

Governance Charter 2018

(Revised Barnardos Australia Board
October 2018)

1. Background

Barnardos Australia is a leading non-government, non-denominational child protection agency in Australia. Barnardos is a registered charity and a public company limited by guarantee and has an independent Board of Directors.

Barnardos Australia takes its values and direction from the work of its founder, Dr Thomas Barnardo, who was an Irish philanthropist and founder and director of homes for poor children in London. From the foundation of the first Barnardo's home in 1870 to the date of Thomas Barnardo's death, nearly 100,000 children had been supported.

The work of Barnardos Australia deals particularly with the prevention of abuse and entry into care. Barnardos operates children's family centres, permanency programs for out-of-home care, adolescent services and advocacy work.

The Barnardos family of agencies in the United Kingdom, Ireland, New Zealand and Australia have adapted to local conditions. Incorporated in Australia in 1995, Barnardos Australia still maintains its links to the Barnardos international family.

Barnardos' work is directed by a three-year Strategic Directions with progress annually reviewed and an annual budget constructed to meet the Strategic Directions.

1.1 Barnardos' Vision

All children and young people have caring families in which they can grow safely and fulfil their potential. Families, children and young people are valued and supported by quality services and engaged communities.

1.2 Barnardos' Mission

Barnardos Australia builds relationships between children, young people, their families and the community. We advocate for children and young people and contribute to community knowledge about their issues.

2. Introduction to the Barnardos' Governance Charter

Barnardos' corporate governance refers to the approach taken by the Barnardos' Board in leading and directing the organisation, the systems it uses and the procedures it follows.

This Charter determines arrangements for:

- Facilitating effective and appropriate interaction between the Board and Management.
- Ensuring that primary stakeholders are identified and heard.

- Enabling the Board and Management to fulfill their respective responsibilities by understanding the work of the agency and its place in the community.

The Charter provides a framework for Board decision-making. It delineates and differentiates the role of the Board, Board Committees, support groups and management.

This Charter is founded upon the following premises:

- The Board has a fundamental responsibility for the long-term future of the organisation, in addition to its fiduciary duties and role in monitoring the agency's performance.
- The Board is independent in exercising its role, functions, responsibilities and accountability to members, consumers, donors, government, regulators and other stakeholders and is ultimately responsible to the members and clients of the agency in carrying out its governance role.

The Charter addresses:

- Processes of corporate governance;
- The role of the Board in achieving Barnardos' objectives;
- The role and structure of Management and its accountability to the Board;
- The relationship between the Board and Management; and
- A Code of Conduct for Directors.

The Charter should be read in conjunction with the Constitution of Barnardos Australia.

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3. The Role of the Board

The Board is accountable to Members and stakeholders for Barnardos' performance.

- It is responsible for the development of strategies and policies that shape Barnardos' future direction and service delivery.
- In addition to its legal and fiduciary responsibilities, the Board will oversee Management and will provide a continuing independent and questioning review of the implementation of Board policies and strategies.
- The Board will give frank, independent and thoughtful advice on directions and will support the CEO and Management generally in delivering Board strategy and in positioning Barnardos in its sector and in the community.
- The Board is an important link to the community and it will provide a forum for the expression of stakeholder opinion about Barnardos' services and program performance.
- The Board will conduct the above duties responsibly and, to do this, it will reflect in its membership a diversity of experience, qualifications and an understanding of diverse lifestyles and communities.

3.1 The Board's principal functions are:

- Maintain and develop Barnardos' values and ensuring these values are reflected in organisational behaviour and practice.
- Develop and oversee the implementation of corporate strategies, including
 - Monitor the development of the annual management plan,
 - Review and monitor progress of strategic plan.
- Oversee the plans of Management for Barnardos' financial, human resources, welfare programs and associated social and community programs.
- Develop and approve the three year Strategic Directions and update that document annually.
- Approve the annual budget.
- Approve all capital expenditure and contracts that are:
 - In addition to those approved in the Budget;
 - Greater than the monetary limit given to Management for approval; and
 - Not funded by a government grant.
- Ensure Barnardos' risks are understood and managed appropriately.
- Ensure Barnardos' compliance with legal and regulatory requirements.
- Ensure the integrity of internal controls and financial management systems.
- Provide oversight on culture and values for Barnardos.
- Establish and define the terms of reference of Board standing committees.
- Establish and define the terms of reference of ad hoc committees and working parties.
- Appoint and approve the terms and conditions of appointment of the CEO.
- Annually review Management's performance and providing performance feedback to the CEO.
- Delegate such functions and authorities as it considers appropriate to the CEO.

- Ratify the terms and conditions of appointment of the Executive team.
- Participate in recruitment and development of the membership of Barnardos.
- Participate in Board development programs and Board performance reviews.
- Review and report annually on the achievement of Barnardos' objectives.
- Ensure that policies on key issues are in place and are appropriate.
- As appropriate, taking a leadership role in the public debate on welfare issues.
- Ensure the affairs of the agency are managed in a responsible manner, including the performance of the agency against Board approved results.
- Develop and implement succession planning for Barnardos' Board and Executive Managers.
- Provide Board Visitors to Barnardos' Centres.

3.2 The Board is responsible for:

- The financial operations and solvency of Barnardos;
- Compliance with all laws to which Barnardos is subject;
- Ensuring Barnardos' practices and policies are consistent with Barnardos' values and the requirements of this Charter; and
- Managing risk.

3.3 Governance Budget

- Barnardos dedicates an appropriate annual budget for Board Governance each year.
- Reasonable expenses incurred by Board Directors relating to work undertaken with Barnardos such as travelling to Board meetings will be reimbursed in accordance with the Barnardos Board and Committee Travel and Expenses Policy.

