



Operating Rules

27 August 2013





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Goulburn-Murray Water has established Water Services Committees to improve customer service and provide customers with the opportunity to influence Goulburn-Murray Water's business.

The Board of Goulburn-Murray Water wants:

- to foster a mutually productive and co-operative relationship between each Water Services Committee and Goulburn-Murray Water.
- each Committee to offer its advice from an independent, informed and constructively critical perspective.

While the Board welcomes the advice provided by its Customer Committees, the decision to act upon such advice is at the discretion of Goulburn-Murray Water.

Goulburn-Murray Water, in creating and managing its Water Services Committees in accordance with the Water Act 1989, remains responsible for their activities. Consequently the Board considers that it is both reasonable and appropriate to set out in these Operating Rules the various expectations it has about the conduct of Water Services Committees and Committee members.

Goulburn-Murray Water values the generous and willing contribution which Water Services Committee members make to its operations.

I hope that you will find your membership of a Water Services Committee both rewarding and challenging.

Llew Vale
Chairman
Goulburn-Murray Water
27 August 2013

1. Establishment

1.1 Pursuant to section 122C of the Water Act 1989, Goulburn-Murray Water (GMW) may establish one or more Water Services Committees (the "Committee") and may, by resolution, make rules with which the Committee must comply.

2. Application

2.1 These Operating Rules apply to all members of the Committee.

2.2 Committee members are required to acknowledge to GMW their compliance with these Rules by making a signed declaration to GMW (refer to Appendix 1).

3. Functions

3.1 The functions of the Committee are to advise and assist GMW in:

- a. better understanding the business issues facing customers and their current and future service expectations
- b. improving key aspects of its relationships with customers, including communication, problem solving and resolving disputes
- c. providing a customer perspective on key business issues identified by the Committee or referred to it by GMW
- d. distributing information between GMW and its customers, particularly through local organisations and informal networks
- e. the preparation of plans including those associated with the Connections Project, Water Plans, Corporate Plans and Communications Strategies for the subsequent approval of the GMW Board. These plans will include information such as capital works, prices, investment priorities and service/performance measures and standards.
- f. monitoring of GMW plans

3.2 The Board of GMW has the authority for decision making on all functions included in section 3.1.

4. Appointing members

4.1 Number of members

4.1.1 The Committee shall consist of up to nine members appointed by GMW who are either:

- a. elected in accordance with section 4.3; and/or
- b. where the number of people elected in accordance with section 4.3 is less than nine, directly appointed by GMW in accordance with sections 4.3.6 and 4.3.7.

4.2 Eligibility

4.2.1 To be eligible for nomination and/or appointment to the Committee a person **must not**:

- a. be an undischarged bankrupt; or
- b. be insane; or
- c. have been found guilty of an offence under the Water Act 1989; or
- d. have been convicted of any indictable offence within the last 5 years; or
- e. be more than 12 months in arrears in the payment of water charges to GMW unless the person:
 - has made an arrangement to pay the arrears which is acceptable to GMW; and
 - continuously complies with that arrangement.
- f. be a current employee of GMW or have been an employee of GMW within the 12 months prior to nomination.

4.2.2 To be eligible for nomination and/or appointment to the Committee a person **must**:

- a. be a GMW customer or, if not a customer, a resident in the relevant designated operational area of the Committee: GMW may approve exceptions to this eligibility requirement
- b. be nominated as specified below
- c. have completed and signed a:
 - statement of compliance with these Operating Rules (refer Appendix 1); and
 - declaration of interests (refer Appendix 2)

4.3 Nominations

4.3.1 GMW shall, on an annual basis, publicly call for the nomination of candidates for vacancies in the elected membership of the Committee. GMW's public call for nominations will be made by advertisement in local newspapers and other means such as customer newsletters and GMW's website.

4.3.2 Nominations for elected members of the Committee shall be proposed and seconded by a customer of GMW in the relevant designated operational area and recorded on a nomination form provided by GMW.

4.4 Elections

4.4.1 Where the number of nominations received exceeds the number of vacancies to be filled, there will be an election conducted by GMW by postal ballot. The election will determine which candidate/s will be eligible for appointment as a member.

4.4.2 Voting:

- a. is non-compulsory
- b. on a first past the post basis
- c. shall be conducted in the manner determined from time to time by GMW and published in advance of each election.

