

Tax Practitioners Board

Governance Framework

Last reviewed and endorsed on 18 December 2024

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GLOSSARY AND RELEVANT LINKS

ASIC	Australian Securities and Investments Commission
ATO	Australian Taxation Office
APS	Australian Public Service
APS Code of Conduct	APS Code of Conduct
ARC	Audit and Risk Committee
BCC	Board Conduct Committee
CEO/Secretary	CEO/Secretary of the TPB
Chair	Chair of the TPB
Commissioner	Commissioner of Taxation
Domestic Travel Policy	Domestic Travel Policy (RMG 404)
IGTO	Inspector General of Taxation and Taxation Ombudsman
MoU	Memorandum of Understanding
Official Travel Determination	Remuneration Tribunal (Official Travel) Determination
PGPA Act	Public Governance, Performance and Accountability Act 2013
PGPA Rule	Public Governance, Performance and Accountability Rule 2014
PPC	Professional Practice Committee
Public Service Act	Public Service Act 1999
Remuneration Determination	Remuneration Tribunal (Remuneration and Allowances for Holders of Part-time Public Office) Determination 2022
Responsible Minister	Assistant Treasurer of the Commonwealth of Australia
RPA Committee	Recognised Professional Associations Committee
Charter of Leadership Behaviours	Secretaries' Charter of Leadership Behaviours
Statement of Expectations	Statement of Expectations - The Tax Practitioners Board
TASA	Tax Agent Services Act 2009
TASR	Tax Agent Services Regulations 2022
TPB	Tax Practitioners Board
TPGSF	Tax Practitioners Governance and Standards Forum

INTRODUCTION

Purpose

1. Governance refers to the means by which the TPB is held to account. It encompasses authority, accountability, stewardship, leadership, direction and control exercised in the organisation.
2. The Government expects the TPB will act in accordance with regulatory best practice in its decision-making, policies, processes and communication practices to maximise efficiency, effectiveness and transparency, and minimise compliance costs. It also expects the TPB to regularly review its policies and procedures to identify improvements to achieve these goals.¹
3. The purpose of this document is to detail the TPB's governance framework. It sets out:
 - a. An overview of the **structure** of the TPB and its **governance framework**;
 - b. the **context** in which the TPB operates including the role of the relevant Minister and key related Commonwealth departments and agencies that have co-regulatory and/or interrelated roles with the TPB (**Part A**).
 - c. the role and responsibilities of the **Board**,² the **Chair**³ and the Secretary of the TPB (known as the **CEO/Secretary**)⁴ (**Part B**);
 - d. the role and responsibilities of the TPB's **management team and staff** (**Part C**);
 - e. the role and responsibilities of **TPB Committees and Forums** which have been delegated functions and powers under the TASA or otherwise delegated functions to support the TPB (**Part D**);
 - f. the TPB's planning, performance and reporting approach (**Part E**); and
 - g. the TPB's risk management approach (**Part F**).
4. This document will be reviewed as required. This version was reviewed and endorsed by the Board at its meeting held in November 2022.

¹ Statement of Expectations at p.2 "Transparency and Accountability"

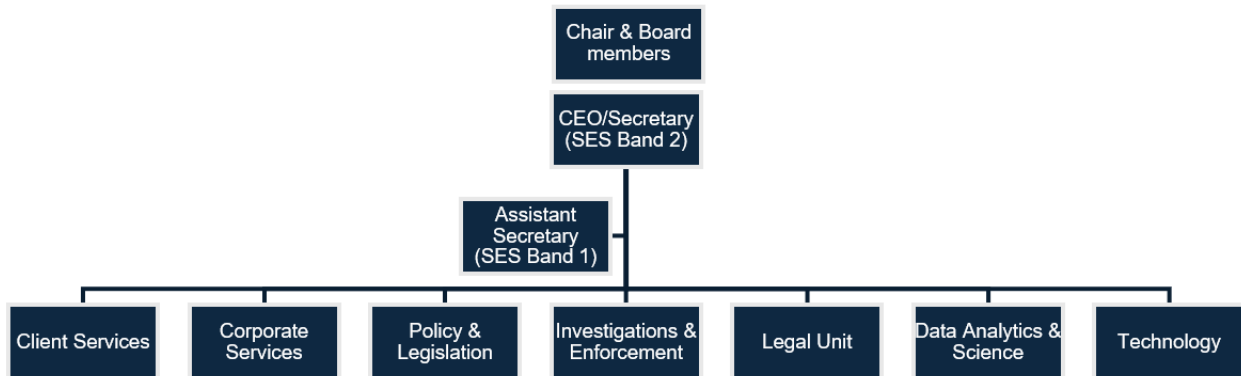
² The Board is appointed under s 60-25(2) of the TASA

