



# Corporate Governance

**Picture**  
 (L-R Catherine Scott,  
 Bruce Nicholls,  
 Denis Flett, Mark Lawlor  
 (Chairman), Peter Quinn  
 (Managing Director),  
 Michael Hall,  
 Sue O'Connor,  
 David McKenzie)

## Board

The Directors of the Board of Goulburn Valley Water operate under the provisions of the *Water Act 1989* and have responsibility for the corporate governance of the Corporation. The Board is responsible for setting strategic direction, establishing goals and objectives for executive management and monitoring the business on behalf of its customers and the Victorian Government. Key corporate governance responsibilities include:

- The adoption and monitoring of Goulburn Valley Water's Corporate Plan, Water Plan and Statement of Obligations;
- Monitoring operational and financial performance on a regular basis;
- Ensuring that risk management systems are in place to cover environmental, operational and financial risks;
- Appointing, establishing objectives and reviewing the performance of the Managing Director;
- Ensuring that Goulburn Valley Water has policies and procedures to satisfy its legal and ethical responsibilities; and
- Reporting to and communicating with the Victorian Government and other stakeholders on the financial and operational performance of the Corporation.

## Board Composition

The Board of Goulburn Valley Water is skills-based and comprises of seven non executive Directors appointed by the Minister for Water plus the Managing Director. The Board participates in an annual performance review incorporating individual, group and Chair performance. This process assists in identifying any training opportunities for Directors. Various Directors have participated in industry conferences throughout the year.

For the period 1 July 2008 to 30 September 2008, the non-executive Directors of the Board were Don Cummins (Chair), Catherine Scott (Deputy Chairman), Denis Flett, Michael Hall, Mark Lawlor, Bruce Nicholls and Margaret Rae.

On 1 October 2008 five positions became vacant. The Minister for Water appointed Sue O'Connor as a new Director to Board and reappointed Catherine Scott, Michael Hall and Mark Lawlor. 12 December 2008 The Minister for Water appointed Mark Lawlor as Chairman and David McKenzie as a new Director. The current non-executive Directors of the Board are Mark Lawlor (Chairman), Catherine Scott (Deputy Chair), Denis Flett, Michael Hall, David, McKenzie, Bruce Nicholls and Sue O'Connor.

## Directors of the Board .....

**Mark Lawlor** Chairman, lives in Merrigum, in the heart of irrigation country, and is Managing Director of a successful contract fencing company. Mark has been involved in the Victorian water industry since 1991 and served on the Boards of Goulburn Valley Water from 1994 until 2000 and Goulburn Murray Water from 2001 until 2004. He holds a Graduate Diploma in Environmental Management from La Trobe University with a particular focus on issues relating to the Murray-Darling Basin, and a Company Directors Course Diploma from the Australian Institute of Company Directors. Mark is very supportive of the regional vision of investment to upgrade local irrigation infrastructure and is interested to expand that vision to include a reassessment of the correct balance between consumptive water entitlements and the environmental water reserve.

**Catherine Scott**, BSc (Hons1), BComm, FAICD (Fellow, Australian Institute of Company Directors), Deputy Chair. Catherine lives at Bylands near Kilmore. She is an experienced board member and senior executive with over 15 year experience in the finance/ investment banking industry with a strong focus on infrastructure and agribusiness funding. Catherine has a unique combination of investment banking and corporate experience in aviation, infrastructure and agriculture sectors. Catherine is also a Director of Goulburn Murray Rural Water Corporation, V-Line Passenger Pty Ltd and V/Line Corporation.

**Denis Flett**, lives in Tatura, is a Director of DG Consulting, President of the Tatura Football Netball Club and a Member of the South Australian Water Security Council. His roles via DG Consulting include Chair of the Independent Audit Group for the Murray-Darling Basin Authority, Chair of the Victorian Consultative Committee for the Northern Region Sustainable Water Strategy and working on the development of water accounting in Australia. Denis has a Bachelor of Civil Engineering from Monash University and is a Fellow of the Institution of Engineers Australia and The Australian Institute of Company Directors. He was the foundation Chief Executive and Board Director of Goulburn-Murray Water for 11 years and represented Victoria on the MDBC for 10 years.

**Michael Hall**, Michael Hall, lives in Shepparton and has a Bachelor of Arts majoring in Economics and Accountancy. Michael is a member of the Institute of Chartered Accountants of Scotland and Australia, a Registered Tax Agent and a Registered Company Auditor. Michael is currently a Partner in charge of Audits and Wealth Management at MB+ M Business Solutions. Michael is active in a range of community roles including Shepparton Golf Club, Fairley Leadership Program, Goulburn Valley Grammar School and a member of the Audit Committee of Goulburn Broken Catchment Management Authority.