4.4.3 The number of votes that may be cast by a customer is as follows:

Customer belongs to Operational area		Customer possesses	Number of votes that may be cast for a candidate for each vacant position
Gravity irrigation area		Zero ML/d delivery share to less than a 1ML/d delivery share	One vote
		1ML/d delivery share or greater	One vote per 1 ML/d delivery share or part thereof
River and Stream Diversions region	Unregulated waterway	Take and Use Licence (as referred to in Section 51 of the Water Act)	One vote per "Take and Use licence" held
	Regulated waterway	Zero ML/d extraction share to less than a 1ML/d extraction share	One vote
		1ML/d extraction share or greater	One vote per 1 ML/d extraction share or part thereof

4.5 Direct appointment

4.5.1 After GMW has appointed any candidates who were successfully elected a Committee may have less than nine members. Or a Committee have less than nine members due to the resignation of a Committee member. In these situations the Committee in conjunction with GMW will:

- consider skills gaps in the elected membership: these gaps will be identified by assessing the elected member's skills and the likely needs of each Committee
- identify potential members who have the desired skills to become appointed members of the Committee.

4.5.2 GMW shall:

- approach those identified as potential appointed members to determine availability
- appoint such individuals to the Committee, depending on the number of vacancies in the appointed membership at the time.

5. Being a Committee member

5.1 Term

5.1.1 A member is appointed, following an election or direct appointment process, by the GMW Board for a period of three years.

5.2 Conditions

5.2.1 Each Committee member must comply with the terms and conditions set out both in:

- their letter of appointment
- these Operating Rules

5.2.2 Failure by a Committee member to comply with these terms and conditions may result in GMW removing the member as described in Section 10.

5.3 Committee members as customers

5.3.1 Nothing in the duties set out in Section 5.4 applies to actions undertaken by a Committee member in that person's capacity as a customer of Goulburn-Murray Water, in the ordinary course of business.

5.4 General duties

5.4.1 Committee members in performing their role (refer section 7) should demonstrate:

- Responsiveness** – Committee members should demonstrate responsiveness by:
 - providing frank, impartial and timely advice to GMW

- committing to continuous improvement and adopting a best practice approach to the performance of their role.
- Integrity** – Committee members should demonstrate integrity by:
 - being honest, open and transparent in their dealings and acting in good faith
 - reporting improper conduct to GMW (e.g. refer Section 10.3.1)
 - avoiding any real or apparent conflicts of interest (refer Section 8)
 - striving to earn and sustain customer and community trust of a high level
 - ensuring that Committee information is treated confidentially and only used for Committee purposes (refer sections 5.11 and 5.13)
 - only making public comment in accordance with Section 5.6 and publicly supporting agreed positions of the Committee
 - behaving in a manner that does not bring themselves, the Committee or GMW into disrepute
 - not misusing alcohol, drugs or other substances when engaged in Committee related activities.
 - Impartiality** – Committee members should demonstrate impartiality by:
 - making decisions and providing advice on merit and without bias, caprice, favouritism or self interest
 - acting fairly by objectively considering all relevant facts and fair criteria
 - conducting themselves in an apolitical manner in their role as a Committee member (e.g. not using the Committee as a political lobbying forum)
 - not seeking or accepting gifts or benefits that could be reasonably perceived as influencing them.
 - Accountability** – Committee members should demonstrate accountability by:
 - exercising care and diligence in preparing for, and participating in, Committee meetings
 - accepting responsibility for their decisions and actions
 - seeking to achieve best use of resources (refer section 5.12)
 - submitting themselves to appropriate scrutiny (e.g. the annual Committee performance review in Section 9)
 - attending at least 75% of Committee meetings in any year unless leave of absence has been granted or unless, as agreed with the Committee Chairman, extenuating circumstances apply
 - continuing to comply with these Operating Rules (including the Eligibility Criteria in section 4.2)
 - informing GMW's Customer Service Manager as soon as reasonably practicable if they are charged with a criminal offence, which is punishable by imprisonment or, if found guilty, could reasonably be seen to affect their ability to undertake their role as a Committee member.

e. **Respect** – Committee members should demonstrate respect for other Committee members, GMW staff, GMW directors, GMW contractors, customers and the community by:

- treating them fairly and objectively
- working co-operatively with them: including supporting and learning from them, accepting differences in personal style and using their views to try to improve outcomes on an ongoing basis
- ensuring freedom from discrimination, harassment and bullying
- avoiding conduct that puts themselves or others safety at risk and notifying GMW of any event or circumstance that creates a risk to safety (e.g. section 5.5.1).

f. **Leadership** – Committee members should demonstrate leadership by actively implementing, promoting and supporting these general duties.

5.4.2 The general duties of Committee members in 5.4.1 are based on relevant requirements of the *Code of Conduct for Victorian Public Sector Employees*. As Committee members are not employees, not all of the *Code of Conduct* is relevant. Further information on the *Code of Conduct* can be found at the State Services Authority website (www.ssa.vic.gov.au).

5.5 Safety and Environmental Responsibility

5.5.1 A Committee member who becomes aware of any event or circumstance relevant to the activities of GMW, which may or does create a risk to any part of the environment, safety of employees and public customers, should promptly report the event or circumstance to the Customer Service Manager.

