



BOARD CHARTER

22 February 2013

G21 - Geelong Region Alliance



G21 is the formal alliance of government, business and community organisations, working together to improve people's lives in the Geelong Region.

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1. PURPOSE OF THIS CHARTER

This Board Charter sets out the authority, responsibilities, membership and operation of the Board of the G21 - Geelong Regional Alliance (G21), adopting principles of good corporate governance and practise that accord with applicable laws.

The Board derives its authority to act from the G21 Constitution which provides the overall governance structure, arrangements and company processes and the law governing corporations.

2. GOVERNANCE

2.1 Board Composition

The number of Directors on the Board is 15.

The Board comprises ten Council Nominated Directors and five elected Directors. Each participating Council is responsible for nominating two persons as a Council Nominated Director comprising one of its Councillors and one of its officers. Elected Directors are elected at the Annual General Meeting of G21 from its membership.

2.2 Role of the Board

The role of the Board is to:

- Exercise leadership, enterprise, integrity and judgement in directing G21 to enable it to fulfil the objectives as set in G21's Constitution so as to provide assurance of its continuing and lasting prosperity.
- Represent members and be responsible for the stewardship and future well-being of G21 by overseeing and evaluating G21's strategies, policies and performance.
- Apply and achieve the highest possible standards of corporate governance to enable G21 to comply with its legal and policy obligations and ensure G21's assets are protected.
- Act in the best interests of G21 and in a manner based on transparency, accountability and responsibility irrespective of personal, professional, commercial or other interests, loyalties or affiliations.

2.3 Role of Individual Directors

The role of individual Directors is to:

- To act in good faith and in the best interests of G21 at all times and avoid conflicts of interest regardless of personal position, circumstances or affiliation.
- To act with care and diligence and for proper purpose in making decisions and taking actions that affect G21.
- Refrain from improperly using their position or information gained in the course of their duties to gain advantage.
- Be familiar with G21's constitutional arrangements and comply with the Code of Conduct and avoid conflicts of interest.
- Be future oriented, demonstrating vision and foresight in taking a big picture strategic perspective and focussing on strategic goals and policy implications that are integral to the success of G21 rather than operational detail.

2.4 Role of the Chair

The role of the Chairperson is to:

- Act as the key conduit between the Board and the CEO.
- Establish and maintain an effective working relationship with the CEO including regular communication in which there is exchange of information and reporting back.
- Set the tone for the Board including the establishment of a common purpose.
- Chair the Board and oversee the meeting process including agenda preparation, board papers and settling the minutes.
- Encouraging contributions by all Board members, seeking consensus and promoting respectful relations between members in Board deliberations and decision making.
- Provide leadership to the Board ensuring that the Board and its Committees processes and actions are consistent with its policies and in accordance with the Constitution.
- Represent the Board and the organisation to outside parties.
- Chair general meetings of members.

2.5 Role of the Company Secretary

The role of the company secretary is to support the effectiveness of the Board by monitoring that board policy and procedures are followed and coordinating the timely completion and despatch of the Board agenda and briefing material. The company secretary is accountable to the Board through the Chair on all governance matters.

2.6 Role of the Chief Executive Officer

The role of the Chief Executive Officer is to implement the Business Plan approved by the Board and ensure that the G21 organisation's structure and processes meet the strategic and cultural needs of the organisation. The Chief Executive Officer manages the day to day operations of the G21 organisation, its people and resources and complies with the boundaries and limitations imposed by the Chief Executive Officer Delegation policy. The Chief Executive Officer is responsible for employing staff, managing performance and all communications with staff.

2.7 Role of the Members

The role of the members is to participate in the election of Elected Directors when the number of candidates duly proposed for election to the Board exceeds the number of vacancies in the office of Elected Director. Members may also attend the annual general meeting which is to be conducted in accordance with the Act including consideration of the accounts, the reports of the Directors and Auditors, the election of Directors and other Officers in the place of those retiring, and the appointment of the Auditors. If the Company is wound up every member who was a member of the Company when winding up commenced, or had been a member of the Company within 12 months of the commencement of winding up must contribute to the property of the Company such sums up to \$20.00 as may be required for payment of debts and liabilities of the Company, payment of costs, charges and expenses of winding up and the adjustment of rights of contributors amongst themselves.

