



Australian Government

Department of Communications and the Arts

Chris Leptos AM
Independent Chair
.au Domain Administration Ltd
Level 17, 1 Collins Street
MELBOURNE VIC 3004

Dear Mr Leptos

Department of Communications and the Arts' non-voting observer role on auDA Board

I am writing to you in relation to the Department of Communications and the Arts' ongoing role as a non-voting observer on auDA's Board.

The Department recognises that progress has been made to strengthen governance arrangements within auDA. In this context, I consider it timely to set out how the Department understands the observer role to work in practice and how the position may change in the future.

The Department considers that the role of the observer involves:

- providing an update on government activity relevant to auDA via a standing item on the agenda
- only attending Board meetings for agenda items that relate to the auDA Review
- contributing to discussion at the request of the Chair; and
- taking issues on notice if necessary and reporting back to the Board at a later stage (including where an issue requires a whole of government position).

The Department recognises that while it has a role in overseeing the management of the .au domain space, auDA is the independent delegated authority to manage .au. As such, the presence of an observer at meetings of the Board should not be taken to imply that:

- the observer has a role in making or influencing decisions of the Board
- the Department endorses decisions taken by the Board at meetings where the observer is present
- the observer will intervene where the Board passes a resolution that is contrary to the Department's views on any matter
- the observer will arbitrate where the Board is unable to reach consensus on any matter, or
- the observer will be in a position to provide an immediate answer on behalf of the Department or the Minister to any question the Board may be considering.

These limitations confine the role of the departmental attendee appropriately, consistent with non-voting observer status, and ensure that the observer role does not extend to influencing the independent exercise of the Board's functions.

To ensure that the role of the observer can be fulfilled effectively, the Department requests that:

- the minutes from any board meeting attended by the observer record the observer's role and participation (as is currently the case)
- the observer will receive advance notice of all meetings of the Board at the same time as the Board
- all Board meeting papers will be provided to the observer at the same time as the Board
- the observer will use auDA's secure document system, where printing of Board documents is not permitted
- the observer will be a Senior Executive Service Department staff member, and
- the observer will at all times adhere to the requirements set out in the *Public Service Act 1999* that pertains to conduct and confidentiality.

Looking ahead, the Department will review the role of the observer periodically as part of an assessment of oversight activities to ensure arrangements are fit for purpose. The Department acknowledges that once auDA has successfully completed its reforms that there could be further changes to the format described above or that the observer role may no longer be required.

Subject to your agreement to the observer role, and consistent with auDA's transparency and accountability framework, I would recommend auDA and the Department jointly publish this letter.

Thank you for your assistance to date to improve auDA governance arrangements.

Yours sincerely



Vicki Middleton

7 May 2019