

Port of Melbourne
Corporation



**Port of Melbourne Corporation
Board Charter Summary 2012**

1 Introduction

The Board of Directors (the 'Board') of Port of Melbourne Corporation ('PoMC') is constituted under the *Transport Integration Act 2010* (Vic) (the 'Act').

The Board acknowledges the high level of scrutiny that it is subject to and has significant regard to its obligations to meet community expectations as well as overseeing the operation of an efficient business.

This Charter outlines the operations of, and the principles which the Board intends to uphold whilst carrying out its duties.

2 Appointment to the Board

The Chairman, Deputy Chairman and other Directors are appointed by the Governor in Council on recommendation of the Government of the day pursuant to section 145(1) of the Act. The Minister for Ports after consultation with the Treasurer of Victoria are the Ministers responsible for seeking Cabinet's approval of appointments to the Board.

Appointments are for a term not exceeding three years. Appointments may be extended for a further period on such terms and conditions as are determined by the Government. A Director is eligible for re-appointment.

3 Composition of the Board

The Board shall consist of a Chairman, a Deputy Chairman and such number of Directors as are determined by the Act and appointed by the Governor in Council.

The Board is to consist of not less than three and not more than nine members, including the Chairman and Deputy Chairman.

4 Duty and accountability of the Board

It is the duty of the Board to act consistently with the functions and objectives of PoMC (as stated in the Act) and, with any business plan, strategic plan or other document relevant to the work program of PoMC.

The Board is ultimately accountable to Parliament through the Minister and the Treasurer and their respective supporting departments.

Other Government stakeholders which may influence the decision making process of the Board include other Victorian Government departments, State and Federal agencies, the State Services Authority and the Essential Services Commission.

5 Role and responsibilities

5.1 Board

The role of the Board is to establish strategic direction, pursue established corporate objectives, ensure material risks to the operation of PoMC are adequately considered and addressed, appoint the Chief Executive Officer (CEO) of PoMC and monitor the business performance of PoMC.

5.2 Chairman

The primary role of the Chairman is to provide leadership to the Board.

The Chairman identifies issues of significance to the Board and provides the right environment for consideration of those issues.

5.3 Director

Directors are also subject to the *Public Administration Act 2004* (Vic) (other than Part 3 of that Act). This Act requires a Director of a public entity in the functions of his or her office to act:

- honestly
- in good faith in the best interests of the public entity which extends to a duty to avoid conflicts of interest
- with integrity
- in a financially responsible manner
- with a reasonable degree of care, diligence and skill
- in compliance with the Act or subordinate instrument or other document under which the public entity is established.

A Director must also conduct himself/herself in a manner which is consistent with the *Victorian Public Entity Directors' Code of Conduct 2006*.

5.4 Chief Executive Officer

The Board, with the approval of the Minister and after consultation with the Treasurer, may appoint the CEO of PoMC. The CEO is accountable to the Board, supports the Board in its governance role and provides leadership to PoMC.

The CEO is also the 'accountable officer' for PoMC.

6 Meetings

The Board shall meet at least six times each year.

Each Committee shall meet as deemed appropriate by the Board and as stated in the Committee's Terms of Reference.

A Director is expected to maximise his/her attendance at scheduled and non scheduled Board and Committee meetings.

The Chairman or Chair of a Committee must ensure that minutes of all proceedings of the Board or Committee, as the case may be, including the names of members who attend each meeting, are kept and confirmed at a subsequent meeting of the Board or Committee.

A majority of Directors constitute a quorum for a Board or Committee meeting.

7 Resignation, Removal or Vacancy

A Director may resign by giving written notice to the Minister.

The Governor in Council may remove a Director or suspend a Director from office.

The Act prescribes the circumstances in which a Director vacancy arises.

8 Conflict of interest

A Director who believes he/she may have a potential or actual conflict of interest which should be declared at a meeting shall, in the first instance, advise the Chairman or Chair of a Committee, as the case may be.

9 Committees

The Board may establish, continue, alter, or discontinue a Committee as it considers necessary. A Committee will be established on such terms and conditions as the Board considers appropriate to the role of the Committee.

A Committee serves to support the Board's overall responsibility for PoMC involving decision making, policy making, direction setting, guidance and scrutiny at the strategic level.

In relation to Committee membership, at the initiation and recommendation of the Chairman, the Board will determine the membership of each Committee at the time the Committee is established and, thereafter review the membership periodically.

It is a requirement for Public Sector Agencies, including statutory authorities such as PoMC, to appoint an Audit Committee.

10 Board Secretary

The Board is supported by a Board Secretary who manages all Board and Committee related matters.

11 Remuneration

Remuneration of a Director is determined by the Government of the day.

Remuneration of a Director is subject to the approval of the Minister and the Treasurer.

12 Performance

The Board and each Committee is the subject of an annual performance review.

13 Independent professional advice

The Board or a Committee may seek independent professional advice whenever it is considered appropriate.

14 Official Seal

PoMC is required to have an official seal which must be kept in such custody as PoMC directs and must not be used except as authorised by PoMC.

15 Charter

The Board will review its Charter annually to ensure it remains consistent with its objectives and responsibilities and relevant standards of appropriate governance.

The Terms of Reference (Charter) of each Committee will be reviewed annually by the Committee to ensure they remain consistent with the Committee's objectives and responsibilities, and recommended to the Board for approval.