4. The Role of Individual Directors

4.1 The members of the Board are responsible for:

- Compliance with the Code of Conduct set out in this Charter.
- Offering advice in Board meetings and questioning, requesting information, raising issues and fully canvassing all aspects of any issue confronting the Company.
- Making decisions according to their own insight and a well-formed understanding of Barnardos' strategy and values.
- Supporting Board decisions outside the boardroom.
- Maintaining confidential information received as a member of the Board.
- Acknowledging that information received in a Director's role remains the property of Barnardos and may not be disclosed unless the Board authorises disclosure or the law compels it.
- Exercising their responsibility as Directors without directly participating in the day-to-day management of Barnardos. This includes avoiding any representations to or any agreements with third parties unless the Board expressly delegates authority to the member either individually or as a member of a Committee.

4.2 Appointment of Chair of Directors' meetings

The Board must, by special resolution, appoint an independent non-executive director as Chair and decide the period for which that Director holds that office.

The Chair is to be appointed by considering a range of criteria which should include governance/management experience, relevant qualifications and demonstrated leadership qualities.

The Chair to hold office at the discretion of the Board or until the Chair resigns as Chair or ceases to be a Director.

5. The Role of the Chair

5.1 The Chair

- Provides leadership to, and promotes cohesion and effectiveness in the functioning of the Board.
- Encourages individual Directors to make an effective contribution to discussion and decision making.
- Discharges a key role in developing and maintaining a productive relationship between the Board and the CEO.
- Leads a Board performance review every 3 years which will include a confidential and structured Board discussion of its effectiveness in the previous years.

5.2 Chair's Functions

The Chair's principal functions are:

- Develop and maintain a close working relationship with the CEO, the characteristics of which include open and comprehensive information sharing and constructive co-operation in working to Barnardos' objectives.
- Convey the Board's decisions clearly and effectively to Management.
- Regular review with the CEO and Executive Management, implementation of the organisations strategic plan and report on progress towards achieving planned outcomes.
- Offer counsel to the CEO where appropriate, consistent with Board plans and policies.
- Mediate and resolve any differences or issues that arise in the relationship between the Board and the CEO.
- Prioritise key issues to be dealt with by the Board at their meetings, and in consultation with the CEO and Company Secretary, settle the Board meeting agenda.
- Chair Board meetings.
- Facilitate the smooth and effective running of Board meetings.
- Ensure the accuracy and comprehensiveness of Board meeting minutes.
- With the CEO, coordinate the activities of the Board standing and ad hoc committees and working parties.
- With the CEO build sound relationships with stakeholders.
- Communicate with stakeholders and seek feedback on Barnardos' public image and performance.
- Communicate stakeholders' opinions, issues and feedback on Barnardos' performance to the Board and through the Board to the CEO.
- Arrange and carry out the review of the CEO's performance on an annual basis.
- Coordinate succession plans for CEO and Executive Managers and Board members.

- Act as spokesman for the Board.
- Chair the Annual General Meeting.
- Review and support the consistent implementation of the Board Code of Conduct by Directors.

6. The role of the Deputy Chair (if a Deputy Chair has been appointed)

- To chair Board Meetings in the absence of the Chair.
- To provide support and assistance to the Chair in the role of the Chair.

7. Board Members' Code of Conduct

1 Purpose

The Board has developed this code to guide Directors in exercising their responsibilities in the governance of Barnardos.

Directors must comply with applicable legislation/regulations in particular the Governance Standards for "Responsible Persons" under the Australian Charities and Not-for-profits Commission (ACNC) and with the Barnardos' Constitution. Directors should familiarise themselves with these provisions. In addition, Directors should seek to direct the organisation according to Barnardos' values, traditions and the principles expressed in the Barnardos Constitution, Strategic Directions and Governance Charter.

The Code of Conduct is designed to promote a collegiate Board, exercising the highest standards of governance while representing the best interests of Barnardos, its clients and stakeholders.

2 The Board's Expectations of Directors

Board Members should:

- Know and understand their legal obligations as Directors.
- Understand Barnardos' vision, goals, policies, programs, services and seek to understand the strengths, weaknesses and opportunities which confront the organisation.
- Apply Barnardos' values in all Board interactions.
- Perform the duties of Director responsibly and to the best of their ability taking care to inform themselves on Board issues at all times.
- Serve as organisational leaders and undertake special assignments wherever invited by the Board to do so.
- Seek complete and accurate information internally and from external sources on issues in debate at Board level.
- Be as fully informed as possible on policy trends in the family and children's welfare sector.

- Contribute constructively to discussion and reflection on issues before the Board.

3 Attend Meetings

Board Members should:

- Prepare for Board meetings, Committee meetings and assigned roles.
- Contribute to debate at Board level in a way which is consistent with individual and personal convictions.
- Support Board decisions and assessments where decisions are made at Board level.
- Maintain confidentiality about Board discussion, speaking on behalf of the Board or Barnardos only when authorised to do so.
- Put forward agenda items for Board and Committee meetings when this is considered appropriate for advancing the interests of Barnardos.
- Protect, develop and uphold the vision and values of the organisation and support the development and implementation of the Strategic Plan.
- Challenge, empower and support other Directors in advancing the interests of the organisation.

4 Maintain Respectful Relationships with the Organisation

Board Members should:

- Comply with Barnardos' policies when visiting programs.
- Support the Chief Executive Officer in managing complex matters and external stakeholders and provide advice and assistance when appropriate.
- Relate respectfully to staff, never asking for any special privilege of service because of Director status.

5 Declare and Manage Conflicts of Interest

Board Members should:

- Advance the interests of Barnardos without promoting any individual or group interests.
- Carefully identify and manage any conflicts of interest and disclose any possible conflict to the Chair as soon as possible after it is recognized.
- Leave any discussion or deliberation when the Board is to decide upon an issue on which a Director has a potential or current conflict of interest.
- Avoid any private business dealing or personal service between a Director or his/her business and the organisation.
- Refuse employment by Barnardos Australia for self and not promote employment for family members or close associates. Family or associates can be considered but at arms-length from a Director's influence and after discussing any potential conflict with the Chair.
- Annually disclose involvements with any organisations, with vendors, or any other associations that might produce a conflict of interest.