³ The Chair is appointed under s 60-25(2) of the TASA

⁴ The CEO/Secretary and TPB management and staff are made available by the ATO to assist the TPB in accordance with s 60-80 of the TASA and the TASR

Overview TPB structure

5. The TPB is an independent statutory body, established under s 60-5 of the TASA.
6. The TPB forms part of the ATO, and the Commissioner is the 'accountable authority' for the purpose of the PGPA Act.
7. A diagram of the TPB's general organisational structure is set out below.


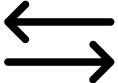







Governance framework



8. The Board of the TPB has two roles:

- a. It is responsible for the overall governance of the TPB; and
- b. It undertakes statutory functions as required by the TASA.

9. Together, the following elements form the TPB's Governance Framework.

Purpose 	TASA	We ensure that tax agent services are provided to the public in accordance with appropriate standards of professional and ethical conduct.
Roles and Responsibilities 	TASA Role Statements Delegations Delegation Policy	We understand the roles and responsibilities of the Board and management and the delineation between the two, noting that: <ul style="list-style-type: none"> the Board is ultimately responsible and accountable for all matters regarding the TPB; the Board (including Board Committees) makes appellable decisions which requires ongoing insight and reporting from management; management undertake the day-to-day operations of the TPB and lead its staff, and should not be unduly hindered in that role; and the Board provides assistance, insights and perspectives to management. We establish delegation policies which set out which of the Board's authorities are delegated and the circumstances in which they can be exercised.
Duties and Obligations 	PGPA Act Remuneration Tribunal Determination Official Travel Determination Domestic Travel Policy	We acknowledge and observe our duties and obligations as Commonwealth Officials. Board members are remunerated and undertake travel in accordance with applicable determinations and policies.

<p>Culture</p> 	<p>Public Service Act APS Code of Conduct Secretaries' Charter of Leadership Behaviours Staff Surveys</p>	<p>We demonstrate, uphold and enforce the APS Values across the whole TPB:</p> <ul style="list-style-type: none"> • Committed to Service • Ethical • Respectful • Accountable <p>The Board, CEO/Secretary and management observe and adopt the Secretaries' Charter of Leadership Behaviours (DRIVE):</p> <ul style="list-style-type: none"> • be Dynamic • be Respectful • have Integrity • Value others • Empower people <p>We seek and encourage feedback through staff surveys and honest and open discussions within and with the Board, and to hold each other to account.</p>
<p>Strategy</p> 	<p>Strategic Plan</p>	<p>The Board sets the strategic direction for the TPB and formulates a strategic plan in conjunction with the CEO/Secretary and management.</p> <p>It is regularly reviewed and updated.</p> <p>The strategic plan is taken into account in management reports for discussion by the Board.</p>
<p>Risk</p> 	<p>Risk Register Audit and Risk Committee</p>	<p>We oversee a risk management framework, covering enterprise, operational and fraud risk, that aligns to our purpose and strategy.</p>
<p>Board Processes and Decision Making</p> 	<p>TASA Board Committee Charters TPB Secretariat</p>	<p>We hold Board and Board Committee meetings and make appellable decisions in accordance with requirements under the TASA, relevant Charters and in accordance with agendas set by the relevant Chair in conjunction with the CEO/Secretary and the TPB Secretariat.</p> <p>Minutes are recorded and approved.</p>

