

# Activ Board Charter

Activ Foundation Inc  
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Version 13

# Activ Board Charter

Controlled Document

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**Appendices***(via separate documents on platforms Diligent / Activ8 / Activ Website)*

^Diligent Platform only

1. Activ Foundation Inc Incorporated Constitution 2021 (AQuA 96)
2. Additional NDIS and DSS information
3. Activ Purpose, Vision, and Values
4. Activ Council Charter (AQuA 2516)
5. Code of Conduct & Ethics (AQuA 1867)
6. Risk Management Framework (AQuA 3614)
7. Activ Policy Schedule for Board ^
8. Activ Strategic Plan FY 20-22
9. CEO Position Description ^
10. CEO Key Performance Indicators ^
11. Delegations of Authority (AQuA 2032)
12. Chief Executive Officer Delegation Policy (AQuA 2010)
13. Board Skill Set Matrix ^
14. Director Independence Policy (AQuA 2272)
15. Conflict of Interest Policy (AQuA 142)
16. Whistleblower Policy (AQuA 2530)
17. Key Legislation ^
18. Audit, Risk and Governance Committee Terms of Reference (AQuA 3603)
19. People and Culture Committee Terms of Reference (AQuA 3609)
20. Customer Committee Terms of Reference (AQuA 3607)
21. Finance, Property and Investment Committee Terms of Reference (AQuA 3605)
22. Disability Royal Commission Working Group Terms of Reference (AQuA 2871)
23. Activ Grants Working Group Terms of Reference (AQuA 2023)

## Introduction

### Purpose

The purpose of this Charter is to outline the practical roles and responsibilities, board processes and effective governance arrangements to govern the operations of Activ Foundation Inc.

This Charter is an internal document, which is updated as board practice changes are introduced and is reviewed for currency annually, or when a major change warrants an earlier review. Until such time as the Board agrees amendments, this document describes the standards and practices by which the Board intends to govern Activ Foundation Inc.

The Board Charter should be read in conjunction with the *Activ Foundation Inc Incorporated Constitution 2018* (Appendix 1) and the WA Associations Incorporations Act 2015. Directors are required to read the Constitution and Governance Charter on an annual basis. New Directors are required to read both documents as part of their induction process.

The Board Governance Pack (inclusive of the Board Charter) of Activ Foundation Inc has a governance framework to ensure the Board and the organisation comply with all relevant legislation, including the NDIS Practice Standards and Quality Indicators, and embody relevant corporate governance best practice; for instance, the Australian Charities and Not-For-Profits Commission Act 2012 (Cth) (ACNC), Associations Incorporation Act 2015 (WA) and the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.

The NDIS Practice Standards and Quality Indicators alongside the National Standards for Disability Services outline the governance and operational management responsibilities for NDIS Providers. This assures that Activ's governance follows the necessary requirements set out by government regulation and service requirements. Additional information on NDIS can be found in Appendix 2.

The ASX refers to the phrase Corporate Governance as "the framework of rules, relationships, systems and processes within and by which authority is exercised and controlled within corporations. It includes the mechanisms by which companies, and those in control, are held to account."

The ACNC suggests that 'good corporate governance' exists when a charity has practices and procedures in place that help it to do its work effectively and openly, and when the roles and responsibilities of people in the charity are clearly understood.

This Charter has been developed to ensure compliance and that the practices of the Board are consistent with and reflect the Board's commitment to the principles of good corporate governance, while also fulfilling the requirements of an NDIS service provider.

## History

Activ Foundation Incorporated (formerly the Slow Learning Children's Group) was formed in 1951 by a group of dedicated families who believed their children living with intellectual disability deserved better, and came together in support of each other.

Activ is proud of this heritage and those founding families who had the courage and belief that their children deserved better. They had the leadership and passion to build something for generations to come. As the Disability sector evolved, so did the organisation and it continues to evolve, particularly with the advent of the National Disability Insurance Scheme.

As a registered NDIS provider, Activ is privileged to support more than 1,900 individuals and their families across Western Australia. Activ provides services in accommodation, employment, community, training and education and short term respite in over 100 locations across the state.

## Philosophy

Activ's philosophy is underpinned by its constitutional objects, which states Activ's purpose is to offer people living with Disability opportunities to enjoy full participation in their community and empower them to pursue the life they choose."

Activ's current Purpose, Vision and Values are in Appendix 3.

