

GOVERNANCE STRUCTURE & POLICY

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Date Effective:	22/07/2020
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Policy Category:	Governance and Risk Management
Policy Owner:	Board Chairperson & Public Secretary

Council Charter, Governance Statement & Delegation Protocol

Background and Context

SEDA College SA ('SCSA' or 'the College') is a not-for-profit company, limited by guarantee.

It was established for the purpose of providing education for young people, consistent with the educational philosophy of the members who have established the College.

That philosophy is founded on a belief that an applied and experiential teaching pedagogy is an effective means for many students to be engaged in their education and to learn.

Good Governance Statement

The College Board recognises the importance and value of good corporate governance, which establishes a framework that:

- enables the vision and objectives of the College to be agreed;
- defines the responsibilities and accountabilities of the College Board and management;
- provides policies and procedures for the College Board and management to carry out their duties.

The College Board will base its approach to corporate governance on *the Australian Standard AS8000-2003*, to the extent that it can be applied to the College given its nature and size.

The governance principles adopted by the College Board are as follows:

- Principle 1: Lay solid foundations for management and oversight;
- Principle 2: Structure the College Board to add value;
- Principle 3: Promote ethical and responsible decision-making;
- Principle 4: Safeguard integrity and financial reporting;
- Principle 5: Make timely and balanced disclosure to stakeholders;
- Principle 6: Comply with relevant laws and regulations;
- Principle 7: Recognise and manage risk;
- Principle 8: Remunerate fairly and responsibly.

The members of the College and College Board consider the foundation of an effective governance model is a corporate structure that takes the following approach:

- The members of the College appointing directors to the College Board, ensuring that there is a broad skill set having regard to the education sector in which the College operates;
- The College Board oversees governance in line with the principles above and as a part of this, retains a Principal;
- With supervision and support from the College Board, the Principal develops business strategies, employs resources, and builds and operates processes in order to achieve the objectives of the College.

Underlying Values of Good Governance

The College is a values driven organization. This underpins its approach to governance and the way it operates in the community. The College's values are the strong beliefs and consistent behaviours of its people. They describe the way in which members and staff behave, interact and work together, as well as how they behave and represent the College when interacting with others.

The College's culture is defined by our values and how we behave. It "is how we do things around here". Our values are held in high regard and protected by every member of the team.

INTEGRITY

We act with transparency, honest and fairness. We own our decisions and behaviours;

INNOVATION

We encourage new thinking, listen to ideas and have an open mind;

PROFESSIONALISM

We set high standards, give our best and are consistently reliable;

COLLABORATION

We work in partnership willingly. We share challenges and successes.

The Role of the College Board

The College Board is committed to act in the best interests of the College and at all times to ensure it is properly managed and governed. This starts with the members understanding their duties under the Corporations Act, the common law, the constitution of the College, the relevant State and Federal legislation governing the delivery of education and training, and other legislation relevant the College's operations.

The College Board's other key functions include:

- Ensuring there is a diverse and effective range of skills on the College Board;
- Appointing, supporting and providing advice and counsel to, evaluating and rewarding the Principal and taking an active role in overseeing the growth of the executive leadership talent pool;
- Through constructive engagement with senior management, develop, review, approve and monitor the College's purpose, core values, strategic direction and objectives;
- Review, approve and monitor the College's strategic plan, ensuring that appropriate resources are available;
- Support, review and approve business and financial plans of the College;
- Review and monitor the operational and financial performance of the College;
- Monitor key financial and non-financial risks areas by ensuring there is an effective risk management and internal control framework;
- Ensure compliance with regulatory requirements within the education and training environment by ensuring there is an internal control framework, appropriate resources available and a culture of continuous improvement;
- Ensure that quality educational outcomes for young people remains a priority;
- Ensure that appropriate plans are in operation for continuous improvement of the College including professional development of its staff;
- Provide guidance on the development of policy and practice to support student engagement, student progress and the completion of education and training qualifications.
- Strongly advocate for the College and develop strong and effective working relationships with key external stakeholders that impact upon the success of the College.

College Board Composition, Induction & Development

The composition and tenure of the College Board is governed by constitution of the College. None of the current members are disqualified by virtue of the provisions of the relevant State and Federal legislation governing the delivery of education and training, nor are they disqualified as directors under the Corporations Act. The College will not appoint a person to the Board if they are disqualified under the relevant legislation.

