

# Board Charter

<b>Version</b>	7.0	<b>Approved by</b>	WaterRA Board of Directors
<b>Effective Date</b>	17 March 2020	<b>Administered by</b>	Chair of the Board
<b>Review Date</b>	17 March 2022		

## 1. Purpose

The purpose of this Board Charter (Charter) is to set out the role and principles for operation of the Board of directors (Board) of Water Research Australia Limited (WaterRA) and its relationship to its committees.

Nothing in this Charter limits any powers or responsibilities of the Board or takes precedence over the WaterRA Constitution.

## 2. Role of the Board

The Board is responsible for the overall governance, culture, management and strategic direction of WaterRA and for delivering accountable corporate performance in accordance with WaterRA's values, goals and objectives.

This role comprises two broad areas with differing time foci as follows:

### **Overall compliance/conformance – past and present focus:**

Ensuring WaterRA develops and implements systems, processes and procedures to enable it to live its values, comply with its legal, regulatory and industry obligations (complying with the law and adhering to accounting and other industry standards) and ensure the organisation's assets and operations are not exposed to undue risks through appropriate risk management.

### **Overall organisational performance – future focus:**

Ensuring WaterRA sustains an appropriate culture and develops and implements strategies and supporting policies to enable it to fulfil the objectives set out in its Constitution.

## 3. Responsibilities of the Board and individual Board members

The **Board** as a whole, in fulfilling its role, will be specifically responsible for:

### **Strategic Planning and Objectives**

- a) Setting the culture, strategic direction and financial objectives for WaterRA.
- b) Evaluating, approving and monitoring the strategic plans of WaterRA.
- c) Evaluating, approving and monitoring the strategy implementation plans and budgets.
- d) Evaluating, approving and monitoring the performance objectives of WaterRA.
- e) Approvals of expenditure and commitments where specified by the Delegated Authorities Policy.

The Board delegates to the CEO the responsibility for implementing the strategy and implementation plans of WaterRA as approved by the Board.

## Governance

- a) Appointment and removal of the Chief Executive Officer (CEO).
- b) Approval of the employment terms and conditions of the CEO.
- c) Reviewing and providing feedback on the performance of the CEO.
- d) Appointment and removal of the Company Secretary.
- e) Reviewing Board composition and annual performance.
- f) Search for and appointment of an Independent Director.
- g) Benchmark and provide recommendations to the Members for the setting and approval of Chair and Independent Directors remuneration.

## Financial Stewardship

- a) Monitoring financial performance, including approval of the annual financial statements and Directors' Report and approval of the 3-year and annual budgets.
- b) Evaluating and approving the investment strategy of WaterRA.  
The Board delegates to the CEO the responsibility for ensuring financial objectives provided by the Board are translated into WaterRA's 3-year and Annual Budgets.

## Risk Management

- a) Monitoring WaterRA's performance relative to Corporate Governance Standards appropriate for a Public Not for Profit Member Organisation.
- b) Ensuring that risks are identified, and appropriate controls and monitoring are implemented.
- c) Approving an appropriate and prudent framework of policies and controls, including delegations on policy approval, and monitoring compliance.
- d) Monitoring the operations and reporting of WaterRA in respect of its compliance with relevant regulatory requirements and any contractual, statutory or legal obligations.
- e) Enhancement and protection of WaterRA's reputation externally, and with Members.

## Culture

- a) Driving a high-performance culture.
- b) Adopting a member-oriented focus.
- c) Ensuring the health and wellbeing of the BIG Team is safeguarded and where possible enhanced.
- d) Instilling a culture of acting lawfully, ethically, and responsibly.
- e) Approving and upholding the WaterRA Values and Code of Conduct.

The **Independent Chair** will be responsible for:

- a) Leadership of the Board.
- b) Overseeing the Board in the effective discharge of its supervisory role.
- c) The efficient organisation and conduct of the Board's function and meetings.
- d) Facilitating the effective contribution of all Directors.
- e) The promotion of constructive and respectful relations between Directors and management.
- f) Along with all other Directors, acting as a conduit between the Board and the CEO. The CEO is responsible for relaying relevant information from the Chair and the Board to the WaterRA Executive team and staff. Informal communication between Board members and staff.

The **Deputy Chair** – a position which cannot be held by an Independent Director, will ideally have at least one year's experience on the WaterRA Board, and will be responsible for:

- a) Performing the role and functions of the Chair in the absence of the Chair for any reason.
- b) Being available to facilitate the following matters when and as appropriate and required:
  - approvals and actions required to be performed by the Chair where the Chair actually or potentially may be compromised due to personal or other conflict of interest either declared or undeclared.
  - at the request of the Chair, support the Chair in the performance of the role and function of the Chair.

## 4. Performance criteria and assessment

New Directors will receive appropriate induction, led by the Chair. Board performance will be assessed via KPIs that they set and agree to, and the annual Board Effectiveness Self-Assessment Survey. Board Members will be expected to maintain an appropriate level of relevant professional training during their tenure.

