

GOVERNANCE POLICY

QA REFERENCE	G&B P&P No 01
INTRODUCED	15 th May 2008
LAST REVIEWED	7 th July 2020
NEXT REVIEWED	7 th July 2022
RESPONSIBILITY	The Board of Directors is responsible for the review and currency of this policy and associated instruments, procedures and schedules.
APPROVED	Approved by the Chair of the Board of Directors on 7 th July 2020
RATIFIED	<p>Policy ratified by the Board of Directors under resolution at a meeting of the Board of Directors on the 7th July 2020.</p> <p><i>This policy is valid from the date of introduction and remains in force, as amended from time to time, until such time as formally revoked by resolution of the Board of Directors.</i></p>
REFERENCES –	
LEGISLATIVE ACTS AND OTHER SOURCES OF AUTHORITY	<ul style="list-style-type: none"> • The Corporations Act 2001 • Fair Work Act 2009 • Occupational Health and Safety Act 2004 • The Constitution of Mallee Support Accommodation Program
RELATED STANDARDS, GUIDELINES AND OTHER REFERENCES	<ul style="list-style-type: none"> • Australian Standard 8000-2003 Principles of Good Governance • ASX Corporate Governance Principles and Recommendations • Victorian Government Department of Health and Human Services Community Services Quality Governance Framework • Risk Management Standard ISO 31000:2018 • Fraud and Corruption Control AS 8001-2008 • Australian Accounting Standards • Victorian Ombudsman’s Complaint Handling Good Practice Guide • ACNC Governance Standards
RELATED MASP POLICIES and PROCEDURES	<ul style="list-style-type: none"> • Code of Conduct – HRM P&P No 12 • Conflict of Interest – HRM P&P No 28 • Delegations Policy – G&B P&P No 02 • Occupational Health and Safety – HRM P&P No 27 • Privacy and Confidentiality – Mt P&P No 16 • Risk Management – M’t P&P No 14 • Whistle-blower – HRM P&P No 23 • Workplace Equal Opportunity - HRM P&P No 08 • Working with Cultural Diversity – CWG I&G No 06
Related MASP Instructions and Guidelines	<ul style="list-style-type: none"> • Constitution (MASP) - G&B I&G No 01 • Board Director Code of Ethics and Proper Conduct - G&B I&G No 02 • Board Chair Duty Statement - G&B I&G No 06

	<ul style="list-style-type: none"> • Board Director Duty Statement - G&B I&G No 04 • MASP Strategic Plan - G&B P&C No 01
Related MASP forms and templates	<ul style="list-style-type: none"> • Board Director Board Function Assessment checklist • Board Director Code of Ethics - Declaration • Board Director Confidentiality Agreement • Board Director Disclosure of Interest • Board Director Photo Consent • Board Director Profile • Board Director Register of Interests
ACRONYMS/DEFINITIONS	
Acronym/Term	Definition
- MASP	- Mallee Accommodation and Support Program Ltd

PURPOSE

This policy establishes the framework under which the operations and functions of MASP will be governed and to provide a transparent commitment to the principles of good corporate governance.

The policy aims to ensure

- the responsible, accountable and value-based performance management of the organisation;
- appropriate information disclosure and transparency that enables the Board of Directors and MASP executive management to be informed of and maintain control over MASP's potential liabilities and risks;
- the Board of Directors and MASP Management comply with the requirements of the authorising Act and other sources of authority; and
- MASP's resources are used economically, effectively and efficiently to achieve the organisational strategic goals, and in the best interests of the organisation.

SCOPE

This policy applies to the MASP Board of Directors as a collective body, individuals appointed as a Board Director or Company Secretary, company members, and MASP staff to whom this policy or its associated procedures assign a responsibility.

It applies to all activities and functions associated with the management and control of MASP. This policy operates in conjunction with the Constitution, and where there is any conflict, the Constitution is the prevailing document.

POLICY

1. Commitment

MASP considers good corporate governance to be a core foundation for value creation, building relationships of trust with stakeholders, establishing a culture of integrity and compliance, and attracting investment. It is the means by which the organisation is directed, controlled and held to account.

In order to ensure strong and sustainable corporate governance, MASP is committed to continually improving its business processes and systems to align with contemporary practice and stakeholder expectations; ensuring reliable performance monitoring and reporting that meaningfully informs decision making; and promoting fairness, transparency and accountability.

