# Checklist of current practices of your board

This checklist can be used to help your board consider how it is applying governance principles. It is not comprehensive but is intended as an initial exploration to stimulate further discussion.

Indicate assessment of your board’s practices in relation to the statements below as
1. Consistent with good practice 2. Satisfactory 3. Insufficient or not addressed.

| Actioning Principle 1: Clear roles and responsibilities |
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| **There is clarity about the roles and responsibilities of the board, individual members, CEO and minister. Appropriate instruments are in place that describe the responsibilities of the board collectively and for individual members, conforming to the public sector principles set out in Part 2 of the *Public Sector Management Act 1994* which are known and understood.** |
| [ ]  | Does the board have a documented charter which clearly sets out the roles and responsibilities of the board, CEO and individual members? |
| [ ]  | Has the minister issued a statement of expectations to the board and has the board responded with a statement of intent? |
| [ ]  | Is a formal induction process in place for new board members? |
| [ ]  | Are delegations of authority from the board to CEO formally documented? |

| Actioning Principle 2: Expertise and diversity |
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| **Board members have the necessary skills, knowledge and experience to enable the board to fulfil its role collectively. Consideration is given to optimising gender, racial, cultural and other forms of diversity relevant to the role and function of the board.** |
| [ ]  | Is the board aware of the process or requirements for board appointments including the minister’s role? |
| [ ]  | Does the board use a skills matrix to ensure members have the necessary skills, experience and knowledge to fulfil the board’s purpose? |
| [ ]  | Is there sufficient diversity on the board? |
| [ ]  | Has the board developed a succession plan to identify the skills needed by the board? |
| [ ]  | Can board members commit to the time required to undertake their role? |

| Principle 3: Strategic focus |
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| **The board sets the overall strategic direction of the public sector agency and monitors performance against the intended outcomes.** |
| [ ]  | Does the board understand the strategic environment and its key risks in which it operates? |
| [ ]  | Is the board clear on its role and scope of engagement in strategy? |
| [ ]  | Has the board set aside time in its yearly calendar for focused strategy development? |
| [ ]  | Is strategy alignment considered as a key factor in all board decision making? |
| [ ]  | Does the CEO or chief employee regularly report to the board on the progress of implementing the strategic plan? |

| Actioning Principle 4: Managed risks |
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| **The board ensures that an appropriate system of risk oversight and internal controls are in place to identify and manage risk.** |
| [ ]  | Does the board have procedures to identify, assess and manage risk? |
| [ ]  | Does the board devote time at its meetings to consider risk? |
| [ ]  | Does the board ensure management has designed and implemented systems to give effect to the board’s policies and procedures? |
| [ ]  | How are key risks managed? |
| [ ]  | Does the board regularly conduct risk management reviews? |

| Actioning Principle 5: Effective controls |
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| **The board has systems to ensure there is a flow of information to the board (and to the public sector agency) that supports policy and coordinated decision making. Control systems ensure accountability to relevant oversight bodies and external stakeholders. The integrity of financial statements and other key documents is safeguarded.** |
| [ ]  | Has the board established an audit sub-committee? |
| [ ]  | Does the board have procedures to comply with legal, financial and record keeping requirements? |
| [ ]  | Is the board provided with sufficient information to assess the financial and non-financial position and performance of the public sector agency? |
| [ ]  | Are there rigorous processes to oversee the agency’s resources? |
| [ ]  | Is there a clear performance reporting link to the objectives set out in strategic and business plans, and where relevant to the performance agreement with the CEO? |
| [ ]  | Do reports include appropriate information for the board to conduct a meaningful review? |
| [ ]  | Do all board sub-committees have clear terms of reference? |
| [ ]  | Is there a process for the chair of each board sub-committee to report back to the full board on its activities? |

| Actioning Principle 6: Ethical decisions |
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| **The board, together with the CEO, sets the tone for ethical and responsible decision making throughout the public sector agency. Decision making is informed, consistent and balances the requirements of multiple stakeholders. The public interest and public sector Code of Ethics are actively applied as the benchmark for individual conduct and open and accountable governance.** |
| [ ]  | Is there a current and code of conduct for board members and a master copy signed by each member? |
| [ ]  | Are members familiar with the code of conduct and is adherence reviewed regularly? |
| [ ]  | Are members familiar with the gifts, benefits and hospitality policy and register? |
| [ ]  | Are there mechanisms for engaging and communicating with stakeholders and appropriately considering their positions in decision making? |
| [ ]  | Is strategy alignment considered as a factor in every board decision? |
| [ ]  | Is the board clear on its role in setting strategic direction? |
| [ ]  | Does management report progress to the board on resource planning and management for the public sector agency? |

| Actioning Principle 7: Effective operations |
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| **The board manages its business efficiently and effectively within the limits of the statutory functions and powers of the public sector agency to fulfil its role. The board undertakes regular informal and formal reviews of its performance and has appropriate board succession planning in place.** |
| [ ]  | Are meeting agendas sufficiently focused? |
| [ ]  | Does the board have an annual planning calendar to structure the agendas for meetings throughout the year and ensure all corporate governance activities are completed? |
| [ ]  | Do board meetings involve frank and open discussions, advanced circulation of agendas and papers, and a record of decisions made and actions or progress against actions? |
| [ ]  | Is a summary of declared conflicts of interest included in the board minutes and in the central register? |
| [ ]  | Is respect, collegiality and confidentiality maintained throughout and between all board meetings? |
| [ ]  | Does the board evaluate and review the performance of its members and the board itself at least yearly? |