

## INTERIM GOVERNANCE CHARTER

For the **Newcastle Anglican Corporation** and

- **Anglican Care**
- **Anglican Savings and Development Fund**
- **Diocesan Office**
- **Newcastle Anglican Schools**
  - including the Newcastle Anglican Schools Corporation, Bishop Tyrrell Anglican College, Lakes Grammar – An Anglican School, Manning Valley Anglican College, and Scone Grammar School
- **Samaritans**
  - including Samaritans Foundation, Samaritans Housing, Samaritans Enhanced Living Options Central Coast Pty Limited, Samaritans Enhanced Living Options Hunter Mid North Coast Pty Limited, Samaritans Community Services Hunter Mid North Coast Pty Limited, and Samaritans Enhanced Living Options Newcastle/Lake Macquarie Pty Limited
- **Trustees of Church Property for the Diocese of Newcastle**

*The Diocese celebrates that through God all things have been made and have their being. We acknowledge the enduring custodianship of the First Nations of the land on which the Diocese ministers – the Awabakal, Biripi, Darkinjung, Geawegal, Kamilaroi, Worimi, Garrigal and Wonnarua peoples and pay respect to their elders. We are committed to the journey truth telling and healing the wounds of the past.*

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## **1 INTRODUCTION**

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This Governance Charter outlines the work of the Board of the Newcastle Anglican Corporation which is also the Board of the Trustees of Church Property for the Diocese of Newcastle, the Anglican Savings and Development Fund, Anglican Care, the Samaritans and the Newcastle Anglican Schools Corporation (the group of entities is referred to collectively as the NAC in this document).

## **2 DIOCESAN GOVERNANCE**

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The Diocesan Bishop (or senior bishop) is, like all bishops, ordained to shepherd the people of God and be a guardian of the faith of the apostles. The Diocesan Bishop is the ‘chief pastor’ with responsibility for the whole of the Diocese and the ‘principal minister’ within the Diocese. They are required to proclaim the Gospel, teach and uphold ‘sound doctrine’ and to be an example of ‘righteous and godly living’. The Diocesan Bishop is the principal spokesperson about the Diocese and its strategy, mission and affairs.

The Diocesan Bishop in this Diocese is assisted by two Assistant Bishops to whom are delegated specific responsibilities and powers.

The Diocesan Bishop is represented by a Commissary (normally one of the Assistant Bishops) when absent from NSW, or otherwise unable to exercise their duties. When the ‘See is Vacant’, the ministry of the Bishop is exercised by an Administrator.

The overarching governance of the Diocese rests in the Bishop and the Synod. The Synod has a standing committee known as the Diocesan Council which has the delegated powers of the Synod, when the Synod is not in session.

The NAC is subject to the control of the Diocesan Council and accountable to the Bishop, Synod and Diocesan Council for its corporate performance. It must keep the Diocesan Council informed of all key financial, strategic and risk matters associated with the NAC.

The Board and/or the Bishop may, before a vote is taken by the Board, request that a matter be referred to the Diocesan Council for advice and/or resolution.

The Bishop, Diocesan Council and NAC must comply with the governance standards of the Australian Charities and Not for Profit Commission. The NAC must comply with the Corporations Act in relation to the 4 private companies controlled by Samaritans.

## **3 ONE BOARD – MANY ENTITIES**

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The entities, except for the Corporations forming part of Samaritans, are governed by Ordinances determined by the Synod of the Diocese of Newcastle or its standing committee, the Diocesan Council. An ordinance requires the independent assent of the Bishop.

The Board of the NAC will be the Board of each entity.

Each entity will retain its legal status and authority for matters such as registration, accreditation and contracting.

## **4 THE DIOCESAN CHIEF EXECUTIVE, HEAD OF ENTITY, EXECUTIVE DIRECTORS AND SCHOOL PRINCIPALS**

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### **4.1 DIOCESAN CHIEF EXECUTIVE**

The Board retains ultimate authority for the governance of NAC but delegates responsibility for the day-to-day management of NAC to the Diocesan Chief Executive who is appointed by the Bishop on the nomination of the Board.

The Diocesan Chief Executive is accountable to the Bishop and the Board.

The Diocesan Chief Executive is responsible for implementing the strategic plan, developing the operational plan, meeting agreed annual objectives and providing reports on the performance of the NAC against the plan.

