

# Corporate governance

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**Under the *Tourism and Events Queensland Act 2012*, the Chair and TEQ Board are appointed by the Governor in Council and are responsible to the Minister for Innovation and Tourism Industry Development and Minister for the Commonwealth Games. As at 30 June 2018, TEQ's Board had nine members including the Director-General of DITID.**

Board appointments have regard to the person's experience and expertise in strategy, business, financial knowledge, promotion and staging of events, and their knowledge of the tourism industry. Diversity is a key factor in Board member selection. A Board member holds office for a period of not more than three years, and a member may be appointed for no more than two consecutive periods.

TEQ's Board is responsible for the overall performance of the organisation, which should be conducted in a way that is appropriate, effective and efficient, forming committees as appropriate.

Duties and responsibilities of the Board include:

- ensuring TEQ's strategic direction is aligned to the needs of industry and the objectives of the Government, and ensuring the organisation has sufficient resources allocated to achieve the objectives;
- conducting meetings of the members (including its committees) and the affairs of the organisation having full regard for the best corporate governance practices;
- agreeing performance targets and monitoring performance;
- approving the strategic direction and related objectives for TEQ;
- considering and approving the annual budget, as proposed by management, ensuring that appropriate resources are available to achieve business objectives;
- ensuring business risks are identified and approve systems of risk management, regulatory compliance, internal control and related policies to manage those risks;
- monitoring the financial performance of the organisation, and reviewing and approving the annual financial statements; and
- determining and approving the level of authority to be delegated to the Chief Executive Officer and management.

## Board performance

Each year the Board and its committees conduct an evaluation of their individual and collective performance, as part of their commitment to ongoing development.

There is continuing contact between the Chair and Chief Executive Officer to discuss major policy and strategic matters, especially when such matters are the subject of Board interest or are likely to become so.

Regular Board and Committee papers inform Board and Committee members of current and forthcoming strategic issues and other matters relevant to TEQ's operations and performance, including financial performance.

## Board committees

To foster good corporate governance and for the Board to focus on strategy and performance management matters, the Board delegates certain duties to Board committees.

### 1. Events Committee

The Events Committee is governed by a Committee Charter and meets ahead of Board meetings to assess and consider event investment opportunities and make recommendations to the Board.

Seven Events Committee meetings were held in 2017-18. The Committee members included Professor Judith McLean (Chair), Gary Smith (Member), Paul Donovan (Member) and Karen Hanna-Miller (Member).

The Chief Executive Officer, Group Executive Events, Group Executive Corporate Services and relevant TEQ staff attend the events committee meeting as requested.

### 2. Audit and Remuneration Committee

The Audit and Remuneration Committee is governed by a Committee Charter and follows *Queensland Treasury's Audit Committee Guidelines*. The committee assists the Board in fulfilling its corporate governance and oversight responsibilities, including:

- the reliability and integrity of financial information for inclusion in TEQ's Annual Report;
- compliance with legislative, regulatory, contractual, policy, industry standards, and good governance principles;
- the integrity of TEQ's internal control framework;
- safeguarding the independence of the external and internal auditors;
- ensuring implementation of agreed internal and external performance audit recommendations; and
- ensuring that appropriate remuneration policies are designed to meet the needs of TEQ and to enhance corporate and individual performance.

The Committee regularly reports to the Board on its activities and recommendations.

Four Audit and Remuneration Committee meetings were held in 2017-18. The Committee members included Gary Smith (Chair), Julieanne Alroe (Member), Anna Guillan (Member) and Karen Hanna-Miller (Member).

The Chief Executive Officer, Group Executive Corporate Services, Director of People and Leadership, financial management staff and internal and external auditors attend Audit and Remuneration Committee meetings as requested by the Committee. The Committee also holds in-camera discussions with the auditors.

NAME	POSITION	APPOINTMENT DATE	END DATE
Gary Smith	Chair	11 February 2013	2 August 2015
		3 August 2015	2 August 2018
Julieanne Alroe	Deputy Chair	3 April 2013	2 August 2015
		3 August 2015	2 August 2018
Anna Guillan	Member	11 February 2013	2 August 2015
		3 August 2015	2 August 2018
Karen Hanna-Miller	Member	23 August 2017	2 August 2018

## Internal audit

Internal audit advises all levels of management and the Audit and Remuneration Committee on TEQ's internal control systems and management of business risk.