## Role of the Council and Board

Activ has both a Council and a Board. The role of each is outlined in the Constitution

The role of the Activ Council is further outlined in the Council Charter (Appendix 4) and is to promote the interests of Activ by appointing and reviewing the performance of the Board of Directors and their adherence to the objects set out in the Constitution.

The outcomes achieved by the Organisation are also reviewed by the Council.

The central role of the Board is to:

- Provide overall leadership of Activ and set the strategic direction, culture and values in line with its purpose;
- Monitor performance against agreed strategies and provide stewardship; and
- Be mindful of all stakeholders who may have an interest in or are affected by the activities of the organisation by:
  - Fostering an inclusive environment by ensuring an appropriate consultation framework is in place to engage with stakeholders and provide opportunities for people with disability to have an input into the development of organisational policy and processes relevant to the provision of supports and protection of customer rights; and
  - Ensuring that the focus remains on fostering better quality of care and improvement for people with disabilities.

**Board Responsibilities / Matters Reserved for the Board**

Ultimate responsibility for governance and strategy rests with the Board. The Board retains the right to alter the matters reserved for its decision.

In performing its role, the Board's specific responsibilities include:

1. Providing strategic direction through constructive engagement in the development of strategy and approval of Activ's, strategies and objectives and ensuring the achievement of and compliance with Activ's purpose;
2. Approving Activ's Values and the Code of Conduct and Ethics (Appendix 5) and overseeing a culture that promotes ethical and responsible decision making, adherence to safe work practices and compliance with environment and community obligations;
3. Approving, overseeing and monitoring management's implementation of Activ's strategic objectives and performance;
4. Approving and monitoring the progress of operating budgets, business plans, major capital expenditure, major partnerships, acquisitions, divestments and capital management decisions and any material unbudgeted capital or operational expenditures and the establishment or cessation of any significant service;
5. Monitoring the operational and financial position and performance of Activ;
6. Setting the risk appetite, and overseeing and reviewing, at least annually, Activ's principal operating, and other risks, compliance and risk management framework and satisfying itself that Activ is operating with due regard to the risk appetite;
7. Taking all reasonable steps to ensure Activ's compliance with all laws, governmental regulations and accounting standards;
8. Overseeing Activ governance structure and monitoring effectiveness to meet the Boards' financial, legislative, regulatory and contractual responsibilities and response to quality and safeguarding matters associated with delivering supports to customers;
9. Reviewing and monitoring the effectiveness of governance practices and governing documents, including Activ's corporate governance principles, and approving policies;
10. Overseeing Activ's internal controls and systems for monitoring compliance with Activ's Constitution, and its ethical, legal and regulatory compliance;
11. Approving any significant change in accounting policies or procedures;
12. Taking all reasonable steps to ensure that Activ's financial/accounting and corporate reporting systems, including the external and internal audit; result in adequate, accurate and timely information being provided to the Board;
13. Approving the appointment and removal of Activ's external auditor;
14. Ensuring that the Activ Board, Chief Executive Officer (CEO) and leadership team are suitably qualified and experienced, with clearly defined responsibility, authority and accountability;

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15. Considering appointments, performance, succession and development of the Board, CEO and members of the Activ leadership team including:
  - Appointing and removing the CEO;
  - Approving the appointments of members of the Activ leadership team;
  - Approving the authority limits for the CEO;
  - Approving the performance objectives for the CEO and members of the Activ leadership team;
  - Monitoring and evaluating the performance of the individual Board directors, the Board as a whole, the CEO and the Activ leadership team;
  - Reviewing and recommending the level of remuneration for the Board Chair, for consideration by Council
  - Reviewing and approving the Activ Annual Report;
  - Reviewing the size and composition of the Board;
  - Succession planning for non-executive directors and the CEO and overseeing succession planning for the Activ leadership team; and
  - Induction and development for non-executive Directors and the CEO and overseeing development planning for the Activ leadership team;
16. Approving Activ's remuneration framework and ensuring that the framework is aligned with Activ's Purpose, values, strategic objectives and risk appetite;
17. Reviewing and monitoring the integrity of management systems, including those designed to:
  - Prevent, address and report on allegations of violence, abuse, neglect, exploitation or discrimination of any customer;
  - Record and protect customer information;
  - Ensure compliance with quality management; and
  - Support feedback and complaints management that complies with principles of procedural fairness and natural justice; and
18. Approval of the Council Board Report for presentation to the Council at the AGM.

### Risk Oversight

The Board provides oversight of the risk profile and risk management performance of Activ and ensures that sound risk management principles and practices are part of the normal management strategy for all business units within Activ.