- Maintain respect for individuals but promote independence and objectivity in all discussions.

6 Develop Strategy and Policy

Board Members should:

- Review and contribute to the development and updating of the Strategic Directions.
- Monitor organisational results against planned outcomes on the Strategic Directions.
- Review and approve major program development, major program closures, or major changes in agency strategy and policy.
- Ensure that effective policies exist on key organisation-wide issues.
- Seek to understand the social and political environment around family and children's issues and consider this in contributing to Board decisions.

7 Contribute to Budgeting and Planning

Board Members should:

- Approve annual budgets, with a focus on their fit with the Strategic Directions, risk management and fiduciary responsibilities of the organisation.
- Review financial performance against budget and ensure decisions are made which support the financial future of the organisation.

8 Exercise Fiduciary Responsibilities

Board Members should:

- Review and contribute to discussion of the organisation's financial statements and ensure the Board fulfils its fiduciary responsibilities.

9 Maintain Regulatory Compliance and Reporting

Board Members should:

- Through the Finance and Audit Committee, appoint auditors, oversee audit processes and receive reports.
- Ensure appropriate reporting takes place to government, major stakeholders and the general public.
- Ensure the organisation monitors the quality, appropriateness and performance of programs.
- Ensure that risks to children reporting requirements are properly complied with.

10 Contribute to Management Review

Board Members should:

Ensure that corporate risk is managed, ensuring that children, families, employees and other people are not exposed to unreasonable risks to their health or safety arising from the conduct of the organisation.

11 Support Fundraising Activity

Board Members should

- Provide support on fundraising and government funding opportunities.
- Represent the organisation to business where there is opportunity for corporate funding or financial support.

12 Ensure Board Effectiveness

Board Members should:

- Review and assess the Board's performance.
- Seek to maintain a balance of skills and experience on the Board to carry out its functions.

8. The Role of the Chief Executive Officer

8.1 The CEO

- Provides leadership and operational management to Barnardos.
- Contributes on behalf of Barnardos to State based and Federal Australian welfare policy.
- Is responsible for the implementation of the policy and strategy approved by the Board.
- Is responsible to bring to fruition the aspirations and intentions of stakeholders, consistent with Barnardos' values and Board strategy.
- Is responsible for ensuring a free and comprehensive flow of information between the Board and Management.

8.2 Board CEO Relationship

The relationship between the Board and the CEO is fundamentally important in assisting the Board to add value to Barnardos. The CEO reports on organisational performance and is accountable to the Board for Barnardos' operational outcomes.

8.3 CEO Role

The CEO and the Board each have a responsibility to promptly and effectively address any issues, difficulties or tensions that arise in this relationship.

8.4 The CEO's principal functions are:

- Develop and maintain a close working relationship with the Board, the characteristics of which include open and comprehensive information sharing and constructive cooperation in working to Barnardos' objectives.
- Implement the policies and strategies approved by the Board.
- With the Chair and Executive Management Team, regularly review and report on progress towards Barnardos' objectives.
- In consultation with the Chair and Company Secretary, organise the Board meeting agenda.
- With the Chair, coordinate the activities of the Board standing and ad hoc committees and working parties.
- With the Chair, build sound relationships with stakeholders.
- Communicate with stakeholders and seek feedback on Barnardos' performance.
- Communicate stakeholders' opinions, issues and feedback on Barnardos' performance to the Chair and Board.
- Recommend to the Board the establishment of ad hoc committees and working parties from time to time as required.
- Review and prepare for approval by Board, an annual Risk Management Plan.
- Implement and review regularly the implementation of the Risk Management Plan, reporting on any issue which falls outside risk levels defined in the plan.

- Inform the Board of any current risk issues as they arise.
- Prepare an annual budget, identifying revenues and expenditure, financial targets, risks and outcomes, for Board approval.
- Regularly report on progress against Budget.
- Prepare such other interim budgets as circumstances or the Board reasonably require.
- Prepare and annually update three year Strategic Directions, in collaboration with the Board, outlining objectives, strategies, action and results.
- Report to the Board monthly on operational outcomes, risk management issues, compliance with legal and regulatory requirements.
- Report proposals for capital or other expenditure and contracts (within the limits approved by the Board from time to time) to the Board for approval prior to outlay or execution respectively.
- Be responsible for the day-to-day control and management of Barnardos.
- Establish, maintain and regularly review appropriate and effective internal processes and controls, management information systems and accounting records.
- Prepare advice in respect of Executive Management team members' terms and conditions for Board approval.
- Report engagement of Executive Managers on appointment.
- Appoint and regularly review performance of Executive Management Team members.
- Ensure an ethical and safe working environment.
- Prepare a draft Annual Report for the Board's review at the end of each financial year, covering financial and non-financial performance, key achievements, constraints in meeting targets and future directions.
- Approve financial and other industrial conditions for all budgeted positions, except those reporting to the CEO, which must be approved by the Board on the recommendation of the CEO.
- Sign agreements with third parties under Board delegations.
- Keep the Board informed of all the activities of the Company.
- Develop and maintain relations with the Barnardos family – Barnardos UK, Barnardos Ireland & Barnardos NZ.
- Work cooperatively as appropriate with other welfare agencies.
- Work appropriately with Government and consistently with Board strategy and values.

The Board delegates to the CEO authority to:

- Execute contracts approved by the Board on behalf of Barnardos and contracts for which Board approval is not required.
- Expend money provided for in any annual (or interim) budget approved by the Board.
- Expend money on capital or other expenditure approved by the Board.
- Apply for government grants and undertake spending as per grant conditions.

The CEO is not authorised to pay him/her self any money, other than the CEO's agreed remuneration, unless the Board first approves the payment.

9. The Role of the Company Secretary

The Company Secretary is responsible for advising on and reviewing legal and regulatory compliance of the Company and the smooth organisation of Board processes.

