



Office Executive Charter

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INSIGHTS FOR BETTER GOVERNMENT

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1. Office Executive Charter

The Office Executive of the Audit Office of New South Wales (the Audit Office) is committed to high standards of performance, accountability, ethical behaviour and corporate governance.

This charter provides guidance to the Office Executive as they direct the affairs of the Audit Office. The charter does this by setting out the Office Executives responsibilities, membership, and administrative and communication arrangements.

2. Role and objectives

The *Government Sector Audit Act 1983* establishes the position and functions of the Auditor-General for New South Wales.

The Auditor-General has a range of statutory responsibilities for the governance of the Audit Office.

The Office Executive assists the Auditor-General to meet their statutory responsibilities and provides leadership to the Audit Office in pursuing its strategic direction and delivering against the Corporate Plan.

The Office Executive's primary objectives and corporate governance functions include:

- setting and monitoring progress against the Audit Office's vision, purpose, values, and strategic objectives
- setting direction on key changes to the Audit Office's operating environment that are expected to have a whole-of-office impact
- ensuring the Office is compliant with relevant laws, directions, codes and practices
- operating in accordance with the Audit Office's values.

3. Responsibilities

To meet its objectives, the Office Executive has the following responsibilities:

- providing a clear strategic direction for the Audit Office and monitoring progress against strategic objectives, based on robust engagement with both internal and external stakeholders
- setting strategic Key Performance Indicators (KPIs) and monitoring their achievement
- setting the organisation's Risk Appetite Statement (RAS) and ensuring strategic risks are identified, assessed and treated in accordance with the agreed RAS
- monitoring assurance over the Audit Office's key processes – including internal audit, external audit, QARC, ACAG, and PAC reviews
- overseeing the Audit Office's financial performance and sustainability
- overseeing Office Executive sub-committees
- supporting the Auditor-General develop the forward audit program
- role-modelling and embedding a culture of ethical and lawful behaviour through mechanisms such as the Code of Conduct, Conflict of Interest and Professional Independence Declarations, reported or suspected fraud, and declared gifts and benefits
- monitoring the Audit Office's compliance with relevant laws, directions, codes and practices
- approving key policies as delegated by the Auditor-General and ensuring they are periodically reviewed and updated
- appointing individual members of the Office Executive as sponsors with accountability for the strategic initiative/s they are assigned
- overseeing the delivery of key strategic projects.

3.1 Delegation of responsibilities

The Office Executive is accountable to the Auditor-General.

The Office Executive delegates the day-to-day business, functions and activities of the organisation in accordance with the Audit Office's delegation of authority.

The Auditor-General has also established an organisation structure and a number of committees to assist the Auditor-General and/or Office Executive in carrying out its responsibilities or to obtain advice on specific matters.

3.2 Code of conduct

Members of the Office Executive are subject to the general principles of conduct that apply to public sector employees. The Audit Office has also adopted a Code of Conduct which outlines the fundamental values and principles that define the standards of behaviour expected of all Audit Office staff, including members of the Office Executive.

The expectations of members of the Office Executive are to:

- act with integrity and honesty
- be impartial and act without undue influence
- apply due care and diligence to all matters
- conduct open and constructive debate
- apply expertise and skills
- operate in the public interest.

In carrying out their duties, members of the Office Executive must also:

- contribute the time needed to read and understand meeting papers provided
- apply good analytical skills, objectivity and judgement
- express opinions frankly, ask questions that go to the fundamental core of the issue, and pursue lines of inquiry, in a constructive manner.

3.3 Conflicts of interest and professional independence

All members are expected to exercise independence on all matters. In accordance with the Audit Office's annual conflict of interest and professional independence declarations, members of the Office Executive complete written declarations annually identifying any conflicts of interest.

Members of the Office Executive must also declare any conflicts of interest at the start of each meeting or before discussion of the relevant agenda item or topic. Details of any conflicts of interest should be appropriately minuted, the member's conflict of interest register updated, and the conflict managed or resolved.

Where members or observers at meetings are deemed to have a real, potential or perceived conflict of interest, it may be appropriate that they are excused from deliberations on the issue where the conflict of interest exists.

3.4 Membership

The Office Executive consists of the Auditor-General (Chair), Deputy Auditor-General, Assistant Auditors-General, Executive Director, Corporate Experience and Strategy, Executive Director, Finance and Performance, and Executive Director, Professional Services.

3.5 Meetings

The Office Executive formally meets each month, except January.

The Office Executive also holds weekly meetings, except when the formal monthly meetings are held. Additional meetings may be convened, as necessary, with the approval of the Auditor-General or Deputy Auditor-General.

Monthly meetings are generally held on the third Monday of the month. Weekly meetings are generally held on Mondays.

The Office Executive also convenes separate Leadership Team meetings to monitor the progress and performance of the Corporate Plan and initiatives supporting the Corporate Plan. These meetings occur every three to four months.

An annual reporting plan is maintained; reflecting the Office Executive's responsibilities as detailed in this charter. Progress against the plan is provided to the Office Executive monthly.

4. Administrative arrangements

If the positions of the Chief Risk Officer and Chief Audit Executive are not held by a member of the Office Executive, these positions also attend the monthly meetings.

Other staff may also attend the Office Executive meetings as subject matter experts or in the absence of a member, as requested by the Office Executive and approved by the Chair.

4.1 Quorum and decision making

A quorum of the Office Executive exists when a minimum of five members (inclusive of either the Auditor-General or Deputy Auditor-General) are present. Where a member is unable to attend and they are also a sponsor or key stakeholder for one of the discussion papers, that member can either nominate another staff member to attend in his/her absence or request discussion of that paper be postponed.

At the Office Executive's discretion, matters may be referred for approval out of session.

4.2 Induction and continued development

New members will receive relevant information and briefings on their appointment to assist them to meet their responsibilities.

Members are also encouraged to complete necessary or other developmental training to ensure their skills are relevant and up to date.

4.3 Secretariat

The Auditor-General, as Chair, will appoint a person to provide secretariat support to the Office Executive. The Secretariat has the responsibility to:

- ensure the agenda for each meeting, after approval from the Chair, and any meeting papers are circulated within a reasonable timeframe before the meeting
- ensure the draft minutes of the meetings are prepared and maintained, and circulated within a reasonable time of the meeting (generally within seven days) to each member and any observers present, as appropriate
- advise and provide guidance to management and staff of actions required by the Office Executive and follow up actions to be completed
- maintain confidentiality of matters discussed.

5. Assessment arrangements

The Auditor-General, in consultation with the members of the Office Executive, may establish a mechanism to review and report on the performance of the Office Executive at least annually. The review will generally be conducted on a self-assessment basis (unless otherwise determined by the Auditor-General) with appropriate input sought from each member.

6. Annual review

The Office Executive will review its Charter every two years or sooner if required.