MASP recognises that there is no one model to ensure good corporate governance, and systems and processes must evolve with the changing circumstances of the organisation to meet complexity and risk of those circumstances and reflect stakeholder expectations.

2. Legal Structure of MASP

MASP is a company limited by guarantee.

3. The Board of Directors

The role of the Board is to protect and augment the interests of clients, staff and stakeholders through setting and implementing the strategic direction of the organisation, monitoring and guiding management in the achievement of strategic goals, and embedding an organisational culture that aligns with MASP's values and vision.

3.1. Appointment, Renewal, Tenure, and Removal

The appointment, renewal, tenure, and removal of Board Directors, and the election of the Chair and Deputy Chair are subject to the provisions of the Constitution.

3.2. Board Structure

The Board will ensure its size, composition and skills are appropriate to the complexity, scale and nature of the organisation, and;

- in accordance with the requirements of the Constitution, at all times be comprised of independent directors;
- appoint a Company Secretary who is directly responsible to the Board, and appropriately skilled to advise the Board on governance matters;
- maintain and periodically review a Board skills matrix to identify any gaps in skills or diversity that are essential to enabling the Board to effectively execute its fiduciary duties;
- ensure that a formal and robust process is in place to ensure appropriate renewal and succession planning;
- maintain a comprehensive induction program for new directors, and provide appropriate and relevant professional development opportunities for directors; and
- establish sub-committees and working parties comprised of appropriately skilled members as required to assist the Board to execute its responsibilities and functions.

3.2.1. Committees of the Board

The Board will establish subcommittees as required to assist it to fulfil its fiduciary obligations and achieve strategic outcomes.

The Board will ensure that the delegated powers and responsibilities of a committee are clearly articulated through the Terms of Reference and are carried out in accordance with the provisions of the Constitution of MASP, and relevant policies.

Furthermore, the Board will ensure;

- as a minimum, it will establish a Finance Committee, a Clinical Governance Committee and a Risk & Strategy Committee;
- the size, composition and skills of its committees are appropriate to complexity, scale and nature of its delegated responsibilities;
- that in the interests of independence, the Chair of the Board may not hold the position of the Chair of a Committee;
- that the Committees reports regularly to the Board.

3.3. Responsibilities

The Board will ensure the division of responsibilities between itself and management, and matters the Board reserves for itself are clearly articulated.

3.3.1. The Board

The Board is responsible for

- ensuring organisational compliance with all statutory and regulatory obligations;
- setting the strategic direction of the organisation, including developing and reviewing the strategic plan, and monitoring the organisations performance against the key goals outlined in the plan;
- ensuring adequate risk management processes are in place, and risks are identified, analysed and mitigated appropriately;
- approving the budget, and ensuring responsible and compliant financial management, and that MASP's resources are used prudently and efficiently in the best interests of the organisation;
- determining the powers, duties and functions to be delegated and setting the limits of authority for operational decision making;
- appointing the Chief Executive Officer and managing the contract of the CEO's employment, including undertaking performance reviews;
- establishing subcommittees and working parties as required to assist the Board to carry out its functions and duties, setting the terms of reference for any committee or working party it establishes, and providing appropriate oversight to ensure that the business of the committee is undertaken efficiently and effectively and set objectives are met;
- setting and reviewing organisational policies;
- managing the business of the Board efficiently and in the best interests of the organisation, ensuring the segregation of duties between governance and operational management, and that conflicting interests are identified and managed appropriately; and
- ensuring that Directors of MASP are adequately supported to execute their duties through the provision of access to relevant information, training and professional development.

3.3.2. Directors

The Board makes decisions as a collective body. However, individual Directors are responsible for:

- acting with the required degree of care and diligence, ensuring that they actively seek information and are cognizant of relevant matters so as to make informed decisions, and to openly and adequately bring to the attention of the Board, any matters for which the Board should be aware;
- acting in good faith in the best interest of the organisation for a proper purpose, including avoiding any actual or perceived conflicts of interest, and to actively disclose and manage conflicts if they arise;
- not improperly using their position, or information gained as a result of their directorship to gain an advantage for themselves or someone else, or to the detriment of MASP;
- not disclosing to any other person confidential information other than as agreed by the Board or required under law; and
- accepting that all decisions of the Board are made as a group, and abiding by the final decision of the Board, notwithstanding a Director's right to pursue a review or reversal of a Board decision; and

- devoting sufficient time to the duties of Director, to uphold the high ethical standards required of the Board and role model the organisational values, and to tender resignation if unable to uphold the above standards of behaviour.