The Company Secretary's principal functions are to:

- Notify Directors of Board meetings at least 14 days before the Board and sub-committee meetings (except in the case of an extraordinary meeting, in which case lesser notice can be given).
- Maintain the Common Seal Register and report to each Board meeting setting out all uses of the Company Seal since the last meeting. This report will be included with the Board papers.
- Deliver the Board meeting agenda and Board papers to Board members at least seven days prior to the Board meeting.
- Take the minutes of Board and Board Committee meetings.
- Maintain and archive Board meeting minutes and other records.
- Ensure the requirements of the Australian Securities and Investment Commission and the Australian Charities and Not-for-profits Commission are fully complied with.

10. The Role of the Assistant Company Secretary

The Assistant Company Secretary will provide secretarial support to the Board and Committees and assist the Company Secretary with the company secretarial function and the governance of the organization.

11. The Role of Public Officer

Ensure full compliance with requirements of the Australian Taxation legislation.

12. Board Appointment & Composition

12.1 The Board's composition reflects:

- The Board's requirement for independence, transparency and flexibility;
- A diversity of experience and qualification and reflects the diversity in society; and
- High-level skills in areas relevant to Barnardos' objectives.

12.2 Board Succession Process

- The Governance Committee has a standing agenda item at each committee meeting to undertake a Board Succession Review to:

- Review Director timetable (to determine potential timelines for Director retirements, board sub-committee positions etc.);
- Review the Skills Matrix to determine what experience/skills/geographic criteria is required;
- Review status of any current interviews, search, Director changes etc.
- The review will include Board Leadership roles.
- The Governance Chair to share with Directors and Management (at the next Board meeting following the Governance meeting) the outcome of the above review with a view to providing clarity on important criteria areas for director succession and recommend if role will be advertised or not.
- Board Directors and/or Management to canvas networks and identify potential candidates. At this stage the positioning with potential candidates is around exploring their interest for a potential Director role with no promise of when and if it will definitely occur. Suitable candidates to be forwarded to the Governance Chair.
- The Governance Chair to keep a list of potential candidates and review with Board Chair to determine candidates for interview.
- The Governance Chair to then inform relevant Board Director/Management their candidate is being interviewed or not. Board Directors to then inform any candidates (they have forwarded) they are not progressing to interview and why.
- Each selected candidate is to be interviewed by the Board Chair and one other Governance Committee member or, if not available, another Board Member preferably at the same time.
- Feedback of interview is to be provided to the Governance Committee with recommendation on potential appointment to Board or Sub Committee and/or for inclusion in the Board Succession pool.
- Board Chair to obtain full Board approval for appointments to the Board.
- Board Chair to confirm with all successful candidates of their appointment to the Board or inclusion in the Director pool.
- For roles directly onto the Board, normal membership process, invitation to Board meetings and appointment at the AGM takes place.
- For roles coming into the pool of potential Directors, the Governance Chair to contact the person each 6 months to confirm they are still available and interested.

12.3 Terms of Office and Nomination

Appointments to the Board are for a term of three years.

Any two Members of the Company may nominate any other Member to serve as a Director. The ballot will take place at the annual general meeting and any Director thus elected will hold office until the third annual general meeting following election and then may stand for re-election for a further two terms.

The Company may, by ordinary resolution of which special notice pursuant to the Corporations Law has been given, remove any Director before the expiration of his or her period of office and may, by an ordinary resolution, appoint another person in his or her

stead; the person so appointed will hold office only until the next following annual general meeting.

The letter of appointment given to each Board Member will set out the terms of the appointment.

The following statements pertain to the Terms of Office of Board Members:

1. The Board is committed to a regular refreshing of director membership.
2. The Board seeks 3 x 3 year terms as the goal for Board members. This is to ensure stability and encourage Board members to engage fully with the organisation's future.
3. Board Members are required to re-nominate at the end of each 3 year term and put themselves forward for re-election at the Annual General Meeting.
4. A staggered changeover of Directors is the goal and the Board ideally expects no more than one or two changes in any given year.
5. The Board will use its "Skills and Experience Matrix" to plan the range of capabilities it requires and to achieve gender balance within its approved limits.
6. The Chair may recommend an extension of a Director's 3 x 3 term to the Board if he/she believes it is in the interests of the organisation to do so.
7. The Board seeks to provide opportunity for Directors to serve in executive and special roles and encourages Directors to nominate for positions when they fall vacant.

13. Board Committees

The Board currently has the following five sub-Committees. Committees may be appointed by the Board on any other area which it sees fit.

- Finance and Audit Committee
- Engagement Committee
- Governance Committee
- People & Practice Committee
- Risk Committee

Appointments to Committees are for a set period, linked to the scheduled review of the Board.

Any Board Member may attend a scheduled Committee meeting if they wish.

From time to time, the Board may establish Ad Hoc Committees or working parties for special purposes determined by the Board.

In all Ad Hoc committees and working parties, the Board will provide terms of reference and in the case of Ad Hoc committees, a timeframe for the committee to complete its work.

The Terms of Reference for the five sub-Committees are listed in Appendices 1-5 of this Charter.

14. Board Visitors

The visiting of Barnardos' programs by a Director of the Board on a regular basis is to both inform the Board in respect of the development of Barnardos' programs and to enhance the recognition of the Board and its role to Barnardos' staff. This role recognises that a co-operative working relationship between the Board and the work of the organisation is best enhanced by visibility of the Board in the programs. The role of the Board Visitor is to develop a supportive relationship with the Executive Manager and Centre Managers. It also provides a further understanding of Barnardos' work from a different perspective than that provided by Executive Managers and the CEO.