The internal audit function is responsible for:

- assisting executives with risk management through the provision of advice and assurance;
- developing internal audit plans based on assessed risk and objectives, allowing flexibility to meet changing business needs;
- providing regular progress reports to the Audit and Remuneration Committee and management;
- ensuring internal audit remains effective, credible, productive and focussed on those areas of most significance to the corporation;
- working with management to challenge and improve established and proposed practices and put forward ideas for improving processes;
- providing an appropriately skilled team supported, where necessary, by specialist expertise;
- maintaining an open relationship with the external auditors; and
- fostering a culture of working with management towards agreed solutions.

Internal audit aligns its audit program with TEQ's strategic risk profile and assurance map in consultation with the Audit and Remuneration Committee and management.

During the year:

- the internal audit operated under an approved charter that is consistent with relevant audit and ethical standards;
- the internal audit worked in accordance with the strategic internal audit plan;
- systems were in place to ensure the effective, efficient and economical operation of the function;
- the internal audit function was independent of management and the external auditors;

- the internal audit function had due regard for *Queensland Treasury's Audit Committee Guidelines*; and
- internal audits were conducted in the areas of information management, destination experience development, familiarisation management, financial control and RTO network grant acquittals.

## Risk management

TEQ has a risk management framework, including a risk management policy and a risk register. The Audit and Remuneration Committee is responsible for reviewing and reporting to the Board with regard to TEQ's risk management framework.

The Board and Executive management team are committed to:

- ensuring TEQ has a robust internal culture and process that is capable of identifying and managing its risks;
- behaving as responsible and ethical corporate citizens, protecting TEQ, its employees, customers, contractors and their property from injury, loss or damage;
- achieving its business objectives while managing the impact of significant risks it can meaningfully and realistically control;
- protecting and enhancing the TEQ 'brands' and assisting the tourism and events industry and stakeholders to protect and enhance the reputation of Queensland and its tourist destinations; and
- finding the right balance between the cost of control and the risks that it is willing to accept as part of the business and industry environment it operates within.

Risk encompasses both possible threats and opportunities and the potential impact these may have on TEQ's ability to meet its objectives. Business risk arises as much from the possibility that opportunities will not be realised, as it does from the possibility that threats will materialise or that errors will be made. Often these risks are beyond TEQ's control, however, monitoring such risks will enable TEQ to either manage them or to initiate an appropriate response. Risk management embodies an organisational culture of prudent risk-taking. It is the process of identifying, assessing and responding to risks, and communicating the risk management plan appropriately.

## External scrutiny

Each year, an external audit is conducted of TEQ's consolidated financial reports and the financial statements of controlled entities. The Queensland Audit Office issued unqualified audit reports for the:

- TEQ consolidated financial statements for 2017-18 on 31 August 2018;
- TEQ Employing Office financial statements for 2017-18 on 31 August 2018; and
- Gold Coast Events Management Ltd financial statements for 2017-18 on 23 August 2018.

There were no material issues identified by external audit in 2017-18.

## Board meetings

During the year five Board meetings were held. No special Board meetings were held.

TEQ Board meetings were held in Bundaberg (October 2017) and the Gold Coast (February 2018) during 2017-18, and the Board plans to continue hosting further meetings in regional areas in 2018-19 to connect and engage with RTOs, stakeholders and the local tourism and events industry. Three meetings (August 2017, December 2017 and May 2018) were held in Brisbane, and the Board engaged with industry stakeholders in Brisbane as part of its August 2017 meeting.