Stakeholders 	<p>The public Tax practitioners Professional bodies</p> <hr/> <p>Responsible Minister Commissioner/ATO Treasury Other Government agencies (ANAO, ASIC, IGTO, Law Enforcement agencies)</p>	<p>We inform the public of our role, our compliance activities, and the requirement for tax practitioners to register with us.</p> <p>We engage with other relevant Stakeholders (and their representatives) through meetings, stakeholder forums, webinars, media releases, consultations and through our website/information products.</p> <p>We maintain a Stakeholder Relationship Management Plan.</p> <p>We abide by Memoranda of Understanding entered into with relevant government agencies.</p> <p>We have regard to the Government's Statement of Expectations regarding the TPB.</p> <p>We seek, consider and respond to feedback from all stakeholders.</p>
Reporting and Compliance 	<p>TASA PGPA Act TPB Corporate Plan Annual Performance Statements</p>	<p>The Board receives reports from management about operational results, issues arising, and financial position.</p> <p>We are accountable to the Government and the public and report on our operations. The TPB ARC provides oversight over this reporting and assurance to the ATO's Audit and Risk Committee.</p> <p>Significant matters or issues relating to the TPB are brought to the attention of the Board, and (where required) the Responsible Minister.</p>

PART A

TPB context – Responsible Minister and interaction with other government agencies

Responsible Minister

10. The Assistant Treasurer is currently responsible for the TPB.
11. The Responsible Minister appoints Board members and the Chair on a full time or a part time basis.⁵ Board members are appointed for the period specified in the relevant instrument of appointment.
12. In addition to those provided for by the TASA, Board members hold office on such terms and conditions as determined in writing by the Responsible Minister.⁶ The Responsible Minister may also terminate a Board member's appointment on specified grounds.⁷
13. The degree of reporting that should occur will vary based on the requirements of the current Responsible Minister. The TPB generally reports to the Responsible Minister on a six-monthly basis.
14. The TPB can, and should, advise the Responsible Minister when requested or as considered necessary and appropriate on significant or other operational matters (developments, lobbying, media, etc). For policy matters, these can, and should, be drawn to the Responsible Minister's attention. Care is always needed to involve Treasury in important discussions (as they have policy responsibility). More frequent contact occurs via the Secretary/CEO, Assistant Secretary, Policy, Governance and Reform and the TPB's Policy and Legislation business area led by an EL2 Director and the Responsible Minister's office on other matters such as ministerial and legislative matters.

Treasury

15. Treasury has policy responsibility for advising the Responsible Minister about the TASA. The Government's Statement of Expectations for the TPB, released by the relevant Minister, outlines the Government's expectations about the role and responsibilities of the TPB, its relationship with the Government, issues of transparency and accountability and operational matters.
16. Representatives of the Treasury meet regularly (generally monthly) to discuss TPB matters, including issues arising from the administration of the TASA. Frequent dialogue between Treasury, the Assistant Secretary and the TPB Policy and Legislation business area takes place regarding legislative, reform and policy matters.

⁵ Section 60-25 of the TASA.

⁶ Section 60-65 of the TASA

⁷ Section 60-60 of the TASA

Australian Taxation Office

Commissioner's governance responsibilities

17. The PGPA Act establishes rules not only for financial management but also for the broader governance, performance and accountability for the Commonwealth public sector.
18. The PGPA places specific responsibilities and powers on the 'accountable authority' of a Commonwealth entity. These are intended to ensure that the entity has appropriate systems of risk oversight and management and in relation to financial management and reporting matters relating to the entity.
19. While the TPB is an independent statutory body, for the purposes of the PGPA Act, the TPB forms part of the Commonwealth entity (listed entity) that is the ATO⁸ and the accountable authority is the Commissioner.⁹
20. As a result, there is an obvious cross-over of responsibilities with the Commissioner and the ATO when it comes to certain matters relating to the TPB under the PGPA Act, such as the TPB's corporate planning and subsequent annual performance statements (which the Commissioner has ultimate responsibility for reporting upon to Parliament under the PGPA Act).
21. As the statutory office holder responsible for the administration of the TASA, the TPB still exercises its role independently from the Commissioner and the ATO, but by being considered as part of the ATO Commonwealth entity for the purposes of the finance law, it is also able to rely upon the ATO's existing support functions like its finance area, office accommodation and human resources. The Government currently funds the TPB through the ATO.
22. As the accountable authority, the general duties of the Commissioner under the PGPA Act include ensuring that the ATO ((including the TPB) operates in a way that:
 - a. promotes the proper use and management of public resources for which the authority is responsible¹⁰
 - b. promotes the achievement of the purposes of the entity
 - c. promotes the financial sustainability of the entity.¹¹

Operational arrangements between TPB and ATO

23. Outside of the PGPA Act requirements, the TPB works closely with the ATO, particularly in relation to its registration and compliance functions. The TPB and ATO recognise that there is a shared interest in ensuring the integrity of the tax profession and enhancing community confidence in the integrity of the tax system, and work together openly and transparently to address shared risks.

