



# BOARD CHARTER

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## Document history

Version	Document Owner	Approved by	Approved on	Scheduled review date	Comments
3.0	Grahame Gould Executive Director				
3.1	Renee Green Governance, Risk & Admin Mgr	Board	28/04/2014	28/04/2016	Update formatting, no substantial change to policy
3.2	Renee Green Governance, Risk & Admin Mgr	Board	28/04/2014	28/04/2016	Purpose of the Board expanded to explicitly include statements required by Lifeline Australia
3.3	Renee Green Governance, Risk & Admin Mgr	Board	27/10/2014	April 2015	Committee Charters included in single document
3.4	Renee Green Governance, Risk & Admin Mgr	Board	27/04/2015	April 2016	Committee Charters included in single document
3.5	Renee Green Governance, Risk & Admin Mgr	Board	27/06/2016	April 2017	Minor changes Removed Audit & Risk Committee and added responsibility to whole Board
3.6	Renee Green Governance, Risk & Admin Mgr	Board	01/05/2017	30/04/2018	No changes
3.7	Renee Green Governance, Risk & Admin Mgr	Board	26/03/2018	31/03/2020	Change to CEO
4.0	Renee Green Finance & Governance Mgr	Board	26/11/2018	30/11/2019	Audit & Risk added

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## PURPOSE OF CHARTER

The Board Charter sets out the role, composition and responsibilities of the Board of Directors (“the Board”) of Lifeline South Coast (NSW).

The conduct of the Board is also governed by the Constitution, Code of Conduct and Governance Policy of Lifeline South Coast (NSW).

## PURPOSE OF THE BOARD

The Board adopts and is supportive of Lifeline Australia’s Key Statements and Lifeline Australia’s Beliefs and Shared Values which guide all relevant services and activities.

The Board is committed to protecting the brand and public reputation of the Lifeline name.

The Board has two broad purposes; compliance and performance:

- **COMPLIANCE: conform with, or exceed, all legal requirements**
  - Legal
    - monitor constitution
    - comply with Board members’ responsibilities
    - comply with laws
    - monitor insurance requirements
  - Accountability
    - monitor financials
    - compliance audits

- **PERFORMANCE: assist the organisation to perform to its best potential**

- Strategy and policy
  - approve vision/mission and ensure it is embedded into the organisations operations
  - approve strategic plan and policies and monitor regularly
- Accountability
  - overall performance of the organisation
  - board evaluation, succession planning
  - report outcomes to stakeholders
  - manage CEO
- Public Relations
  - represent and participate
  - keep stakeholders informed
  - project a strong and positive image
  - promote the vision
  - facilitate cohesion
  - speak with one voice regarding Board decisions
- Risk management
  - ensure up-to-date and effective risk profile and management strategy
  - monitor critical risks
  - the Board, while meeting its responsibilities, is mindful of the organisations mission and the objects of the organisation as embodied in its Constitution.

## ROLES AND RESPONSIBILITIES

The functions of the Board are to:

- Provide effective leadership and collaborate with the CEO in:
  - articulating the organisation's values, vision, mission and strategies
  - developing strategic (direction) plans and ordering strategic priorities
  - maintaining open lines of communication through the organisation and with external stakeholders
  - developing and maintaining an organisation structure to support the achievement of agreed strategic objectives
- Monitor the performance of the CEO against agreed performance indicators
- Be advised of the business (action) plans and annual budget proposed by the CEO
- Monitor the achievement of the strategic and business plans and annual budget outcomes
- Establish such committees, policies and procedures as will facilitate the more effective discharge of the Board's roles and responsibilities
- Ensure, through the Board committees and others as appropriate, compliance obligations and functions are effectively discharged
- Initiate a Board self-evaluation program and follow-up action to deal with issues arising and arrange for members to attend courses, seminars and participate in development programs as the Board judges appropriate
- Ensure that all significant systems and procedures are in place for the organisation to run effectively, efficiently, and meet all legal and contractual requirements
- Ensure that all significant risks are adequately considered and accounted for by the executive management team.
- Ensure that organisation has appropriate corporate governance structures in place including standards of ethical behaviour and promoting a culture of corporate and social responsibility.