The Board is responsible for:

- Assessing and providing direction on risk issues reported from the CEO.
- Identifying, reviewing and assessing Activ's risks on a periodical basis and implementing mitigation strategies where required.
- Inquiring of management and/or an independent auditor about significant business, political, financial and control risks or exposure to such risk.
- Ensuring the risk strategy is linked to the Strategic Plan, updated and reviewed regularly.

At least annually, the Board reviews the risk profile and the risk appetite of the organisation and key areas of risk are regularly discussed. The risk profile and risk appetite statement are in Appendix 6.

## Policy

Activ operates within a regulated environment where many regulatory and compliance obligations are set. Activ's obligations are to comply with these requirements. In areas where Activ does have the ability to hold policy positions specific to Activ, the Board approves these policies and reviews them on a regular cycle to ensure currency and compliance.

All Activ policies requiring Board approval are referred to in the Activ Board Policy Approval Schedule (Appendix 7) and contained in the Policy Handbook.

## Performance Monitoring

The Board regularly monitors the performance of Activ through Board reports that are submitted as part of the Board papers prepared for each Board meeting. These reports demonstrate Activ's performance against strategic, operational and compliance key performance indicators enabling the Board to recommend corrective action where performance is not tracking to expectation or directing management to identify improvement opportunities and provide feedback.

## Chief Executive Officer (CEO) Appointment

The Board is responsible for the employment and monitoring of the organisation's Chief Executive Officer (CEO), who is the highest-level staff member of the organisation. The CEO's current Position Description is in Appendix 9.

## CEO Performance

It is the responsibility of the CEO to address key management and operational issues within the direction and the policies laid down by the Board, including:

- a. Developing and implementing organisational strategies and making recommendations to the Board on significant strategic initiatives;
- b. Making recommendations for the appointment of staff, determining terms of appointment, evaluating performance, and developing and maintaining succession plans for staff;
- c. Developing the annual budget and managing day-to-day operations within the budget;
- d. Maintaining an effective risk management framework;
- e. Keeping the Board and regulators informed about any developments with a material impact on the organisation's performance; and
- f. Managing day-to-day operations in accordance with agreed standards for social, ethical and environmental practices.

Annually, the Board determines Key Performance Indicators (KPIs) for the CEO, which are negotiated between the Board Chair and the CEO with input from the Board. The current KPIs are in Appendix 10. The KPIs will be linked to performance management and the strategic plan. At the end of the financial year, the Board will assess the performance of the CEO against these goals. The Board Chair will seek feedback from the Board before discussing the CEO's performance with the incumbent.

If a Board member has a concern about the performance or actions of the CEO this should be raised with the Chair and the CEO at the earliest opportunity. Alleged CEO poor performance or misconduct will be managed in accordance with the CEO's employment contract. The Board may appoint an external person to investigate and report on the CEO's performance or misconduct.

## Delegations of Authority

The Board is the governing body of Activ and can delegate to any person or group any power or duty. Delegations must be in writing and approved by the Board. Delegations will be reviewed annually. The current Delegations of Authority are shown at Appendix 11.

The Board delegates to the CEO the powers and responsibilities to enable him/her to manage the organisation within the authority limits approved by the Board. Refer to the Chief Executive Officer Delegation Policy (Appendix 12).

The CEO is accountable to the Board for all authority delegated to management and the Group's performance. The Board retains ultimate authority to change, enhance or revoke its delegations to the CEO at any time. All actions and decisions of the CEO will be guided by the Purpose and Activ's strategic objectives.

The Board will monitor the decisions and actions of the CEO and management and progress towards achievement of Activ's Purpose and strategic objectives.

The CEO will report, in a spirit of openness and trust, on the progress being made by Activ towards its Purpose and strategic objectives.

## Board Structure

### Board Composition

Members of the Board are appointed in accordance with the Constitution. The Board shall comprise members with a range of experience, expertise and skills from a diverse range of backgrounds necessary to carry out the Board's role and responsibilities and support achievement of Activ's purpose. The current Board Matrix is in Appendix 13.

The Board, together with the relevant Committee, will review annually, the mix of skills, experience, independence, knowledge and diversity represented by directors on the Board and determine whether the composition and mix remain appropriate for Activ's Purpose and strategic objectives and whether they cover the skills needed to address existing and emerging business and governance issues relevant to Activ.

The Board must consist of a majority of non-executive directors who are assessed to be independent. The Board will regularly review the independence of Non-executive Directors in accordance with the policy on the Independence of Directors (Appendix 14).

