

Governance Policy

Version: 1.3

September 2016

Document history

Version	Document Owner	Approved by	Approved on	Scheduled review date	Comments
1.0	Governance, Risk & Admin Mgr	Board	15/12/14	April 2015	
1.1	Governance, Risk & Admin Mgr	Executive Director			Added point 7 . transparency and disclosure
1.2	Governance, Risk & Admin Mgr	Board	24/08/2015	30/06/2016	No changes to policy
1.3	Governance, Risk & Admin Mgr	Board	12/09/2016	30/09/207	Added point 7 . transparency and disclosure

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INTRODUCTION

Our approach to corporate governance is based on a set of values and behaviours that underpin day-to-day activities, provide transparency and protect the interest of stakeholders. This approach includes a commitment to corporate governance excellence, which Lifeline South Coast sees as fundamental to its sustainability and performance.

This policy has been prepared with reference to

- AS 8000-2003, Good Governance Principles
- ASX Corporate Governance Principles and Recommendation, Third Edition
- ACNC Governance Standards
- Good Governance Principles and Guidance for NFP Organisation, Australian Institute of Company Directors
- Lifeline Australia Governance policies

PURPOSE

The purpose of this policy is to provide a framework for good corporate governance throughout Lifeline South Coast to ensure we are meeting the reasonable expectations of stakeholders, customers, regulatory bodies, and the community at large.

The Board, Executive Director and management of Lifeline South Coast have a firm commitment to effective governance.

POLICY

1. Lay solid foundations for management and oversight

Lifeline Coast will establish and disclose the respective roles and responsibilities of its Board and management and how their performance is monitored and evaluated.

Lifeline South Coast will take reasonable steps to ensure that responsible persons are suitable (as defined by ACNC) for their role and that they

- Act with reasonable care and diligence
- Act honestly in the best interest of Lifeline South Coast and its purposes
- Do not misuse their position as a responsible person
- Do not misuse information they gain in their role as a responsible person
- Disclose conflicts of interest
- Ensure the financial affairs of Lifeline South Coast are managed responsibly
- Do not allow the charity to operate while insolvent

Role of Chair

The Chair has a major role as the head of the Board in providing leadership of the Board and leadership in the strategic direction of Lifeline South Coast, more particularly:

- Leading and facilitating the Board and the contribution of members to the Board's decision-making process;
- Maintaining a professional working relationship with the Executive Director;
- Acting as spokesperson as appropriate; and
- Setting the agendas for each Board meeting, taking into account suggestions from other Board members and endeavouring to ensure meetings are effectively conducted.

Role of Executive Director

Always with the proviso that the Executive Director's decisions must be consistent with and not defeat the stated intent and the spirit of the Board's policies, he/she is authorised to establish all operational policies, make all operational decisions and design and implement and manage all operational practices and activities.

Acknowledging a Board member's right to have access to information necessary to meet his/her duty of care to the organisation, the Executive Director may defer instructions or requests from individual Board members or from unofficial groups of Board members if, in his/her opinion, such requests or instructions are:

- Inconsistent with the Board's policies;
- are deemed to make unjustifiable intrusions into the Executive Director's or other staff member's time; or
- are an unjustifiable cost to the organisation.

The Executive Director must notify the Chairperson if this occurs.

Working Relationships

Board . Executive Director

The Board delegates to the Executive Director responsibility for implementation of its strategic direction/strategic plans.

The relationship between the Board and the Executive Director includes

- Only the Board acting as a whole can instruct the Executive Director.
- The Board will make clear Lifeline South Coast's strategic direction including performance indicators to be applied by the Board when reviewing the organisation's and the Executive Director's performance.
- The Board will advise the Executive Director in writing of any limitations it places upon the delegations to the Executive Director.
- The Executive Director is responsible for the employment, management and performance evaluation of all staff employed/contracted to the organisation.

- Neither the Board nor individual Board members will instruct staff in any matters relating to their work.
- The expert knowledge and experience of individual Board members is available to the Executive Director, and to nominated staff where deemed appropriate and requested by the Executive Director.

Board Chair . Executive Director

The position of the Board Chair and the Executive Director are strictly separated

The Board Chair shall provide the Executive Director with regular opportunities to discuss ideas and check directions.

A professional working relationship between the Board Chair and Executive Director is essential. It is incumbent on both the Board Chair and Executive Director to raise with each other in a professional and constructive manner any concerns they have about their relationship. Where the Executive Director feels he/she is unable to do so, they should refer the matter to the Deputy Chair of the Board

Refer to

- Lifeline South Coast Board Charter
- Director Letter of Appointment
- Instrument of Delegation
- Lifeline South Coast Constitution

2. Structure the board to add value

The board will have an appropriate size, composition, skills and commitment to enable it to discharge its duties effectively.

The Lifeline South Coast board will consist of not less than 5 and not more than 9 members, consistent with our constitution.

The majority of board members will be

- Members or members-in-association with the Uniting Church (consistent with our constitution), and
- Independent

In addition, the Chairperson must be independent and the Executive Director may not be a Board member.

The Board may establish committees to assist in the exercise of their duties

Refer to

- Board Nominations
- Board skills matrix

3. Act ethically and responsibly

Lifeline South Coast will act ethically and responsibly, including complying with all applicable laws.

Refer to

- Code of Conduct
- Conflict of Interest Policy
- Diversity Policy

4. Safeguard integrity in corporate reporting

Lifeline South Coast will have a system in place to ensure

- an appropriate flow of information to the board to aid in decision making,
- there is transparency and accountability to stakeholders, and
- the integrity of financial statements and other key information.

This system will include an annual independent audit of financial statements.

Refer to

- Board Charter

5. Recognise and manage risk

Lifeline South Coast will establish a sound risk management and internal control framework and periodically review the effectiveness of that framework

Refer to

- Risk Management Policy

6. Remunerate fairly and responsibly

Remuneration of the Executive Director and senior management will balance the needs to attract, retain and motivate qualified staff with the appropriate use of limited resources.

The position of a board member is a voluntary position.

7. Transparency & Disclosure

Lifeline South Coast is committed to reasonable disclosure of matters related to corporate governance and financial performance.

To achieve this,

- a Corporate Governance section is included on our website and updated as required with relevant information

- Annual reports for the past 5 years, where they were produced, will be made available on the website
- Audited financial statements for the past 5 years, where they are not included in an annual report, will be made available on the website

8. Other considerations

ASX Principle 5 . Make timely and balanced disclosure has not been included in this policy. The principle relates to the disclosure of matters which may have a material effect on the price or value of securities and as such is not applicable to Lifeline South Coast.

ASX Principle 6 - Respect the rights of security holders has not been included in this policy. The principle related to the rights of security holders and as such is not applicable to Lifeline South Coast.

The ASX principles which have been included in this Policy have been modified, as appropriate, based on our operation as a not-for-profit organisation, size and complexity.

ACNC Standard 2 . Accountability to members has not been included in this policy. Lifeline South Coast has only one member, the Uniting Church. The nature and structure of the organisation is such that the Uniting Church is able to exercise its rights effectively.

9. Breaches of Policy

The Board will develop and maintain a system for detecting, recording and dealing with governance breaches and complaints including those received from regulatory authorities. All governance breaches will be recorded and fully investigated to determine their cause and to reduce the chance of recurrence.

Refer to

- Board Policy Breaches Procedure