Induction and Development of Board Members

All new Board Members will participate in an induction provided by the College Board and management within three months of their appointment. The College's procedure for inducting each new Board Member will include the following:

- Providing the council member access to key governance documents, including the constitution, College policies (including this governance policy) and recently audited financial statements;
- A meeting with the Principal and/or the Chair of the Board;
- An overview of how the College operates, including advice for the new member(s) about their primary governance responsibilities of acting in the interest of the College;
- Classroom visits so the Board Member can obtain a better understanding of the education programs in action;

Development

The College will ensure that board members receive ongoing development to assist with the discharge of their responsibilities. This will be done primarily in two ways:

- The Principal will, as a part of a regular report to the Board, include an update for the Board about changes to laws or policies that affect the operation of the College – examples might include changes by the Education Department about child safety, funding or reporting requirements;
- At least once a year at a Board Meeting, the Principal will include a professional development session on a topic or issue that is relevant for the Board.

Renewal or Retirement of a Director's Tenure

The Board is responsible for managing the renewal or retirement of Directors at the relevant time, prior to their tenure expiring.

At least 3 months prior to a Director's tenure expiring the Chairperson will contact the Director and request confirmation of their intention to either retire or renew their tenure.

If a Director chooses to renew their tenure, a process led by the Chair will take place to ascertain if the renewal is desirable to the majority of the current Board. (Appendix 2).

SEDA College SA

Committees

The College Board may appoint a committee to assist with the discharge of the College Board's roles and responsibilities. The committee focuses on specific responsibilities in greater detail than is possible for the College Board as a whole. The committee may have terms of reference approved by the College Board.

Relationship with Management

The College Board acts as a board of governance by consistently operating in line with the key functions set out above. The Principal and management team are responsible for the overall day-to-day management and the performance of the College. They do this by managing the College in accordance with strategy, delegations, business plans and policies approved by the College Board to achieve the agreed objectives.

The College Board is responsible for reviewing and ensuring that all necessary and appropriate delegations are in place to enable the Principal and the College Leadership Team to meet their responsibilities. To assist with the execution of their responsibilities, the Principal and leadership team have and will continue to establish a number of leadership driven teams which meet on an as needs basis. In addition, leadership will clearly define position descriptions for staff so that responsibilities and accountabilities are clearly linked to the strategies of the College, understood and monitored.

Student Safety

The College is committed to student safety in all school environments and will implement policies to protect students from abuse, manage the risk of abuse, provide support to students at risk of abuse and to respond to incidents or allegations of abuse. The College Board will lead the development of a culture of student safety by taking the following measures from a governance perspective:

- Creating an environment and culture that values the importance of student safety, which will be identified as a specific key performance indicator for the Principal;
- Listing student safety as a specific agenda item for the Board at the beginning of each school year to ensure that all policies and procedures are current and effective.

Prohibited Agreements & Related Party Transactions

The College understands its responsibility to ensure that the money and property received by the College during its operations is only applied toward the conduct and furtherance of the school and is not used for another purpose.

The government at both a State and Federal level have provided guidance to schools so that they understand their responsibility when entering into agreements or arrangements with entities that carry on business for profit.

Consistent with the information provided, where the College enters into an agreement with an entity that carries on business for profit (including any related party transaction), it will:

- Do so for the purpose of obtaining goods or services that relate to running the school and/or are necessary to allow it to deliver its education programs;
- Ensure that any payment made for a purpose under such agreement is not excessive compared to the charges, fees, rates or costs for the time being prevailing in the community for payment for that purpose (other than a payment made in good faith for that purpose);
- Ensure that a payment made under such agreement is in good faith for goods provided or services rendered to the College.

The College will adopt a *'Purchasing Policy'* to assist the Principal to discharge the College's obligations consistent with this policy. With respect to related party transactions, the College's procedures are that:

- a. any related party transactions and payments that involve a financial benefit will be conducted on an arm's length basis;
- b. the process surrounding those transactions must be transparent and documented, including evidence of the arm's length nature of the transaction or how any payments made are not excessive when compared to the charges or costs established by the market;
- c. the Principal will review the transaction, and consider external legal or accounting advice where appropriate in considering the transaction;
- d. the Principal will inform and advise the Board of the proposed transaction and obtain the Board's approval for the College to undertake the transaction or approval in respect of a class of transactions; and
- e. The transaction will be recorded in a register of related party transactions, maintained under the supervision of the Principal. An example of this register is set out below.

