

GIPPSLAND FM POLICY

GOVERNANCE

1.0 INTRODUCTION

- 1.1 Governance in the community sector is concerned with the systems and processes that ensure the overall direction, effectiveness, supervision and accountability of an organisation. This policy is intended to clarify the content of the organisation's rules (constitution) by making explicit the underlying principles of governance approved by the organisation. This policy does not cover all legal or ethical issues concerning the role of the Board or its members, which are addressed separately elsewhere.
- 1.2 Board members take ultimate responsibility for governance to ensure the organisation is effectively and properly run and meets the needs for which the organisation was established. However, the role of delivering effective governance is shared with officers, staff members (both paid and voluntary) and any committees established by the Board.
- 1.3 Whatever the constituency of any director, all Board members shall act selflessly and make decisions and vote on governance decisions solely in the best interests of this organisation. It is noted that while each director can put the point of view of any constituency they represent and have the right to argue for their own point of view and to vote for that position, once a collective decision has been taken by the Board, directors are required to support that decision.
- 1.4 The Board should ensure clarity regarding its relationship with any management staff and any officers or committees appointed and focus on the strategic direction and the core policies of the organisation, and avoid becoming involved in day-to-day operational decisions. Where individual Board members do need to become involved in operational matters, they should separate their strategic role (where they operate independently of any direction) from their operational role (where they act at the direction of management).

2.0 GOVERNANCE RESPONSIBILITIES

- 2.1 The function of the Board of Gippsland Community Radio Society Co-operative Limited is to collectively ensure the delivery of the organisation's objects, to set its strategic direction and to uphold its values (refer clause 3.10 of this policy). The Board shall collectively be responsible and accountable for ensuring and monitoring that the organisation is performing well, is solvent, and is complying with all its legal, financial, and ethical obligations.

- 2.2 It shall be the responsibility of the Board to establish and maintain standing orders, policies and procedures, and systems of financial control, internal control and performance reporting.
- 2.4 It shall be the responsibility of the Board to clearly demarcate and delegate the functions of sub-committees, officers, and other staff and agents.
- 2.5 The specific responsibilities of the Board shall include:
- (a) Make and/or amend from time-to-time, the policies and procedures that provide standards and operational requirements or guidance for the management of the organisation;
 - (b) Review and approve strategic goals and objectives, annual budgets, and financial plans;
 - (c) Oversee and monitor organisational performance and the achievement of strategic goals and objectives;
 - (d) Establish and determine the powers and functions of Board committees, and other committees established by the Board;
 - (e) Regularly monitor financial performance against forecast and prior periods, including approval of the annual financial reports, and the liaison with external auditors;
 - (f) Appoint officers required to assist the organisation in delivering its objectives and regularly assess the performance of such officers;
 - (g) Determine the desired culture for the organisation and act as a role model of the desired culture;
 - (h) Enhance and protect the reputation of the organisation;
 - (i) Establish the Board's risk appetite and ensure risks are identified and that appropriate and regular control, monitoring, and reporting mechanisms are in place;
 - (j) Engage with stakeholders including members, funders, clients, employees, industry, government and other interest groups as required; and
 - (k) Ensure that resources, policies and procedures are maintained to effectively manage day-to-day operations in accordance with agreed standards.
- 2.6 The responsibilities of the Board that cannot be delegated to any other person or body shall include:
- (a) Compliance evaluation – ensuring on-going compliance with the objects, purposes and values of the organisation, and with its rules (constitution) and policies;
 - (b) Organisational governance – setting or approving policies, plans and budgets to achieve those objectives, and monitoring performance against them;
 - (c) Strategic planning – reviewing and approving strategic direction and initiatives;
 - (d) Regulatory monitoring – ensuring that the organisation complies with all relevant laws, regulations and regulatory requirements;