⁸ In accordance with the PGPA Act and the *Public Governance, Performance and Accountability Rule 2014* (PGPA Rule), the "Australian Taxation Office" entity means the combination of the Commissioner of Taxation, the Tax Practitioners Board, the Australian Charities and Not-for-profits Commission (ACNC) and the ACNC Advisory Board.

⁹ See PGPA Rule 7(c)

¹⁰ In the context of the use of public resources, s 8 of PGPA Act defines "proper" to mean efficient, effective, economical and ethical. PGPA Act s 8.

¹¹ See PGPA Act s 15

24. The TASA requires the TPB to notify the Commissioner of certain information including decisions to register and terminate registration. It also enables the TPB to share a broad range of information with the ATO where it relates to the administration of taxation laws by the Commissioner. The *Taxation Administration Act 1953* also enables the Commissioner to share a broad range of information with the TPB.
25. The operational arrangements between the TPB and the ATO are primarily set out in the memorandum of understanding (MOU) between the TPB and the ATO. The MOU includes provisions relating to the exchange of information and outcomes of mutual interest.
26. A number of other TPB-ATO operational protocols and engagement plans have been put in place to give practical effect to the clauses within the MOU, particularly in relation to data sharing and TPB access to ATO systems. The ATO and TPB also have an ongoing coordinated compliance strategy that aims to mitigate the risk presented by high-risk practitioners and ensure that clients and the integrity of the tax system are protected.

Inspector General of Taxation and Taxation Ombudsman (IGTO)

27. The IGTO is a statutory office independent of the TPB and the ATO, appointed to assist the Australian community with the tax system. The IGTO assists the public to address their complaints about the administrative actions of the TPB and the ATO. Administrative actions relate to the conduct of the TPB and the ATO in their interactions with the public, including the policies and procedures which guide these actions. The IGTO also seeks to improve the administration of the tax system for the benefit of all taxpayers by undertaking broader reviews.
28. The Secretary/CEO usually meets the with IGTO biannually. Ongoing and frequent dialogue between the IGTO and the Law and Compliance and Client Services business areas led by EL 2 Directors takes place in relation to specific complaint cases. The Secretary/CEO advises the Chair and the Board of the outcomes of these matters.

Australian Securities and Investments Commission (ASIC)

29. The TPB works closely with ASIC where the regulation of tax practitioners overlaps with ASIC's jurisdiction. With the commencement of the *Better Advice Act 2021*, ASIC and the TPB have a shared role in the regulation of financial advisers that provide advice, although the TPB's role is more limited than that of ASIC. The TASA enables the TPB to share a broad range of information with ASIC. A memorandum of understanding (MOU) is currently in place with ASIC including provisions to exchange information on entities and outcomes of mutual interest.

Law enforcement agencies

30. The TPB is also committed to working with law enforcement agencies. The TASA permits the TPB to share information with authorised law enforcement agency officers in certain circumstances and where appropriate, the TPB works closely with law enforcement agencies in relation to its compliance matters, particularly in relation to the prevention, detection, and treatment of fraud.

PART B

Role and responsibilities of Board, Chair and CEO/Secretary

31. The respective roles of the Board, Board members, the Chair and CEO/Secretary are described in the **TPB Role Statements**. The TPB's policy in relation to Board member remuneration, official travel and conflict of interest requirements is set out in the TPB Board Member Conflict of Interest Policy.
32. The matters which the Board has reserved for itself and which it has delegated to the CEO/Secretary or other TPB staff are set out in the **Delegation Policy**. The Delegation Policy specifies the matters that the CEO/Secretary is required to seek Board endorsement and report upon.

