

BOARD GOVERNANCE PRACTICES

ARENA places strong emphasis on governance. The Board's business and meetings were conducted during the reporting period in accordance with the requirements of applicable legislation and in line with best practice. Its members regularly review the Board's operation as part of their responsibility to continually improve the efficiency and effectiveness of governance processes.

BOARD COMMITTEES

In June 2017, the Board established two new committees to the Board, in addition to the existing Risk and Audit Committee. Details of each Board committee are provided below.

Risk and Audit Committee

The Board's Risk and Audit Committee (RAC) was established as a sub-committee of the Board in compliance with section 45 of the PGPA Act. The RAC formally met four times during 2017-18.

The RAC is responsible and accountable to the ARENA Board for the performance of its functions, which are to provide independent advice and assurance to the Board on the appropriateness of ARENA's financial reporting, performance reporting, system of risk oversight and management and system of internal control. It also provides a forum for communication between the Board and the internal auditor (Callida Consulting) as well as the external auditor (Australian National Audit Office).

The Board has authorised the RAC, within the scope of its responsibilities, to:

- > seek any information that it requires from an ARENA official, consultant or external party (subject to any legal obligation to protect information)
- > discuss any matters with the external auditor or other external parties (subject to confidentiality considerations)
- > obtain legal or other independent professional advice, as considered necessary to meet its responsibilities, at ARENA's expense and in accordance with its Charter.

RAC members are expected to understand and observe the requirements of the PGPA Act and Public Governance, Performance and Accountability Rule 2014. In 2017-18 the RAC was made up of the following Board members and independent members:

- > Ms Meg McDonald
(Board member)
- > Ms Samantha Hogg
(Board member, from June 2018)
- > Dr Katherine Woodthorpe AO
(Board member, until April 2018)
- > Ms Jenny Morison
(RAC Chair and independent member)
- > Ms Judith Smith
(independent member).

Review Implementation Oversight Committee

The Review Implementation Oversight Committee (RIOCI) was created as a Board committee under section 48 of the ARENA Act to assist the Board by providing oversight of the implementation of operational improvements following a review.

During the reporting period, the RIOCI formally met seven times and was made up of the following Board members:

- > Mr Martijn Wilder AM
(ARENA Chair and RIOCI Chair)
- > Ms Meg McDonald
(Board member)
- > Ms Jo Evans
(as the delegate of the Secretary of the Department, who is an ex-officio member of the Board).

People and Culture Committee

The People and Culture Committee (PCC) was created as a Board committee under section 48 of the ARENA Act to assist the Board by reviewing, reporting on and, if required, making recommendations to the Board or management on matters relating to human resources, culture and diversity, including the representation of women, compensation policy and continuity and development of senior management for the Agency.

During the reporting period, the PCC formally met three times and was made up of the following Board members and independent members:

- > Ms Meg McDonald
(Board member and PCC Chair)
- > Ms Susan Jeanes
(Board member)
- > Ms Jo Evans
(as the delegate of the Secretary of the Department, who is an ex-officio member of the Board)
- > Ms Sonya Clancy
(independent member).