5.6 Public Communications

5.6.1 A Committee member is expected to communicate the work of the Committee with customers of GMW and to be a means of communication between customers and GMW. Sometimes a committee member may also be appointed by the committee as a liaison to an external agency (refer section 6.8). The internal affairs and operations of the Committee should remain confidential.

5.6.2 A Committee member must in public communications:

- a. indicate, in an open and transparent manner, which views are representative of GMW and which are representative of Customer Committees when conflicting views are presented; and
- b. in the event that a Committee has a view which is contrary to a decision by GMW, in any communications the member shall fairly present GMW's decision and the basis of that decision before presenting any alternative or contrary view; and
- c. be able to communicate the rationale for why a GMW decision, which may go against the community view, was made; and
- d. refer any enquiries about the policies, plans or operations of GMW not within the Operating Rules to the relevant Customer Service Manager.
- e. not disclose confidential information (refer section 5.11)

5.6.3 Committee members, subject to section 5.6.4, will not communicate with journalists or the media concerning the Committee.

5.6.4 The Chair (or Deputy Chair, or spokesperson appointed by the Chair) of a Customer Committee may, with the prior approval of the relevant Customer Service Manager:

- a. make public statements; and
- b. issue media releases

relevant to the advisory nature of the business of the Customer Committee. The Customer Service Manager can only approve (a) and/or (b) with the consent of the General Manager Marketing and Communications.

5.7 Communication with GMW Employees

5.7.1 Any request for information from GMW must be made through the local Customer Service Manager or raised at the monthly WSC meeting. An exception to this requirement is where the contact is in relation to normal operational issues directly associated with service delivery as a customer of GMW.

5.8 Communication with Members of Parliament

5.8.1 Committees and individual Committee members, in their capacity as Committee members, shall not communicate with Members of Parliament other than:

- a. when specifically requested by a Member of Parliament or the Office of the Member (in which case the Committee member shall advise the Customer Service Manager of such request),
- b. when requested to do so by GMW

5.8.2 All communication with a Member of Parliament permitted by section 5.8.1 must be conducted by the Committee or Committee member so that all:

- a. written communication is in accordance with section 5.10
- b. personal meetings, telephone and other electronic communications are in accordance with section 5.8.3

5.8.3 Personal meetings, telephone and other electronic communications with Members of Parliament shall be limited to:

- learning about how policies or proposals to amend policies will affect their community; and
- understanding the policies and operations of GMW

and shall not under any circumstances be used for purposes such as:

- political lobbying; and
- interactions that supersede the Board's relationship with the Minister and Parliament; and
- communicating Committee positions on government policies; and
- criticism of GMW Board policies or decisions.

5.8.4 Nothing in these Operating Rules shall restrict the right of an individual Committee member, in that person's capacity as an individual, from communicating directly with Members of Parliament, subject to section 5.6.

5.9 Communication with the Essential Services Commission

5.9.1 Committees and individual Committee members, in their capacity as Committee members, shall communicate with the Essential Services Commission in accordance with section 5.10 and through the Managing Director of Goulburn-Murray Water.

5.9.2 A meeting between a Customer Committee or Committee member and the Essential Services Commission is to be pre-approved with the Managing Director of Goulburn-Murray Water before committing to a meeting proceeding. The conduct of such meeting shall be in accordance with section 5.8.3.

5.10 Correspondence

5.10.1 Committees are advisory committees to the GMW Board. Communications between them and any individual at GMW (including the GMW Board Chairman) should be in the form of an internal memorandum and not a letter on GMW letterhead and should not be forwarded to anyone other than the addressees.

5.10.2 Any correspondence to third parties using GMW letterhead will:

- be the subject of a prior resolution of the Committee
- be signed by the Chair of the Customer Committee or by the Deputy Chair on behalf of the Chair
- bear the following statement of fact under the signature "The (name of) Water Services Committee is an advisory committee to the Board of Goulburn-Murray Water"
- be countersigned by the relevant Customer Service Manager or delegate.
- have content that complies with these Operating Rules (e.g. section 5.8 or 5.9).

5.11 Confidential Information

5.11.1 Confidential information includes:

- a. information designated as confidential by GMW: for example the Managing Director may provide Committee and/or Committee Chairs with information or briefings which the Managing Director designates as confidential.
- b. GMW information not released or not yet released to the general public

5.11.2 A Committee member must not give information which the Committee or a Committee member has been advised is confidential, to any person who is not a Committee member of the relevant Customer Committee. It is GMW's responsibility to identify confidential information. If in doubt, the Committee member should seek clarification from the relevant Customer Service Manager.

5.11.3 A Committee member must not use the confidential information:

- for purposes other than those of the Committee
- for personal gain of any kind,
- to further the activities or purpose of any association, group, or organisation of which the Committee member may be a member of, affiliated with, employed by or represent.

