

Neami Limited Board Charter 2014

Purpose

This Board Charter sets out the roles, responsibilities, structure and processes of the Board of Neami Limited.

Introduction

The Board of Neami Limited will govern the Company to best meet its strategic directions. To this end, the Board acknowledges the central role of consumers of the company's services, and takes them into consideration when making all decisions.

The Board will consider the strategic directions, mission, vision and values of Neami Limited, ensuring that its actions are in line with these guiding statements. The Board will maintain appropriate governance structures and accountability measures to ensure that the Board and the Company remain in a strong position both now and into the future

Neami Limited is a Company Limited by Guarantee. The Board will ensure that all relevant regulatory requirements are observed and adhered to in its operations. To ensure the Board meets its legal obligations it will follow the guidance outlined in: the Neami Constitution; the Neami Governance Principles; the Neami Governance System; the Neami Board Handbook; all relevant regulatory and statutory material and associated documents

Role of Board

As detailed in Rule 22 of the Neami Constitution, it is the role of the Board to direct all affairs of Neami Limited. As such the Board determines Neami's strategy in the strategic directions document which is developed by the Board, the CEO and the National Leadership Team. Management, under the direction of the CEO, develops a business plan to implement these directions in the operation of the Company. The business plan includes the national infrastructure, strategy and practice plan and sets the direction for the state plans and individual site plans. Management report to the Board on the operational achievement of the strategic directions at regular intervals.

Subcommittees of the Board can be established to assist the Board execute its duties and operate under terms of reference. Subcommittee's provide expertise in particular areas of governance and oversight and make recommendations to the Board for adoption, discussion and amendment.

Neami's Constitution details the authority that can be exercised by the Board. The Board delegates some of these authorities to the Chief Executive Officer (CEO) to allow for the efficient operation of the Company. These delegations are in accordance with a policy framework.

The Board is responsible for the selection and appointment of the CEO for a term and under such conditions that the Board deems appropriate. The Board as employer is directly responsible for all matters relating to employment and management of the relationship with the CEO, including ensuring appropriate empowerment and resourcing for the CEO to implement Neami's strategy.

Board Membership

The Board shall consist of between six and twelve members who are appointed for terms of three years. A Board member having reached the end of a three year term may nominate for re-appointment: such reappointment is at the discretion of Company members and based on a vote of approval.

Board members, in conjunction with the CEO, are responsible for identifying the qualifications, skills and experience necessary to achieve and maintain a balanced Board to execute the best skills of individuals which will best serve the interests of the company. This balance requires a mix that encompasses diversity, understanding of issues and high level skills for effective governance.

Appointment of Board members to fill positions which have been vacated due to resignation or end of term will occur at the Annual General Meeting. Board members are required to act under the guidance of the Neami Limited Director Position Description and Board Code of Conduct.

Board President Role

At the first Board meeting after the AGM of each year the Board is required to appoint a President, Vice President and a Treasurer from its members. These offices are appointed for a term of one year each, however the incumbent can be reappointed for terms of one year after the following Annual General Meeting.

The President is required to:

- Manage the operation of the Board, encouraging active participation of all members;
- Chair Board meetings and consult with the CEO in drawing up Board meeting agendas;
- Act as spokesperson when appropriate, in conjunction with the CEO;
- Follow up Board decisions to ensure implementation;
- Liaise between the Board, CEO, staff and Subcommittees;
- Conduct CEO and Board performance review processes; and
- Act on behalf of the Board and company in emergency or urgent situations.

CEO Role

The CEO is responsible for managing the Company according to the guidance and constraints of the Neami Limited Constitution, relevant regulations and the strategic directions as set by the Board. The CEO attends all Board meetings but is not a Board member and does not have voting rights.

The CEO:

- Establishes all operational policies essential for the effective management of the company and takes all actions necessary to give effect to these policies;
- Carries out the operational business of the company free from interference from the Board or individual Board members, so long as these actions fall within the boundaries described within the Board's strategic ends or CEO delegation policies; and
- Consults the Board only on matters requiring urgent or immediate action that fall outside of current policy and direction.

Company Secretary Role

The role of Company Secretary is as defined by the *Corporations Act 2001* (Cth). The primary responsibilities of the Neami Limited Company Secretary include:

- ensuring the maintenance and lodgement of required statutory records and reports;
- coordination of Board meetings and resulting action items;
- recording conflicts of interest details;
- having custody of the Common Seal and recording usage;
- assisting with signing of contracts and other documentation in connection with administrative matters; and
- assisting the Board in their directorial and governance obligations and responsibilities.