To ensure quality and effective performance, a review of Board and Independent Chair and Director performance shall be completed annually by self-assessment and/or other assessment tools. A formal review of Chair and Independent Director performance shall be facilitated by the HRC in the final year of their tenure if they are seeking reappointment. Following performance reviews, improvement plans will be developed if necessary.

## 5. Board Authority

The division of responsibility between Board and Management is described in WaterRA's Delegated Authorities Policy.

The Board shall:

- a) Determine the scope of the authority and any limits on that authority which is delegated to the CEO or any other Company Officer through an approved Delegations of Authority Policy;
- b) Monitor that appropriate resources are available to Management to fulfil the requirements; and
- c) Review the Delegations of Authority Policy at least every 24 months.

## 6. Board Meetings

The Board will meet a minimum of 4 (four) times each calendar year and the meetings may be held using any technology consented to by all of the Directors.

A portion of each Board meeting may be held in-camera (without the presence of the CEO or other staff members) with any decisions made recorded in a separate set of in-camera Minutes administered by the Chair or their delegate.

Directors shall ordinarily receive Board papers and related material not later than seven (7) days prior to a Board Meeting. The Chair and the CEO will ensure the availability and, if necessary, the attendance (either in person or through the use of appropriate technology) at the relevant meeting, of any staff member responsible for a matter included as an agenda item at the relevant meeting.

Directors are entitled to request and receive such additional information as they consider necessary to support informed decision-making. Through the CEO or the Company Secretary, any Director has the authority to seek any information he/she requires from any employee of WaterRA and all employees must comply with such requests. Any significant issues are to be communicated to the Chair, CEO, and Company Secretary within a reasonable timeframe.

Urgent matters that cannot wait until the next Board meeting can be dealt with by a Circulating Resolution. Circulating Resolutions must be approved by all Directors entitled to vote on the resolution. Directors may record their approval of a Circulating Resolution by email. Outcomes of the Circulating Resolution will be ratified in the business of the next formal Board meeting and will be entered in the Board minutes of the following meeting.

## 7. Engagement and Communication – External and Public

The Board will play an active role in engagement with members of WaterRA at Members' meetings and other events.

The Chair and the CEO will act as the primary spokespersons for WaterRA and the Board in accordance with this Charter, who may delegate authority to Board Committee Chairs, designated staff members and recognised experts from the Membership to comment on particular matters.

## 8. Director Independence and Advice

Except as otherwise required by law, all Directors are entitled to be heard at all meetings of the Board. Directors should bring an independent and informed judgment to bear in decision-making. If a Director requires additional information or advice in relation to a matter being considered by the Board, then the Director should raise that with the Chair, CEO and/or Company Secretary prior to the meeting or where appropriate with the whole Board.

Noting that WaterRA is a Member organisation, and that all Directors other than the Chair and Independent Director are employees of Member organisations, the need for all Directors, the Chair, the CEO and the Company Secretary to be aware of the need to declare conflicts of interest is paramount. Declared conflicts will be noted in the minutes of all Board meetings.

Conflicts of interest will be managed in accordance with the Conflicts of Interest Policy.

With the prior approval of the Chair not to be unreasonably withheld, and after notifying the Board, Directors are entitled to reimbursement for the reasonable costs of any independent advice obtained in respect of their office.

If requested by Members, the Board will initiate an independent review.

## 9. Board Committees

The Board can establish Board or Advisory Committees as it sees fit from time to time.

The Board has established the following Advisory Committee:

- Strategic Advisory Committee (SAC)

The Chair of an Advisory Committee shall be a current Director of the Board or, subject to ratification by the Board, a non-Board member or non-member can be appointed as Chair. The Independent Chair, Independent Director and the CEO can attend meetings of the Advisory Committee as observers.

The Board has established the following Board Sub Committees:

- Risk & Audit Committee (RAAC)
- HR Committee (HRC)

The Chair of each Board Committee will be a current Director of the Board. The Independent Chair and the CEO should not be members of Board Committees and may be invited to attend meetings of the Sub Committees as observers.

The Board shall determine the Terms of Reference, membership, and composition of standing or ad-hoc committees, and shall in reviewing effectiveness of governance from time to time consider the need for additional standing committees.

These committees are designed to consider specific matters and make recommendations to the Board. However, it is not intended that these committees restrict the ability of the Board to make an independent assessment of the recommendations, having regard to the Board's knowledge of WaterRA and the complexity of its structures and operations.

The Board will consider the materials and recommendations presented to them and bring their own mind to bear on the issue using the skill and judgment they possess.

The Board may request copies of any committee papers, minutes, or agenda in respect of any committee and all Non- Executive Directors may attend meetings of committees of which they are not members.

Board Committees will be advisory only and resolutions of those committees will not bind the Board.

## 10. Charter Approval History

This Charter replaces the following document: WaterRA Board Charter V6.

Approved



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Shaun Cox

Chair WaterRA Board

Date 17 March 2020