

Charter of the Performance and Remuneration Committee

1.0 PURPOSE

This Charter sets out the objectives and function of the Performance and Remuneration Committee (PRC) of the Board of Bendigo Kangan Institute.

2.0 REFERENCES

- Constitution of the Bendigo Kangan Institute.
- Code of Conduct for Directors of Victorian Public Entities, 2016.
- Education and Training Reform Act 2006 (VIC).
- Public Administration Act 2004 (VIC).
- Financial Management Act 1994 (VIC).
- Policy on Executive Remuneration in Public Entities (the GSERP Policy).

3.0 GOVERNANCE

The Board has established the Committee. The Committee will at all times carry out its objectives and function in accordance with the requirements of:

- Victorian Legislation;
- State Government Policy;
- Standing Directions of the Minister for Finance;
- The BKI Constitution; and,
- This Charter.

4.0 OBJECTIVES OF THE COMMITTEE

The Board has resolved to establish the Committee to support the Board in discharging its responsibilities to oversee aspects of BKI's activities, and advise the Board on matters of accountability and internal control. The Committee will provide independent assurance and advice to the Board on:

- Establishing key performance indicators for the assessment of the performance of the CEO;
- Assessing the performance of the CEO against established key performance indicators as agreed by the Board, and providing assessments to the Board for their information;
- Review of the remuneration of the Executive, and making recommendations on approvals of the remuneration to the Board. An Executive is defined in accordance with GSERP guidelines; and,
- Review succession planning arrangements for the executive, and make recommendations on approvals to the Board.

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In undertaking these objectives, The Board authorises the Committee to:

- Obtain any information it requires from any employee or external party;
- Discuss any matters with the staff or other external party ;
- Request the attendance of any employee at Committee Meetings; and,
- Obtain legal or other professional advice to assist in undertaking its oversight responsibilities.

4.1 COMPOSITION AND TERM

The Committee is constituted by the Board. The Committee can only be wound up by resolution of the Board. Term of appointment of Members to the Committee will be determined by the Board.

The committee must be of sufficient size, independence and technical expertise to discharge its mandate effectively.

Only BKI Board Members are eligible to be members of the Committee. The Committee will be comprised of a minimum of 3 members, one of whom will be the Board Chair. The other Members will be appointed to the Committee by the Board.

Members of the Committee will elect a Chair, to be appointed for a fixed term to be agreed by the Committee, subject to the Member's eligibility. The Board Chair and the CEO who is a Director are ineligible to be elected as the Chair of the Committee. The Committee Chair is responsible for ensuring the effective running of the meeting.

4.2 CONFLICTS OF INTEREST

At the start of each meeting, the Committee Chair will ask for Committee Members to declare any actual or potential conflict of interest in relation to any item on the agenda.

Where required, the Member will be excused from the meeting, or from the Committee's consideration of the relevant agenda item(s). Details of potential or actual conflicts of interest declared by members and action taken will be appropriately minuted.

4.3 DECISION MAKING

All decisions of the committee will be determined on the basis of a majority vote of Members. Proxy or absentee voting is not permitted. In any instances of a tied vote, the Chair of the Committee shall have the casting vote.

4.4 MEETINGS

The Committee will meet a minimum of once a quarter or more frequently as the Board or Committee determines is necessary. The quorum for meetings of the Committee is a majority of the Members of the Committee.

The annual schedule for Committee meetings will be set in December of the preceding year, following consultation with the Committee and the Board Secretary.

4.5 SUPPORT

The Committee will be supported by the Board Secretary. The Board Secretary will arrange for the minutes to be taken recording:

- Attendance;
- Agenda items; and,
- Decisions of the Committee.

An initial draft the minutes will be sent to the Committee Chair for review, preferably within two business days. As soon as practical after the draft minutes are approved by the Chair, they will be circulated to the Committee Members and the Board Chair.

The minutes will be endorsed by the Committee (with any necessary amendments) at the next Committee meeting. The Chair of the Committee will sign the endorsed minutes on behalf of the Committee.

The minutes of the meeting are to be provided to the BKL Board at the next meeting.

4.6 COMMITTEE EVALUATION

The Committee will undertake an annual review of its performance and report the results of that review to the Board.

4.7 COMMITTEE MEMBER ONBOARDING

Upon appointment to the Committee, new Members will receive induction that includes sufficient briefings and information to understand:

- The Committee's responsibilities;
- Their responsibilities as a member of the Committee and the expectations of their role and performance.
- Current items being considered or overlooked by the Committee.

The Board Secretary will liaise with the Committee Chair to agree the content of the induction.

All new members will receive briefings from the:

- Chair of the Committee;
- Chief Executive Officer; and,
- Chief Operating Officer.

Members of the Committee who do not have the requisite level of awareness of government policy and/or industry knowledge at the time of their appointment must undertake induction training as soon as possible. As a minimum requirement the prescribed level of competence must be achieved within the first six months of membership of the Committee.

4.8 REVIEW OF CHARTER

The Committee will review this Charter annually. The review will include consultation with the Board. The Committee will recommend any identified substantive changes to the Board. The Board is the approving authority for any change to the Charter.

5.0 VERSION CONTROL, REVIEW AND CHANGE HISTORY:

Version No.	Approval Date	Approved By	Description Of Change	Last Periodic Review Date	Next Review Date	Document Owner
1	18/12/13	Board	New – This charter supersedes any terms of reference previously in force.		18/12/14	Board Secretary
2	01/06/17	Board	Updated 2017	Feb 2017	Feb 2018	Board Secretary