3.3.3. The Company Secretary

The Company Secretary will facilitate the effective and efficient functioning of the Board and is responsible for

- providing timely and accurate advice to the Board and its committees in relation to adherence to Board and Committee processes;
- ensuring the timely dispatch of meeting papers;
- ensuring the accurate capture of Board business and decisions in the minutes; and
- maintaining the currency of Board resources; and
- facilitating and supporting the induction and development of Directors.

3.3.4. Board Committees

Committees established by the Board are responsible for

- acting in accordance with scope of authority, and extent of power and decision making as determined by the Board and articulated in the committee's approved terms of reference; and
- carrying out the duties and functions delegated to it by the Board effectively and efficiently, providing regular reporting to the Board on its activities and outcomes, and making recommendation to the Board in relation to matters that come before the committee.

3.3.5. The Chief Executive Officer

The Chief Executive Officer is responsible for

- operationalising the strategic plan and implementing actions to achieve the strategic goals established by the Board, and leading and directing the organisational operations to ensure that the objectives of the strategic plan are understood and achieved;
- regularly reporting to the Board on progress against the objectives of the strategic plan and operational performance;
- leading and directing service systems, including people and culture; performance and risk; strategy and innovation; community and social inclusion; children, youth and families; finance; and assets;
- identifying and assessing new opportunities for MASP to pursue its strategic goals and presenting business cases to the Board for approval;
- engaging with the Board so that a collaborative and functional working environment is achieved between governance and operations;
- representing MASP in engagement with stakeholders including government and its officers and departments so that collaborative and functional partnerships are achieved;
- conducting periodic review of operational policies in accordance with the established review cycle of these documents;
- complying with all statutory and regulatory obligations, and delegated powers are exercised in accordance with the legislative requirements, the instruments of delegation, and MASP policy; and

- ensuring the organisation achieves budget, and that approved resources are used for the purpose for which they were intended, and in the best interests of the organisation.

3.4. Board Meeting Procedures

The Board meets according to a fixed schedule. The calling and general proceedings of Board meetings are subject to the provisions of the Constitution. Specific procedures for meetings are outlined in the Board Charter.

3.4.1. Annual Board Agenda Planning

In accordance with governance best practice, the Board will develop an annual schedule to provide assurances that all relevant compliance obligations are addressed. The annual Board agenda plan will include (but may not be limited to)

- review of the Strategic Plan;
- review of stated performance results;
- review of governance policies, procedures, frameworks and plans;
- review of organisational risk;
- review of CEO performance and remuneration;
- annual general meeting planning and review of AGM matters;
- review of the annual audit plan;
- meeting with the external auditor.

3.5. Board Performance

The Board, and subcommittees or working parties established by the Board will undertake an annual review of their performance, and where areas of unsatisfactory performance are identified, take immediate and appropriate steps to address and remedy it.

Individual Directors will be required to undertake an annual review of their performance as a member of the Board.

Committees or working parties that are established by the Board for a fixed, purpose specific period of less than 12 months will evaluate their performance at the discharge of their duties, and report any lessons learned or improvement opportunities to the Board.

The Chair, in consultation with the Board, will determine the method by which the review process shall be conducted. The performance review process must include, as a minimum;

- review the articulated role of the Board/Committee and Individual Directors set out in this policy and/or the MASP Board Charter;
- assess how well the Chair is discharging their duties and responsibilities, and providing leadership to the Board;
- assess how well Directors are discharging their responsibilities, both collectively as a Board/Committee, and individually by assessing the quality of Director's contributions to discussions, proposals, and governance responsibilities;
- evaluate the Director's level of confidence in the integrity of the organisation, the credibility of reports and information, and in the degree of Board/Committee knowledge; and
- encourage and enable Directors to develop key skills required to meet foreseeable requirements and appropriate development goals, both individually and as a collective Board/Committee.

The outcome of the review process should be identified development goals for the Board as a whole, as relevant, and development goals for individual Directors as relevant.

3.6. Board Induction and Ongoing Development

The Board is responsible for the induction and training of new Directors. The CEO will assist new Directors with an overview of operations including tour of MASP owned properties. Directors will be provided with an orientation kit which will comprise as a minimum

- MASP Constitution
- MASP Strategic Plan
- MASP Governance Policy
- MASP Annual Report
- MASP Code of Ethics
- MASP Board Charter
- MASP Organisational chart

During their tenure, Directors are expected to undertake ongoing professional development to maintain the currency of their skills as a Director. MASP will support some costs of ongoing professional development where it is considered relevant to the Director's role on the Board and there is a significant benefit to MASP. All professional development will be approved at the discretion of the Chair.