The Board has no operational involvement in the conduct of the organisation's business activities and delivery of services. Its role is confined to setting and reviewing policy.

## MEMBERSHIP AND TERM

The Board consists only of non-executive directors, the majority of whom are independent. That is, no member of the Board may be a member of the paid staff of the organisation.

All Board members are subject to the Conflict of Interest policy.

Membership of the Board shall be disclosed in the annual report including whether a director is independent or not independent.

The Board will periodically review the skills and experience of its members.

## BOARD CULTURE

The Board actively seeks to have an 'engaged culture' which is characterised by candour and a willingness to challenge. The following table is used to provide evidence of an engaged culture [taken from *Increasing Director Performance (Australian Company Director)*, Vol 20 No 8 2004]:

### Agendas

- The agendas of the Board limit presentation time and maximise discussion time.
- There are lots of opportunities for informal interactions among Board members.

### Norms

- Board members are honest yet constructive.
- Members are ready to ask questions and willing to challenge leadership.
- Members actively seek out other members' views and contributions.
- Members spend appropriate time on important issues.

### Beliefs

- "If I don't come prepared, I will be embarrassed."
- "If I don't actively participate, I won't be fulfilling my responsibility."
- "I'll earn the respect of fellow Board members by making valuable contributions and taking responsibility for what I do."

- “If I can’t carry my load, or if I can’t agree with what’s going on, I should resign.”

### **Values**

- The Board serves the community by actively participating in governance.
- The Board is responsible to various stakeholders.
- Board members are personally accountable for what goes on at the organization.
- The Board is responsible for maintaining the organization’s stature in the sector.
- Board members respect each other.

## **REPORTING**

Proceedings of all meetings are minuted and signed by the Chair of the meeting.

Minutes of all Board meetings are circulated to members and approved by the Board at the subsequent meeting.

## **BOARD COMMITTEE’S**

The Board may establish a Committee to assist the Board in fulfilling its oversight duties.

### **Authority**

The Board authorises each Committee, within the scope of the its responsibilities, to

1. Seek any information it requires from –
  - a. any employee; and
  - b. external parties;
2. Obtain outside legal or other professional advice;
3. Ensure the attendance of Lifeline South Coast officers at meetings as appropriate.

### **Membership**

1. Each Committee will comprise at least three members, including at least two Board members



2. The Chair will be nominated by the Board from time to time. Should the Chair be absent from a meeting and no acting chair has been appointed, the members of the committee present at the meeting have the authority to choose one of their number to be chair for that particular meeting. To follow best practice governance, the Chair of the Board should not be the Chair of the Finance Committee.
3. Members will be appointed for a three-year term and may be reappointed for a subsequent three year period. This is subject to the term remaining as a member of the Board at any time. If the term remaining as a Board member at the time of appointment is less than three years, then the appointment will be for the period up to the point of the Board member terminating his appointment as a Board member.
4. A quorum for any meeting will be two members.
5. The Board may nominate a secretary for the Committee as required.

## Finance Committee

### Purpose

The Lifeline South Coast Finance Committee will assist the Board in fulfilling its oversight responsibilities. The Finance Committee will –

- Review Lifeline South Coast monthly management accounts and recommend adoption by the Board.
- Review Lifeline South Coast's budget & make recommendations to the Board;
- Review the alignment of the budget with the Lifeline South Coast's Strategic Plan;
- Monitor Lifeline South Coast's budget processes
- Monitor Lifeline South Coast's financial performance against priorities and approved budgets; and
- Formulate strategies for improving Lifeline South Coast's financial performance.

In addition, the Finance Committee will

- Review whether management is adopting systems and processes for the above matters that are sufficient for an organisation of Lifeline South Coast's size and stage of development.
- In performing its duties, the committee will maintain effective working relationships with the Board of directors, management and the external auditors.
- The Finance Committee will, for those matters not relating to the preparation of budgets & financial statements develop a timetable for action.

### Attendance at Meetings

The Finance Committee may invite such other persons to its meetings as it deems necessary. Meetings shall be held monthly. The proceedings of all meetings will be minuted.