### Quorum and Voting

Activ's Constitution sets out the requirements for Board appointment containing requirements for proceedings of Board meetings such as quorum and voting.

## The Board Chair

The Chair is appointed as per the terms of Activ's Constitution.

The Board may determine the period for which the Chair is to hold office and may terminate that appointment.

The Board will appoint one (1) of the independent non-executive Directors as Chair. However, the Board has discretion to appoint as Chair a director who is not an independent director if the Board considers that the relevant director is the most appropriate person to be appointed as Chair. If the Chair is not an independent director, the Board will determine and appoint the most appropriate director in the relevant circumstances who will assume the role of Chair when the appointed Chair is unable to act in that capacity as a result of their lack of independence.

In accordance with Activ's Director Independence Policy, an independent director is a non-executive director who is not a member of management and who is free of any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the independent exercise of their judgement.

The roles of Chair and CEO are strictly separated and must not be exercised by the same individual.

### Board Chair Specific Responsibilities include:

- Providing leadership to the Board in discharging its responsibilities and ensuring effective performance of the Board;
- Fostering a positive environment in the boardroom, allowing open and informed discussions;
- Acting as the primary link between Board and management;
- Representing the Board to key stakeholders;
- Setting the agenda for Board meetings in conjunction with the CEO;
- Ensuring regular evaluation of the Board, its Committees and individual Board directors;
- Ensuring that Board directors have adequate opportunity to contribute;
- Seeking to develop and maintain relationships between the Board and senior management;
- Ensuring that Board directors comply with the Activ Code of Conduct and Ethics, the Conflict of Interest Policy and Director Independence Policy;
- Providing counsel and being available for consultation with the CEO;
- Establishing a protocol to take effect on occasions when the Chair is absent from Board meetings; and
- Acting as the Whistleblower Protection Officer, where appropriate, in accordance with the Whistleblower Policy.

### Deputy Board Chair Description and Role:

The Deputy Chairperson's main role is to act in the position of the Chairperson as circumstances arise. Therefore, the Deputy Chairperson acts:

- by chairing Board meetings when the Chairperson cannot attend a particular meeting
- during a Board meeting by chairing discussion on particular agenda items where the Chairperson has an actual or perceived conflict of interest
- by assisting the CEO in the preparation of the agenda and agenda papers on a topic where the Chairperson has an actual or perceived conflict of interest.

## Access to Information by Board

The Board and its Committees may make direct requests for any information or records they require from any of Activ's staff (through the CEO or management as required), the external auditor or any third party.

The Chair, the Chairs of Board committees, the CEO and the responsible Manager will work collaboratively to ensure the production and transmission of information and reports to the Board and its committees.

## Board Operations

### Board Meeting Frequency and Minutes

Board meetings are to be held as per the terms of the Constitution, generally on a monthly basis except as otherwise agreed.

Additional days for the Board and relevant Committees should be allocated each year for reviewing the Strategy and Risk Management Framework.

Board papers should be provided to Board directors sufficiently far in advance of scheduled meetings to allow adequate consideration.

The Board Chair, may at their discretion, convene an unscheduled meeting. Urgent decisions, where it is not practical to convene a meeting, may be made by circular resolution.

Minutes of a Board meeting are to be circulated to all members electronically within fourteen (14) days of the meeting. Once all members have approved the minutes, the Chair shall be authorised to approve the minutes, and will sign the same or cause their electronic signature to be attached. All minutes are to be finalised within a reasonable time of the meeting, with the intention that they are then included in the next meeting for noting purposes only.

### Expectations of members at meetings

Since the Board needs to work together as a group, Board members need to establish a set of standards for Board meetings. It is expected that Board members shall, in good faith, behave in a manner that is consistent with generally accepted procedures for the conduct of meetings at all meetings of the Board.

This will include but not be limited to:

- Behaving in a manner consistent with the letter and spirit of the Code of Conduct and Ethics and the Conflict of Interest Policy (Appendix 15) and Whistleblower Policy (Appendix 16);
- Acting in a businesslike manner;
- Addressing issues in a confident, firm and friendly manner;
- Preparing for meetings by reading and considering papers circulated with the agenda;
- Using judgment, common sense and tact when discussing issues;
- Minimising irrelevant conversation and remarks;
- Ensuring that others are given a reasonable opportunity to put forward their views;
- Refraining from interruption or interjection when a speaker has the floor
- Being particularly sensitive in interpreting any request or direction from the Board Chair that aims to ensure the orderly and good spirited conduct of the meeting;

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- Board members are expected to be forthright in Board meetings and have a duty to question, request additional information, raise any issue, and fully canvas all aspects of any issue confronting the organisation, and cast their vote on any resolution according to their own judgment; and
- Outside the Board room, however, Board members should support and adhere to all Board decisions in discussions with all stakeholders.