14.1 Terms of Reference

1. Each of the major Centres/programs undertaken by Barnardos Australia should have appointed to it a Board Visitor.
2. Board Visitors will be appointed by the Board for three years to enable them to provide a consistent relationship with staff.
3. The Board Visitor for each program should assume responsibility for understanding the program and for knowing the staff involved with it.
4. Board Visitors will prepare a written report to the Board following program visits addressing a standard set of issues as well as any other matters as they arise.
5. Without limiting the scope of the Board Visitor's function, each visitor should seek to establish such a relationship with staff as to enhance communication. It is anticipated Directors should visit their programs approximately two to three times per year. Board Visitors may be invited as observers to be on the interview panel for Executive staff selection.
6. During the visit, Board Visitors should not make any decisions in respect of day-to-day matters of the organisation, procedures or techniques, or be involved in any matters of policy affecting other parts of the organisation. However, Board Visitors may raise special issues of management with the CEO, if and as they feel appropriate. In any event the Board Visitor must not interfere with the authority of the CEO. Any matter requiring clarification following a visit should be sought from the Chief Executive officer.
7. Board Visits should be organised in consultation with the Centre's Executive Manager, and should be limited to two hours, unless there is a special reason for a longer visit.
8. Board Visitors will provide other Board members opportunities to visit their services, to introduce the work of Barnardos to other members of the Board. It is not appropriate for repeat visits by Board Members who are not the allocated Board Visitor.

14.2 Proposed content for Board Visitor's report

1. Event attended – provide view of issues dealt with at the event
2. General attitude of staff/Organisational Culture

3. Special projects /matters raised by staff
4. Highlights and any other comments.

15. Board Meetings

15.1 Principles

The principles applying to the conduct of Board meetings are:

- Agendas will be carefully prepared to reflect the important issues and governance challenges of the organisation.
- Board papers will be circulated well in advance of meetings (1 week minimum).
- Meetings will be conducted in ways that prompt frank and open discussion and decision making.
- The meetings will be held within the requirements of the Board's responsibilities and Code of Conduct.
- Resolutions will be recorded and dissent noted.
- Minutes will be accurate. Minutes will be taken in note form (recording devices will not be used). Resolutions will be accurately recorded. The fact of discussion and key points of that discussion will be noted. Dissent or any other particular points of discussion will be noted at the request of a Board Member.
- Meetings will be held at least once a year in a regional centre of Barnardos.
- Meetings may be conducted via teleconference.
- All Directors will have full access to the information available relating to a decision.
- Directors may raise the need for independent and external professional advice when they believe this is required.

15.2 Meetings

The Chair and the CEO are primarily responsible for setting the agenda and Board papers and ensuring these are available to Board members at least one week prior to the meeting.

The minutes of the previous meeting will be confirmed as accurate or changes made at the following Board meeting.

The Board will meet at least four times a year.

Any part of the meeting the Board considers appropriate, will be held in camera.

Such Executive Management as the Board considers relevant will be invited to Board meetings.

If the agenda provides for a Management presentation, the Board may invite those presenting to remain at the meeting ex officio after the presentation.

An extraordinary Board meeting may be convened when:

- The Board or Chair determines; and/or
- A Director may at any time convene a meeting of Directors; and
- At least one week's notice to other Board Members is given.

15.3 Board Review

From time to time, the Board may hold part of its meeting in the absence of all Management to consider any issues which relate to Directors, their performance or overall Board performance.

16. Agendas

An agenda will be prepared for each Board and Committee meeting.

The agenda will be set by the relevant Chair, in consultation with the CEO and Company Secretary.

17. Board Papers

The CEO and the Company Secretary will prepare and deliver the Board papers to Board Members before Board meetings allowing sufficient time for the issues to be considered. Board papers must be given to Board members at least seven days before the Board meeting.

Board papers will be clearly marked, as either information papers or decision papers and consistent with the Strategic Directions.

In general, material requiring consideration or decision cannot be tabled at a Board meeting unless the Board unanimously resolves that the material may be tabled.

All decision papers will commence with the recommended resolution.

18. Board Meeting Procedures

- Minutes will contain a brief review of the discussion plus the official resolution adopted by Directors.
- All Board decisions will be recorded by means of a formal resolution.
- The draft resolution will be contained as the first item in documents sent out in the Board papers
- The Chair will read the precise resolution before the Board and ask for all in favour and all against. The exact wording will be recorded and whether the resolution was carried or defeated, but will not record the number of votes.
- Directors who dissent may have their dissent noted in the minutes.
- Minutes will be prepared in draft form by the Company Secretary and provided to the Chair for changes within seven days of the meeting.

- Once the minutes have been adopted by the Board as the second item of business, they cannot be amended.
- The Company Secretary will maintain a complete set of Board papers at Barnardos' Head Office.
- Information about Barnardos and its programs and procedures, and decisions of a policy nature will be recorded on the “confidential access” intranet site.

Board resolutions may be discussed with staff at the CEO’s discretion unless the Board excludes particular resolutions.

A Quorum of the Board (as set out in the Constitution), is 6 Board Members and in the case of a sub-Committee is 50% of Committee members.

19. Major Correspondence

Major correspondence comprises any correspondence received by the Chair, the CEO, other Executive Managers of the Company, or Company Secretary about which Directors should be aware. Such correspondence may include, but is not limited to, any non-routine correspondence from:

- Any other Barnardos International Entity
- Australian Charities and Not-for-profits Commission
- Australian Securities & Investment Commission
- Australian Taxation Office
- Australian Consumer Competition Commission
- Any other federal, state or local government body
- Any correspondence which impacts on the due diligence requirements of Directors.
- Any correspondence threatening or taking legal action against the Company.
- Major correspondence will be included in the Board papers unless the Board determines otherwise or such correspondence is received within seven days between the circulation of Board papers and the Board meeting, in which case it can be tabled at the meeting.
- Major correspondence will normally be ‘for noting’, however any Director may ask for any item of correspondence to be discussed.

20. CEO Reports

The CEO will inform the Board of any matters which the CEO believes are relevant to Board functioning, as well any matters relating to the operation of Barnardos.

The CEO is responsible for informing the Board of any matters of risk management of which the CEO believes the Board would wish to be informed.

