foster respectful relationships through co-operation, good will, understanding of roles, good communication, agreed structures and protocols, appreciation of legislative requirements and clear delegations ▪ Foster a constructive culture through the leadership development program 	<p><u>Democratic governance</u></p> <ul style="list-style-type: none"> • Completion of Council plan, strategic plans and budget within legislative requirements • Annual public report on the Council plan progress from the Mayor • Annual review of the advocacy campaigns and assessment of effectiveness • A pulse survey that gauges effectiveness of interactions is developed and implemented for Councillors, Executive and Managers • Position description of roles and responsibilities in response to the new Local Government Act are developed <p><u>Organisational governance</u></p> <ul style="list-style-type: none"> • Quarterly reporting against the Council Plan is submitted to Council • Annual review of advocacy campaigns and assessment of effectiveness • CLG provides an executive update to Councillors at CIS • Monthly ‘Governance matters’ communication is sent to all Councillors and staff • All leaders have participated in the leadership development programs • All leaders have participated in a 360’ survey

'Own it'

Accountability

- We complement our community through **decision-making** to achieve the best outcomes
- We demonstrate our responsibility in upholding **best practice and compliance**
- We actively support and regulate each other to **uphold** responsibilities, actions and behaviours through informal and formal mechanisms
- We oblige **assurance** of our work

Democratic Governance:

- Decision making processes are articulated and compliant to statutory requirements and principles
- Operate to best practice standards by following our principles, policies, procedures and statutory requirements
- Through the code of conduct, Council upholds its values and behaviours in displaying effective leadership to ensure effective performance and accountability in behavior, procedures and processes
- Specify the functions and responsibilities of the Audit and Risk Committee

Organisational governance:

- Decision making is in accordance with role requirements and responsibilities and community expectations
- The organisational compliance framework is implemented and strategically managed with input by all business areas annually reporting to high risk legislative requirements
- The policy framework is implemented through all Managers ensuring policies and procedures are current, consistent and meet best practice standards
- Staff support the role of Councillors by providing well researched, accurate and accessible information via reports, presentations, briefings (including responses to resolutions)
- Leaders actively manage staff and teams by providing guidance, feedback and oversight to assure work processes and outcomes
- The internal and external audit programs provide effective assurance of organisational processes and performance by:
 - delivering a robust audit plan
 - identifying and making improvement recommendations
- Risks are managed through strategic, operational and project risk assessments

Democratic governance:

- The Governance Rules includes the various processes for Council decision making
- Decision making, and all core performance indicators meet or exceed benchmarks of the Local Government Community Satisfaction Survey
- Councillors have participated in induction with additional training needs addressed
- Councillors have completed an annual self-assessment of individual and group performance
- Prepare and approve Audit and Risk Committee Charter
- Respond to the annual assessment report from the Audit and Risk Committee

Organisational governance:

- Annual review and update of authorisations and delegations completed
- Pulse survey results indicates high level of staff understanding and adherence to responsibilities
- The annual review of high-risk legislative compliance shows 90% compliance and control improvements on deviation
- 100% of policies are relevant, current and accessible
- Council reports are written using the report style guide and are submitted within required timeframes
- All council resolutions are allocated within 5 working days and Councillors are kept informed of progress
- All leaders utilise MyKad to effectively appreciate the achievement and development of staff
- An annual assessment of the Audit & Risk Committee Charter demonstrates responsibilities have been achieved.
- All audit committee recommendations have been implemented or are being addressed
- The risk key performance indicators are achieved as demonstrated by the Risk Management Policy Performance Metrics Report

<p>'Live it'</p> <p>Integrity</p>	<ul style="list-style-type: none"> We are committed to upholding the highest standards of integrity We speak up against improper conduct We respond to integrity challenges with capability and confidence We are committed to the rights of individuals 	<p><u>Democratic governance:</u></p> <ul style="list-style-type: none"> Lead by example by demonstrating high standards of behavior through role modelling and by impartially exercising responsibilities Highlight integrity matters through conversations, education and monitoring reports from integrity agencies Uphold integrity standards by speaking up against and addressing all levels of improper conduct Consider and promote human rights across Council and the community <p><u>Organisational governance:</u></p> <ul style="list-style-type: none"> The tone from the top safeguards integrity through implementing the code of conduct and values, modelling behavior and standards, addressing unacceptable conduct and sharing expectations and experiences Actions, behaviours and decisions are guided by our values, code of conduct, policies and procedures Staff are encouraged and supported to call out all levels of improper conduct Embed the Fraud and Corruption Control Policy Embed human rights considerations in policy development, making laws, delivering services and making decisions 	<p><u>Democratic Governance:</u></p> <ul style="list-style-type: none"> Councillors have declared commitment to the code of conduct through annual review and signing of the document Councillors are made aware of integrity related industry findings and recommendations Code of conduct proceedings are utilised where necessary Human rights are considered in every Council decision and Council approved strategies <p><u>Organisational Governance:</u></p> <ul style="list-style-type: none"> Pulse survey high level results indicate commitment to values and code of conduct Submission of reports to the audit and risk committee and relevant departments that compares findings from integrity bodies to practices at Council Submit biannual report on Ordinary interest returns to CEO The code of conduct is integrated into good governance education programs The number of integrity agency enquiries is below or meets industry standards A 'speak up' program is developed and implemented by April 2021 The Public Interest Disclosure policy is reviewed and updated by June 2020 The survey of the Fraud and Corruption control plan is performed annually Human rights considerations are incorporated into all Council reports Delivery of all core events relevant to the Diversity and Inclusion Strategy
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<p>'Show it'</p> <p>Transparency</p>	<ul style="list-style-type: none"> We achieve accountability with our community by being transparent, responsive and open We are proactive in communicating our processes and decisions We uphold the public's right to know and work to the transparency principle of 'If not why not?' 	<p><u>Democratic governance</u></p> <ul style="list-style-type: none"> The Council decision making process and supporting information is open and accessible to the public Council engage and connects with the community and other stakeholders Conflicts of interest between public duties and private interest are declared 	<p><u>Democratic governance</u></p> <ul style="list-style-type: none"> We live stream and provide access to all Council Meeting and relevant documentation where decisions are made Less than 5% of Council items are considered as confidential 'En bloc' resolutions are limited to special circumstances Councillor expenses are published on the website Annual review of community engagement policy and strategy compliance assessment The Governance Rules are developed that includes conflict of interest principles
		<p><u>Organisational governance</u></p> <ul style="list-style-type: none"> Information is proactively released and available through informal and formal processes Staff are responsive to our community by adhering to our <u>Customer Commitment</u> Resolutions are implemented in a timely and effective manner Our people work cooperatively and share information by identifying opportunities to collaborate Development and implementation of the public transparency policy guides and reinforces the public's 'right to know' and adopts an 'If not, why not' principle Facilitate public awareness of the availability of council information, the types of documents and how to locate them 	<p><u>Organisational governance</u></p> <ul style="list-style-type: none"> Proactive release - all policies are published on the website Informal release – registers are current and readily available for inspection Formal release – all FOI requests have been processed as a last resort All customer first projects have met forecast milestones A customer strategy is developed and implemented by June 2020 Annual mystery shopping results meet or exceed industry average A monthly report submitted to Council on open resolutions ensures 90% of resolutions are responded to by officers within 60 days Business planning analysis has been performed, resulted in teams across the organisation working better together The Information Privacy and Data Security committee is established by April 2020 The Public Transparency Policy has been developed and implemented by September 2020 A published statement (Part II Statement) that assists the community in accessing Council information holdings is completed by September 2020