The Diocesan Chief Executive is entitled to attend all open sessions of the Board and has the right to speak but not vote.

### **4.2 EXECUTIVE DIRECTORS AND SCHOOL PRINCIPALS**

The Board appoints Executive Directors on the nomination of the Diocesan Chief Executive with concurrence of the Bishop.

The Bishop appoints School Principals on the recommendation of a Nominating Committee comprising Board and School Council appointees.

### **4.3 HEAD OF ENTITY (HEAD OF AGENCY)**

The Board with the concurrence of the Bishop may appoint an Executive Director or some other person to the position of Head of Entity for each of Anglican Care, Samaritans, and Newcastle Anglican Schools. The Head of Entity will be the head of the relevant entity as defined in legislation relating to child protection, disability or aged care (with this definition also applying to the term Head of Agency where relevant) and for such other duties as the Board may determine.

### **4.4 DELEGATED AUTHORITY**

The Board will develop and maintain a delegation of authority policy that sets out the powers that the Board will retain and those that are delegated to officers of the NAC.

The Board and the Diocesan Chief Executive may not exercise or delegate authority which is vested in the Bishop by Constitution, Canon, Ordinance or other authority.

The School Principals carry specific delegations under the NASC Ordinance and have the responsibility to ensure that the Bishop and the Diocesan Chief Executive (or his/her delegate) are kept informed on key financial, strategic and risk matters associated with the School.

The Diocesan Chief Executive may delegate responsibilities to the Executive Directors, School Principals and other staff within the NAC.

No officer may exercise or sub-delegate a responsibility of the Board without delegation

No Board Member has authority to participate in the day to day activities of the Diocese unless they are invited by the Bishop, the Diocesan Chief Executive, the Board Chair or the Board Deputy Chair. This means that no Board Member has authority to make representations to suppliers or other parties on behalf of the Diocese

## **5 A CULTURE OF SAFETY AND PARTNERSHIP**

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The Anglican Diocese of Newcastle is committed to promoting behaviours that support the physical, psychological, social, spiritual and moral safety of all people. Our work is governed by legislation and standards and is driven by the principle of love taught by Jesus.

Board, leadership, management and staff must be effective and accountable in working to maximise the positive outcomes for the people we support including clients, residents, students, carers, families, among others.

## **6 THE BOARD**

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### **6.1 BOARD STRUCTURE AND TERM**

The Board comprises:

- a) The Bishop
- b) The Assistant Bishops (non-voting members)
- c) 10 members of the Board appointed by the Diocesan Council (with 3 or 4 members retiring each year).

Appointments to the Board are for a term specified by the Diocesan Council. These appointments have been made for terms of up to 4 years.

### **6.2 BOARD SKILLS**

When determining the composition of the Board, the Diocesan Council will consider the balance of business and leadership experience, skills and capabilities and to adequately represent the broader membership of the communities which NAC serves.

### 6.3 BOARD FUNCTION

The function of the Board is to collectively ensure the delivery of the mission and strategies of the Diocese through the NAC in accordance with the values and practices of the Diocese. The Board role includes

- **Strategy**

- setting strategies and objectives in conjunction with the Bishop and the Diocesan Chief Executive;
- driving organisational performance to deliver benefits for the persons supported by the NAC and for the Anglican Church in this region;

- **Safe and Inclusive services**

- ensuring NAC services are managed effectively, efficiently and safely including
  - ensuring the NAC has a culture of continuous improvement by our clergy, staff, and volunteers;
  - the NAC hears the voice of the people we support;
  - the NAC seeks the input of the people we support and their advocates in planning, policy development and service provision;
- monitoring clinical excellence and compliance with all relevant safety standards;
- ensuring the NAC adopts an evidence-based approach to developing plans and solution pathways;

- **Risk and Control**

- monitoring the operational, risk and financial position and performance of the NAC;
- approving the NAC's budgets and business plans and monitoring major capital expenditures, acquisitions and divestitures, and capital management generally;
- approving and monitoring acquisitions and divestments, capital management and major capital expenditure above the Diocesan Chief Executive's financial delegation;
- providing assurance about the prudential and ethical base to the NAC's conduct and activities;
- identifying and overseeing the appropriate control and monitoring of the principal risks facing the NAC;
- reviewing and approving the NAC's internal compliance and control systems and codes of conduct;
- providing assurance that the NAC's financial, clinical, child protection, and other reporting mechanisms are fit for purpose and will result in adequate,

accurate and timely intervention and ensuring information is provided promptly to the board and relevant agencies;

- **Crisis**

- ensuring appropriate leadership of the organisation in times of crisis.