21. Financial Reporting

Financial reporting will be undertaken on all matters relating to the operations of Barnardos. The Financial Reports will be reported by the Executive Manager Finance or Company Secretary and with input from the Chair of the Finance and Audit Committee to the Board at each meeting.

22. Board Member Induction, Training & Review

The Governance Committee will provide Board Members with an induction program and information package on their appointment.

The Information Package contains a copy of the Governance Charter and comprehensive information about:

- Barnardos' history, mission, values and objectives
- Key stakeholders
- The organisation structure & key contacts
- Board procedures and Committees
- Barnardos' current operating environment
- A synopsis of current Strategic Directions
- Information on the 'Board Visitors' program.

22.1 The Induction Program will be determined by the Governance Committee but will at least address:

- The Board Member's responsibilities and the qualities required to be a successful Director.
- Details of relevant legal requirements including those arising under:
 - The Corporations Law
 - Australian Charities and Not-for-profits Commission
 - The Taxation Law
 - The NSW Ombudsman
 - The NSW Advocate for Children and Young People
 - NSW Office of the Children's Guardian
 - The ACT Children and Young People Commissioner
 - Federal Government Grant Obligations
 - NSW Government Grant Obligations
 - ACT Government Grant Obligations
 - Obligations under relevant legislation
 - Other relevant regulatory provisions.

22.2 Appointment to the Board

Each Board Member will receive a formal letter of appointment detailing:

- Terms & conditions of appointment
- Rights to access to information
- Insurance coverage
- Expectations of the Board
- Board and Committee Travel and Expenses Policy.

22.3 Governance Training

Board Members are expected to attend a short training course on the role of Board Directors in the Not-for-Profit sector and a refresher course when necessary, unless their expertise or experience suggests the training is not necessary.

22.4 Cultural Awareness Training

Board Members will be provided with the opportunity to attend cultural awareness training.

22.5 Annual Review

The Board reports its corporate governance practices and achievements in the Barnardos' Annual Review.

23. Board Performance Review

The Governance Committee is charged jointly with the Board Chair the responsibility of monitoring and evaluating the performance of the Board and determining the extent to which the Board is effectively assisting Barnardos achieve its objectives. The Governance Committee in collaboration with the Chair will conduct a Board self-evaluation at least once every three years addressing:

- The performance of the Board as a whole; and
- The workload of the Board and the skills and experience it requires.

The Board's evaluation will consider:

- An appropriate mix of expertise - in areas such as finance, business strategy, government and technology.
- Information about organisational performance, Board functioning, Board knowledge, Board strategies, Government policies and technologies.
- Decision making – capacity to reach decisions on key issues; have them accepted and implemented.
- Motivation - active interest and engagement of Directors.
- Focus - preparation for meetings and prioritisation of issues.
- Attendance.

The Governance Committee may recommend to the Board the engagement of professional assistance in conducting the evaluation and/or facilitation of the review.

The findings of the Chair and Governance Committee's review will be tabled at the first meeting of the Board after the evaluation takes place.

24. Management Performance Review

24.1 CEO Evaluation

The Chair will coordinate the performance review of the CEO annually utilising an approved review process.

The Chair will report to the Board about the outcome of the review and will raise any remuneration issues arising from the review with recommendations to the Board.

25. Risk Management and Liability

The Board is responsible for ensuring sound risk management policy and conscientious application of that policy by Management. The Board will ensure that:

- Barnardos has identified the principal strategic, operational and financial risks to which it is exposed.
- Systems are in place to monitor and manage the principal risks to which Barnardos is or may become exposed.
- Adequate reporting systems and internal controls are in place to monitor compliance.
- Policies are directed to ensure Barnardos complies with the law and conforms to the highest standards of ethical behaviour.

The CEO:

- Is charged with implementing appropriate risk systems in the organisation. Aspects of this process may be delegated.
- Is charged with providing quarterly risk compliance statements from Executive Managers.
- The CEO's report will provide a comprehensive risk report annually to the Board and more frequently as necessary. The risk report will notify Directors of any issue or concern.

26. Legal compliance

The CEO is charged with implementing appropriate compliance systems within the organisation. Aspects of this process may be delegated.

The CEO will make an annual legal compliance report to the Board.

The compliance report will contain statements that Barnardos is meeting its requirements under relevant legal and regulatory provisions and that Barnardos is meeting the legal responsibility of Directors. The CEO must notify Directors immediately about any issues or concern in respect to compliance.

26.1 Areas for coverage include:

- ASIC requirements
- Australian Charities and Not-for-profits Commission (ACNC) requirements
- Financial solvency
- Grant Conditions, Federal and State Government
- Occupational health and safety
- Environment
- Taxation requirements
- Trade practices
- Award/VEA requirements
- Ombudsman and other Federal and State requirements.
- Employment
- Insurance
- Privacy
- Advocate for Children and Young People requirements
- Accreditation requirements.

27. Delegation of Authority

27.1 The following must be referred to the Board for approval:

- Budgets (including detailed background papers);
- Any proposed appointment of an Executive Manager, reporting to the CEO, whether budgeted or not;
- Any proposal relating to the sale or acquisition of real property;
- Any major change of policy in operations' marketing, personnel, financial and other compliance;
- Any proposed change in corporate strategy;
- Any capital expenditure item (for a monetary amount in excess of the amount approved from time to time by the Board) not included in the approved budget, or in grant conditions, to a level of the Board's delegation;
- The creation of any new staff position not included in the budget unless allowed for in new or enhanced grants from State or Federal Government;
- Final details of any non-budgeted capital expenditure in excess of a monetary amount fixed from time to time by the Board or included in grant conditions;
- Final details of any legally binding agreements for goods and services in excess of a monetary amount fixed from time to time by the Board or included in grant conditions, or allowed for in the budget.

27.2 The following must be referred to the Governance Committee for approval:

- Consideration of potential Members of the Company
- Consideration of potential members of the Board.