The Directors will, upon completion of any such professional development (past or future), provide evidence of same to MASP, through the Executive Assistant, for inclusion by the appropriate MASP worker on the Staff/Board Training Register on MASP Prosims.

3.7. Board Diversity

MASP believes that a diverse workforce provides strategic and operational benefits. Whilst there are no current quota's for gender, ethnicity, religious or other diversity, MASP aims to foster diversity and an inclusive culture to leverage each individual's unique skills and perspectives, and is committed to ensuring the composition of its Board and workforce is reflective of the broader community.

4. Governance Systems

The MASP Board of Directors is committed to governing through policies that enable it to speak collectively on key issues and core values. The Board will execute its governance responsibilities, which will include (but may not be limited to) the following;

4.1. Strategic Planning

The Strategic Plan sets out the longer-term direction of the organisation and clearly articulates the overarching organisational goals, assisting MASP to develop a common understanding of where it is going, how it is going to get there and how success will be measured.

The Strategic Plan provides a way for the Board to hold itself to account, creates clear and succinct vision, mission and values statements to guide management and staff, and the agreed strategic goals and subordinate business plans focus the Board's discussions and decision making.

The Board reviews the Strategic Plan in its entirety at least once every three years, with ongoing monitoring of progress towards agreed goals throughout the term of the plan.

There is no one process for reviewing and developing the Strategic Plan, and methodologies will be as agreed by the Board in consultation with management.

4.2. Ethics and Integrity

Ethics and integrity are core values of MASP. MASP will maintain and periodically review its Code of Ethics document which outlines the standards of expected conduct of all members of staff and the Board.

4.2.1. Confidentiality

MASP operates in a highly competitive and sensitive environment, and it is essential to the good governance of the organisation that there is strict confidentiality in respect to all Board matters and discussions. Confidentiality forms the basis of trust and creates a forum for open and honest discussion.

Directors are not authorised to discuss or disclose confidential, or commercial-in-confidence, or sensitive matters, including the contents of Board papers, with any other person outside of the Board except as agreed by the Board or required by law.

Directors who breach this may be subject to discharge from the Board.

4.2.2. Conflicts of Interest and Related Parties

In accordance with the Constitution and the Corporations Act 2001, the Board will maintain a Conflicts of Interest Policy and associated procedures for the effective management of disclosed conflicts and related party transactions.

The Board will maintain a register of pecuniary interests, and processes to ensure Directors are able to disclose conflicts at the time the interest arises or the potential conflict becomes apparent.

Directors who breach the requirement to declare conflicts may be subject to discharge from the Board.

4.2.3. Delegations

The MASP Board recognises that delegations are a core component of corporate governance that are designed to ensure that appropriate levels of accountability and authority are in place when exercising powers and performing duties in the day to day management of MASP.

Powers and duties delegated to the CEO, other staff and/or Board subcommittees, including any limitations imposed on the delegation, will be articulated through formal instruments of delegation.

Instruments of delegation will be periodically reviewed by the Board to ensure the powers, duties and functions delegated, and any constraints or limitations on the exercise of those powers, duties, or functions, remain appropriate to the needs of MASP's operations.

Delegations are intended to be used to ensure the appropriate day to day operations of MASP and are to be exercised with due care, discretion and in the best interests of the organisation.

4.2.4. Fraud and Corruption Control

MASP promotes and supports a culture of honest and ethical behaviour, and has a zero-tolerance position on matters of fraud and corruption.

The Board encourages reporting of actual or suspected unethical, illegal, fraudulent or undesirable conduct and will maintain a Fraud and Corruption Control Framework to ensure proactive identification, investigation and response to any actual or suspected incidences of fraud or corruption.

The Board is responsible for undertaking periodic reviews of the adequacy and effectiveness of the framework and its subordinate controls.

4.2.5. Whistle-Blower Protections

MASP recognises that whistle-blower protections are essential in promoting and maintaining ethical cultures and managing risks.

MASP will maintain processes to ensure that the reporting of actual or suspected unethical, illegal, fraudulent or undesirable conduct under its Whistle-blower Policy, are protected from reprisal action, are afforded anonymity and confidentiality as much as practicable within the authority of MASP, and other reasonable protections and support as required.