3. BOARD FUNCTIONS

3.1 Board and Strategy

The Board will provide input that assists in identifying and understanding emerging trends and issues influencing the overall direction of G21 to:

- Develop, review and update the G21 Strategic Plan on a regular basis.
- Review G21's situation and agree on the broad framework within which the G21 Annual Business Plan will be prepared each year by the Chief Executive Officer.
- Review and approve the G21 Annual Business Plan including financial objectives, plans and actions, including significant capital allocations and expenditures.
- Recommend any significant shifts in the corporate direction of G21 to members.

3.2 Board and Chief Executive Officer

The Board will:

- Appoint the Chief Executive Officer.
- Delegate to the Chief Executive Officer responsibility for development and implementation of its strategic direction and Business Plan while complying with the Chief Executive Officer Delegation policies.
- Make clear the performance indicators to be applied by the Board and the method for reviewing the Chief Executive Officer's and the G21 organisation's performance on an annual basis.
- Work to have a constructive working relationship with the CEO.
- Mentor, support, guide and develop the CEO.

The Chief Executive Officer is responsible for the employment, management and performance evaluation of all staff employed or contracted to the G21 organisation. Neither the Board nor individual Board members will 'instruct' staff in any matters relating to their work.

Provided that the Chief Executive Officer achieves the outcomes sought by the Board and does so in a manner consistent with the Board's policies and G21's values, the Board will respect and support the Chief Executive Officer's choice of actions.

The expert knowledge and experience of individual Board members is available to the Chief Executive Officer.

3.3 Monitoring

The Board will:

- Develop, review and approve the Strategic and Operational Risk Register.
- Monitor the achievement of the Strategic and Operational Risk Mitigation Strategy.
- Monitor the achievement of the Annual Business Plan and the G21 Strategic Plan.
- Monitor the achievement of the Annual Budget and take corrective action to ensure that G21 remains financially sustainable.
- Monitor the adequacy of internal controls and standards of ethical behaviour.
- Monitor overall performance to evaluate whether the G21 business is being properly managed.

3.4 Risk Management

The Board will:

- Oversee the processes for identifying significant risks facing G21 and that appropriate and adequate control, monitoring and reporting mechanisms are in place.
- Review and approve transactions that are not consistent with the ordinary course of business including the approval of large investments and any major financial decisions.

3.5 Compliance

The Board will ensure compliance with State and Federal laws and regulations, audit and accounting principles and G21's stated values and governance documents.

3.6 Policy Framework

The Board will have established the following policy framework to support the principles of good corporate governance:

- Delegation to Chief Executive Officer.
- Performance Assessment of Chief Executive Officer.
- G21 Strategic and Operational Risk Register.
- Board Composition and Selection Policy.
- Board Evaluation Policy.
- Code of Conduct.
- Audit and Risk Committee Charter.
- CEO Remuneration and Performance Charter.

3.7 Stakeholder Communication

In order to honour the constitutional values and principles the Board will initiate and maintain open two way communication with members and stakeholders.

Community consultation is regarded as an essential element in the processes of Strategic Plan development and implementation, community capacity building and community engagement.

Strategic forums will be conducted as often as the Board deems necessary to provide a vehicle for consultation with Members and interested community members on proposed and existing projects.

Members and stakeholders will receive regular electronic news bulletins and updates.

The Annual Report is the key performance report of G21 and will be distributed to all identified stakeholders and members.

3.8 Decision Making

The Board will make the best possible use of its meetings by dealing only with matters that have a strategic and governance level significance. The Board will focus primarily on the future and within a defined policy framework delegate as much as possible to the Chief Executive Officer without in any way breaching its duty of care.

4. BOARD PROCESSES

4.1 Meetings

Board meetings will be conducted to allow Directors to establish that their decisions are made with care and diligence, in good faith and for proper purpose. The following will be established by the Board in regard to meetings:

- Frequency of meetings.
- Meeting place and time.
- Who will attend the meeting including management and guests.
- How many directors constitute a quorum.
- Who will chair the meeting.
- The process for calling unscheduled meetings and dealing with emergency decision making.
- Under what circumstances does the business of the meeting need to be communicated to regulators.