To assist those who may from time-to-time deal with a related party transaction, the following guidance is given to understand what makes a transaction “at arm’s length”:

A transaction is at arm’s length if the relevant parties have dealt with each other as parties normally do when they are not related, so that the outcome of their dealing is a matter of genuine bargaining, and although not necessarily technically an open market price, the terms are those that might reasonably have been agreed between arm’s length parties.

EXAMPLE RELATED PARTY TRANSACTIONS REGISTER

Name of Responsible Person: Director 1

Item	Name of transacting party (if different from above)	Relationship between Responsible Person and transacting party	Description of transaction	Amount of transaction and of any outstanding balances	Date transaction approved by College Board and basis for approval
1.	XYZ Pty	Director 1 is the CEO of XYZ Pty	XYZ plc provides daily cleaning service to the College in accordance with the contract dated 20/2/2012	Annual contract \$100,000. Payments in line with contract and fully up to date.	15/2/2012 The contract was awarded to XYZ following a tender process as outlined in the note to the Council papers for the 15/2/2014 meeting

Conflict of Interest

All employees and other persons working for the College, such as Directors or volunteers, must act in the interest of the College.

A conflict of interest arises where there is a difference between an individual's personal interests and the best interests of the College such that an independent observer might reasonably conclude that the professional actions of that person are unduly influenced by their personal interests.

Policy

The College's responsible persons must avoid situations in which personal interests or the interests of a relative or close associate may conflict either directly or indirectly with decisions made by the governing body, whether the conflict is actual, perceived or potential. The College manages conflict in line with its '*Conflict of Interest Policy*'.

Disclosure Statement

All responsible persons are required to:

- complete a 'Conflict of Interest Disclosure Statement' (as shown in [Annexure A](#) below) at the time they take up their role with the College whether or not they have material conflicts to disclose; and
- update this Statement annually at the start of the College year.

The College will ensure that declarations of conflict of interest are retained.

The College will have as an agenda item at each board meeting a Conflict of Interest item to allow any board members to disclose any new conflict that may arise. The meeting minutes will record the conflict and the action taken to manage, reduce or eliminate the conflict.

Communication with Key Stakeholders

There are a number of very important groups of people critical to the ongoing success of the College, including students, parents, staff, industry partners and government, both from a regulatory and policy perspective. The College Board aims to ensure that there is timely and effective communication with each stakeholder. This will be achieved in a number of ways:

- Student and parent access to online information;
- Regularly updating the College website;
- An Annual Report, detailing information about the College’s operations and other information that needs to be provided by virtue of the provisions of the relevant State and Federal legislation governing the delivery of education and training;
- The Principal identifying a staff member responsible for completing the financial questionnaire of the Commonwealth Government;
- Regular communication with industry partners.

Policy History

Version Number	Date Approved	Effective Date	Owner	Summary of Change(s)
1.0	22/11/18	22/11/18	Public Secretary	NA
1.1	22/07/20	22/07/20	Public Secretary	Reviewed. Formatting changes. Verification of RPT processes assessed.
1.2	28/08/20	01/09/20	Public Secretary	Change of terminology. Minor edits. Inclusion of reference to a new accompanying Conflict of Interest Policy.
1.3	18/01/21	18/01/21	Public Secretary	Minor formatting & SCSA Branding

APPENDIX 1

SAMPLE CONFLICT OF INTEREST DISCLOSURE STATEMENT

This form is to be completed by any Responsible Person who has a real or perceived conflict of interest or a potential conflict of interest in undertaking their duties. A copy of the completed and signed form is to be retained by the College.

I, *(Insert full name)* _____ of *(Insert address)* _____

hereby declare I have no conflicts of interest to declare or a conflict of interest considered to be:

CONFLICT <small>(please circle)</small>	NIL	Real	Potential	Perceived
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Please provide a brief outline of the nature of the conflict if applicable (details may be included privately in a separate confidential envelope if appropriate).

Please detail the arrangements proposed to resolve/manage the conflict if noted above (attach separately if appropriate).

I, *(insert full name)*..... hereby agree to:

- update this disclosure throughout the period of my tenure as a Responsible Person on an annual basis or until such time as the conflict ceases to exist, or at such a time a conflict arises;
- comply with any conditions or restrictions imposed by the College to manage, mitigate or eliminate any actual, potential or perceived conflict of interest and/or commitment.

Signed:

Date:

REVIEW BY CHAIR OF COUNCIL

I, *(insert full name)*.....have reviewed the conflict of interest disclosure (and plan) and have taken the following action in relation to this matter:

Signature _____ *Date*.....

APPENDIX 2