**David McKenzie**, lives in Shepparton and is the CEO of HMC Valuers, and Director of the HMC Property Group, who are active in Victoria, New South Wales and Tasmania. He has a Bachelor of Business in Property and is a qualified valuer. David is a highly regarded valuation practitioner and he has extensive experience in commercial and rural properties, particularly in regard to compulsory acquisition and compensation matters. David is the immediate past President and current Board member of Shepparton Retirement Villages, the largest not for profit aged care provider in the Hume Region. He is an active member and past president and secretary of the Australian Property Institute (API) Goulburn Valley Group. Through 2009, David provided specialist practitioner input to a Practice Note for the Valuation of Irrigated Property issued by the Victorian Valuer General, and has participated in a focus group to establish a Specialist Accreditation for the Valuation of Water Property Rights, for the Australian Property Institute.

**Bruce Nicholls** B.Comm. Dip Bus., Foundation Fellow, Australian Institute of Company Directors. Now a resident of Mitchell Shire, Bruce is a former Trade Commissioner, Director of State Development in NSW, Public Company Director, Chairman of the Royal Automobile Club of Australia and Trustee of the Committee for Economic Development of Australia. Currently Managing Director of Capital Holdings & Development (CHADCORP)- an investment holding Company, Bruce grazes cattle at Glenaroua and is active in local community groups, including Rotary, Landcare and the CFA.

**Sue O'Connor** is the Managing Partner and owner of Handspring Consulting, a company that specialises in providing board governance and business performance advice to boards and senior executive team. Previously, Sue was a Group General Manager at Telstra with a successful track record of maximising revenue growth and productivity improvements and improved customer outcomes from the application of research, technology and engineering solutions and transformation of mature businesses. She is currently a member of Mastermind Group Advisory Board and is a facilitator for the Australian Institute of Company Directors and the Australian Graduate School of Management. She was previously a Director of VicSport and Prince Henry's Medical Research Institute. Sue holds a Bachelor of Applied Science, Graduate Diploma of Business Management and a Company Directors Diploma from the Australian Institute of Company Directors.

## Board Meetings and Committees

Board meetings are scheduled for the first Wednesday of each month except for January and July. Additional meetings are convened from time to time as circumstances arise and periodic infrastructure inspections and consultation meetings are undertaken throughout the year. The Managing Director and General Managers attend all Board meetings. The General Manager - Corporate Services is the nominated Board Secretary and provides advice to the Board on governance matters.

The Board has established three Committees to assist in carrying out its functions and responsibilities. The Chairman convenes the Remuneration and Performance Committee and is an ex-officio member of all other Committees. The Managing Director attends meetings together with senior executives as required. Minutes of Committee meetings are presented to the full Board.

**The Audit and Compliance Committee** is delegated the task of over viewing all financial matters including appointment of auditors, review of audit programs, adequacy of internal financial controls, operating and accounting policies and controls. The Victorian Auditor- General is responsible for the audit of the Corporation's financial records. Richmond Sinnott & Delahunty (Chartered Accountants) have been appointed by the Auditor-General as his Agent for the year ended 30 June 2009. Pitcher Partners are engaged as the Corporation's internal auditors.

The current Audit Committee members are Michael Hall (Chair), Catherine Scott and David McKenzie. The Board Chairman, Mark Lawlor is an ex-officio member of the committee and the Committee Secretary is the General Manager - Finance, Graeme Jolly.

**The Remuneration and Performance Committee** reviews the performance and remuneration of senior executives within the policy parameters issued by the Government Sector Executive Remuneration Panel (GSERP). The Committee, on behalf of the Board, strives to attract, retain and motivate senior executives of the quality required to provide sound performance and leadership of the Corporation.

The current Remuneration and Performance Committee members are Mark Lawlor (Chair), Catherine Scott, Denis Flett and Bruce Nicholls

**The Operations, Environment and Safety Committee** is responsible for ensuring the effective management of operational risks, reviewing operational/environmental performance and compliance with water quality guidelines and the Environmental Management System, and ensuring the fulfillment of obligations and responsibilities relating to Occupational Health and Safety.

The current Operations, Environment and Safety Committee members are Denis Flett (Chair), Bruce Nicholls and Sue O'Connor. The Board Chairman Mark Lawlor is an ex-officio member of the committee and the Committee Secretary is General Manager - Technical Services, Allen Gale.

## Board Directors meeting attendance 2008/09

Name	Board Meetings	Special Board Meetings	Audit & Compliance Committee	Remuneration Committee	Operations Environment & Safety Committee
Don Cummins (retired 30/9/2008)	1/2	2/2		1/1	1/1
Denis Flett	10/10	2/4	2/2	3/3	2/2
Michael Hall	10/10	2/4	4/4		
Mark Lawlor (appointed Chairman 10/12/2008)	9/10	4/4	*2/2	1/1	*2/2
David McKenzie (appointed 10/12/2008)	5/5	1/1	2/2		
Bruce Nicholls	10/10	4/4		3/3	4/4
Sue O'Connor (appointed 1/10/2008)	7/8	1/1			2/2
Margaret Rae (retired 30/9/2008)	2/2	3/3			1/1
Catherine Scott	9/10	3/4	4/4	3/3	

\* ex officio member