- **Recruitment and succession**

- exercising relevant authority in the appointment and management of the Diocesan Chief Executive, Executive Directors and School Principals and other key appointments;
- reviewing and approving Diocesan Chief Executive, Executive Directors and School Principal remuneration;
- planning board succession to assure the Board is comprised of individuals who can meet Board member responsibilities;
- planning executive succession;

- **Performance**

- overseeing and evaluating the performance of the Diocesan Chief Executive and through the Diocesan Chief Executive, receiving reports on the performance of the Executive Directors and School Principals.
- evaluating and ensuring continuous improvement in Board performance
- ensuring professional development opportunities for Board Members, the Diocesan Chief and Executive Staff.

- **Stakeholder engagement, Sustainability and Ethical Conduct**

- ensuring the NAC's affairs are conducted with transparency and accountability;
- ensuring the NAC, its related bodies, and staff comply with the Diocesan Code of Conduct for Governance Bodies;
- considering the social, ethical and environmental impact of all NAC activities and operations and ensuring that these are acceptable.
- communicating clearly with stakeholders and the people we support
- ensuring that the NAC's financial results are appropriately and accurately reported on in a timely manner in accordance with the relevant ordinances and other regulatory requirements;

- **Board Induction and Training**

- Ensuring all new Board members will undergo an induction conducted by the Bishop, Board Chair and Diocesan Chief Executive which will include, but not be limited to
  - information needed to support their role including minutes of previous meetings, this charter, financial report; and

- spending time to meet with the executive team

#### **6.4 BOARD CHAIR**

Under the NAC Ordinance, the Chair is either the Bishop or appointed by the Bishop.

Inside the boardroom the role of the Chair is to:

- establish the agenda for Board meetings in consultation with the Diocesan Chief Executive and Deputy Chair ensuring the right matters are considered
- be clear on what the Board will achieve, both in the short and long term
- provide guidance to other Board members and promote the on-going development of the Board and individual Directors
- determine the degree of formality required at each meeting while maintaining the decorum of meetings and ensuring that the appropriate authority of the Bishop and Chair is recognised
- ensure all members are given the opportunity to contribute effectively and that decisions and debates are completed with a clear, formal resolution recorded, and
- ensure that the Board behaves in accordance with the Code of Conduct.

Outside the boardroom the role of the Chair is to:

- be the major point of contact between the Board and the Diocesan Chief Executive
- be kept fully informed of current events by the Diocesan Chief Executive on all matters of interest to Board Members
- regularly review progress on important initiatives and significant issues with the Diocesan Chief Executive, and
- provide guidance to the Diocesan Chief Executive.

#### **6.5 DEPUTY CHAIR OF THE BOARD**

The Deputy Chair is elected by the members of the Board.

The Deputy Chair will liaise with the Diocesan Chief Executive and Corporation Secretary to assist in the preparation of the board agenda. They will be the main contact point for other board members to raise concerns about NAC board and management with the Bishop and any Chair appointed by the Bishop.

#### **6.6 CORPORATION SECRETARY**

The Corporation Secretary is responsible to the Board through the Chair.

The responsibilities of the Corporation Secretary include:

- ensuring the agenda and Board papers are prepared and forwarded to Board Members seven days prior to the Board meeting;

- ensuring that the Board considers, in a timely manner, all matters for which specific Board approval is required as part of accreditation or credentialing processes.
- ensuring the agenda and Board Committee papers are prepared and forwarded to Board Members seven days prior to the Board Committee meeting;
- recording, maintaining and distributing the minutes of all Board meetings, Board committee meetings, and NAC general meetings;
- preparing for and attending all annual and extraordinary general meetings;
- overseeing NAC compliance program and ensuring NAC meets its legislative and accreditation obligations, and regulatory body requirements (including ASIC, ATO and ACNC);
- submitting policies requiring Board approval ensuring, unless urgent circumstances require otherwise, that the policies have been reviewed by the relevant Board Committee;
- maintaining a Register of Policies as approved by the Board;
- maintaining, updating and ensuring that all Board Members have access to up-to-date Board documentation;
- ensuring that staff are aware of all NAC policies and procedures.