NAME	POSITION	APPOINTMENT DATE	END DATE
Bob East	Chair	3 August 2015	5 September 2017
Brett Godfrey	Chair	14 September 2017	13 September 2020
Julieanne Alroe	Deputy Chair	12 December 2012 3 August 2015	2 August 2015 2 August 2018
James Dixon	Member	8 June 2017 3 August 2018	2 August 2018 2 August 2021
Paul Donovan	Member	12 December 2012 3 August 2015	2 August 2015 2 August 2018
Anna Guillan	Member	20 December 2012 3 August 2015	2 August 2015 2 August 2018
Karen Hanna-Miller	Member	3 August 2015 3 August 2018	2 August 2018 2 August 2021
Professor Judith McLean	Member	20 December 2012 3 August 2015	2 August 2015 2 August 2018
Gary Smith	Member	20 December 2012 3 August 2015	2 August 2015 2 August 2018
Director-General, DITID – Damien Walker	Member	Permanent Ex-officio member under the Act.	

On 2 August 2018 the Governor in Council approved the reappointment of two Board Members and the appointment of five new Board members as detailed on page 70 of the annual report.

## Government bodies

### TOURISM AND EVENTS QUEENSLAND BOARD

Act or instrument *Tourism and Events Queensland Act 2012*

Functions The primary role of the Board is to provide strategic direction, effective governance and risk guidance over TEQ's affairs, ensuring it discharges its legislated responsibilities and performs its functions in a way that is appropriate, effective and efficient. The Board forms committees as appropriate to delegate its powers, duties and responsibilities.

Achievements During 2017-18, the Board set the strategic direction for the organisation through the 2018-2022 Strategic Plan, guided the continued evolution of TEQ's marketing approach and optimised the opportunities presented by GC2018 and its legacy.

In addition, the Board considered a number of key industry, commercial and aviation partnership agreements and supported investment in events designed to grow the value of the events calendar, driving economic and social benefits for Queensland.

All 2017-18 Service Delivery Statement measure targets were achieved.

Financial reporting The transactions of the entity are accounted for in the financial statements. The entity is audited by the Queensland Audit Office.

#### REMUNERATION

POSITION	NAME	MEETING ATTENDANCE	APPROVED ANNUAL, SESSIONAL OR DAILY FEE	APPROVED SUB-COMMITTEE FEES IF APPLICABLE	ACTUAL FEES RECEIVED
Chair	Bob East	1	\$35,000 pa	N/A	\$7,000
Chair	Brett Godfrey	3	\$35,000 pa	N/A	\$27,192
Deputy Chair	Julianne Alroe	5	\$10,000 pa	N/A	\$10,000
Member	James Dixon	5	\$10,000 pa	N/A	\$10,462
Member	Paul Donovan	4	\$10,000 pa	N/A	\$10,000
Member	Anna Guillan	5	\$10,000 pa	N/A	\$10,000
Member	Karen Hanna-Miller	5	\$10,000 pa	N/A	\$10,000
Member	Professor Judith McLean	5	\$10,000 pa	N/A	\$10,000
Member	Gary Smith	4	\$10,000 pa	N/A	\$10,000
Member	Director-General, DITID	5	N/A	N/A	N/A
No. scheduled meetings/sessions	5				
Total out of pocket expenses	\$496				

## GOLD COAST EVENTS MANAGEMENT LTD

Act or instrument	<i>Corporations Act 2001</i>
Functions	Gold Coast Events Management Ltd trades as Events Management Queensland and operates the Gold Coast Marathon, an annual running event, and the Pan Pacific Masters Games, a biennial multi-sports masters event, both held on the Gold Coast.
Achievements	The principal achievement for the reporting period was the successful staging of the 2017 and 2018 annual IAAF Gold Label event Gold Coast Marathon. The 2018 event was the 40th Gold Coast Marathon. The entity also prepared for and will deliver the world's biggest biennial masters games, the Pan Pacific Masters Games in November 2018.
Financial reporting	The transactions of the entity are accounted for in the financial statements. The entity is not exempted from audit by the Auditor-General.