5.12 Use of Resources

5.12.1 Financial, material and human resources are provided through GMW to enable the Committee to perform its functions. These resources should be used for the work of the Committee in fulfilling its role and functions only.

5.13 Privacy – Access to Information

5.13.1 GMW will make available to the Committee any available information which will assist the Committee to perform its functions. GMW will not provide information that would infringe commercial confidentiality agreements, intellectual property of other parties or privacy rights of customers.

5.13.2 Privacy legislation places restrictions on what individual customer information GMW can provide to Committees. Requests by a Committee for individual customer information should be referred to GMW's Privacy Officer for a decision on the release of requested information.

5.13.3 Where confidential information is provided to a Committee member, care must be taken to ensure that the information is kept secure.

5.14 Allowances

5.14.1 GMW will pay each member the following when attending Committee meetings and undertaking official Committee member duties:

- a. a session fee; and
- b. a travelling allowance, for attending a meeting of the Committee; and
- c. meeting preparation allowance for studying papers and preparing reports required by the Committee; and
- d. reimbursement of out of pocket expenses for performing their duties with prior approval of the Customer Service Manager

5.14.2 Payment of session fees, meeting preparation allowances and travelling expenses shall be paid in accordance with the remuneration of part time non-executive Directors of State Government Boards and members of Statutory Bodies and Advisory Committees and other approvals by the Department of Environment and Primary Industries.

5.14.3 A half day session fee will be paid for under 4 hours time commitment including travel. A full day session fee will be paid for over 4 hours time commitment including travel.

5.14.4 No session fee or travelling expenses are payable where the Committee member is already in receipt of remuneration for that period from another organisation and is on the committee as a result of being a member of that other organisation.

5.15 Information and Training

5.15.1 GMW will provide each person nominated for membership of a Customer Committee with a copy of relevant information to assist the nominee understand both GMW's and the Committee's Operations.

5.15.2 GMW will also provide each Committee member with access to induction training, within the first year of the Committee member's appointment. This training will assist the Committee member to understand the business and procedures of the Water Services Committee. Following their appointment, each new member's attendance at induction training is expected.

5.15.3 GMW at its cost will, from time to time, provide further training for Committee members, which each Committee member is encouraged to undertake.

5.16 Publication of Personal Information

5.16.1 Committee members are required to provide to GMW contact information including, names, address, phone, fax and email to facilitate effective communication, promotion of Committee activities and transfer of information.

5.16.2 In accepting an appointment as a Committee member, the members agree to allow GMW to use names, phone numbers and photos in relevant publications, including newsletters, annual report, brochures, promotional material, GMW website and general media releases if required.

5.17 Resignation

5.17.1 A Committee member may resign his or her office by notice in writing in a letter addressed to the GMW Board. This letter must be provided to the Customer Service Manager or Corporate Secretary.

5.18 Filling of vacancy

5.18.1 If the office of a Committee member falls vacant other than by a member reaching the end of their term, the GMW Board may appoint a person eligible for appointment to act in place of the member for the remainder of that Committee member's term of office in accordance with 4.5.1 and 4.5.2.

6. Meetings

6.1 Validity of proceedings

6.1.1 An act or decision of the Committee is not invalid only because there is a defect or irregularity in the election of a candidate or appointment of a member.

6.2 Quorum

6.2.1 A quorum comprises the majority of members. The Committee Chair is counted as a member.

6.3 Voting

6.3.1 The Committee is encouraged to reach consensus decisions wherever possible. A formal vote is used where necessary on the basis of a simple majority. All members, including the Chair, have one vote and the Chair also has a casting vote in the event of a tie.

6.3.2 A Committee member who is unable to attend a meeting may not appoint an alternate or a proxy to attend and / or vote in the member's place.

6.4 Agenda

6.4.1 The Agenda for Committee meetings is set by the Customer Service Manager in consultation with the Chair of the Committee and other Committee members where appropriate.

6.4.2 Additional agenda Items can be added to the agenda for discussion only:

- a. at the commencement of a meeting (before any items of business are dealt with)
- b. with unanimous agreement by all at the meeting
- c. If those items shall be available to GMW including the GMW Board.

6.4.2 The Agenda shall be sent by the Customer Service Manager to Committee members a week before the Committee meeting or such other time permitted by the Committee.

6.5 Meeting records

6.5.1 GMW will make and keep an appropriate record of proceedings of every meeting. Minutes of meetings must be treated as confidential by members and will be retained by GMW on the corporate electronic records management system. Draft minutes are to be provided to members a minimum of a week prior to the next meeting.

6.5.2 A summary of meetings, once approved by the Customer Service Manager and Committee Chair, may be made public (e.g. placed on the GMW website).