Responsibilities under PGPA Act as 'officials'

33. Each Board member is considered for the purposes of the PGPA Act, to be an official of the Commonwealth entity known as the ATO,¹² as are all TPB staff, who are APS employees, including the CEO/Secretary.
34. The PGPA Act places responsibilities on officials of Commonwealth entities. These responsibilities specifically include complying with the general duties of officials¹³ which are as follows:
 - a. **Duty of care and diligence** – an official must exercise his or her powers, perform his or her functions and discharge his or her duties with the degree of care and diligence that a reasonable person would exercise if the person:
 - i. were an official of a Commonwealth entity in the Commonwealth entity's circumstances; and
 - ii. occupied the position held by, and, had the same responsibilities within the Commonwealth entity as, the official.¹⁴
 - b. **Duty to act honestly, in good faith and for a proper purpose** – an official of a Commonwealth entity must exercise his or her powers, perform his or her functions and discharge his or her duties honestly, in good faith and for a proper¹⁵ purpose.¹⁶
 - c. **Duty in relation to use of position** – An official of a Commonwealth entity must not improperly use his or her position to:
 - i. gain, or seek to gain, a benefit or an advantage for himself or herself or any other person; or
 - ii. cause, or seek to cause, detriment to the entity, the Commonwealth or any other

¹² PGPA Rule Schedule 1 s 7(d); PGPA Act s 13(5); definition of "finance law" PGPA Act s 8.

¹³ PGPA Act ss 25-29

¹⁴ PGPA Act s 25.

¹⁵ Section 8 of the PGPA Act provides that "*proper*", when used in relation to the use or management of public resources, means efficient, effective, economical and ethical.

¹⁶ PGPA Act s 26.

person.¹⁷

- d. **Duty in relation to the use of information** – a person who obtains information because they are an official of a Commonwealth entity must not improperly use the information to:
 - i. gain, or seek to gain, a benefit or an advantage for himself or herself or any other person; or
 - ii. cause, or seek to cause, detriment to the Commonwealth entity, the Commonwealth or any other person.¹⁸
- e. **Duty to disclose material personal interests** – an official of a Commonwealth entity who has a material personal interest that relates to the affairs of the entity must disclose details of the interest.¹⁹

The PGPA Rule sets out a specific process for officials of Commonwealth entities, who are appointed to bodies under a law (such as Board members) of how and when material personal interests that relate to the affairs of the entity must be disclosed and the consequences of having such an interest.²⁰

Specifically, the official must:

- disclose that interest, orally or in writing, to each other appointed member of the body;
- disclose details of the nature and extent of the interest and how it relates to the affairs of the entity; and
- make the disclosure:
 - at the meeting of the appointed members of the body; or
 - as soon as practicable after the official becomes aware of the interest; or
 - as soon as practicable after the official becomes aware of a change in the nature or extent of the interest that has been previously disclosed under the PGPA Rule.
- ensure that the disclosure is recorded in the minutes of the meeting.²¹

The PGPA Rule provides that:

- unless the other appointed members determine, the official must not participate at a meeting about the matter or vote on the matter.
- for the purposes of the other appointed members determining whether the official can be present during the consideration or vote on the matter, the official must not be present during that determination, or, take part in that determination.²²

¹⁷ PGPA Act s 27.

¹⁸ PGPA Act s 28. In addition to this duty, Board members are also required to comply with the disclosure provisions under s70-35 of the TASA regarding the disclosure of official information. Under section 70-35 of the TASA, it is an offence to make a record of official information or disclose official information which has been acquired in the course of performing duties under or in relation to the TASA or the *Tax Agent Services Regulations 2009* except in certain circumstances

¹⁹ PGPA ss 29(1). The duty under section 29 of the PGPA does not limit the application of section 60-50 of the TASA relating to the declaration of any direct or indirect pecuniary interests (see s 31(a) of PGPA).

²⁰ In accordance with PGPA Act s 29(2).

²¹ PGPA Rule 16A.

²² PGPA Rule 16B(3).