### REMUNERATION

POSITION	NAME	MEETINGS/ SESSIONS ATTENDANCE	APPROVED ANNUAL, SESSIONAL OR DAILY FEE	APPROVED SUB-COMMITTEE FEES IF APPLICABLE	ACTUAL FEES RECEIVED
Chair	Kerry Watson	6	\$71,175	N/A	\$71,175
Director	Daphne Pirie	6	N/A	N/A	N/A
Director	Mark Reaburn	4	N/A	N/A	N/A
Director	Nick Elliott	6	N/A	N/A	N/A
Director	Lindsay Wallace	6	N/A	N/A	N/A
No. scheduled meetings/sessions	6				
Total out of pocket expenses	\$1,612				

## Statutory obligations

A summary of TEQ's recent progress towards ensuring compliance with statutory obligations is as follows:

### 1. **Public Sector Ethics Act 1994**

TEQ's *Code of Conduct* (the code) is aligned with the four ethics principles and values outlined in the *Public Sector Ethics Act 1994*.

The code is intended to give staff a framework to ensure the organisation maintains its professional standards. The code outlines the expectations of all staff and provides information on the ethical values and behaviour required in TEQ's daily business activities. Adherence to these values is fundamental in building a relationship of trust between industry, Government and the community.

The code applies to all staff as well as the Chair, Board members and contractors. Information on the code is provided to all new employees during their induction and online training. Electronic copies are available for ongoing reference. If the code is not followed, performance feedback will ensue, with the outcome of this feedback ranging from counselling to termination of employment.

TEQ's human resource management procedures and practices, including staff performance reviews, have been put in place in accordance with the code.

### 2. **Work Health & Safety Act 2011**

TEQ's Work Health and Safety (WHS) Committee continued to meet quarterly to discuss WHS matters and facilitate compliance with the *Work Health & Safety Act 2011*.

## Information systems and recordkeeping

The *Public Records Act 2002* requires public authorities to make and keep complete and reliable public records of their activities and, if appropriate, preserve them in a usable form for the benefit of present and future generations.

TEQ uses the Micro Focus Content Manager (CM9) electronic document and records management system to ensure records are managed and preserved. Other systems used to record information include SharePoint Online, OneDrive for Business and shared-drives for internal collaboration on documents, and Finance One for financial records and transactions.

TEQ uses an external IT Service provider to manage the backup, archival and retrieval of digital records held in CM9, shared drives and other systems. All TEQ systems are maintained and updated with current or previous software releases and hosted in cloud-based infrastructure for resiliency and security. All staff receive training in the use of CM9 upon commencement.

TEQ has an agreement with an external provider to store, retrieve and destroy its physical documents and records, as required. TEQ has an assigned and dedicated role for information management responsibility. During 2017-18, TEQ continued the practice of digitising all new physical records into CM9 and Finance One.

There were no serious breaches of TEQ's information security during the year.

## Efficient business operations

TEQ continued to review its business operations during 2017-18 to identify cost savings and operational efficiencies. During the year, TEQ:

- significantly increased use of the whole of Queensland Government travel arrangement realising cost savings;
- refined its procure to pay cycle, resulting in better contract management leading to improved supplier partnerships and improved pricing;
- achieved silver accreditation with Earthcheck for a second consecutive year, which continues to see benefits to TEQ relating to environmental awareness in the workplace and realising cost savings;
- implemented electronic workflow solutions for business processes using electronic forms technology;
- implemented Daptiv PPM (a project and portfolio management tool) to improve the efficiency of TEQ's planning processes resulting in reduced duplication, increased control and transparency of information;
- implemented the Power BI platform to significantly improve operational efficiency internally, and to optimise the way research data is published to enhance user experiences; and
- implemented Dynamics CRM, which helped to:
  - » provide a solution to evaluate and manage the Best of Queensland Experiences program;
  - » assist the organisation to implement Queensland's Experience Framework across business activities; and
  - » streamline the Familiarisation Management module processes and reporting of trade and media familiarisation visits.

TEQ's procurement plan and associated procedures continue to incorporate a value-for-money framework and guide the efficient and effective conduct of TEQ's operations, consistent with the Queensland Procurement Policy.

## Open data

The following reporting requirement is now published online through the Queensland Government open data portal (<https://data.qld.gov.au>) instead of being included in the annual report.

- Overseas travel.

In 2017-18, TEQ had no information to report for the *Queensland Language Services Policy* nor Consultancies.

The reporting requirement for Government bodies (Tourism and Events Queensland Board and Gold Coast Events Management Ltd) is published within this annual report, please refer to pages 40-41.