6.6 Public attendance

6.6.1 Meetings are not open to the public unless approved by the Board. Non-members can make presentations for a particular agenda item or discussion at the invitation of the Chair and approval of the Customer Service Manager.

6.7 Administration

6.7.1 The frequency, location and timing of meetings are determined by the Customer Service Manager in consultation with the Chair and Committee. The minimum notice for meetings to be provided to all members is five days.

6.7.2 Administrative support is provided by Goulburn-Murray Water staff and directed by the Customer Service Manager.

6.8 Liaison

6.8.1 To facilitate the performance of the Committee's functions described in section 3 the Committee may, from time to time, nominate certain of its members to liaise with any community group (eg. tourism, recreation, environment, local Government, Catchment Management Authorities or farmer groups) and to report back to the Committee, as the need arises.



6.9 Proceedings

6.9.1 The Customer Service Manager should circulate the Agenda (including supporting papers and previous minutes) one week before the meeting (refer to 6.4.2 and 6.5.1).

6.9.2 Conflict of interest should be dealt with in proceedings as specified in section 8.3.

6.9.3 The meeting shall include

- a. at the commencement of the meeting:
 - declaration and appropriate management of conflicts of interest in accordance with Section 8 of these Operating Rules
 - review and confirmation of the previous minutes
 - noting of any apologies or absences
 - review of a register of action items arising from the minutes of previous meetings and the status of those items
 - any requests for additional items to be added to the Agenda: provided that all Committee members agree to the inclusion
- b. items of business from the Agenda
- c. at the conclusion of the meeting:
 - any items of General Business
 - confirmation of the next meeting date

6.9.4 Apart from the requirements in these Operating Rules, the Committee is free to regulate its own proceedings with procedures.

7. Roles

7.1 Committee Member

7.1.1 Committee members are responsible for:

- a. understanding the business issues facing GMW customers in their Irrigation Area or Diversions Region and raising these issues with GMW through the Committee
- b. reviewing and providing comments as requested by GMW on proposed plans including those associated with the Connections Project, Water Plan, Corporate Plans and Communication Strategies
- c. communicating the work of the Committee with customers as described in section 5.6
- d. being a means of communication between customers and GMW.

7.2 Chair

Appointment

7.2.1 The Committee Chair is elected by the Committee. If the Committee is unable after two meetings to elect a Chair due to a tie vote, the Board of GMW may appoint any of the Committee members as Chair.

7.2.2 The Committee shall, at its meeting following receipt of notification of the outcome of the election process, notify the GMW Board of their election of a Chair of the Committee.

7.2.3 The Committee in selecting a Chair should choose a candidate that has:

- a. an understanding of these Operating Rules
- b. the ability to fulfil the responsibilities of the role

Term

7.2.4 The Committee shall appoint a Chair for a one year term. The appointee is eligible for re-appointment in subsequent years if eligible and if nominated by the Committee.

7.2.5 Appointment of a member as Chair does not extend a term of office of the appointee on the Committee.

Responsibilities

7.2.6 The Committee Chair is responsible for:

- c. acting as principal spokesperson for the Committee (refer to section 5.6)
- d. developing meeting agendas in conjunction the Customer Service Manager
- e. ensuring the business conducted by the Committee is within its functions described in section 3 and is conducted efficiently
- f. chairing Committee meetings
- g. all correspondence on behalf of the Committee
- h. facilitating an annual performance review of the Committee (refer Appendix 3)
- i. attending any Water Services Committee leadership meetings organised by GMW
- j. liaison with GMW as required

7.2.7 The Committee Chair should write and, in appropriate cases also telephone either the Managing Director or the Board Chairman to advise GMW of any deliberations or discussions of the Committee which may:

- a. be controversial; or
- b. affect relations between GMW and the Committee.

Cessation

7.2.8 The Chair shall hold office for one year or until a new appointment of a Chair is made.

7.2.9 The Chair shall cease to hold office if he or she ceases to be a member of the Committee.

7.2.10 The Chair may resign their role by notice in writing by a letter addressed to the GMW Board. This letter must be provided to the Customer Service Manager or Corporate Secretary.

7.3 Deputy Chair

Appointment

7.3.1 The Committee Deputy Chair is selected and appointed by the Committee.

Responsibilities

7.3.2 If at any meeting of the Committee the Chair is not present at the appointed time for holding the meeting, the Deputy Chair (or, in the absence of the Deputy Chair, a member appointed by the member's present) must preside at the meeting.

7.3.3 If the Committee Chair is unavailable for a period of more than a month the Committee may authorise the Deputy Chair to undertake the other Committee Chair responsibilities in section 7.1.

