

# BOARD GOVERNANCE CHARTER

<b>Applicability:</b>	Port Arthur Historic Site Management Authority Board
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The Board has adopted this Charter setting out its powers and functions and operational details relating to the Board. The Charter is reviewed annually.

At all times, the Board will be mindful of making decisions based on the PAHSMA Vision, Purpose and Strategic Framework while role-modelling the PAHSMA Values.

## **Core PURPOSE of the Board**

To determine and provide oversight of PAHSMA's strategic direction while demonstrating best-practice leadership and legal compliance to meet the obligations of the PAHSMA Ministerial Charter.

To do this, the Board will:

- Exercise care and diligence by making informed decisions that are sound and flexible in light of changing circumstances.
- Set clear strategic objectives and provide support with an appropriate allocation of resources.
- Ensure PAHSMA's compliance to relevant legislation and statutory regulations.
- Inspire and motivate The Executive and PAHSMA's people to be the best they can be.
- Endeavour to understand and manage stakeholder expectations.
- Communicate decisions to stakeholders.

## **Future VISION of Success**

By the Board fulfilling the Core Purpose PAHSMA will:

- Perform to high standards and deliver against PAHSMA's commitments.
- Be a high performing team that practices collaboration and communication
- Achieve high levels of employee engagement
- Use time, resources and skills in an efficient and effective manner
- Display respect for people with different views, skills and experience
- Foster creative thinking and adaptability
- Create a positive and supportive working environment, being recognised as an 'Employer of Choice'
- Meet all legislative requirements

## **1. Role of the Board**

The main functions of the Authority, which are defined in Section 7 of the *Port Arthur Historic Site Management Authority Act 1987* are defined below.

The functions of the Authority are to occupy, and provide for the care, control, management, maintenance, and improvement of, the subject land.

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In the performance of its functions and the exercise of its powers, the Authority shall –

- (a) ensure the preservation and maintenance of the historic site as an example of a major British convict settlement and penal institution of the 19th century; and
- (b) co-ordinate archaeological activities on the historic site; and
- (c) promote an understanding of the historical and archaeological importance of the historic site; and
- (d) consistently with the Management Plan, promote the historic site as a tourist destination; and
- (e) provide adequate facilities for visitor use; and
- (f) use its best endeavours to secure financial assistance, by way of grants, sponsorship, and other means, for the carrying out of its functions.

## 2. Powers and Functions

The Board has the power to do all things necessary or convenient to be done in connection with the performance and exercise of its functions and powers under the Government Business Enterprises Act 1995 or any other Act.

- (a) recommending the appointment (or removal) of the CEO to the Portfolio Minister;
- (b) recommending the appointment of the Chairperson and Directors of the Board to the Shareholder Ministers;
- (c) establishing committees to assist in carrying out its responsibilities;
- (d) providing delegations to the CEO and Senior Management;
- (e) approving any matters in excess of delegations to the CEO and Senior Management in relation to business transactions, credit transactions, risk limits and expenditure.
- (f) approving the annual budget, the corporate plan, risk management strategy and compliance procedures;
- (g) approving and monitoring strategic and financial objectives and performance targets;
- (h) monitoring and assessing management's performance in achieving the strategies, performance targets and budgets approved by the Board;
- (i) monitoring the financial performance and other required reporting by management;
- (j) evaluating annually, the performance of the CEO and the Board;
- (k) monitoring compliance with regulatory requirements;
- (l) overseeing the risk management strategy and monitoring business risks;
- (m) ensuring effective internal control systems;
- (n) ensuring that management acts in the interests of the Port Arthur Historic Site Management Authority, takes into account the Shareholder Ministers expectations, complies with the various laws which impact on its operations and complies with relevant Government policies;
- (o) providing an Annual Report to the Shareholder Ministers in accordance with the requirements of the GBE Act;

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- (p) delivering quarterly financial reports to the Treasurer;
- (q) submitting annually a draft Corporate Plan and Statement of Corporate Intent covering four financial years commencing from the day it takes effect for approval by the Shareholder Ministers; and
- (r) keeping the Shareholder Ministers informed of key financial and operational risks, business operations, achievement of performance targets, operational or policy issues and major customer and environmental issues.

### 3. Membership

The Board of Directors consists of:

- (a) the chairperson of the Board; and
- (b) not less than 3 and no more than 8 other persons.

The Chairperson and directors are appointed by the Governor on the joint recommendation of the Shareholder Ministers after considering recommendations made by the Board.

When a Director vacancy arises, the Board will conduct a skills audit to identify complementary skills to those of the current directors that meet the strategic needs of the organisation. When this is completed, a Director Role Statement will be prepared describing the knowledge, experience and skills being sought. Current Directors may nominate person(s) for consideration. A Panel comprising two directors and an independent person will be established to prepare recommendations.

### 4. Board Committees

The Board

- (a) must establish an audit committee; and
- (b) may establish such other committees as it considers appropriate.

The Board will adopt charters or terms of reference setting out the composition, responsibilities, administration and other matters that the Board may consider appropriate to that committee. All minutes of the Committee meetings including recommendations for approval by the Board will be tabled at the next meeting of the Board.

### 5. Remuneration

Directors are paid an annual fee in accordance with Government Guidelines.

Directors may be paid a sitting fee for membership of a Committee in accordance with Government Guidelines. The fee is determined jointly by the Shareholder Ministers after considering recommendations made by the Board and reviewed from time to time.