Decision making

35. When making decisions under the TASA that affect the rights or interests of a third party, such as determining an application for registration or the outcome of an investigation into conduct that may breach the TASA, Board members should adhere to the fundamental principles that underpin administrative decision making which are as follows:
- a. ensure there is legal authority to make decision
 - b. ensure principles of natural justice (or procedural fairness as it is commonly referred to) are followed. That is, ensuring that:
 - the affected entity has an opportunity to be heard; and
 - there is no bias in the decision making.
 - c. consider relevant considerations and ignore irrelevant ones.
 - d. decisions must not be unreasonable
 - e. decision makers must not apply policy inflexibly
 - f. decision makers must not act under dictation
 - g. decision makers must not act in bad faith.

Management of conflicts of interest

36. The TPB's approach to managing conflicts of interest in accordance with the PGPA Act and TASA is set out its Board member conflict of interest policy.

Declarations of gifts and benefits

37. Board members (agency heads including departmental secretaries) must not accept gifts or benefits which might reasonably be seen to compromise their integrity.
38. All gifts or benefits accepted (and valued over \$100.00 AUD (excluding GST)), must be publicly disclosed.
39. Agency heads must publish a register of gifts and benefits they accept on their departmental or agency website on a quarterly basis. The register must be updated within 28 days of receiving a gift or benefit. Agency heads will collect and store the relevant information, and manage their register, in accordance with their agency's procedures.
40. The Chair will call for declarations of gifts and benefits received at the commencement of each Board meeting. The Register of gifts and benefits will be maintained by the Secretariat who will also ensure quarterly publication of the Register on the TPB website.

Legal immunity

41. The TASA provides Board members with immunity from legal action in relation to anything done, or omitted to be done, in the performance of the Board's functions or the exercise of the Board's powers.²³ However, to be protected, their actions (or omissions) must have been done in good faith.

²³ Section 70-25 of the TASA

42. If a Board member is asked or required to appear in a court proceeding during the course of their TPB duties, the matter must be referred to the Chair and CEO/Secretary for their respective advice and guidance.

Secrecy provisions

43. The TASA prohibits the recording or disclosure of official information obtained by a Board member under the TASA except in limited circumstances²⁴. A breach of these secrecy provisions is a criminal offence, punishable by imprisonment and/or fine²⁵. Advice regarding information disclosure can be obtained from the TPB's Legal Unit.

²⁴ Section 70-40 of the TASA provides that a disclosure of official information may be made for the purposes of the TASA, TASR, administering a taxation law, or to investigate a serious offence, law enforcement or the possible making of a proceeds of crime order.

²⁵ Section 70-35 of the TASA. Under section 4J of the *Crimes Act 1914* This may be for a period of at minimum 12 months, and maximum two years and/or a fine not exceeding 60 penalty units.

PART C

Role and responsibilities of TPB management and staff

44. The Board is assisted by APS employees whose services are made available to the TPB by the Commissioner.²⁶ An Assistant Secretary and Senior EL2 APS employees, reporting to the Secretary/CEO, lead each key business area of the TPB: Policy & Legislation, Investigation & Enforcement, Legal Unit, Client Services, Technology, Data Analytics & Science and Corporate Services. They are primarily responsible for:
 - a. leading and managing staff assigned to their business area
 - b. efficiently and effectively managing resources in accordance with TPB delegations and policies and where applicable, ATO policies
 - c. both ensuring and assuring performance achievement against assigned measures in the TPB's annual Corporate Plan
 - d. identifying, reporting, managing, and mitigating risks for their business area
 - e. conforming with relevant TPB directives, ATO policies, and ATO Chief Executive Instructions
 - f. exercising responsibilities delegated by the Secretary/CEO.
45. As TPB management and staff are employed under the *Public Service Act 1999*, they must adhere to the APS Code of Conduct and Values.²⁷ As APS employees they are also required to comply with the responsibilities on officials of Commonwealth entities under the PGPA Act. Generally, compliance with the APS Code of Conduct will ensure compliance with those PGPA Act responsibilities.
46. Expectations as to the relationship between the Board and TPB management and staff are set out in the **TPB Role Statements**.

²⁶ TASA s 60-80

²⁷ The Board has adopted the APS Code of Conduct. As a statutory office holder, a Board member is bound by the APS Code of Conduct in their day-to-day dealings with TPB staff who are APS employees.

