



**Government
of South Australia**

Department of the Premier and Cabinet Circular

**PC022 – Improving the Effectiveness of Government Boards
and Committees**

19 March 2008

PC022 – Improving the Effectiveness of Government Boards and Committees

1. Summary

- 1.1 This circular outlines the government's policy to improve the effectiveness of government boards and committees.
- 1.2 The circular requires that boards and committees:
 - have a terms of reference;
 - regularly report on their performance against objectives; and
 - have a sunset clause or, in certain circumstances, a review date.
- 1.3 Ministers and their support staff are required to consider the gender balance of their boards and committees with a view to furthering South Australia's Strategic Plan targets T5.1 and T5.2 (see section 5).
- 1.4 Ministers have ultimate responsibility for the operation and performance of the boards and committees within their portfolios and should ensure that any board or committee complies with this circular prior to funding being approved.
- 1.5 The principles outlined in this circular could apply equally well to internal government agency committees.

2. Terms of reference

- 2.1 A terms of reference sets out the scope of the board or committee. It defines the functions and responsibilities of the board and provides a framework for reporting on the board's operations.
- 2.2 Effective terms of reference generally include:
 - a statement of the functions and responsibilities of the body, ensuring that these do not duplicate an existing government function;
 - reporting arrangements, including timeframes for reporting and a list of agreed objectives against which performance can be measured;
 - a sunset or review date;

- a statement of membership composition complying with the SA Strategic Plan targets on gender balance and setting out the expertise required of members;
- stakeholders and key relationships;
- meeting procedures, minutes and record-keeping; and
- resources and support structure.

3. Reporting requirements

- 3.1 This section of the circular applies primarily to those bodies that do not have reporting requirements set out in legislation. Guidance for boards covered by statutory reporting requirements is available in DPC Circular 13.
- 3.2 All boards and committees not subject to existing statutory reporting obligations are required to report to their responsible minister at regular intervals determined in agreement with the minister. A period of 12 months will generally be sufficient, although there may be instances where a different time frame would be more appropriate.
- 3.3 Reporting should provide a summary of activities undertaken and outcomes achieved over the reporting period, with supporting data where relevant. The quality of reporting should be sufficiently robust to give the minister confidence in its reliability and relevance.

4. Establishing time frames: sunset and review dates

- 4.1 Non-statutory boards and committees must have a sunset date identified in their terms of reference. The intention of this measure is that the body will be wound up at this date. However, the sunset date may be extended by the responsible minister if a review of the body indicates that there is value in continuing the body for a further period.
- 4.2 Ideally, statutory boards and committees should also have a sunset date included in their establishing legislation. However, for existing statutory boards or for new statutory boards where a sunset clause is not considered appropriate, a review date must be established in order to provide a regular review mechanism.
- 4.3 When determining the sunset date for a board or committee, consideration should be given to the time likely to be needed by the board to fulfil its purpose. As a general guide, between one and three years is suggested as being appropriate.
- 4.4 Most statutory boards have more complex roles and responsibilities than non-statutory advisory bodies. On this basis, review dates, which prompt a review of the board without requiring its dissolution,

will generally be more appropriate than sunset clauses. Review dates will generally be set at longer intervals than sunset dates, such as five years or more.

- 4.5 Reviews of boards and committees should be undertaken prior to the actual sunset or review date. Ministerial or departmental staff not directly involved in the operation or administration of the body should undertake the review. However, all reviews should take into account the views and information of stakeholders and administrators of the body.
- 4.6 Questions to be considered in a review may include some or all of the following:
- Has the body fulfilled its intended role?
 - How effective has the body been in terms of achieving the objectives set out in its terms of reference?
 - Is there an ongoing need for the functions of the body, and is the body the most cost-effective way of providing those functions?
 - Do members have skills and experience suited to the purpose for which the body was established?
 - Do the functions or operations of the body duplicate or overlap the functions or operations of another body?

5. Gender composition of boards and committees

- 5.1 SASP target T5.1 seeks to have 50 percent of government board positions held by women by the end of 2008. Target T5.2 seeks to have 50 percent of government board chair positions held by women by the end of 2010.
- 5.2 In accordance with DPC Circular 19, all Cabinet submissions and notes to Cabinet relating to board appointments must:
- set out the existing gender balance of the board;
 - set out the new gender balance of the board resulting from the proposed appointments; and
 - if there are not equal numbers of men and women on the board, set out why this is the case, and what strategies are or will be put in place to address this.

Non-compliant submissions or notes may be returned to the originating agency for amendment prior to being processed by Cabinet Office.

- 5.3 The Office for Women maintains the Premier's Women's Directory, a database of women that may be qualified for government board positions. Agencies should contact the Office for Women to arrange

searches of the directory or to seek further advice on recruiting women to boards.

- 5.4 Where a non-government organisation is required by law to nominate a person to a government board, that organisation must, under the *Acts Interpretation Act 1915*, supply a panel of three nominees, one of whom must be a man and one a woman, for each position.
- 5.5 Where a non-government organisation is invited to nominate a person to a government board, but is not required by law to do so, government policy is that the organisation supply a panel of three nominees, one of whom must be a man and one a woman, for each position.

6. Further information

- 6.1 Advice on specific areas of board governance, such as honesty and accountability obligations, membership composition, board structure and remuneration, can be obtained from the Boards and Committees Unit of the Department of the Premier and Cabinet. The Unit has a website at:

http://www.premcab.sa.gov.au/dpc/community_boards_committees.html