



PART 6

RISKS AND LIABILITIES

Risk management

The *Financial Accountability Act 2009* requires all accountable officers and statutory bodies to establish and maintain appropriate systems of internal control and risk management.

The department's risk management program is designed to ensure that risks are identified and managed, in an effective, structured and coordinated way.

To achieve this objective, the department applies the following principles to risk management:

- ▶ **Integral part of planning, performance and accountability** — the department is controlled and governed effectively to achieve its strategic objectives and risk management is undertaken at strategic and operational levels.
- ▶ **Ongoing oversight by senior management and Executive Governance Boards** — departmental risks and risk matters are discussed and considered by senior governance forums, to provide assurance to the Director-General on the identification, monitoring, control and treatment of departmental risks.
- ▶ **It creates and protects value** — risk management contributes to the achievement of the department's objectives and improving performance in governance, project management, security and the health and safety of our staff and clients.
- ▶ **It forms part of decision-making** — risk management helps decision-makers to make informed choices, prioritise actions and identify the appropriate course of action.

- ▶ **It is systematic, structured and timely** — risk is managed while achieving consistent, comparable and reliable results for the department.
- ▶ **It is based on the best available information** — risk assessments are based on historical data, experience, stakeholder feedback, forecasts and expert judgement, data limitations and differing opinions.
- ▶ **Aligned with environmental context** — risk management takes account of the department's internal and external operating environment and its risk profile.
- ▶ **Transparent and inclusive** — there is timely involvement of appropriate stakeholders at all levels.
- ▶ **Responsive to change** — risk management takes account of internal and external events, changes to the environmental context, results of monitoring and reviewing activities, new risks that emerge and risks that change or disappear.

Our framework aligns with the *AS/NZS ISO 31000:2009 Risk management — Principles and guidelines* and other best practice risk and resilience methodologies.

The department regularly reviews and updates its strategic risks throughout the year as an assurance that controls remain effective.

Audit and Risk Committee

The Audit and Risk Committee provides independent assurance and assistance to the Director-General on the risk, control and compliance frameworks, the department's external accountability responsibilities, and other matters relevant to the duties and responsibilities of the committee as set out below, and as prescribed in the *Financial Accountability Act 2009*, the *Financial Accountability Regulation 2009*, and the *Financial and Performance Management Standard 2009*.

The Audit and Risk Committee operates within its approved charter, which is in line with best practice Audit Committee Guidelines.

Further information about the Audit and Risk Committee can be found at Appendix 2 on page 123 – Governance boards and committees.

Internal audit

The department has an internal audit function, which is independent of management and external auditors. The internal audit function is undertaken in accordance with a strategic internal audit plan approved by the Director-General. The Internal Audit Charter is consistent with relevant legislation, better practice guides and international internal auditing standards.

External scrutiny

The department is subject to a number of external reviewers, including the Queensland Audit Office, Coroners, Crime and Corruption Commission, the Queensland Ombudsman, and the Public Guardian and Public Advocate.

Significant external audits and reviews of the department during the 2017–18 financial year include:

Queensland Audit Office (QAO) reports tabled in the Queensland Parliament

The following reports released in 2017–18 are applicable to the department. For a complete list of tabled reports to the Queensland Parliament in the 2017–18 financial year visit <https://www.qao.qld.gov.au/reports-resources/parliament>.

Report 6: Fraud risk management

This audit assessed if agencies appropriately identify and assess fraud risks, and apply appropriate risk treatments and control activities to adequately manage their exposure to fraud risks. It also assessed if the agencies' risk management plans effectively targeted and addressed fraud risks and if there were any obvious omissions from risk registers.

The department has established a Fraud and Corruption Control Committee under the Audit and Risk Committee to provide operational oversight of the department's fraud and corruption prevention program, assurance around the effectiveness of the fraud and corruption control plan and fraud risk mitigation.

Report 8: Confidentiality and disclosure of government contracts

This report examined the use of confidentiality provisions in Queensland Government contracts. It also assessed whether selected departments met contract disclosure requirements. The department has reviewed

all policies and procedures, which all include the required clauses about confidentiality and disclosure of information. Work is continuing on the establishment of an enhanced contracts register.

Report 14: The National Disability Insurance Scheme (NDIS)

The objective of the audit was to assess how effectively the Queensland Government is managing the transition to the NDIS and how well prepared it is to oversee services after the transition.

The QAO assessed the effectiveness of the governance arrangements and program management of the transition. It also assessed how effectively two state-funded mainstream services are integrating with the new NDIS operating model.

The department is actioning a coordinated response to the QAO's report across all member agencies of the Queensland NDIS Reform Leaders Group. This will help ensure the Queensland Government's response to the QAO's work is well understood, integrated and consistent across transition projects during year three.