PART D

Role and responsibilities of TPB Committees and forums

47. The TASA enables the Board to form committees, with delegated authority, to make certain decisions.²⁸ The committee structure enables the TPB to make timely decisions in an efficient way, particularly on routine matters such as registration applications. Forums provide the TPB with an avenue to actively engage with key stakeholders.
48. While certain committees may include non-Board members (as has been the case in the past), it is important to note that the Board may only delegate appellable decision-making powers (excluding decisions to terminate based on surrender, death or ceasing to exist) to a committee of at least three Board members (and all members of the committee must be Board members).
49. Each TPB Committee and Forum functions in accordance with its respective charter that is endorsed by the Board. An overview of the current TPB Committees and Forums is provided below.

Professional Practice Committee

50. The Professional Practice Committee does not require a formal legislative delegation under the TASA, but has been delegated the following responsibilities by the Board as identified in the **Professional Practice Committee Charter**.
 - a. Identifies, prioritises and addresses issues relating to the professional practice/standards of registered tax practitioners.
 - b. Consults with stakeholders in the development of the Board's professional practice policies and guidance material.
 - c. Decides policy and procedures that affect the way the Board might implement and carry out its professional practice requirements.

Audit and risk committee

51. As the TPB is considered part of the ATO Commonwealth entity for the purposes of the PGPA Act, TPB governance, including audit and risk, is overseen by the ATO Audit and Risk Committee (ARC) under s 17 of the PGPA Rule. The TPB ARC does not have any formal powers under the PGPA Act but instead monitors aspects of governance on behalf of the TPB and provides assurance to the ATO ARC.
52. The TPB ARC does not require a formal legislative delegation under the TASA, but has been delegated the following responsibilities by the Board as identified in the **TPB ARC Charter**:

²⁸ TASA s 60-85

- a. review the Annual Report
- b. review the TPB Risk Management Framework and Risk Register
- c. coordinate with ATO audit teams, if required
- d. seek assurance from the ATO ARC of appropriate governance standards within the TPB.

Recognised Professional Associations Committee

53. The Recognised Professional Associations (RPA) Committee is responsible for the accreditation of an association as a recognised tax agent or BAS agent association, including considering annual declarations made by recognised professional associations to ensure that they continue to meet the recognition requirements.
54. As these decisions are appellable, the RPA Committee has been formally delegated the power to make these decisions under the TASA in the **RPA Delegation**.
55. In accordance with the **RPA Charter**, the RPA Committee is also responsible for developing policy and guidance relevant to the recognition of professional associations to assist them in understanding their obligations in connection with their recognition under the TASA.
56. The TPB currently has MOUs in place with RPAs, CPA Australia, Financial Planning Association, Australian Bookkeepers Association.

Board Conduct Committee

57. The Board Conduct Committee (BCC) considers cases of tax practitioner conduct that may lead to a decision to:
 - a. reject registration applications
 - b. impose conditions on registrations
 - c. suspend or terminate registration (or apply other sanctions)
 - d. extend investigation periods.
58. As these decisions are appellable, the BCC has been formally delegated the power to make these decisions under the TASA in the **BCC Delegation**. The BCC functions in accordance with the **BCC Charter**.

Consultative Forum

59. The Consultative Forum establishes ongoing consultative arrangements with a dedicated group of representatives from professional associations recognised by the TPB under the TASA, and other key stakeholders representing the interests of tax practitioners. The Consultative Forum provides an opportunity to directly engage with the TPB and facilitate an effective dialogue, to gain a mutual understanding of issues and generally act as a consultative advisory group to facilitate the TPB achieving its overall objective and purposes.
60. The TPB uses the Consultative Forum outcomes to refine its guidance material and plan and manage its work program. The Consultative Forum also forms a key component of the Regulator Performance Framework self-assessment process of metrics against key performance indicators.