Board Operations

The Neami Board operates under the Neami Limited Governance Policy Framework, statutory requirements and other documentation as outlined in the Board Handbook.

The Board meets no less than five times per year. The frequency of meetings is determined by the Board considering current operational circumstances of the Company. A quorum at a Board meeting is reached when there are no less than four Board members in attendance. No decisions will be taken by the Board unless there is a quorum.

Board meetings are chaired by the President and in his/her absence the Vice-President or any other Board member nominated by the Board.

The preparation of the Board meeting agenda is the responsibility of the President in collaboration with the CEO, with contributions from Board members. The agenda will reflect Board concerns and strategic priorities based on an annual calendar of key items, issues and actions registers.

All Board procedures and decisions are documented in meeting minutes. Board meetings are open to staff to attend as observers by invitation. Program staff and consumers attend meetings to present service reports on a rotating basis. The Board may decide in some circumstances to meet 'in camera'.

The Board reviews its performance on an annual basis. This process may be conducted with the assistance of specialist consultants.

Neami Limited Board members are entitled to reimbursement of reasonable expenses required to fulfil their role. Board members will also receive a small honorarium for their service to the Company during the period of their Company Directorship.

The Neami Board is committed to resolving disputes fairly and promptly. Should any dispute arise between Board members that is not able to be resolved by informal negotiations, the process documented in rule 11 of the Neami Limited Constitution will be followed to remedy the situation.

The Board realises that not all skills and knowledge required to meet its objectives are held by its members. Where required, the Board will seek advice from subject matter experts to assist in decision making or meet external reporting requirements.

Declaration of Interest, including Conflicts of Interest

Under rule 33 of the Neami Limited Constitution, all Directors are required to declare any financial interest they have in any contract or arrangement made or proposed to be made with the company and cannot take part in any Board processes related to this.

Section 7 of the Neami Board Code of Conduct expands on this, so that the director “should properly manage any conflict against the interests of the company, including the need to disclose any potential conflict and have the conflict duly recorded”.

As a matter of good governance practice, directors are encouraged to disclose all their other Board or other relevant roles for the information of fellow directors and Neami executives so that, amongst other things, inadvertent conflicts can be avoided.

At the commencement of each Board and Board Subcommittee meeting, members must declare any interest which may affect their engagement with an item on the agenda and, if required, abstain from any discussion and vote.

Stakeholder Engagement

The Board is responsible for the preparation and presentation of annual accounts and reports to its members and various stakeholders. This will take the form of an Annual General Meeting (AGM) and a formal annual report that will be available to the public and those with an interest in Neami’s affairs. The preparation work leading up to the publication of any such reports or public forums will be carried out in collaboration with the CEO.

Board Committees

Rule 44 of the Neami Constitution provides that the Board may at any time appoint any Subcommittee (consisting of members of their own body) they may think fit, and may prescribe the functions of any such Subcommittee. The Board may co-opt persons to serve on a Subcommittee in an advisory capacity, but no such co-opted member shall be entitled to a vote. The President shall be an ex-officio member of all Subcommittees. The quorum for meetings of Subcommittees shall be one third of the number of the relevant committee, but not less than four members.

The Neami Board currently has two Subcommittees: the Governance Review Subcommittee and the Finance, Assurance and Risk Management Subcommittee. Each committee has its own Terms of Reference and nominated Chair. The Subcommittees report to the Board on matters within their scope on a regular basis. The Subcommittees monitor their performance on an ongoing basis.

Professional Development

Neami Limited is committed to the professional development of Board members. The Board training framework consists of core training which requires all Board members to complete the Directors course conducted by Australian Institute of Company Directors, attending Neami National staff induction, conducting visits to service sites in the state where the Director lives and the provision of additional key information required for a Director to meet their responsibilities.

Additional to core training, Directors are encouraged to develop their industry knowledge through attendance at relevant conferences and other professional development opportunities. The training framework also provides for governance and strategic training and assigns both a group and an individual budget allocation toward these purposes.

Training needs for Directors are identified and incorporated in an annual Board training plan. Provision is made for tailored training for individual Directors, combined with training for the Board as a whole.

Review

The currency of this Charter will be reviewed by the Neami Limited Board on an annual basis.