

# Board Charter

Version	8.1	Approved by:	WaterRA Board of Directors
Effective Date:	7 April 2022	Administered by:	Chair of the Board
Review Date:	7 April 2023		

## 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.

## 2. Role and Responsibilities of the Board

Water Research Australia's Constitution provides further rules regarding the Board of Directors. Their Authority is also subject to relevant legislation, and delegations according to the agreed delegations matrix.

2.1. The Board is accountable to its members for the performance of Water Research Australia and is responsible to oversee the conduct and affairs of WaterRA consistent with its constitution.

2.2. The Board

- a. Sets, reviews and approves corporate strategies, the annual budget and financial plans;
- b. oversees and monitors organisational performance and the achievement of WaterRA's strategic goals and objectives;
- c. monitors financial performance and liaison with WaterRA's external auditor;
- d. appoints and assesses the performance of the Chief Executive Officer (CEO), and oversees succession plans for the CEO and the Board;
- e. oversees the effectiveness of management processes in place and approves major corporate initiatives;
- f. enhances and protects the brand and reputation of WaterRA;
- g. sets risk appetite, reviews and oversees systems of risk management and internal control and regulatory compliance;
- h. oversees the processes for identifying significant risks facing WaterRA and that appropriate and adequate control, monitoring and reporting mechanisms are in place;
- i. monitors the culture of WaterRA and leads by example; and
- j. reports to and communicates with members.

2.3. The role of individual directors

Directors have fiduciary and other duties under both statute and common law which are summarised as the duties to:

- a. Loyalty and good faith
  - i. To act in good faith and the best interests of WaterRA as a whole
  - ii. Act for proper purpose – including not to improperly use position or information to gain advantage
  - iii. Avoid or manage conflict of interest
- b. Exercise care and diligence
  - i. As would be reasonably expected of a Director in that situation
- c. Specific statutory duties – such as the duty to prevent insolvent trading

- 2.3.1. Each director should be able to demonstrate that they are:
  - a. familiar with the fundamentals of the organisation
  - b. informed and making appropriate enquiries
  - c. Monitoring the organisation's affairs and policies
  - d. Have a reasonably informed opinion of the organisation's financial capacity and solvency
- 2.3.2. Individual Board Members are expected to serve on at least one sub-committee and sponsor a strategic initiative of the Board. As the sponsor of a strategic initiative, a Board member may be asked to:
  - a. contribute their expertise; provide advice;
  - b. support and/or mentor the initiative Lead;
  - c. assist in removing roadblocks to progress;
  - d. champion and promote the initiative within their own and other member organisations; and/or
  - e. review project plans and project outputs.

The nature and time commitment as Sponsor is to be determined between the initiative Lead and Board member at the start of the initiative.

- 2.3.3. New Directors will receive appropriate induction, led by the Chair, and the Board and Directors will undergo annual performance reviews. Appropriate improvement plans will be developed and monitored.
- 2.3.4. 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.

## 3. Board Composition and Governance

- 3.1. The number, type, and term of directors is established by the WaterRA Constitution. The Constitution also specifies broad essential knowledge and skills criteria that prospective directors must satisfy.
- 3.2. The Board, in consultation with the relevant Board Committee, determines a Board Skills Matrix appropriate to the strategy and will review the skills represented by directors.
  - a. The Board will use succession planning and Independent Board Member appointments to achieve the right skills and a progressive and orderly renewal of its Board membership according to the Board Skills Matrix.
  - b. A review of directors' independence is undertaken by:
    - i. tabling of individual director interests at each and every Board meeting; and
    - ii. maintaining a Directors' Interests document that is updated at least annually
- 3.3. Individual Board Members are expected to:
  - a. play an active role in engagement with members of WaterRA, particularly at Members' meetings and other events; and
  - b. support the attraction of suitable candidates to nominate to fill vacancies on the Board. However, they must not lobby for any candidates once nominated.
- 3.4. The Independent Chair holds the same formal role and responsibilities as other directors, and in addition will:
  - a. Adopt a leadership role of the conduct of the Board – with the Board setting the 'tone-from-the-top' regarding values and culture;
  - b. Manage the Board in the discharge of its duties, responsibilities, governance obligations and effective meetings;
  - c. Facilitate the effective contribution of all Directors;
  - d. Engage and communicate effectively with members and stakeholders; and
  - e. When agreed with the CEO, act as a spokesperson for WaterRA.
- 3.5. The Deputy Chair 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 as appropriate and required:

- i. 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
- ii. at the request of the Chair, support the Chair in the performance of the role and function of the Chair.

This position cannot be held by an Independent Director and will ideally be a Director with at least one year's experience on the WaterRA Board.

- 3.6. The CEO is responsible to the Board for the general administration & management, planning and leadership of WaterRA in accordance with the Boards requirements, their Position Description, and Delegations Manual.

The CEO will:

- a. Advise the Board on a regular basis about the operational and financial performance of WaterRA;
  - b. Immediately advise the Board of any material matter likely to seriously impact WaterRA;
  - c. Ensure a collaborative interaction with the Board in setting the vision, objectives, strategies and risk appetite of the WaterRA
  - d. Conduct day-to-day business in accordance with the Constitution, relevant legislation, and relevant policies set by the Board.
- 3.7. The Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board. The company secretary is responsible for:
- a. maintaining statutory registers and lodgements;
  - b. developing agenda in conjunction with the Chair, CEO and relevant Managers;
  - c. ensuring the Board and/or Committee papers are available in a timely way with appropriate level of information for decision making;
  - d. recording, maintaining and distributing minutes of the Board meeting.

## 4. Board Meetings

- 4.1. 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.
- 4.2. 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.
- 4.3. 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.
- 4.4. 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.
- 4.5. 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 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.

## 5. Relationship with Governance Groups

The Board can establish Board or Advisory Committees as it sees fit from time to time, to assist and advise the Board on specific matters set out in the charters of those Committees.

- 5.1. The Board may establish and maintain Board Sub Committees that provide advice to the Board in relation to:
  - a. Financial reporting and management, risk management, compliance and external audit; and
  - b. Work Health & Safety, HR (including CEO selection and appointment), Board evaluation, and evaluation and compensation of the Chair and Independent Board members.
- 5.1.1. 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.
- 5.2. The Board may also establish and maintain an advisory Committee to provide expert, balanced, and timely advice (depth of role) to board and management of WaterRA on a wide range of urban, regional and remote water and related issues that have strategic implications for WaterRA's ability to harness the value of research (breadth of role).
- 5.2.1. 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 Directors and the CEO can attend meetings of the Advisory Committee as observers.
- 5.3. 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.
- 5.4. 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.

## 6. Review

- 6.1. The Board will review this Charter annually to keep it up to date and consistent with the Board's objectives and responsibilities.
- 6.2. Amendments to the Charter, other than updates for branding or position titles, are to be approved by the Board.

## 7. Engagement and Communication – External and Public

- 7.1. The Board will play an active role in engagement with members of WaterRA at Members' meetings and other events.
- 7.2. 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 recognized expert from the Membership to comment on particular matters.

## 8. Director Independence and Advice

- 8.1. 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.
- 8.2. 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.
- 8.3. 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. Charter Approval History

This Charter replaces the following document: WaterRA Board Charter V7.

Approved



Mark Gobbie  
Chair WaterRA Board

Date: 7 April 2022