- (e) Financial monitoring – reviewing the organisation’s budget, monitoring management and financial performance to ensure the solvency, financial strength and good performance of the organisation;
- (f) Annual reporting – fully complying with the law in respect of considering and approving annual directors’ reporting and annual financial statements and any other required reports within statutory time limits;
- (g) Organisational structure – setting and maintaining a framework of delegation and internal control;
- (h) Casual vacancy appointments to the Board – appointing directors to fill any casual vacancy that may arise on the Board;
- (i) Officer appointments – selecting and appointing, evaluating the performance of, rewarding and, if necessary, dismissing officers appointed to specific roles in the organisation;
- (j) Succession planning – planning for future staffing needs and future Board composition noting that the latter is subject to democratic appointment by the members of the organisation;
- (k) Risk management – reviewing and monitoring the effectiveness of risk management and compliance in the organisation; agreeing or ratifying all policies and decisions on matters which might create significant risk to the organisation, financial or otherwise;
- (l) Dispute management – dealing with and managing conflicts that may arise within the organisation in accordance with the law, the rules, station policies and any related prescribed time limits;
- (m) Social responsibility – considering the social, ethical and environmental impact of all activities and operations and ensuring that these are acceptable;
- (n) Board performance – regularly evaluating and improving the performance of the Board.

2.7 The responsibilities of individual directors are to:

- (a) Act in good faith and in the best interests of the organisation;
- (b) Not improperly use their position or misuse the information of this organisation;
- (c) Declare any conflict of interest;
- (d) Not fetter their discretion in relation to the exercise of their powers or bind themselves to vote in a certain manner at future Board meetings;
- (e) Act with care and diligence;
- (f) Not allow the organisation to operate if it becomes insolvent, and
- (g) Act in accordance with the law and the rules of the organisation.

3.0 POWERS AND DELEGATION

3.1 General Powers

The direction and control of the organisation, including its business and affairs, is vested in the Board as a whole. The Board's authority to govern the organisation is granted under the Rules, which note that:

“The business of the co-operative is to be managed by or under the direction of the Board of directors, and for that purpose the Board has and may exercise all the powers of the co-operative that are not required to be exercised by the co-operative in general meeting.” (Rule 36).

3.2 Subject to rule 47 and rule 48 of the Rules of the organisation, directors can delegate duties to be undertaken by others, but they remain liable for the exercise of that power unless they believed on reasonable grounds that the delegate was reliable and competent and would at all times exercise the power in conformity with relevant directors' duties.

3.3 Not all duties can be delegated.

3.4 Directors can reasonably rely on information and advice from:

- a reliable and competent employee;
- a competent professional adviser or expert; or
- other directors or officers or committees of directors within their authority

The reliance must be in good faith and reasonable and there must be an independent assessment of the advice

3.5 Formal Committees

3.5.1 The Board recognises that there are times when a committee can act more effectively than can the full Board. As a general rule, the Board will establish committees in response to its own work to assist in effectively managing strategic, financial or operational activities.

3.5.2 Subject to rule 48 of the Rules, the Board shall provide formal charters to guide any committees that are established and where there may be uncertainty between any such charter and the Rules, the Rules shall prevail.

3.5.3 Committee charters, delegations and the composition of each committee are reviewed annually by the respective committees and the Board.

3.5.4 Committees cannot exercise authority over staff nor shall they delegate tasks to any staff member unless the Board has specifically agreed to such delegations.

3.5.5 Unless explicitly empowered by the Board, committees cannot make decisions binding on the Board. For the most part the function of committees is to solve problems for and/or make recommendations to the Board on which the latter, and only the latter, has the power to make decisions on policy.

3.5.6 Program Advisory Committee

The Board shall maintain a Program Advisory Committee to act in accordance with the sector Codes Of Practice, the co-operative Rules and the charter prescribed in the Programming Policy.

3.6 The Chairperson

3.6.1 The Chairperson is responsible for the leadership of the Board, for the efficient organisation and conduct of the Board's function, and for the briefing of all directors in relation to key issues at board meetings.

3.6.2 The Chairperson will ensure that the Board is providing leadership and vision, and working in a constructive partnership with management.