## Agendas

The Board meeting agenda is an important time management tool and ensures that the Board is spending its time on the most important issues. The agenda detail is drafted by the CEO with input from the Board Chair and members.

At the Board meeting, and with the agreement of Board members present, the Board Chair may alter the order of issues addressed from that proposed in the agenda. The agenda for a special meeting is to be circulated, in paper form and/or by any other means agreed by the Board, as soon as possible prior to the meeting.

The Board Chair or CEO may exclude from a member's agenda papers, any paper relating to a matter in which the member has previously disclosed a material personal interest.

## Board Papers

The reporting responsibility of the CEO and Board is outlined in the Board Calendar.

Board papers are confidential and Board directors acknowledge care must be taken to protect the integrity of the content within the papers distributed to them in the course of their duties.

Issues submitted for the consideration of the Board are generally of three types: "Matters for Decision", "Matters for Discussion" or "Matters for Information"

All items submitted will be documented on a standard Board paper format to provide the context of the issue and provide relevant information to better inform the Board. A Board member can request additional information is provided both supporting and countering a recommendation to assist with decision-making.

## Board Meeting Minutes

The minutes of the meeting are recorded by the Board Secretary. The meeting is not taped. The first draft of the minutes is emailed to the Board Chair within one week of the meeting for review.

Once reviewed, the Board Chair notifies the Secretary who will then email the draft minutes to the Board as a final copy, within two weeks of the meeting.

Minutes should include:

- Time of commencement and type of meeting;
- Attendance (present and apologies accepted);
- Declarations of personal interest;
- Actual decisions made by the Board and the facts and reasons on which they were based;
- Time of closure of the meeting; and
- Details of the next meeting (date, time, venue).

Minutes of meetings are confirmed at the next meeting and should be signed by the Board Chair as an accurate record of proceedings, at which time all interim copies of minutes are destroyed.

## Resolutions Register

The resolutions of the Board will be listed chronologically in a resolutions register, which is updated after every Board meeting. The register will note the date of the Board meeting, the agenda item, and the resolution.

The register is provided to each Board member every six months to enable ready reference to decisions of the Board.

## Board Calendar

The Board ensures that it deals with all business required of it throughout the year by utilising a Board Calendar to schedule various topics of focus and activities to complete throughout the year. Board meeting agendas incorporate the calendar issues relevant to that meeting month.

## Conduct of Meetings

The Board Chair will determine the degree of formality required at each meeting while maintaining the decorum of such meetings.

The Board Chair will:

- Ensure that all members are heard;
- Retain sufficient control to ensure that the authority of the Chair is recognised. This may require a degree of formality to be introduced if this is necessary to advance the discussion;
- Take care that the decisions are properly understood and well recorded; and
- Ensure that the decisions and debate are completed with a formal resolution recording the conclusions reached.

The Board will conclude their meetings with a meeting evaluation to consider how well the meeting was conducted, the efficiency of the process and the effectiveness of the Board's decision making. This will act as an "aide memoire" for improvements to future meetings.

## Decision Making Process

When considering "Matters for Decision", Board members should take into account the following set of pre-determined factors:

- Strategic fit;
- Financial implications;
- Risk management;
- Availability of resources;
- Synergy with other initiatives;
- Impact on intellectual property assets;
- Stakeholder and market perceptions; and
- Legal and regulatory requirements and considerations.

The Board may choose to utilise external advice to supplement information provided by Activ (for example to seek a second opinion) or if necessary to utilise a specialist or consultant for professional advice on particular matters before the Board.

Board members seeking additional external advice should consult with the Board Chair and, if approved by the Board Chair, will be provided at Activ's expense.

Individual members of the Board cannot make decisions or act on behalf of Activ unless they are specifically authorised to do so by the Board.

## **Circular Resolution**

From time to time the Board may be required to consider a matter requiring some decision in between ordinary meetings and is known as a Circular Resolution.

Activ's Constitution sets out the requirements for circular resolution.

## **Attendance and Leave of Absence**

Board members are expected to attend all meetings of the Board. If a member cannot attend, or will be delayed in attending a Board meeting, the member should inform the Chair or CEO as soon as possible before the meeting.

