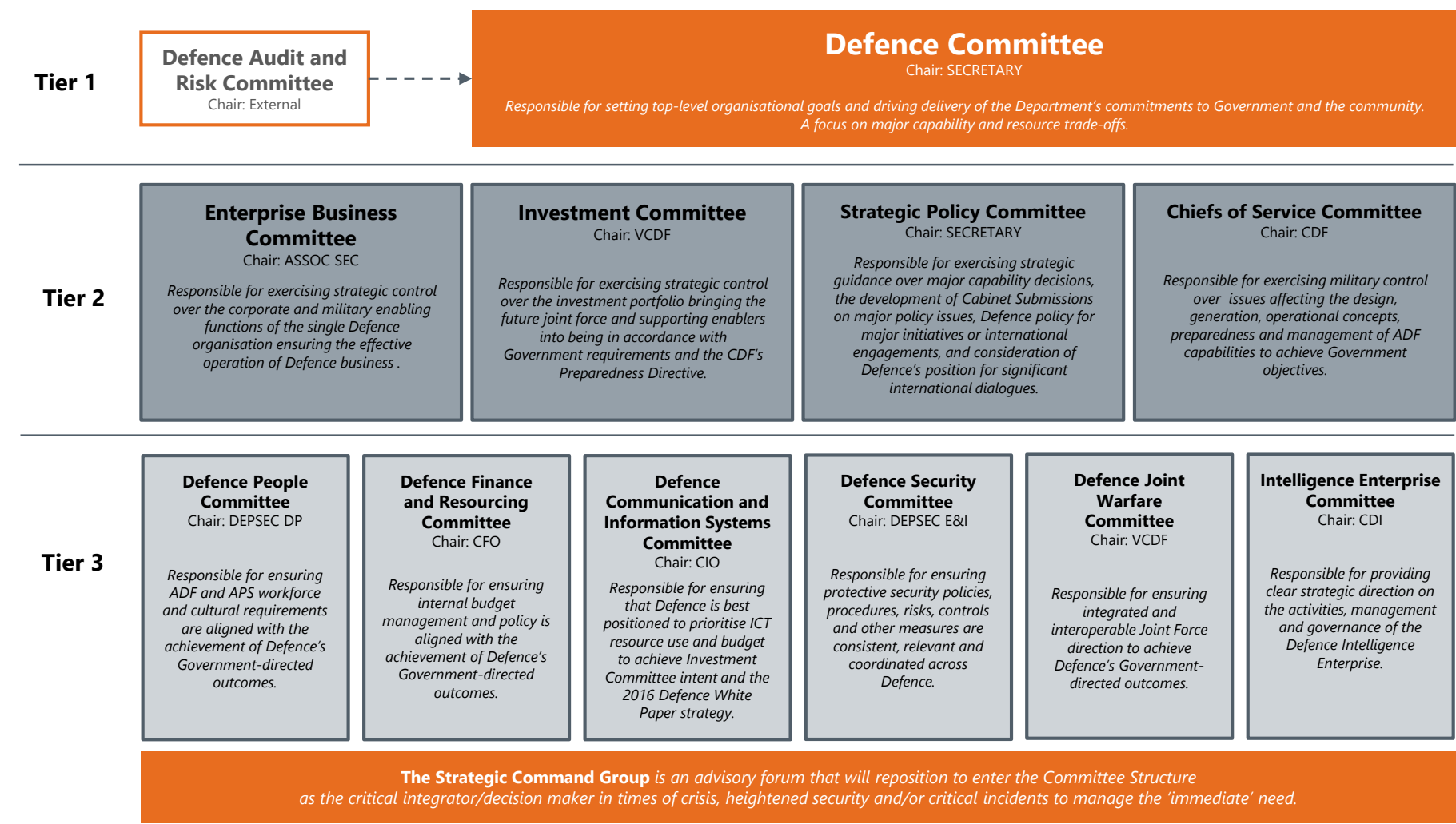# DEFENCE ENTERPRISE COMMITTEE GOVERNANCE FRAMEWORK

Defence Enterprise Committees:
Committees whose decision-making affects the whole of the Defence organisation, its capabilities, enablers and controls.

Tier 1

Defence Audit and Risk Committee
Chair: External

Defence Committee
Chair: SECRETARY

Responsible for setting top-level organisational goals and driving delivery of the Department's commitments to Government and the community. A focus on major capability and resource trade-offs.

Tier 2

Enterprise Business Committee
Chair: ASSOC SEC

Responsible for exercising strategic control over the corporate and military enabling functions of the single Defence organisation ensuring the effective operation of Defence business .

Investment Committee
Chair: VCDF

Responsible for exercising strategic control over the investment portfolio bringing the future joint force and supporting enablers into being in accordance with Government requirements and the CDF's Preparedness Directive.

Strategic Policy Committee
Chair: SECRETARY

Responsible for exercising strategic guidance over major capability decisions, the development of Cabinet Submissions on major policy issues, Defence policy for major initiatives or international engagements, and consideration of Defence's position for significant international dialogues.

Chiefs of Service Committee
Chair: CDF

Responsible for exercising military control over issues affecting the design, generation, operational concepts, preparedness and management of ADF capabilities to achieve Government objectives.

Tier 3

Defence People Committee
Chair: DEPSEC DP

Responsible for ensuring ADF and APS workforce and cultural requirements are aligned with the achievement of Defence's Government-directed outcomes.

Defence Finance and Resourcing Committee
Chair: CFO

Responsible for ensuring internal budget management and policy is aligned with the achievement of Defence's Government-directed outcomes.