3.6.3 In addition to fulfilling their duties as an individual director, the duties of the Chairperson are to:

- (a) Play an important role as a figurehead and a spokesperson for the organisation;
- (b) Establish and maintain an effective working relationship with any key management personnel appointed;
- (c) Set the tone for the Board, including the establishment of a common purpose;
- (d) Chair Board meetings efficiently and shaping the agenda in relation to goals, strategy, budget and management performance;
- (e) Encourage contributions by all Board members and seek consensus, in the first instance, when making decisions;
- (f) Motivate Board members and where appropriate deal with underperformance;
- (g) Establish the process for appraising Board members individually and the Board as a whole;
- (h) Chair general meetings – annual and extraordinary general meetings of the organisation.

3.7 Procedures

The Board shall set and maintain standing orders, policies and procedures, and systems of financial control, internal control, and performance reporting. The Board shall ensure that there is a system for the regular review of the effectiveness of its financial control, internal control, performance reporting, and policies and procedures.

3.8 Risk Management

The Board shall undertake a full risk assessment (either periodically or on a rolling basis) and take appropriate steps to manage the organisation's exposure to significant risks. The Board must regularly review the risks to which the organisation is subject, and take action to mitigate risks identified.

3.9 Formal Review

The Board should ensure that there is a system for the regular review of its own effectiveness in meeting its responsibilities. This Governance policy will be reviewed annually or more frequently by the Board as required.

3.10 Values

The values established by the Board are outlined as follows. The Board should ensure that these values remain appropriate for the organisation.

- (a) People – our members being treated with dignity and respect, viewing the community as our primary stakeholder and maintaining a bias in favour of the disabled and those under-represented in our community (and in mainstream media);
- (b) Honesty and Integrity – our organization operating with honesty through open, ethical and trustful leadership with these qualities being exhibited by all members to each other and our stakeholders;
- (c) Teamwork – with a commitment to building common goals based on open communication and concern and support for each other;
- (d) High Performance – doing the best we can always including compliance with all legal, ethical and community obligations including our sector Codes of Practice, and
- (e) Social Responsibility – operating our organisation in a socially and environmentally responsible manner that embodies good corporate citizenship.

3.11 Open, Transparent And Accountable Meetings

- (a) All Board and Committee meetings shall be open to observers from members of the station or members of the community. Observers do not have the right to participate in such meetings unless invited by the respective chairpersons of the Board or committee.
- (b) The Board shall ensure that adequate notice of its meetings be made public and upon giving reasonable notice and advice to any director, residents of the local community (including station members) may attend (in person or by electronic means) and observe any convened meeting of the Board.
- (c) Similarly, any formal committee shall ensure that adequate notice of its meetings be made public and upon giving reasonable notice and advice to any committee member, residents of the local community (including station members) may attend (in person or by electronic means) and observe any convened meeting of a committee.
- (d) Observers shall not be entitled to observe a Board meeting at times when in-camera discussions are required by the directors. The term “in camera” is from the Latin word for "chamber." In the context of station meetings it means an "in private" session, a meeting, or portion of a meeting, where the people who are not members of the Board or committee are excused from attending.
- (e) In-camera discussions shall not be called to simply exclude observers from a meeting and shall only be called where one of the following criteria has been declared by a resolution of the Board:
 - (i) A matter where commercial in confidence requirements need to be maintained, or

- (ii) A matter where personal conflict resolution or disciplinary matters involving members requires private discussion by the Board, or
- (iii) A matter where in order to discuss particularly sensitive issues, such as legal, employment or personnel issues, real property, management performance, or where personal information about a volunteer, staff member or stakeholder will be disclosed.
- (f) No other Board business can be transacted whilst the Board is holding in-camera discussions and all matters (including in-camera discussions) shall be recorded in the minutes of the meeting.
- (g) Committees do not have a right to hold in-camera discussions unless commercial in confidence requirements need to be maintained and the committee makes a resolution to that effect.
- (h) Minutes of Board and committee meetings shall be published at the Registered Office within 28 days from the date such meetings are held and be made available to members. Such minutes can be in draft form if approval at a subsequent meeting has not been completed.