A member's absence or delayed attendance is to be recorded in the minutes of the meeting.

## **Board Attendance by Senior Management**

The Board directors encourage the CEO to invite managers into the boardroom to benefit from their subject matter expertise in the subject being discussed.

## **Board Access to Senior Management**

Board directors seeking access to Activ staff, including senior management, should consult the CEO.

## **Senior Management Access to the Board**

If at any time any member of the Executive or Senior Management is aware of a matter, which the individual believes requires the attention of the Board or a Board Committee, the individual has a responsibility to ensure the matter is brought to the attention of the Board. The appropriate method of access to the Board is through the Chair of the Board.

## **Electronic Signature**

Board directors are authorised to use electronic signatures to sign documents, forms, correspondence and/or emails using their electronic signature and as required by law. Electronic signatures will be securely stored in the Diligent platform.

Activ's Privacy and Information Management Policy and Procedure will apply to the secure storage of electronic signatures.

Electronic signatures can be inserted by the individual Board director.

The responsible manager is authorised to insert a Board director's electronic signature provided:

- The signature is required by law; and
- The Board director has been properly identified;
- The Board director's intention to be bound in respect of the information has been established; and
- The Board director has provided their express unconditional written consent.

All authorities received from a Board director to insert their electronic signature must be securely stored in hard copy and/or soft copy via the Diligent platform.

If a Board director suspects the security of their electronic signature has been compromised, they must immediately notify the Executive Officer.

## Board Committee Operations

The Board may establish standing Committees and Working Groups to assist in carrying out its responsibilities and to consider certain issues in further detail and then report back to and advise the Board.

Each Committee or Working Group will operate within the “**General Terms of Reference – Board Committees and Working Groups**” unless specifically designated otherwise.

Specific Committee and Working Group purpose and responsibilities are detailed in separate appendices.

## Current Board Committee & Working Groups

Committee	Membership	Quorum	Minimum meetings annually
Audit, Risk & Governance	At least three (3) independent Directors	2	2
People & Culture	At least three (3) independent Directors	2	2
Customer Committee	At least three (3) independent Directors	2	2
Finance, Property & Investment	At least three (3) independent Directors	2	2
<b>Working Groups</b>			
Disability Royal Commission WG	Discretion Of the Board	TBA	As required
Grants Working Group	Discretion of the Board	TBA	1

## General Terms of Reference

### Scope of Authority

The opinion or decisions of a Board Committee or Working Group are recommendations only, and do not bind the Board in any way. In accordance with Activ’s Constitution the Board may obtain the opinion of a Committee or Working Group on a particular matter before the Board makes any decision on that matter.

The Board authorises each Committees or Working Group to perform the activities required to address its responsibilities and to report to the Board on its recommendations and activities.

Committees and Working Groups are not responsible for supervising the performance of management or Activ and do not become involved in day to day operations, management functions or decision making.

Each Board director, the Board and Board Committees may obtain independent professional advice to assist in the proper exercise of their relevant duties and responsibilities with the prior approval of the Chair or, if the director is the Chair, the prior approval of the relevant Committee Chair.

**Committee & Working Group Membership**

Each Standing Board Committee shall be comprised of a minimum of three (3) Board Members who have appropriate skills and experience to fulfil their role.

Each Working Group membership will be at the Board's discretion. Working Groups will cease to exist once the scope of work is complete.

A Committee or Working Group members should have appropriate skills and experience to enable them to perform their responsibilities.

The appointment of a Chair and the members of any Board Committee or Working Group will be made by the Board considering the recommendations of the People and Culture Committee.

Membership of each Board Committee and Working Group will be reviewed annually, or earlier if circumstances require.

**Committee Membership Tenure**

Committee membership tenure is in line with the Director's appointment to the Board as per the constitution (2 years) and is also subject to the annual review by the Board.

**Committee or Working Group Chair (& Deputy Chair if applicable)**

The Chair of a Board Committee or Working Group will be an independent non-executive Board director other than the Chair of the Board, unless otherwise agreed, and will be appointed by the full Board.

A Board Committee or Working Group has the discretion to appoint a Deputy Chair. If a Deputy Chair is appointed, they will be an independent non-executive director other than the Chair of the Board, unless otherwise agreed, and will be appointed by the full Board.

Should the Chair or Deputy Chair be absent from a meeting, the Members present can appoint a Chair for that particular meeting.

**Committee Quorum**

Unless specifically designated, a quorum will be a minimum of two (2) Directors.

**Committee Voting**

Voting on recommendations is reserved for approved Committee / Working Group Members only. Observers cannot vote.