All Board Members have a right of access to the Corporation Secretary.

## **6.7 BOARD COMMITTEES**

The Board has established Board Committees to assist with its work. There may also be occasions when the Board must seek out professional objective advice when dealing with an issue requiring specialist expertise.

Board members may attend meetings of any Committee.

The Committees include, but are not limited to:

- a) Audit and Risk Management Committee
- b) Finance, Budget and Investment Committee
- c) Governance and Remuneration Committee
- d) Clinical Governance and Quality Assurance Committee
- e) Education and Child Development Committee

Recommendations from the Committees will be presented to the Board with specific papers.

The Agenda Pack and Minutes of the Board Committees will be available for review by all Board Members through the Board Sharepoint.

## **6.8 SCHOOL COUNCILS**

When the Board is acting as the Board of the Newcastle Anglican Schools Corporation it is assisted in its governance by a School Council in each school. The responsibilities of a School Council are defined by the NASC ordinance and include –

- developing and implementing a school strategic plan, education philosophy, and associated policies.
- preparing in such manner a recurrent and capital expenditure budget for the relevant School for consideration by the Board

Recommendations and requests from the School Councils will be forwarded to the Executive Director with responsibility for the Schools and the Diocesan Chief Executive.

## **7 BOARD WORK**

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### **7.1 STRATEGIC PLANNING**

The Diocesan Council, as the Standing Committee of the Synod, is responsible for establishing the mission and strategic direction of the Diocese.

Each November, following the annual meeting of the Synod, the Bishop will convene a strategic planning workshop comprising the Diocesan Council, Diocesan Senior Leadership Team, NAC Board, Diocesan Chief Executive, Executive Directors, general managers and others to identify the strategic planning priorities for the NAC.

The Board, in consultation with the Diocesan Chief Executive, Executive Directors and School Principals, will approve a strategic plan on a three year cycle amending the plan in response to the any changes in the mission and strategic directions set by the Diocesan Council and the outcomes of the strategic planning workshop.

The Diocesan Chief Executive will ensure that by March each year an operational plan is in place for Anglican Care and Samaritans and by September each an operational plan is in place for the NAC, TCP, Trustees and NASC. The operational plan is to inform the budget for each entity.

Throughout the course of the year the Board, Diocesan Chief Executive, Executive Directors and School Principals will monitor progress against the operational plan and ensure the provision of appropriate resources to achieve the agreed mission and strategy.

### **7.2 BOARD EFFECTIVENESS**

Board Members must ensure the NAC complies with the Australian Charities and Not for Profit Commission governance standards and all other legislative obligations.

Board Members are expected to be aware of their legal obligations, document all Board decisions thoroughly and conscientiously, and consult with experts and keep informed of changes in the law.

In addition to their legal duties and obligations, the Board Members are expected to act responsibly and diligently.

Where responsibilities and duties are delegated by the Board or further delegated by the Diocesan Chief Executive, they are embedded in the relevant position description and will be considered as part of the delegate's regular performance appraisal with reference to each delegate's specific duties.

### **Financial role**

The Board will review NAC forecasts and monitor management and financial performance to ensure the solvency, financial strength and good performance of the NAC.

The Board has ultimate responsibility for:

- ensuring a framework of policies, delegations and internal control is developed and maintained which assures sound management and good corporate governance of NAC resources;
- considering and approving the principles used for budgeting by the NAC;
- considering and approving framework for regular financial reporting and for formulating annual financial statements;
- determining and monitoring the appropriate policies relating to investment strategies, asset management and general reserves;
- determining and implementing appropriate audit processes that ensure NAC complies with regulatory and best practice financial management and reporting processes.

### **Risk Management and Work, Health and Safety**

The Board is committed to maintaining effective and efficient risk management by

- establishing and, from time to time, reviewing the organisation's risk capacity, risk tolerance and risk appetite;
- adopting a risk management approach whereby risks are identified, analysed, addressed, monitored and communicated; and
- eliminating risks to health and safety for our workers, where reasonably practicable, and minimising risks where it is not reasonably practicable to eliminate those risks.

### **Clinical Governance**

Clinical governance is of equivalent importance to financial, risk and other business governance.