3.12 Privacy

- (a) Whilst it is noted that there may not be a legal requirement for the station to comply with the Privacy Act, from time to time the station will need to collect and retain personal information in order to provide its services or fulfil its legal obligations. Such information is to be protected in accordance with this policy and may include the collection of:
 - information relating to members that identifies an individual or,
 - credit, financial or banking information relating to individuals,
 - sensitive information (e.g. racial, political, religious, sexual preference, health or criminal data) relating to individuals, or
 - any other information or an opinion from which it is possible to identify an individual.
- (b) The protection of personal information and the responsible use of information is important to the station. As such, the Board is committed to respecting the right to privacy and the protection of all personal information obtained by the station.
- (c) The Board shall ensure that the collection, retention, storage and extent of any disclosure of personal information will be undertaken in a manner that limits the number of station personnel accessing such information, ensures that such information is stored securely and that such information is only maintained until its purpose for collection no longer exists. Any disclosure of such information would only be for a legal or fit and proper purpose.
- (d) The Board shall ensure that members will be made aware on a case by case basis of the purpose that any personal information is to be collected, where it will be stored (in general terms), who is responsible for the

security of such information and who can access such information and any advice on whom it is to be disclosed and the arrangements for the retention and subsequent destruction of the information.

- (e) In general, disclosure of personal information by the station shall only occur:
- with the express or implied consent of the individual concerned, or
 - when required or authorised by law, or
 - to enforcement bodies when reasonably necessary, or
 - to lessen or prevent a threat to an individual or public health or safety.
- (f) In the event that any issues or complaints arise in relation to the collection, use, security, access to and disclosure of personal information, the matter should be referred to the Secretary and the Board shall respond within 30 days and endeavour to resolve the matter within 60 days of the issue being advised to the Secretary.

3.13 Conflict Of Interest

3.13.1 The Board notes that compliance with Conflicts Of Interest is required under the Co-operatives National Law and that penalties apply for directors who breach such requirements. To assist in such compliance, the following additional policy is endorsed to ensure that the station remains committed to high standards of ethical conduct and accordingly places great importance on making clear any existing or potential conflict of interest.

3.13.2 This policy has been developed to provide a framework for:

- all Board Members in declaring conflicts of interest; and
- the Board, when determining how to deal with situations of conflict.

3.13.3 A conflict of interest may occur if a financial interest or a relationship influences or appears to influence the ability of a Board Member to exercise objectivity.

3.13.4 The Board shall place great importance on making clear any existing or potential conflicts of interest. All such conflicts of interest shall be declared by the member concerned. All financial conflicts of interest, as defined by statute, shall be documented in the Board's Conflicts of Interest Register.

3.13.5 Where a Board member has an actual or perceived financial conflict of interest, as defined by statute, that Board member shall not initiate or take part in any Board discussion on that topic (either in the meeting or with other Board members before or after the Board meetings), unless expressly invited to do so by unanimous agreement by all other members present.

- 3.13.6 Where a Board member has an actual or perceived financial conflict of interest, as defined by statute, that Board member shall not vote on that matter.
- 3.13.7 Where a Board member has an actual or perceived conflict of interest related to their relationship with an employee or volunteer of the organisation, or any other person having dealings with the organisation, that Board member shall not initiate or take part in any Board discussion on that topic (either in the meeting or with other Board members before or after the Board meetings), unless expressly authorised to do so by the Board.
- 3.13.8 Where a Board member has an actual or perceived conflict of interest related to their relationship with an employee or volunteer of the organisation, or any other person having dealings with the organisation, that Board member shall not vote on that matter, unless expressly authorised to do so by the Board.
- 3.13.9 The Board may further supplement the definition of conflict of interest from time to time if it so wishes, and may specify the procedures to apply in such cases.
- 3.13.10 Board members are not barred from engaging in business dealings with the co-operative, provided that these are negotiated at arm's length without the participation of the Board member concerned.
- 3.13.11 A Board member who believes another Board member has an undeclared conflict of interest should specify in writing to the Secretary the basis of this potential conflict.
- 3.14 Related Documents
The Rules of the Co-operative
Programming Policy
Community Engagement Policy
Training and Induction Policy
Certain other policies of the organisation – e.g. People Policies, Budgeting Policy, Complaints Handling and Working With Children.

Appendix 1 – Generic Corporate Structure