**Independence of Members**

It is important for Committee and Working group members to use independent judgment in discharging their duties. The terms of the Activ Board Charter, Director Independence Policy, Code of Conduct and Ethics Policy and Conflict of Interest Policy therefore apply to Board Committees and Working Groups on the same basis as to the Board.

**Observers and Persons Present by Invitation for Board Committees**

The Board Committees and Working Groups may grant observer status to other - Directors who are not members, any officer of Activ or to any external parties to attend such portion, or such number of meetings, as a Committee or Working Group may deem desirable and appropriate.

Observers may offer, or be asked for, comments or advice, but are not voting members.

A Committee or Working Group may also invite other Board directors and officers of Activ to attend and participate in the discussion of particular items on the agenda of a meeting. However, voting on recommendations is reserved for approved Director Members only.

**Committee / Working Group Meetings & Minutes**

The number of meetings is to be determined by the relevant Committee or Working Group Refer table. The meetings are scheduled in the Board Calendar.

Working Groups may choose to meet more often to fulfil their duties.

All meetings will be conducted subject to a Chair approved agenda, to be distributed at least seven (5) days prior to the meeting where possible.

All members have the opportunity to contribute agenda items to the Chair in advance of this and the Chair may consult with other member(s) as he/she deems fit.

The Chair may invite member(s) of the Board or management or others to attend all or part of meetings to provide advice or information.

The Chair will report to the Board subsequent to each meeting by providing a verbal update and outlining any formal recommendations.

All minutes of Committee meetings will be provided in the next available Board pack.

**Annual Plan of Works**

Reviewing the Annual Plan of Works (APOW) for respective Committees and providing these plans for consideration and approval by the Board;

**Performance Evaluation**

Each Board Committee will complete an annual performance self-assessment against its existing Terms of Reference. A performance evaluation is not required for Working Groups unless specifically requested by the Board.

The relevant Committee will consider all Board Committee annual self-assessments, prior to tabling with the Board for Boards discussion and approval.

The Committee will review its specific Terms of Reference every two years, or otherwise as it considers necessary and make any recommendations to the Board for their determination.

## Committee Dissolution

Board Committees are established by the Board pursuant to the Activ Constitution and can be dissolved at the absolute discretion of the Board.

## Amendment, Modification or Variation

These General Terms of reference or Specific Terms of Reference may be amended, varied or modified in writing after consultation with the ARG Committee and subsequent approval by Board.

\*\*For Specific information relating to individual Committee/Working Groups, refer to annexures 18 to 23.

## Specific Terms of Reference & Purpose

### Purpose of Committee:

***Audit, Risk and Governance Committee*** formed to assist the Board to effectively establish and maintain effective risk management, compliance, assurance, internal controls and governance structures to safeguard resources (people, information, assets), support decision making and support achievement of Activ's legal, constitutional and code of conduct objectives and obligations. (Specific Terms of Reference - Refer also to Appendix 18).

***People & Culture Committee*** is formed to assist the Board in fulfilling its responsibilities by advising and assisting the Board in relation to organisational culture, employee experience, people management and remuneration, nomination, appointment and performance of Directors, the CEO and senior executives. (Specific Terms of Reference - Refer also to Appendix 19).

***Customer Committee*** formed to assist the Board to review and monitor the delivery of Activ's Customer Strategy, customer and stakeholder consultation frameworks, policy and processes, relevant to the provision of supports and protection of customer rights. (Specific Terms of Reference - Refer also to Appendix 20).

***Finance Property & Investment Committee*** is formed to oversee, monitor and review Activ's financial, property and investment planning processes, reporting systems and policies, ensuring the integrity of reporting, systems and controls and conducting in depth analysis of regular reports, including external audits. The Committee has responsibility to review and analyse the monthly financials and the underlying performance of the business. (Specific Terms of Reference - Refer also to Appendix 21).

### Purpose of Working Group:

***Disability Royal Commission Working Group*** formed to provide direction and advice to the Board to respond to the Royal Commission's terms of reference, findings and recommendations. (Specific Terms of Reference - Refer also to Appendix 22).

***Activ Grants Working Group*** formed to assist the Board to improve the quality of life of people living with disability through the administration of the Activ Special Assistance Grants (Specific Terms of Reference - Refer also to Appendix 23).

Other committees may, from time to time, be established by the Board in accordance with the Constitution to deal with matters of special importance.

## Director Support

### Director Induction

New Board directors will be provided with a comprehensive induction program, including briefings by management and relevant site visits.