Clinical governance relies on well-designed systems that deliver, monitor and account for the safety and quality of resident and client care. The Board must ensure there is a sound clinical governance system and be accountable for outcomes and performance within this system.

## **Child Safety**

The NAC shares with the Diocese a very strong commitment to the safety of children.

Board members are expected to be advocates for child safety within the Diocese – its parishes, schools and agencies and in the broader community.

Board members are expected to have a critical appreciation where the work of the NAC intersects with the lives of children and advocate for risk management plans which identify, prevent and lower risks to children.

NAC staff who serve in the wider Diocese are expected to observe the standards and guidelines for child safe work contained in *Faithfulness in Service* – the Diocesan Code of Conduct. NAC staff working in agencies or schools are expected to observe the agency or school code of conduct. All staff are expected to understand the importance of prompt reporting, sharing information and good record keeping

NAC staff are expected to work closely with the Diocesan Professional Standards Committee and staff.

### **7.3 BOARD PERFORMANCE**

The Governance and Remuneration Committee of the Board will lead the Board in a process of continuous board improvement and board member professional development.

The Board will seek a review of its performance through an externally facilitated evaluation every 3-4 years with the next major review in 2023.

### **7.4 CONFLICTS OF INTEREST**

#### **7.4.1 Board Member Conflict**

A Board Member must promptly disclose the nature and extent of any actual or perceived material conflict of interest in a matter that is being considered at a Board meeting (or that is proposed in a Circular Resolution) to the Corporation Secretary who will ensure it is communicated to the other Board Members. The Board Member and the Board must take appropriate steps to ensure conflicts are disclosed, managed and monitored.

#### **7.4.2 Conflict between entities**

The Board must be alert to the potential for a conflict of interest between the various entities for which it exercises governance and take appropriate steps to manage and monitor any conflict. The Bishop has the ultimate responsibility for resolving disputes or difficulties.

## **7.5 DISPUTE MANAGEMENT**

The Diocesan Chief Executive is responsible for resolving disputes between staff, volunteers or service users.

Complaints against the Diocesan Chief Executive will be dealt with by the Bishop and, if necessary, the Board.

The Bishop has the final authority to settle and/or determine any doubt or dispute arising in the NAC and may make directions for remedying any breach, error or omission.

The conduct of the Bishop is subject to the oversight of the Episcopal Standards Commission which is a body independent of the Diocese.

## **8 BOARD MEETINGS**

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Board meetings will allow for issues to be explored in depth with alternative viewpoints put forward and discussed.

The Board meeting agenda will be constructed to respond to broad ranging responsibilities of the NAC and reflect the three key modes of Board activity

### **1 - Fiduciary Mode**

- Concerned primarily with accountability for decisions and actions including the stewardship of tangible assets, operational performance, and compliance
- Ensuring the NAC's resources are used effectively and efficiently in pursuit of the Diocesan mission

### **2 – Strategic Mode**

- Setting the NAC's priorities and strategies ensuring that resources are deployed accordingly
- Identifying the path for the NAC to move from its present to its preferred future

### **3 – Generative Mode**

- identifying and discerning the important challenges, problems, opportunities, and questions facing the NAC
- enabling reflection on circumstances and events with a view to understanding their significance for the NAC;
- identifying alternate ways forward and preferred futures

A consent agenda is used where the recommendation is taken as read and adopted formally. Any Board Member has the right to ask for an item identified for formal consideration to be debated.

## **9 ACCESS TO INFORMATION AND INDEPENDENT ADVICE**

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Subject to ensuring appropriate client, staff and employee privacy and confidentiality, Board Members have access to NAC records and information and receive regular financial and operational reports from management to enable them to carry out their duties.

There are circumstances where individual Board Members and committees may need to obtain independent professional advice. This will be provided at the NAC's expense in relation to the execution of their duties. The Board Member or committee should seek the concurrence of the Chair or the Deputy Chair before obtaining the advice. The Chair and the Deputy Chair are to be provided with a copy of the final advice that may, with the approval of the Chair or the Deputy Chair, be circulated to the other Board members.

## **10 DIRECTOR AND OFFICER'S LIABILITY INSURANCE (D&O)**

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To the extent permitted by law every Board Member is insured against a claim made in respect of an alleged civil liability arising from an act or omission in the capacity of Board Member of NAC or any of its subsidiaries where the liability does not arise out of conduct involving a lack of good faith.