

WACA Governance Review Forum Questions and Answers

SURVEY

Q: 750 Members responded to the survey, or 9 per cent of the total number of WACA Members, which doesn't seem like a very good representation. Can Members feel confident the response adequately measures the opinions of the remaining 91 per cent?

A: The response rate for the Governance Review survey was relatively high considering the number of Members it was sent to (over 8000). A sample size of five per cent is generally considered a positive response rate for surveys, so the WACA was encouraged by an engagement from nine per cent of its Members.

The WACA is confident the results provide a statistically sound and reliable guide to the views and opinions of WACA Members, especially when coupled with direct input from Members during forums, and will use this information as a basis when planning future engagement activities around the topic.

Ultimately, it will be the Members in a general meeting by special resolution – 75 per cent of Members present and voting – that determine any amendments to the Constitution.

REGULATORY STRUCTURE

Q: What are the advantages and disadvantages of being a company limited by guarantee under the Corporations Act versus staying with the new Associations Incorporation Act?

A: The [Registering not for profit or charitable organisations](#) page on the ASIC website provides technical information on this matter. Information of a more general nature will be provided to Members leading up to the next forum.

Q: Will there be any personal liability to members if the WACA moves to a company limited by guarantee?

A: Very little will change in terms of Members rights or obligations. Any technical guarantee of Members is commonly absolutely limited to a nominal amount (e.g. \$1), which is only payable if the WACA found itself in dire financial difficulty, and is determined by Members when adopting the constitution.

Q: Will there be shareholders in the WACA?

A: No, the WACA will not have shareholders with transferrable Membership rights. A company limited by guarantee can retain its structure as a not-for-profit membership-based organisation with various classes of membership.

Q: Will the new structure mean more is required of Members?

A: No. The proposed new structure would place greater responsibility and accountability on directors and management to do the right thing by Members, rather than requiring more from Members.

Q: Will the Board be able to make decisions without input from Members?

A: The Board's primary obligation is to make decisions that are in the best interests of the WACA, including having regard to the objects of the WACA and the interests of WACA Members.

It would be a courageous Board that endorsed significant changes that impact Members or the Association without due regard to Member input and consultation. The WACA's governance arrangements and policies ensure Members are kept informed so they may give feedback and guidance to the Board as part of the decision-making process.

BOARD COMPOSITION

Q: What are the plans for the Board in terms of composition?

A: Prospective changes to Board composition would mean moving to a model where Board Members are elected based on relevant skills, experience and suitability. Members would retain the power to vote in a majority of the Board.

The WACA is very aware of the need to have a diverse board, which is supported by the inclusion of a [Diversity Policy in the Governance Charter](#).

Q: How does the Board handle conflicts of interest?

A: The Board takes this issue very seriously and has a standing agenda item at every board meeting for Board Members to declare any potential conflicts. The Board is receiving specific conflict of interest training as part of a broader education process being delivered by the Australian Institute of Company Directors.

Q: Under the proposed changes, will the Board vet potential Board Members, even if they are nominated by the Members?

A: These are matters to be decided by Members as part of this consultation exercise.

It is not the recommendation of the Board for it to have what could be regarded as an autocratic right to veto the wishes and nominations of WACA Members. The Board is suggesting WACA Members should be provided with background information concerning prospective Board candidates to make a reasonably informed decision as to their attributes and suitability for the role.

More information will be provided on this aspect leading up to the next forum.

Q: The Governance Charter mentions the payment of a fee to Board Members for attendance. What are we paying the Board and did the Members approve this?

A: The Governance Charter allows provision for the Board to be able to recommend payment of a fee to Board Members. Any such recommendation would go to the WACA Members for approval before it could be implemented.

At present, there are no payments being made to Board Members. The only payments made are for reimbursement of approved incidental expenses that may be incurred by Board Members when attending to business on behalf of the WACA.

OFFICE BEARERS

Q: Do we really need to change the office bearer roles from the traditional and heritage-based setup for the sake of modernising the Association?

A: The current WACA Board has both a President and Chair with functional and figurehead roles, which can create confusion in aligning governance responsibilities and accountability.

This discussion seeks to clarify the difference and gain Member input into streamlining roles to have WACA Board and management leaders in the form of the Chair and CEO, while also retaining the ability to appoint ceremonial leaders without functional governance or management roles in the form of vice-patrons (or similar descriptors).

MEMBER RIGHTS AND STRUCTURE

Q: Do the Scorchers Members get voting rights like WACA Members do? Should they be able to, or will they be able to in the future?

A: Scorchers memberships only provide the holder with tickets to four games a year and priority access to finals tickets. Scorchers Members do not have voting rights and there is no plan for them to have that option.

Q: Will Members continue to have a voice and be able to vote on decisions for the WACA?

A: By voting in Board Members, WACA Members delegate their voice to the Board to make decisions on their behalf. From time to time, the Board looks to Members for guidance and input on their views, needs and wants to better inform the Board's decision-making.

Q: Can the Board override Member decisions?

A: Matters reserved under the Constitution for decision-making at WACA Member meetings cannot be over-riden by the Board. Matters which are within the authority of the Board to make, rather than Members, usually relate to items Board Members owe fiduciary duties with risk of associated personal liability if they get it wrong.

GENERAL

Q: Is there anything in the constitution that allows Members to hold a referendum on decisions made by the WACA (e.g. the move of some cricket to Perth Stadium)?

A: Members must decide whether they want to limit certain powers of the Board and prescribe in the Constitution that such decisions can only be made with the approval of WACA Members at a referendum or plebiscite. As a note, this exercise can be costly and inefficient, and there are challenges as to how all WACA Members would be appropriately informed of the complexities of the matter so that their decision could be reasonably informed.

As Members are responsible for voting in Members of the Board they should feel confident in their decision-making abilities. There are no provisions for this to occur in the proposed changes.

Q: Should we be considering in our Constitution reforms any expansion of the BBL to include a second team in Western Australia?

A: The WACA has not been advised of any expansion plans, however, the current Constitution – and any reformed version – contains provisions that would allow for the Association to cater for the facilitation of a second team if and when that eventuated.