By accepting appointment to the Board, the Board director agrees to subscribe to and be bound by the Constitution and this Board Charter.

### Appointment and Development

All Board directors are engaged through a letter of appointment setting out their responsibilities.

All Board directors will participate in an ongoing program of training and development and each standing Board committee may adopt and maintain a program of induction, training and development.

### Board and Board Director Review

The Board will regularly review the performance of the Board, Board standing committees and each Board director in accordance with the Board Calendar.

### Effectiveness of Contribution

If the contribution of a Director appears to a majority of directors to not be effective, they may request the Chair to inform that director accordingly and seek his or her retirement.

### Annual Leave of Board Directors

Board Directors are requested to provide their leave of absence from Board and Board Committee meetings as soon as practical.

If a period of leave is noted, circular resolutions during this period will state "Leave of Absence" and the Board director will not be required to vote.

If the Board director chooses to continue voting on circular resolutions throughout their "Leave of Absence" and is able to access Diligent or email then this needs to be clearly stated to the Board Chair and the responsible manager.

## Indemnity of Directors and Insurance

Unless the Board otherwise determines, it is intended that each Board director will enter into a deed with Activ under which:

- To the extent permitted by law, Activ agrees to indemnify the director against liability arising out of the discharge of the director's duties;
- Activ agrees to maintain an insurance policy for the director against liability incurred in his or her capacity as a director for the term of the director's appointment and for seven years following cessation of office; and
- Activ agrees to maintain all Board papers relating to the director's period of appointment and to make those papers available to the director for a period of seven (7) years following the director's cessation of office.

## Independent Advice

Each Board director, the Board and Board Committees may obtain independent professional advice to assist in the proper exercise of their relevant duties and responsibilities with the prior approval of the Chair or, if the director is the Chair, the prior approval of the relevant Committee Chair.

If independent professional advice is obtained by a director, that director must provide a copy of any written advice to all Directors (and in the case of Committees, to all Committee members) as soon as practicable (subject to confidentiality and privilege considerations) unless the Board or relevant committee Chair agrees otherwise.

The Board or relevant Board committee will determine the compensation payable to independent advisers and the relevant manager will assist the Board and its committees in securing the service determined necessary.

The organisation will pay the costs of the independent professional advice obtained by a director, provided appropriate approval has been given in accordance with the above.

## Accountability Frameworks

### Key legislation

The Board is charged with overseeing, reviewing and ensuring the integrity and effectiveness of Activ's compliance systems and processes, legal and other.

Activ is also required to comply with a range of legislation and it is the responsibility of Directors to make themselves aware of the legislation, policies and codes of practice that are relevant to Activ.

The legislation schedule that imposes mandatory requirements for operational compliance and annual reporting are provided in Appendix 17

### Constitution Review

The Board will review the Constitution, at least every three years to determine whether the Constitution and its objectives is reflective of the way Activ and the Board operates. This review should look to innovation that permits Activ to adopt new approaches, practices and technologies that permit Activ to become more efficient.

**Board Charter Review**

This Charter will be reviewed annually and updated as required.

**Appendices**

*(Documents available platforms Diligent / Activ8 / Activ Website)*

^Diligent Platform only

1. Activ Foundation Inc Incorporated Constitution 2021 (AQuA 96)
2. Additional NDIS and DSS information
3. Activ Purpose, Vision, and Values
4. Activ Council Charter (AQuA 2516)
5. Code of Conduct & Ethics (AQuA 1867)
6. Risk Management Framework (AQuA 3614)
7. Activ Policy Schedule for Board ^
8. Activ Strategic Plan FY 20-22
9. CEO Position Description ^
10. CEO Key Performance Indicators ^
11. Delegations of Authority (AQuA 2032)
12. Chief Executive Officer Delegation Policy (AQuA 2010)
13. Board Skill Set Matrix ^
14. Director Independence Policy (AQuA 2272)
15. Conflict of Interest Policy (AQuA 142)
16. Whistleblower Policy (AQuA 2530)
17. Key Legislation ^
18. Audit, Risk and Governance Committee Terms of Reference (AQuA 3603)
19. People and Culture Committee Terms of Reference (AQuA 3609)
20. Customer Committee Terms of Reference (AQuA 3607)
21. Finance, Property and Investment Committee Terms of Reference (AQuA 3605)
22. Disability Royal Commission Working Group Terms of Reference (AQuA 2871)
23. Activ Grants Working Group Terms of Reference (AQuA 2023)