The Board will ensure its policies provide provisions for all reports of actual or suspected unethical, illegal, fraudulent or undesirable conduct to be investigated fully and impartially, and reported accordingly to the Board, and where relevant, law enforcement or other integrity agencies.

4.3. Compliance

MASP recognises a high performing organisation is one that effectively monitors and manages its compliance with its statutory, contractual and social ethical obligations.

The Board will ensure there are processes in place, including a program of continuous internal audit of both financial and non-financial risks, to provide assurances that MASP is meeting all of its obligations. The Board will periodically review its compliance monitoring, including approval of the internal audit plan, to ensure scope and extent of oversight is sufficient to appropriately inform decision making and mitigate risks, and identify any opportunities for improvement.

4.4. Risk Management

The Board recognises that the better risk is managed, the more likely it is that MASP will achieve or exceed its objectives.

The Board is responsible for the effective governance of MASP's risk management by ensuring an effective risk management framework exists and is applied, and that processes are in place to verify the effectiveness of systems of control.

The Board must also satisfy itself of the effective management of risks associated with its strategic direction.

The CEO is responsible for ensuring the effective application of the risk management framework, including the implementation of strategies to reduce risks, of day to day operational initiatives and practices, and formulating strategies to manage these risks for consideration and endorsement by the Board. The CEO must monitor compliance with the framework, provide reporting to the Board on the organisational risk profile, and reinforce and model key behaviours to maintain a robust risk culture.

The Board will periodically review the Risk Management Framework to ensure that it remains relevant and appropriate to the needs of the business.

4.5. Financial Reporting Integrity

Regular and robust appraisal of MASP's financial performance and financial risks is essential for it to remain sustainable in a competitive marketplace.

To ensure the accurate and timely presentation of MASP's financial position, the Board places high value on integrity in financial reporting. The Finance Committee are charged with responsibility for ensuring

- that MASP adheres to all relevant financial conventions,
- that all financial statements, reports and associated analyses represent a true and accurate account of MASP's financial performance; and
- all financial risks are captured and appropriately and adequately controlled.

The Finance & Audit Committee's delegated duties and functions does not diminish the responsibility of the Board and all Directors to adequately satisfy themselves of the integrity of financial reporting.

4.5.1. Audit

Audit is an essential tool to assist MASP and the Board to understand the efficacy of its governance systems and associated controls.

MASP will maintain an internal continuous audit program. Whilst the Internal Auditor will maintain a reporting line to the CEO, results and action plans from various audits will be allocated by the Board to the respective sub-committee so as to ensure a requisite degree of independence and objectivity.

The role of the Internal Auditor broadly includes;

- supporting the Board, through the committees to develop a flexible and strategically focussed annual audit plan;
- undertaking all audits in accordance with the approved annual audit plan, and present findings and recommendations to management and the Board and its relevant subcommittees;
- keeping the Board and committees informed of emerging risks and trends; and
- assisting the Board and management with the investigation of suspected fraud.

An External Auditor will be appointed to review MASP's financial statements and attest to their validity. The External Auditor must demonstrate its independence, and is accountable directly to the Board.

4.6. Health and Safety

The Board understands its collective responsibility to the health, safety and wellbeing of its staff, contractors and visitors, and its duty of care to ensure the health, safety and wellbeing of its clients and carers within the scope of the services MASP provides. Furthermore, Directors understand their personal liability in respect of the above. MASP is committed to ensuring the health, safety and wellbeing of all staff, contractors, visitors, and clients in accordance with its legislative, regulatory, and contractual obligations.

4.6.1. Occupational Health and Safety of Staff

The Board will ensure that systems and processes are in place that ensure MASP operates in accordance with the requirements of the Occupational Health and Safety Act 2004 and associated regulations.

The Board will periodically review reports on OH&S controls and testing of the efficacy of those controls, and analyse trends, incidents and remedying actions in relation to OH&S.

4.6.2. Health and Safety of Clients and Carers

The Clinical Governance Committee, on behalf of the Board, will periodically review reports on implemented controls to ensure the safety and wellbeing of clients and carers, outcomes from testing of the adequacy of those controls, the outcome of investigations into reported incidents and the effectiveness of investigation processes, and analyse trends, incidents and remedying actions in relation to client and carer safety.

The Clinical Governance Committee will periodically report to the full Board in respect to the above.