Cessation

7.3.2 The Deputy Chair shall hold office for one year or until a new appointment of a Deputy Chair is made.

7.3.5 The Deputy Chair shall cease to hold office if he or she ceases to be a member of the Committee.

7.3.6 The Deputy Chair may resign their role by notice in writing by a letter addressed to the GMW Board. This letter must be provided to the Customer Service Manager or Corporate Secretary.

7.4 Customer Service Manager

7.4.1 The responsibilities of the GMW Customer Service Manager are:

- a. primary contact between the Committee and GMW
- b. to represent GMW's views to the Committee
- c. to prepare meeting agendas and arrange the taking of minutes of the Committee meeting in conjunction with the Chair
- d. provide advice to the Chair: on matters such as potential conflict of interest and whether Committee discussions and actions are relevant to the functions of the Committee
- e. provide the Committee with required information
- f. to attend Committee meetings, but not vote.

7.5 Senior staff

7.5.1 Senior GMW management staff including the Managing Director may attend committee meetings:

- a. from time to time to discuss or present information on specific issues; and/or
- b. in accordance with a program of attendance developed by GMW.

7.5.2 The role of GMW senior management is to:

- a. provide information and discussion input
- b. report back to the Board on issues raised at the Committee meeting

- c. provide advice to the Chair: on matters such as potential conflict of interest and whether Committee discussions and actions are relevant to the functions of the Committee

7.5.3 The Managing Director may provide Committee Chair/s with information and briefings which the Managing Director designates as confidential. The content of these discussions are confidential information as described in section 5.11.

7.6 Directors

7.6.1 Directors of GMW will not normally attend Committee meetings unless

- a. specifically invited by the Committee Chair and approved by the GMW Board Chair and Managing Director of GMW; or
- b. their attendance is part of an approved program of Committee attendances.

7.6.1 The main means of communication of the Committee with the GMW Board will be through the Committee minutes which include Committee recommendations to the Board. The GMW Board will consider these recommendations at GMW Board meetings and provide responses for communication by GMW staff at Committee meetings.

8. Conflict of Interest

8.1 Summary: Act in the public interest

8.1.1 Committee members are required to act in the public interest. It is their responsibility to avoid actual, potential and perceived conflicts of interest. This avoidance of conflicts of interest is fundamental to ensuring the highest levels of integrity and public trust in GMW.

8.1.2 At a minimum, acting in the public interest for a Committee member means:

- a. Abstain from involvement in decisions and actions that could reasonably be seen as being compromised by your private or other business or community interests and affiliations
- b. Avoid private action in which you could be seen to have an improper advantage from inside information you might have access to because of your official duties.

8.2 What is conflict of interest?

8.2.1 The Victorian Conflict of Interest Policy Framework (2009) defines conflict of interest as conflicts between public duties and private interests. These conflicts can be either:

- **actual:** a real conflict between a Committee member's public duties and responsibilities and their private interests.
- **potential:** Committee member's private interests that could conflict with their public duties.
- **perceived:** a third party could form the view that a Committee member's private interest could improperly influence the performance of their duties, now or in the future.

8.2.2 A private interest can be:

- **direct:** a direct interest is held by the Committee member.
- **indirect:** an interest is held by a relative or close associate, for example:
 - a. a Committee member's immediate family (e.g. spouse, partner, parent, sibling, child);
 - b. a regular member of his/her household (i.e. a person who normally resides with the Committee member, including a person paying rent or board or providing 'in kind' support); or
 - c. another person with whom he or she is closely associated (e.g. friend, relative, business associate, rival/enemy).

8.2.3 Private interests can be divided into pecuniary and non-pecuniary conflicts:

- **pecuniary:** actual or potential financial gain or loss. Money does not need to change hands for an interest to be pecuniary. People have a pecuniary interest if they (or a relative, or other close associate) own property, hold shares, have a position in a company bidding for government work, or receive benefits such as concessions, discounts, gifts or hospitality from a particular source.
- **non-pecuniary:** do not have a financial component. They may arise from personal or family relationships, or involvement in sporting, social or cultural activities. They include any tendency toward favour or prejudice resulting from friendship, animosity, or other personal involvement with another person or group.

8.2.4 The following matters are examples of where there is **no conflict of interest**:

- where Committee members receive services from GMW in common with other customers i.e. so Committee members are not prevented from providing comments on GMW's proposed price changes just because they will be affected by the changes in the same way that thousands of other customers will be
- where the nominal value of the shares held by the Committee member in an entity is less than \$2,000 or 1% of the total nominal value of the issued share capital of an entity e.g. Committee member not prevented from commenting on GMW's partnership with a company on a project just because the Committee members superannuation fund has a minor shareholding in the company

8.2.5 Conflict of interest with official duties may arise for various reasons. It is not possible to define all potential areas of conflict of interest. If an individual is in doubt as to whether a conflict exists, they should raise the matter with the Committee Chair and/or GMW Customer Service Manager.