61. The Consultative Forum functions in accordance with the **Consultative Forum Charter**.

Tax Practitioners Governance and Standards Forum

62. The Tax Practitioner Governance and Standards Forum (TPGSF) was established as recommended by the James Review and agreed to by Government. In accordance with the **TPGSF Charter**, the TPGSF:
- a. establishes, approves and periodically reviews the TPB's Tax Practitioner Charter²⁹
 - b. discusses, advises and consults upon significant proposals affecting tax practitioners, and legislative matters such as law reform, proposed changes to the Code of Professional Conduct and legislative instruments issued by the Tax Practitioners Board (TPB) under the *Tax Agent Services Act 2009* (TASA)
 - c. exchanges information relevant to the tax profession
 - d. discusses and advises on best practice and professional and ethical standards of the tax profession
 - e. discusses and provides input on relevant TPB strategic and operational matters, including the TPB's Corporate Plan
 - f. conducts appraisals and take learnings from wider regulatory outcomes
 - g. provides feedback in relation to the TPB's performance as an efficient and effective regulator.

²⁹ The Tax Practitioner Service Charter outlines, among other things, what tax practitioners can expect from the TPB to help them under their rights, responsibilities and obligations and what they can do if not satisfied. It is available on the TPB's website.

PART E

Planning, performance and reporting approach

63. The PGPA Act sets out the requirements for Commonwealth entities in relation to performance planning and reporting that are designed to draw links between an entity's planned activities and performance and the actual results achieved.
64. In accordance with these requirements, the TPB as part of the ATO Commonwealth entity undertakes the following planning and reporting activities each year:
 - a. provides input into the ATO's **Portfolio Budget Statements** in respect of the TPB activities which are due in May of each financial year and assist Parliament in interpreting the Government's Budget and the planned performance of Commonwealth entities
 - b. publishes its own **TPB Corporate Plan** on its website by 31 August of each financial year. The Corporate Plan is the TPB's principal planning document and sets out its planned activities for the next financial year and how it will assess its performance
 TPB business area line and team plans supplement the TPB's Corporate Plan and support the strategic direction of the TPB as a whole. The Board has direct input into the drafting of the Corporate Plan and it is formally endorsed by the Board before being published on the TPB's website.
 - c. provides input into the ATO's **Annual Performance Statements** in respect of the TPB's performance against the performance measures identified in the Portfolio Budget Statements and Corporate Plan
 - d. publishes its own **Annual Report** which is provided to the Responsible Minister along with the ATO and ACNC's Annual Reports (annual performance statements must be included in the annual report). The Annual Report is the TPB's principal reporting document on annual performance and it is made available on the TPB website.³⁰
65. The TPB's Corporate Services business area is responsible for this portfolio of work, as well as the TPB's strategic plan.

³⁰ In addition to the PGPA Act requirement, s 60-130 of the TASA also requires the Chair to as soon as practicable after the end of each financial year, prepare and give to the Minister, for presentation to the Parliament, a report on its operations during that year.

PART F

Risk management approach

Enterprise risk

66. The TPB has an enterprise risk register and treatment plan, which outlines key enterprise risks to enable consistent risk management.
67. The TPB ARC will consider key risks and provide updates to the Board including on identified and emerging risks and mitigation strategies. The CEO/Secretary may brief this committee or the Board on areas of identified key and emerging risks.
68. The risk register and treatment plans are updated annually or as required.

Operational risks

69. Directors of functional teams in the TPB are involved in the assessment and review of risk and ensure that operational risks are identified, treated and escalated to the CEO/Secretary and Chair where relevant.

Fraud risks

70. Fraud against the Commonwealth is defined as 'dishonestly obtaining a benefit, or causing a loss, by deception or other means'. The TPB applies this definition when considering potential frauds that may occur against or within the TPB.
71. Fraud is taken seriously by the TPB and fraud risks are incorporated into TPB Risk Register to assist in identifying and addressing areas of fraud risk.
72. The ATO's Fraud and Corruption Control Plan (ATO Fraud plan) covers the key risks in relation to ATO resources and applies to TPB staff reliant on ATO systems, equipment, processes or information.
73. The ATO Fraud Plan is noted in the TPB Risk Management Policy and Framework as partly mitigating the risk to non-TASA specific administrative duties and employment conditions for TPB employees and Board members.
74. The TPB Risk Management Policy and Framework incorporates the TPB's fraud control plan. The fraud control plan provides a framework and associated guidance for identifying, deterring, detecting, investigating and reporting fraud to meet broader government obligations.
75. Maintenance of the Strategic Risk Framework and Register is the responsibility of the CEO/Secretary.