

# Delegations (Board policy)

## Policy statement

The Board Delegations contribute to the good governance and effective operation of Goodstart Early Learning Ltd (Goodstart) by:

- Helping ensure proper and consistent management of its operations and finances;
- Supporting effective but flexible management control structures by ensuring decisions are made at appropriate levels within the company;
- Supporting clarity and consistency of decision-making;
- Finding an appropriate balance between empowering decision-makers within the company and implementing appropriate, risk-based financial and operational control structures

## What does this policy apply to?

- ▶ Guidelines
- ▶ Delegations

## Guidelines

The powers of the Goodstart Directors are conferred by the Corporations Act 2001 and the Goodstart Constitution (dated **18 October 2018**).

It is the Board's intention that these delegations contribute to the good governance and effective operation of the company by:

- Helping ensure proper and consistent management of its operations and finances;
- Supporting effective but flexible management control structures by ensuring decisions are made at appropriate levels within the company;
- Supporting clarity and consistency of decision-making;
- Finding an appropriate balance between empowering decision-makers within the company and implementing appropriate, risk-based financial and operational control structures.

The Board has also had regard to Schedule 1, Part 2 of the Goodstart Constitution, which sets out rules for the interpretation of its provisions. Where the Constitution confers power on a person or body to delegate a function or power;

- The delegation may be general or limited;
- The delegation can be to a person holding, occupying or performing the duties of a specified office or position;
- The delegation may include the power to delegate;
- The function or power, when performed or exercised by the delegate, is taken to have been performed or exercised by the person or body.

The approach the Board has adopted is to reserve specified powers to itself and its committees, and to delegate all other decision-making powers necessary for the effective operation of the company to the CEO, along with the power to delegate to other staff or positions within the company. The Board's expectation is that powers delegated by the CEO are specified in a formal 'CEO Delegations' document, which contains appropriate guidelines for the exercise of the delegations it contains.

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CONTENT OWNER	Goodstart Board	DOCUMENT AUTHOR	Lois Aumuller, Company Secretary		
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In the event of any inconsistency between the Board Charter and these delegations (as authorised by the Board from time-to-time), these delegations shall prevail.

## Delegations

### Board powers

The Board reserves the following powers to itself:

- Approval of the Strategic Direction;
- Approval of the annual business plan and budget;
- Deciding the capital structure of the company;
- Approving the Annual Report (including the Directors’ Report and the final statutory accounts);
- Approval of ‘Board documents’ as defined in the definitions section (including material changes to these documents);
- Approval of recommendations from Board Committees;
- Appointment and removal of the CEO and Company Secretary;
- Appointment of directors to fill casual vacancies;
- Appointment of Board Chair;
- Approval of commencement of legal proceedings which may have a significant reputation impact;
- Approval of contracts (other than leases, energy contracts, centre grocery contracts, and educational resources contracts) exceeding 5 years or over \$10m value over the life of the contract;
- Approval of out-of-plan spend exceeding \$5m (any out-of-plan spend exceeding \$1m to be reported at the next available Board meeting). Only that portion of spend on an item that is unbudgeted (where the budgeted amount is insufficient) is considered ‘out-of-plan’;
- Approval of drawdowns against debt facilities which are outside the Board-approved Capital Management Strategy;
- Approval of external financing, lending or borrowing outside the Board –Capital Management Strategy as included in the 5 year outlook and annual budget papers.

### Audit and Risk Committee (ARC) powers

The ARC’s functions are set out in its Charter. The Board delegates to the ARC all powers necessary to carry out those functions, consistent with its Charter and subject to the powers reserved to the Board. In particular, the ARC is delegated the power to approve audit and insurance contracts not exceeding terms of five years or over \$10m value over the life of the contract.

The ARC is authorised to delegate the exercise of any of its powers to one of its members or staff of the company, subject to that delegation being reported to the next available Board meeting by the ARC Chair.

### Remuneration and Nominations Committee (RNC) powers

The RNC’s functions are set out in its Charter. The Board delegates to the RNC all powers necessary to carry out those functions, consistent with its Charter and subject to the powers reserved to the Board.

The RNC is authorised to delegate the exercise of any of its powers to one of its members or staff of the company, subject to that delegation being reported to the next available Board meeting by the RNC Chair.

### Quality and Social Purpose Committee (QSPC) powers

The QSPC’s functions are set out in its Charter. The Board delegates to the QSPC all powers necessary to carry out those functions, consistent with its Charter and subject to the powers reserved to the Board.

The QSPC is authorised to delegate the exercise of any of its powers to one of its members or staff of the company, subject to that delegation being reported to the next available Board meeting by the QSPC Chair.

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## Safety, Health and Wellbeing Committee (SHWC) powers

The SHWC's functions are set out in its Charter. The Board delegates to the SHWC all powers necessary to carry out those functions, consistent with its Charter and subject to the powers reserved to the Board.

The SHWC is authorised to delegate the exercise of any of its powers to one of its members or staff of the company, subject to that delegation being reported to the next available Board meeting by the SHWC Chair.

## Chief Executive Officer (CEO) powers

With the exception of powers reserved to the Board, ARC and RNC, the Board delegates to the CEO all powers necessary for the leadership and management of the company, including the power to delegate to other staff or positions in the company. This delegation is subject to:

- Formal specification of standing delegations made by the CEO in a 'CEO Delegations' document;
- Material changes to the 'CEO Delegations' being provided to the Board for noting at the first available Board meeting after the changes are made;
- Any out-of-plan spend exceeding \$500k being reported to the Board at the first available Board meeting after the spend is authorised.

## Responsibilities

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This policy is to be implemented by: All Goodstart staff

Content owner: Goodstart Board

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## Definitions

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### Audit and Risk Committee/ARC:

- A committee of the Board, with its purpose and authority defined in a Charter approved by the Board.

### Board

- Board of Directors at Goodstart Early Learning Limited.

### Board documents

- Board Charter
- Vision, Purpose and Guiding Principles
- Strategic Direction
- Board Delegation Policy
- Risk Management and Assurance Policy
- Safety, Health and Wellbeing Policy
- Code of Conduct
- Whistleblower Policy
- Board Committee Charters
- Annual Report

### Chief Executive Officer/CEO

- Managing Director of Goodstart Early Learning Limited appointed by the Board from time-to-time.

### Company

- Goodstart Early Learning Limited, ACN 139 967 794.

### Company Secretary/Secretary

- Company officer appointed by the Board from time-to-time.

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**Goodstart**

- Goodstart Early Learning Limited, ACN 139 967 794.

**In-plan spend**

- Financial decision/spending in accordance with the budget approved by the Board.

**Members**

- Members of the company from time-to-time (Founding Members are The Benevolent Society, The Brotherhood of St Laurence, Mission Australia and Social Ventures Australia Limited).

**Out-of-plan spend**

- Financial decision/spending not in accordance with the budget approved by the Board (whether exceeding the amount budgeted or not envisaged at all).

**Remuneration and Nominations Committee/RNC**

- A committee of the Board, with its purpose and authority defined in a Charter approved by the Board.

**Safety, Health and Wellbeing Committee/SHWC**

- A committee of the Board, with its purpose and authority defined in a Charter approved by the Board.

**Staff**

- Staff employed by Goodstart acting in their capacity as employees of the company.

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