Defence Communication and Information Systems Committee
Chair: CIO

Responsible for ensuring that Defence is best positioned to prioritise ICT resource use and budget to achieve Investment Committee intent and the 2016 Defence White Paper strategy.

Defence Security Committee
Chair: DEPSEC E&I

Responsible for ensuring protective security policies, procedures, risks, controls and other measures are consistent, relevant and coordinated across Defence.

Defence Joint Warfare Committee
Chair: VCDF

Responsible for ensuring integrated and interoperable Joint Force direction to achieve Defence's Government-directed outcomes.

Intelligence Enterprise Committee
Chair: CDI

Responsible for providing clear strategic direction on the activities, management and governance of the Defence Intelligence Enterprise.

The Strategic Command Group *is an advisory forum that will reposition to enter the Committee Structure as the critical integrator/decision maker in times of crisis, heightened security and/or critical incidents to manage the 'immediate' need.*

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DEFENCE ENTERPRISE COMMITTEE ESCALATION THRESHOLDS

TIER 1 — Issues impacting the <u>whole</u> of Defence

The Defence Committee has the final say on:
- Key documents/ strategies; and
- Major resource and capability trade-offs with Defence-wide impact.

The Defence Committee:
- Considers matters within the shared and complementary accountabilities of the Secretary and Chief of the Defence Force.
- Addresses issues requiring Ministerial involvement, advice to government and international engagement.
- Sets direction for Departmental budgets and policy matters.
- Considers major resource and capability trade-offs impacting across Defence.
- Tasks lower level committees to address certain matters, as deemed appropriate.

TIER 2 — Issues impacting <u>across</u> multiple domains

Tier 2 committees escalate:
- Major resource or capability trade-offs; and
- Issues requiring Ministerial involvement, advice to government, and international engagement.

Tier 2 committees:
- Address issues that impact a number of different policy domains including military acquisitions and operational preparedness, enabling functions, strategic policy and intelligence matters and issues that cannot be resolved at the Tier 3 level.
- Provide oversight and assurance regarding Tier 3 risk reporting and tasks lower level committees to address certain matters, as deemed appropriate.

Specifically:
- Contracts valued at more than $100m over the life of the arrangement are to be referred to the *Investment Committee* for approval, where deemed appropriate by that committee.

TIER 3 — Issues impacting <u>within</u> a policy domain

Tier 3 committees escalate:
- When agreement cannot be achieved; and
- Issues that affect the remits of multiple committees.

Tier 3 committees:
- Address issues relating to one policy domain, or relating to multiple Groups and Services within a policy domain.
- Tier 3 committees provide guidance to Groups and Services to ensure departmental policy alignment.
- Tier 3 committees report to Tier 2 committees regarding risk (on an exception basis), or as part of quarterly/biannual routine reporting.

Leadership, Advisory and Consultative Forums

Forums to facilitate:
- Leadership/management engagement
- Workforce engagement and consultation
- Collection, consideration and provision of information, advice and recommendations for decision by Enterprise Committees and SEC/CDF
- Ideas-testing
- Key Individual Accountabilities of Senior Leadership Group where impacts arise across the Defence enterprise.

Forums include*:
- SEC/CDF Weekly Round Table
- Strategic Command Group
- Defence Civilian Committee/Secretary's Civilian Forum
- SES Offsite forums
- Gender Equality Advisory Board (GEAB)
- Sensitive Technologies Advisory Group
- Defence International Engagement Committee
- Foreign Investment Steering Group
- Innovation Steering Group

Where forums continue to operate, proposed renaming to remove reference to 'Committee'.

Committee Behaviours

Each Committee is expected to exemplify the following behaviours:

- **Strong leadership** and **accountability** with a focus on ethical and respectful behaviour.
- Plan for, monitor and implement **high performance**, **engaging with risk** and **driving continuous improvement**.
- Foster **innovation** by actively adapting and seeking solutions.
- **Collaboration** and inclusive cross-entity performance, working toward aligned/shared objectives and outcomes.
- Openness, **transparency** and integrity.
- Maintain **clear** roles, responsibilities and governance arrangements.

GUIDING PRINCIPLES

Governance Fundamentals
Accountability and Performance
Each committee, within the boundary of its remit, is accountable for strategic oversight/monitoring of the following cyclical governance fundamentals:
- Planning
- Compliance
- Performance monitoring
- Evaluation and review
- Transparent reporting

Thematic Impacts
Each committee must, within the boundary of its remit, consider potential impacts (positive opportunities and/or negative consequences) associated with the following themes and escalate issues in line with the threshold guidance:
- Risks and controls
- Finance and Resources
- Projects and Programs
- People
- Accountabilities
- Strategy
- Policy
- Government and Media

Collaboration and escalation
Collaboration and consultation ensure matters are resolved at the appropriate level while minimising the need for escalation. Resolution of matters within a lower Tier level should be sought in order to reduce the impost on committees in the Tier above; however, matters should be considered by the higher Tier where the potential impact warrants involvement of the higher Tier committee:
- Where a matter under consideration by a committee requires consultation with one other committee at the same Tier level, the matter may be resolved at that level.
- Where a matter under consideration by a committee requires consultation with two or more other committees, or is a hot issue, and cannot be resolved at the same Tier level (or between committee Chairs within a Tier), the matter must be referred to the relevant committee in the Tier above, clearly indicating why the lower committee(s) did not reach agreement on the issue, and present resolution options, where possible.
- Enterprise committees may be called upon to assist the Senior Leadership Group in the management of Key Individual Accountabilities where wider impacts arise across the Defence enterprise. Escalation thresholds apply.

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