Directors will be punctual and attend regularly for the full extent of Board meetings and be willing to contribute between meetings as required. Directors are to come fully prepared for Board meetings.

4.2 Agendas

The Chairperson in conjunction with the CEO will establish the agenda for each Board meeting although each Director is free to suggest the inclusion of item(s) on the agenda. To the extent possible (given some matters worthy of the Board's attention may be unforeseen) agendas will be based on a calendar agreed at the beginning of each year.

4.3 Papers

Board papers are part of the official records of G21 and therefore the information contained in them must be consistent, coherent and complete. The following points will apply in the preparation and delivery of Board papers:

- Electronic board papers will be delivered to Directors in a timely manner prior to the meeting or on request, hard copies.
- Reports will be relevant, concise and in a standardised format.
- Reports which are confidential will be clearly marked.
- The ability to dispose of Board papers will be provided.

4.4 Calendar

A calendar of Board meetings and other key events will be established at the beginning of each year to assist Directors plan and manage their time effectively and ensure that matters requiring their attention are addressed in a timely and logical manner.

4.5 Committees

The Board shall as a minimum establish the following committees:

- Audit and Risk Committee.
- CEO Remuneration and Performance Committee.

The Board may also establish other committees and working parties as required, to assist in its governance role and effectively deal with complex or specialised issues and to use Director's time more efficiently. Such committees or working parties will not conflict with the Board's delegation to the Chief Executive Officer.

All Board committees and working parties shall have a Charter setting out matters relevant to their role, responsibilities, membership operations and the boundaries of their authority. The following will apply to all Board committees and working parties:

- A decision of a committee or working party exercising delegated authority in accordance with the Board Charter is a decision of the Board and shall be treated accordingly.
- Committees and working parties may co-opt outside members from time-to-time in order to bring additional skills, experience or networks.
- Committees and working parties cannot exercise authority over staff nor shall they delegate tasks to any staff unless the Chief Executive Officer has specifically agreed to such delegations.
- Committees and working parties should not duplicate operational areas or staff functions.
- Committees will be reviewed annually by the Board.

5. BOARD EFFECTIVENESS

5.1 Director Protection

The G21 organisation will maintain a sufficient Directors and Officers indemnity insurance policy. Directors, as required, will make frank, accurate and timely disclosures to the Company Secretary to complete the placement or renewal of the insurance.

Directors will alert the Company Secretary and Chairman to matters that are of risk or events that may trigger a notification to the insurer. They will retain and provide to the Company Secretary information and documentation that is material to an insurance notification or claim.

5.2 Board Evaluation

The performance of the Board and committees will be reviewed annually by the Board Nominations Committee with support from management and if prudent external advisers.

The evaluation will consider the performance of the Board and its committees and may consider the performance of individual Directors.

5.3 Director Remuneration

Board members of G21 are not entitled to receive remuneration for their services as Directors.

However, the Chair or his or her nominee, will have all reasonable travel expenses associated with representing G21 reimbursed.

5.4 Director Induction

The Board will ensure that all new Directors are provided with a thorough induction into the affairs of both the Board and G21 Region Alliance at large. Prior to attendance at their first board meeting, new directors will:

- Receive a copy of the Board's resource handbook including Governance policies, Articles/Constitution and other relevant legal governance documentation, current and recent meeting papers, an organisational chart, contact details for other directors and key staff, a glossary of key terms, definitions and acronyms, the current year's meeting calendar and the annual agenda.
- Meet with the Chairperson for a governance familiarisation. This meeting may be held as a group session or with individuals.
- Meet with the CEO for an operational familiarisation.

5.5 Director Development

The Board will ensure that Directors have the required skills to discharge their corporate governance responsibilities. The Board will annually review the professional development needs of Directors.

6. REVIEW

This Charter is to be reviewed by the Board as required.

This Charter supersedes any terms of reference previously in force.