27.3 "CIRCULAR RESOLUTIONS"

Any urgent decision requiring Board or Committee approval can be dealt with by a "circular resolution". For approval, all Board members (if Board approval is required), or all Committee members (if Committee approval is required) must sign the resolution.

The resolution must be entered in the minute book.

If not signed by all Board or Committee members as the case may be, the item is deferred to the next Board or Committee meeting for ratification.

28. Director Protection

28.1 Information Seeking Protocol

Board Members will adhere to the following protocol when seeking information:

- Make a request of the CEO.
- If the request for information is not dealt with to the satisfaction of the Board Member, discuss the request with the Chair of the Board.
- If the request for information is not dealt with to the satisfaction of the Board Member, the Board Member will write a letter to all Board Members and CEO detailing the information required, purpose of the information and who the Board Member intends to approach in order to obtain the information.
- Approach the relevant company employee.
- As a last resort, follow the provisions of the Corporations Law.

28.2 Access to Information and Insurance

- The Company Secretary will hold a complete set of Board papers for Board Members to personally access, for a period of at least seven years.
- Board Members are entitled to access these papers on request, even if they have ceased to be Directors, covering the period whilst they were Directors.
- All documents containing or seeking legal advice will clearly state that the legal advice is sought both in relation to the Company and to the Board Members in their personal capacity.
- The Company will maintain each Board Member's D&O insurance for seven years from the date on which Board Member ceased to be a Board Member.

29. Relations with the Barnardos' family and other welfare organisations

Barnardos recognises the importance of its relationship to Barnardos' entities in other countries and will work cooperatively with them to enhance the recognition of Barnardos and the work undertaken.

When the opportunity arises, Board Members and staff will seek to enhance these relationships by visits to programs run by other Barnardos' entities and to utilise knowledge gained in these settings for the work in Australia.

Barnardos seeks to work in partnership with Government and other Non-Government welfare organisations. This work is undertaken through joint consideration of welfare issues, advocacy in relation to client groups or individuals or collaboration in formal or informal ways.

The work of Barnardos is informed by research and the organisation seeks productive relationships with Universities and other research bodies.

Appendix 1 - Finance and Audit Committee Terms of Reference

Composition

Four Board Members and up to two external Advisors

One Committee member should also be on the Risk Committee

The CEO and Executive Manager Corporate and Financial Services will normally be present ex officio. An initial in camera session of the meeting will be held, if considered desirable by the Chair of the Committee. The Committee will meet with the external auditors at least once a year.

Terms of Reference

The Finance and Audit Committee reviews the effectiveness of the internal financial controls and external audit program, ensures the internal controls and financial risk management structures are appropriate and reviews the draft annual financial reports. The Committee reviews any significant recommendations, if any, of the internal and external auditors and any changes in accounting practices or policies.

The Committee also has oversight of internal and external program compliance audits, including those conducted by regulators (and those material operational program audits as nominated by the Chair of the Committee, following consultation with the CEO, as may be deemed appropriate from time to time).

Without limiting its role, the responsibilities of the Finance and Audit Committee include:

- Oversee the plans of management for Barnardos' financial management.
- Review and recommend to Board for approval the annual budget.
- Review the monthly financial report against budget as prepared by Management.
- Approve all capital expenditure and contracts that are:
 - In addition to those in the approved budget;
 - Greater than the monetary limit given to Management for approval; and
 - Not funded by a government grant.
- When required, due to the timing of meetings, approve budget amendments requiring additional expenditure and/or contracts that are:
 - In addition to those approved in the current budget,
 - Greater than the monetary limit given to Management for approval and
 - Not funded by a government grant.
- Review financial corporate risk controls.
- Review internal financial controls.
- Review and advise fraud and corruption controls.
- Review and recommend the nomination of the external auditors.
- Receive the report of the external auditor.
- Review the declaration from the Company Secretary on compliance with statutory responsibilities.

- Monitor the performance of the management of the Investment Funds on an ongoing basis.
- Refer the annual financial reports and reviews to the Board for consideration and approval.
- Review and monitor the implementation of the Investment Policy on an annual basis or as required and make recommendations to the Board where appropriate.
- Oversee and discuss internal and external program compliance audits conducted by regulators.
- Oversee and discuss internal audit programs covering other operations as nominated by the Chair of the Committee.

Financial Reporting

Financial reporting will be undertaken on all matters relating to the operations of Barnardos and in particular, the Financial Reports will be reported by the Chair of the Finance & Audit Committee or Company Secretary to the Board and or Finance and Audit Committee at each scheduled meeting.

Frequency of Meetings

Four times per year, or as required.

Accountability and reporting

To the Board

Authority

The Board authorises the Finance and Audit Committee, through its Chair, to:

- retain independent risk, actuarial, insurance or other consultants to advise the Committee or assist in the conduct of risk related issues; and
- seek any information it requires from employees, who are directed to co-operate with the Committee's requests, or from external parties.

Appendix 2 - Engagement Committee Terms of Reference

Composition

Four Board Members and invited guests for advice on specific areas.

Terms of Reference

The Engagement Committee will provide advice to the Board on the Barnardos Revenue and Giving and Marketing & Communication strategies and the resourcing of these strategies, and the effectiveness of these strategies.

Responsibilities of the Engagement Committee include:

In relation to Revenue & Giving:

- Review and recommend strategy of fundraising;
- Review Revenue & Giving targets and resourcing;
- Encourage engagement of Board Members in specific fundraising projects; and
- Communicate important dates and timing to Board.

In relation to Marketing & Communication:

- Ensure marketing of Barnardos is effective and supportive to entire organisation, both internally and externally;
- Ensure marketing message of Barnardos is aligned with the welfare direction and values of the organisation; and
- Ensure marketing is adequately resourced and effective.

Frequency of Meetings

Twice a year, or as required

Accountability and reporting

To the Board.

Appendix 3 - Governance Committee Terms of Reference

Composition

Four Board Members

One Committee Member should be on the Finance and Audit Committee

The CEO and Company Secretary are ex-officio members of the Committee.