### **Roles and Responsibilities**

The Finance Committee will –

1. If it sees fit, recommend adoption of the monthly management accounts by the Board;
2. If it sees fit recommend approval of the annual budget to the Board;
3. Ensure Lifeline South Coast budget is aligned with Lifeline South Coast's Strategic Plan
4. If it sees fit recommend to the Board within year adjustments to budgets and reallocation of resources;
4. Oversee the annual budget process
5. Formulate strategies for improving Lifeline South Coast's financial position, including the approval and monitoring of Lifeline South Coast budget process for consideration by the Board;
6. Review Lifeline South Coast's financial performance against priorities and approved budgets;
7. Review Lifeline South Coast's Capital Investment Strategic Plan and make recommendations to the Board;
5. Direct the undertaking of specific financial analysis, as and when required;
6. Review Lifeline South Coast's financial management strategy; and
8. Report regularly to the Board such other matters which it considers necessary or require Board endorsement.

### **Audit & Risk Committee**

#### **Purpose**

The Lifeline South Coast Audit & Risk Committee will assist the Board in fulfilling its oversight responsibilities. The Audit & Risk Committee will oversee all matters concerning –

- The integrity of Lifeline South Coast's financial statements and financial reporting systems;
- The external auditor's qualifications, performance, independence and fees;
- Oversight and performance of the internal audit function;
- Lifeline South Coast's compliance with financial reporting and related regulatory requirements; and
- Risk Management

#### **Attendance at Meetings**

The Audit & Risk Committee may invite such other persons to its meetings as it deems necessary. Meetings shall be held twice per year and at other times as required. The proceedings of all meetings will be minuted.

## Roles and Responsibilities

The Audit & Risk Committee will –

1. Review, assess and make recommendations to the Board on the risk appetite, risk policy and risk management framework
2. Make recommendation to the Board on the appointment, dismissal and remuneration of external auditors
3. Oversee the internal audit process and program, including setting priorities, developing the scope, and allocating resources
4. Review, assess and make recommendations to the Board on any issues raised in the course of the audit of financial statements
5. Review, assess and make recommendations to the Board on any significant estimates and judgements in the financial report, and monitors the methods used to account for unusual transactions;
6. Review, assess and make recommendations to the Board on the processes used to monitor and comply with laws, regulations and other requirements relating to external reporting of financial and non-financial information;
7. Review, assess and make recommendations to the Board on the major financial risk exposures
8. Review, assess and make recommendations to the Board on the strategic risk management plan
9. Review, assess and make recommendations to the Board on the effectiveness of management's control of risks
10. Oversee the development and ongoing review of key policies that support our frameworks for managing risks
11. Report regularly to the Board such other matters which it considers necessary or require Board endorsement.

## Remuneration Committee

### Purpose

The Lifeline South Coast Remuneration Committee will assist the Board in fulfilling its responsibilities. The Remuneration Committee will –

- Review and recommend remuneration of the CEO
- Review and recommend the employment conditions of the CEO
- Review the CEO's recommendations regarding remuneration for staff
- Ensure staff remuneration is aligned with market trends
- Monitor and review the CEO's performance and KPI's
- Review and recommend any incentive plans
- Review any employee grievance or staff complaint about remuneration
- Ensure that the remuneration and incentive policies, practices and performance indicators are aligned to the board's vision, values and overall business objectives

## **Attendance at Meetings**

The Remuneration Committee may invite such other persons to its meetings as it deems necessary. Meetings shall be held as required. The proceedings of all meetings will be minuted.

## **Roles and Responsibilities**

The role of the Remuneration Committee is to assist and advise the Board to fulfil its responsibilities on matters relating to the compensation, bonuses, incentives, remuneration and other employment conditions of the CEO and other staff.

In discharging their responsibilities, the Committee members have a duty to act in the best interests of the organisation as a whole, irrespective of personal, professional, commercial or other interests, loyalties or affiliations.

## **REVIEW OF CHARTER**

The Board will review this charter annually to ensure it remains consistent with the Board's objectives and responsibilities.