8.3 Managing conflicts of interest

8.3.1 There are a number of options available for managing conflict of interest in a transparent fashion:

- **register:** details of the existence of a possible or potential conflict of interest are formally advised and noted
- **restrict:** restrictions are placed on the Committee member's

involvement in the matter

- **recruit:** a disinterested third party is appointed to oversee part or all of the process that deals with the matter
- **remove:** a Committee member does not participate at all in the matter
- **relinquish:** a Committee member relinquishes the private interest
- **resign:** a Committee member steps down from the position they hold on a temporary or permanent basis.

8.3.2 Conflicts of interest are to be avoided where possible. Where a conflict exists, it is declared and managed in the public interest.

8.4 Specific Committee procedures

Notification

8.4.1 A Committee member who has a personal interest in a matter must give

- a. an annual notice in writing (in the form of Appendix 2) to GMW; and
- b. verbal notice at a meeting of the Committee of an interest arising at any time and not included in the annual notice.

8.4.2 The notice

- a. must give details of the nature and extent of the interest and the relation of the interest to the affairs of the Committee and those details must be recorded in the minutes, and
- b. takes effect as soon as it is given.

8.4.3 Each annual notice remains valid until replaced by either:

- the next annual notice
- an updated notice made earlier than the annual notice which discloses the member's interest included in an annual notice has ceased or altered in any other way.

Absent from meeting

8.4.4 A Committee member who has a personal interest in a matter that is being considered at a Committee meeting must not be present while the matter is being considered at the meeting or vote on the matter.

8.4.5 The only exception to the rule at section 8.4.4 is where the Committee members who do not have a personal interest in the matter have passed a resolution that:

- a. identifies the member, the nature and extent of the member's interest in the matter and its relation to the affairs of the Committee; and
- b. states that those Committee members are satisfied that the interest should not disqualify the member from voting or being present.

Don't receive agenda

8.4.6 Where a Committee member has given notice of a conflict, that member will not receive Committee papers which deal with the matter he subject of the conflict.

9. Committee Performance Review

9.1 Annual Review

9.1.1 Each Committee shall annually review its performance in carrying out its function within the terms of these Operating Rules in the preceding year and adopt a written report on that review, which shall be provided to the Board.

9.1.2 In reviewing its performance, a Customer Committee must consider the matters set out in Appendix 3.

9.2 Safe-keeping of Reports

9.2.1 Each report prepared under this clause must be kept in the secure custody of GMW.

9.3 Access to Reports

9.3.1 No person other than:

- a. the relevant Customer Service Manager
- b. the Chair of the Customer Committee, and
- c. the Board or the Board's nominee

may have access to a report prepared under this clause.

10. Removal

10.1 GMW Board can remove

10.1.1 The GMW Board, in accordance with section 122C of the Water Act 1989, may at any time appoint or remove or suspend from office a member or members of a Committee.

10.1.2 Where the Board so removes or suspends a member or members, a letter will be provided to the member/s which sets out the reasons for the removal or suspension.

10.2 Reasons for removal

10.2.1 A member or members of a Committee may be suspended or removed by the Board if the Board has determined that the Committee member/s have not complied with the terms and conditions set out in:

- a. these Operating Rules; and/or
- b. the Committee member/s letter of appointment.

10.2.2 A Committee may be suspended or terminated by the Board if the Board has determined that the conduct of the Committee:

- a. has not complied with these Operating Rules, and/or
- b. has brought, or it is likely if continued will bring, either or both of the Committee or GMW into disrepute.

10.2.3 GMW Board may:

- a. create, amalgamate or terminate a Committee or Committees; or

- b. establish special rules for and manage the conduct of, any or all of its Committees.

These may occur for reasons unrelated to disciplinary actions, for example in the ongoing conduct of the business of GMW in the manner it deems appropriate.

10.3 Process

10.3.1 A person who considers that a Committee member has breached a provision of this Code may inform the Corporate Secretary of the alleged breach. The Corporate Secretary must inform the Managing Director

10.3.2 The Managing Director must inform the Committee member of the allegation, as soon as possible after it has been made.

10.3.3 The Managing Director must decide whether to do one or more of the following:

- a. take no further action: for instance where it is reasonable to consider the allegation unproven or the alleged breach is minor and not repeated behaviour
- b. recommend to the Board the removal or suspension of the member in accordance with section 10.1.1 where reasonable
- c. refer the allegation to a panel who will recommend to the Managing Director whether a Committee member should be suspended or removed from Office. The Managing Director will then consider the Panel recommendation in making a recommendation to the Board.

10.3.4 The panel shall comprise:

- a. the Chair (or Deputy Chair) of the relevant Customer Committee; and
- b. the Corporate Secretary of GMW; and
- c. a Director, nominated by the GMW Chairman, who shall chair the panel.