Terms of Reference

Responsibilities of the Governance Committee include:

Provide advice to the Board on the adequacy of governance arrangements for the Board and organisation, including:

- Review the adequacy of the Governance Charter every three years, or as required;
- Review Terms of Reference of sub-Committees every two years;
- With the Chair, arrange a review of the performance of the Board every three years;
- Review documentation of matters reserved for the Board;
- Review and advise on delegations of authority;
- Review and advise on codes of conduct;
- Review the extent that the Board has approved and fosters an ethical corporate culture that matches the entity's legitimate values and strategies.
- Ensure the membership of the Company of Barnardos Australia is of an appropriate size and composition, through:
 - Developing principles to follow in recruitment of members
 - Encouraging and recommending new members.
- Provide advice and manage processes for succession planning and development for Board Members, through:
 - Reviewing the skills and experience needed for effective governance of the organisation;
 - Planning for succession of Board Members and officer holders;
 - Making recommendations to the Board for new directors and sub-Committee membership;
 - Developing and providing an induction program for Board Members.
 - Recommending a program for developing Board Members.
- Provide Board with advice on appointment and remuneration of the Chief Executive Officer and processes for the ongoing evaluation of her/his performance against agreed key measures arising out of the Strategic Directions (as amended and endorsed by the Board from time to time) and the results actually delivered.

Frequency of Meetings

Three times per year, or as required.

Accountability and reporting

To the Board.

Appendix 4 - People & Practice Committee Terms of Reference

Composition

Three Board Members, and as required, one external member.

Invited guests for advice on specific areas, including existing staff.

The CEO and Executive Manager People and Practice are ex-officio members of the Committee.

Terms of Reference

Responsibilities of the People & Practice Committee include:

Ensuring that the Barnardos Strategic Directions around Human Resource management and practice are maintained.

In particular:

- To improve the capacity to deliver the Barnardos mission, vision and values focusing on organisational culture, recruitment, retention and support of staff through professional development, leadership capability and succession planning;
- To ensure Barnardos maintains a strong and sustainable focus on practice across all its programs and has suitable strategies in place to support our practice; and
- To ensure our approaches in Human Resource management and practice are culturally informed for our Aboriginal staff and clients.

Frequency of Meetings

Three meetings per year, or as required

Accountability and reporting

To the Board.

Appendix 5 - Risk Committee Terms of Reference

Composition

Three Board Members and two or more External Advisors as may be required from time to time.

One Committee member should also be on the Finance and Audit Committee.

The CEO and Executive Manager, People & Practice will normally be present ex officio.

Other members of Barnardos' Management who have assurance and compliance responsibilities may be invited to attend from time to time.

An initial in camera session of the meeting will be held, if considered desirable by the Chair of the Committee.

Terms of Reference

The Risk Committee assists the Board in carrying out its duties and the exercise of due care, diligence and skill in relation to risk assessment, treatment strategies and monitoring. The Risk Committee provides independent and objective review, advice and assistance in developing board policy and monitoring activity within the scope of its remit and making recommendations to the Board for resolution.

The Risk Committee will monitor and provide recommendations to the Board on Risk Management Strategy and the Risk Management Framework and monitor the alignment of Barnardos' risk profile and controls with its risk appetite (as may be defined in any Barnardos' *risk appetite statements* adopted by the Board).

The Risk Committee will oversee the identification, management and reporting of risks inherent in Barnardos' operations, including that sufficient resources are dedicated to risk management.

Consistent with Barnardos' determined appetite for risk, the Risk Committee will assist the Board and its other Committees to understand risks including those that may:

- affect the health, safety or welfare of children, families, social networks, employees, visitors and others in relation to what Barnardos' does;
- threaten compliance with Barnardos' legal obligations;
- impact on the communities and the environments in which Barnardos' operates, and
- impact on Barnardos' reputation and that of its people.

Responsibilities of the Risk Committee include to:

- Monitor and review issues that may impede or materially affect Barnardos achievement of its Mission and any Board endorsed strategic directions, expressly encompassing all and any data and information, data storage, Information Technology and digital-related risk(s).
- Oversee risk policy objectives being achieved through organisation-wide implementation of effective risk identification, management and mitigation systems and processes.
- Ensure Barnardos maintains a risk management framework and operational risk management frameworks, based on appropriate standards.
- Ensure satisfactory reporting is furnished to the Risk Committee and Board on significant circumstances and risk related issues.
- Oversee the maintenance of internal control systems in order to provide accurate, relevant, timely and reliable risk-related information.
- Monitor the activities and maintenance of records to ensure compliance with policies and legal and regulatory requirements (excluding the monitoring and oversight of **Program Audits** undertaken by the **Finance and Audit Committee** in accordance with its Terms of Reference)¹.
- Oversee Management's implementation of systems and loss prevention and control measures directed at managing the potential for loss and damage.
- Oversee the management of insurance programs to ensure appropriate coverage by reputable insurers at competitive premium levels with regard to Barnardos' circumstances and needs.
- Ensure, in conjunction with the **People and Practice Committee**² that
 - an appropriate risk-aware culture is being embedded throughout Barnardos;
 - risks associated with workplace health safety and related systems are monitored, reviewed and appropriate actions are taken as required.

Frequency of Meetings

Four times per year, or as required.

Accountability and reporting

To the Board

Authority

The Board authorises the Risk Committee, through its Chair, to

¹ The Board and Chairs of both the Finance & Audit and Risk Committees, with Management to establish with clarity the scope and ambit of each committee's oversight responsibilities.

² The Board and Chairs of both the People & Practice and Risk Committees, with Management to establish with clarity the scope and ambit of each committee's oversight responsibilities.

- retain independent risk, actuarial, insurance or other consultants to advise the Risk Committee or assist in the conduct of risk related issues; and
- seek any information it requires from employees, who are directed to co-operate with the Risk Committee's requests, or from external parties.