The department's preparation for year three aligns with the QAO's advice and is being progressed across key areas:

- ▶ internal and external governance
- ▶ information sharing and communication
- ▶ mainstream agency readiness.

Complaints management

Our framework for managing complaints:



Telephone complaints



Written complaints



Face-to-face complaints



Stage
1

Complaints management

Frontline staff are empowered with clear delegations to resolve less serious complaints (low complexity complaints) wherever possible at first contact.

Serious complaints (medium and high complexity complaints) are referred to either a regional office or the Complaints Unit.

All complaints are entered into the department's electronic complaints management tool.



Stage
2

Internal review

If a complainant is dissatisfied with the management of a complaint, an internal review can be requested within 12 months of the outcome being provided to the complainant and conducted by the Complaints Unit.



Stage
3

External review

If a complainant is dissatisfied after progressing through Stages 1 and 2, they can pursue external options, e.g. alternative dispute resolution; complaints agency, such as the Queensland Ombudsman; or other avenues of appeal or review.

The department takes service feedback, concerns and complaints seriously, and provides a complaints management system as per Section 219A of the *Public Service Act 2008*.

This system provides the department's clients and the general public with an opportunity to voice their satisfaction or dissatisfaction with our services.

The department endeavours to address all concerns in a timely, fair and meaningful way, and to learn lessons that can help improve our customer service, and our laws, policies and practices.

Where possible we will try and resolve the complaint at the local or regional level in the first instance, as we believe it is best to have the matter addressed closest to where the service was delivered.

The complaints management system is overseen by the Queensland Ombudsman as per the *Ombudsman Act 2001*, and is aligned with the *Australian/New Zealand Standard AS/NZS 10002:2014 – Guidelines for complaints management in organisations*.

The department's complaints management model is a three-stage process. Complaints are managed within service centres, regional offices or by the central Complaints Unit, depending on their complexity. The process includes the option of an external review.

Complaints are assessed in accordance with various laws, policies and procedures. These can be found at: <https://www.communities.qld.gov.au/about-us/our-organisation/legislation>.

In accordance with Section 219A of the *Public Service Act 2008*, information on the:

- ▶ number of customer complaints received by the department in the year
- ▶ number of those complaints resulting in further action
- ▶ number of those complaints resulting in no further action

can be found at <https://www.communities.qld.gov.au/about-us/customer-service-compliments-complaints>.

Our achievements:

- ▶ Finalisation of all recommendations of the 2016 Queensland Ombudsman review of complaints management.
- ▶ Launching the new consolidated RESOLVE system on 1 March 2018, including training and support to staff across the state.
- ▶ Ongoing discussions and collaboration with the Office of the Public Guardian with respect to the development of a memorandum of understanding for the formal escalation and referral of disability complaints to the department.
- ▶ During transition to the NDIS, ongoing management of complaints about NDIS providers of prescribed services.

Market and Communications Research conducted a survey of the department's complainants in May 2018 to understand the overall client satisfaction with the complaint process.

The sample size consisted of 22 complaint management cases between January and December 2017, across the following regions:

CBD	14
Brisbane	2
South West	0
South East	0
North Coast	4
Central Queensland	2
North Queensland	0
Far North Queensland	0
Total	22

The final survey results for 2018 were:

Overall satisfaction (n=22)	2.41
The friendliness of staff	3.43
The respect shown to you by staff	3.57
The professionalism of staff	3.05
How easy it was to get in touch with the staff looking after your complaint	2.65
That your concerns were properly understood by staff	2.74
The timeliness with which staff responded to your enquiries	2.57
That your complaint was assessed fairly and objectively	2.89
The updates you received on the progress of your complaint	2.24

Mean score (on a scale of 1 to 5 where 1 is very dissatisfied and 5 is very satisfied)

Information systems and record-keeping

As a Queensland Government agency, we meet the accountability requirements of the *Public Records Act 2002*, as well as other whole-of-government policies and standards, including *Information Standard 40: Recordkeeping* and *Information Standard 31: Retention and disposal of public records*.

During 2017–18, the department demonstrated its commitment to compliant record-keeping practices by:

- ▶ ensuring the life-cycle management of all departmental public records was undertaken in accordance with legislative requirements
- ▶ continuing data cleansing of record-keeping systems to ensure quality and integrity of records captured
- ▶ providing timely and effective state-wide record-keeping awareness and process support
- ▶ providing training to departmental staff on information management privacy, and right to information
- ▶ providing ongoing record-keeping support to departmental staff
- ▶ continuing and progressing the Destination Information project, which will create a single repository for departmental records, reducing the administrative burden and improving information sharing within and across the sector.

Future directions

In 2018–19, we will:

- ▶ continue implementing self-auditing across all areas managing complaints
- ▶ provide management and systems (RESOLVE) training for all staff managing complaints
- ▶ maintain ongoing management of complaints about NDIS providers of prescribed services.