10.3.5 The person against whom the relevant allegation has been made cannot be a member of the panel.

10.3.6 The panel must:

- a. invite the Committee member against whom the allegation has been made to make either or both of written and oral submissions to the panel; and
- b. invite the person who has made the allegation against the Committee member to make either or both of written and oral submissions to the panel; and
- c. consider the allegations and any written or oral submissions made to the panel; and
- d. determine whether the Committee member has or has not breached any provision of this Code, beyond any reasonable doubt; and
- e. determine whether any breach was a significant breach.



10.3.7 Except as provided in this clause, a panel may determine its own proceedings.

10.3.8 If the panel determines that a significant breach of this Code has occurred, it:

- a. must report its conclusion to the Managing Director in writing within 90 days of the panel being appointed; and
- b. may recommend either that the Committee member be suspended or removed from office.

10.4 GMW Prosecution

10.4.1 Should GMW determine to prosecute a Committee member or domestic partner of a Committee member for an offence as a customer under the *Water Act* 1989 then, upon such advice from GMW, the Committee member must stand down from the Customer Committee until the case is decided.

10.4.2 Where the case concerns a:

- a. domestic partner of a Committee member: once the case is decided the Committee member may resume their membership of the Committee. The period of time in which the member was stood down is still counted in determining the term limit of the member.
- b. Committee member: if found not guilty of the offence, the Committee member may resume his/her appointment on the Customer Committee. If found guilty of the offence, the Committee member's appointment will cease from the day of being found guilty.

11. Review of Operating Rules

11.1 The Board shall review these Operating Rules every two years or otherwise as determined. The process for review shall include discussions between a nominated Board representative and the Chairs and Operating Managers of each Committee and any recommendations arising out of such a review will be considered by the Board.

12. Dictionary

In these Operating Rules, the following definitions apply:

"Director" means a member of the Board of Goulburn-Murray Rural Water Corporation;

"Customer Service Manager" means either a Customer Service Manager or a Regional Customer Service Manager, as the case requires, or such other title as may be applicable from time to time in describing the role, and includes any GMW staff member acting in that capacity;

"Operating Rules" means these Operating Rules as approved by the Board of Goulburn-Murray Water.

"Committee member" means a member of a Water Services Customer Committee;

"Customer" means a customer of GMW in any capacity;

"Committee" means a Water Services Committee established by the Corporation under section 122C of the Water Act 1989.

"Goulburn-Murray Water" or its abbreviation "GMW" means the trading name of the Goulburn-Murray Rural Water Corporation and for the purpose of this document is taken to include both the "Board" (or "Corporation") and Management

"Members of Parliament" includes individual state or federal member

Appendix 1. Declaration of Customer Committee Member

I have read and understand the Goulburn-Murray Water Operating Rules for Water Services Committees.

I hereby undertake to comply with the Operating Rules.

Signed _____

Print name _____

Date _____

Committee _____



Appendix 2. Declaration of Interests

Surname: _____

First Name: _____

WSC: _____

Registrable Interests	Details of Interests
The name of any company or other body, association, institute, organisation or group (corporate or unincorporated) in which you are a member and any office held, whether as director, councillor, committee member, staff, volunteer or otherwise (and indicate if the positions are voluntary or paid).	
The name or description of any company, partnership, association or other body in which you hold a beneficial and material interest which exceeds \$2000 in value.	
The address or description of any land in the district of the water corporation or in a district which adjoins the water corporation's district in which you hold any beneficial interest (other than by way of security for any debt).	
A concise description of any trust in which you hold a beneficial interest or of which you are a trustee and in which a person related to you by blood or marriage holds a beneficial interest.	
Particulars of any gift of \$2000 or more in value received by you in the last 12 months from a person other than a person related to you by blood or marriage.	
Any other interests (whether of a pecuniary nature or not) of yours or of a person related to you by blood or marriage, of which you are aware and which you ought reasonably to consider might appear to raise a material conflict between your private interest and your duty as a member of a GMW Water Services Committee. This includes any interest in water entitlements, regardless of size, and should include information on volume, type of entitlement and location.	

I declare this information is complete, true and correct at the date of signing:

Signature of declarer: _____

Date: _____

Signature of witness: _____

Appendix 3. Customer Committee Performance Review

Question	Comment	Action required (if any)
Has the Committee fulfilled its functions (as set out in the Operating Rules)?		
Have the meetings been chaired effectively and agendas followed?		
Has the Committee communicated effectively with customers and GMW?		
Are there any gaps in the skills and backgrounds of Committee members?		
Does the Committee understand the business issues facing customers in their region? Has the Committee raised these issues with GMW?		
Are there any matters the Committee should devote more time or effort to?		
Can the conduct or operation of meetings be improved?		