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## **6. Board/CEO Relationship**

The Board sets the objectives and strategies for the Port Arthur Historic Site Management Authority and delegates the responsibility to the CEO for implementation. The CEO is responsible to the Board for implementation of those strategies and objectives.

The CEO is appointed by the Premier on the recommendation of the Portfolio Minister, after receiving the recommendation of the Board.

Boards must ensure that an appraisal of the performance of the Chief Executive Officer is conducted in respect of each financial year. The review is to be completed no later than 90 days after the end of the financial year in respect of which it is conducted. An appraisal should consider both organisational and individual performance against a set of evaluation criteria, including measurable goals. Where relevant, the Board should determine whether performance merits the payment of agreed performance incentives.

## **7. Induction and continuing education**

The Board provides induction materials for new directors and opportunities for ongoing professional development for all directors.

## **8. Board Performance Evaluation**

The Board should establish formal and objective appraisal mechanisms which provide for regular evaluation of the performance of the Board, its committees, each director and key executives. The performance reviews should be against both measurable and qualitative indicators and undertaken at least bi-annually.

The Chair should provide individual face-to-face feedback arising from the performance review with each Board member. A nominated board member (the chair of the board nomination committee where one has been established) should provide face-to-face feedback to the chair.

The Board should consider the merits of external independent board assessments on at least a three yearly basis.

The Board should publicly disclose the process for performance evaluation of the Board, its committees and individual directors, and key executives.

## **9. Access to Independent Professional Advice**

All directors of the Board have the right to seek independent professional advice in relation to matters pertaining to the Port Arthur Historic Site Management Authority and their role as a director. The cost of that advice will be paid for by the Port Arthur Historic Site Management Authority.

When seeking such advice, directors will inform the Chairperson in advance.

## **10. Publication of the Charter**

The Charter will be included on the Port Arthur Historic Site Management Authority's website.

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## 11. Communications Protocols

The Board has established Communication Protocols for all directors as detailed below. The Board reviews the Communications Protocols annually.

The Board is committed to a close working and partnership relationship with the Executive and through them with all PAHSMA employees. This is a model which works well for PAHSMA. As a general rule day to day communication between the Directors and PAHSMA employees should be unrestricted, and is considered to be beneficial for the organisation.

### Confidentiality

PAHSMA is a close-knit organisation, operating in a small-town setting with many personal ties between employees, Directors, PAHSMA generally, and the local community. Equally important, the Board and individual Directors have statutory roles, obligations and duties which are distinct from the role of the Executive and other employees. These circumstances may from time to time require carefully guarded levels of confidentiality, and formalised channels of communication.

Confidentiality of Board discussions is to be maintained by those present at both informal and formal meetings.

There are some specific circumstances in which the following protocols are appropriate:

#### 'Helping' role

In many instances, Directors, because of expertise and experience can play an important 'Helping' role between a Director and Executive member, or between a Director and other members of staff at the request or agreement of the CEO or the relevant Executive member, or as a member of working groups and Committees. In other instances, Directors may require to consult the expertise and experience of staff. These are entirely appropriate and helpful roles for Directors to play.

Directors will use their best judgement as to when this 'Helping' role is or is not appropriate. It will not be appropriate where it relates to or impinges on the Board's decision-making responsibilities, or interferes with the CEO, Executive or managerial roles or bypasses normal communication channels.

In their 'Helping' role Directors understand that they are making suggestions only and should not expect these to be necessarily adopted.

#### Board papers and Board business

The primary and normal communication link between the Directors and PAHSMA staff concerning substantial matters relating to Board business and decision-making will be the CEO (or the CEO's delegate).

Substantial questions from Directors about Board papers, including recommended decisions, should be raised initially with the CEO, who will if necessary refer Directors to the relevant manager.

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## **Complaint or issue of concern conveyed to a Director from staff or an external person about the CEO**

If the Director considers that action may be necessary the Director will share this concern with the Chair.

The Chair may, as appropriate, consult with the CEO.

The Chair in consultation with the Deputy Chair will determine any necessary action, and confirm this action with the Board and the CEO.

## **Complaint or issue of concern conveyed to a Director from staff or an external person, relating to members of staff other than the CEO.**

If the Director considers that action may be necessary, the Director will share this concern with the Chair.

The Chair will refer the matter to the CEO.

## **Complaint or issue of concern between Directors**

If a Director has an issue with a fellow Director, the Director will share this concern with the Chair

The Chair may as appropriate, consult with the Deputy Chair or CEO.

If the Chair considers that action may be necessary, the Chair will confirm this action with the respective Director.

In all these circumstances Directors, will exercise discretion, and their best judgement, and in making their decision will apply the 'reasonable person' test.

## **Review of procedures**

1. A formal complaint to the Board or Chair should be considered the last resort and staff are encouraged to have direct conversations with their immediate Manager (or their Manager's Manager) before escalating – if this proves necessary.
2. Confidentiality cannot be guaranteed by the Board if a formal complaint is raised as it would prevent the Board (and CEO) from considering the issue and addressing the same. However confidentiality would be respected as far as practically possible with other Board members and staff members.

### **Professor Sharon Sullivan AO**

Chair of the Board



### **Stephen Large**

Chief Executive Officer



The PAHSMA Board at its meeting conducted on 19 June 2019 formally reviewed and adopted this Charter.