

Corporate Governance

Scope Board Charter

Approved March 2017



BOARD CHARTER

Background

1. Scope (Aust) Ltd. (**Scope**) was established in 1948 as The Spastic Children's Society of Victoria by a group of parents of children with cerebral palsy. It later became The Spastic Society of Victoria and in 2002 changed its name to Scope in recognition of the change in the nature of its work to embrace a wider number of people with disabilities including those with multiple disabilities, not just those with cerebral palsy.
2. **Scope's Mission** is to enable each person we support to live as an empowered and equal citizen.
3. **Scope's Vision** is to inspire and lead change to deliver best practice. We will:
 - a. support and listen to each person and their family.
 - b. provide leadership to influence strategy and policy.
 - c. deliver person driven, flexible & responsive services to build a sustainable future.
 - d. build on our foundation for success through our expertise in service delivery, workforce development, quality improvement and research.
4. We will deliver better outcomes.
5. Scope has adopted the **Scope Approach** as its set of guiding principles – See The Person, Do It Together, Do It Right, Do It Better. The Board of Scope is committed to the Scope Approach and to its influence on every aspect of Scope's activities and governance.

Purpose

6. This Board Charter (**Charter**) sets out the role, responsibilities, structure and processes of the Scope Board. If there is any inconsistency between this Charter and Scope's Constitution, Scope's Constitution prevails to the extent of any inconsistency.

Corporate Governance

Scope Board Charter

Approved March 2017



Review

7. This Charter will be regularly reviewed by the Board, and not less than once every year.

Role and Responsibilities

8. The role of the Board is to set the strategic direction for Scope with regard to Scope's Mission and the Scope Approach, and to guide and support the organisation to deliver on its strategic initiatives, through strong governance and agile decision making.
9. To succeed in its role, the Board needs to operate effectively:
 - a. By meeting on a regular basis and working together constructively.
 - b. By having the right formal structures and delegations to support agile and considered decision making.
 - c. By having the required mix of skills and experience at Board, Office bearer and Committee level.
 - d. By regularly reviewing Board, Office bearer and Committee performance.
 - e. By ongoing Board development.
 - f. By considered succession planning at Board, Office bearer and Committee level.
 - g. By meeting the challenges of the Scope Strategic Plan.
10. The Board is accountable to its key stakeholders – clients, families, customers, members, staff, and funding agencies – for the performance of the organisation.
11. In performing its role, the Board aspires to best practice governance standards and endorses the Australian Institute of Company Directors *Good Governance Principles and Guidance for Not for Profit Organisations*.
12. The key responsibilities of the Board are as follows:
 - a. Approving any change to Scope's Mission, Scope's Vision Statement or the Scope Approach.

Corporate Governance

Scope Board Charter

Approved March 2017



- b. Approving any recommendation to Scope's members regarding changes to Scope's Constitution.
- c. Setting the strategic direction of Scope and approving significant organisational and strategic initiatives.
- d. Providing guidance and support to the Chief Executive Officer where required in relation to the implementation of Scope's strategic direction.
- e. Approving Scope's budget, key performance indicators and financial statements and monitoring performance against targets and prior periods.
- f. Approving financial and non-financial delegations of authority to the Chief Executive Officer (CEO).
- g. Demonstrating and promoting a culture and behaviours that are ethical and are matched to Scope's Mission and the Scope Approach.
- h. Approving the Annual Report and any communications to members regarding the strategic direction of the organisation.
- i. Ensuring that key risks faced by Scope have been identified and assessed, and that Scope has processes in place for managing risk in accordance with the Australian/New Zealand risk management standard.
- j. Ensuring that Scope's risk management processes are regularly reviewed in accordance with regulatory requirements.
- k. Selecting, appointing and approving the terms of appointment of the CEO and Company Secretary.
- l. Approving key performance indicators relevant to the remuneration of the CEO and evaluating the performance of the CEO in light of these key performance indicators.
- m. Approving succession plans for the CEO and reviewing succession plans for members of the Executive.
- n. Considering and approving Scope's remuneration policies and incentive plans.
- o. Providing oversight and monitoring of Occupational Health and Safety (OHS) issues at Scope including setting targets for continued improvement in key OHS indicators.

Corporate Governance

Scope Board Charter

Approved March 2017



Role and Delegation to Management

13. On behalf of the Scope Board, the CEO is responsible for the development of Scope's strategic plan and the achievement of planned targets for the organisation.
14. Management of Scope's day to day operations is undertaken by the CEO, subject to specified delegations of authority approved by the Board.
15. Any matters or transactions outside the delegations of authority must be referred to the Board or Board Committee (as applicable) for approval.

Board Size and Composition

16. The Board is responsible for:
 - a. Identifying and evaluating possible future Directors to the Scope Board and non-Director members of Committees.
 - b. Appointing Directors to fill casual vacancies on the Scope Board.
 - c. Appointing and removing Directors from appointed director positions on the Scope Board.
 - d. Making recommendations to Scope's members for the appointment or removal of elected Directors.
17. The Board will comprise **a majority** of Independent Directors, and a majority of all Directors must be ordinarily resident in Australia. An **Independent Director** means a director who:
 - a. Has not within the last 5 years been employed by Scope.
 - b. Has not within the last 3 years been a principal or employee of a material professional advisor or a material consultant to Scope.
 - c. Is not a supplier or customer of Scope.
 - d. Is not a client of Scope.

Corporate Governance

Scope Board Charter

Approved March 2017



- e. Is not a parent or family member of a client of Scope.
 - f. Has no material contractual relationship with Scope (other than as a director of Scope).
 - g. Is free from any interest, business or other connection or association which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the company.
18. Under Scope's Constitution, at least one Board member must be a person with a disability.
19. The size of the Board will be determined by Scope's Constitution. The Board will regularly review whether the size of the Board is appropriate and will make recommendations to members regarding any change to the maximum or minimum number of Directors under Scope's Constitution.
20. Collectively, the Board should have a broad range of financial and other skills, experience and knowledge necessary to guide the operations of Scope. This includes an understanding of the experience of disability, the disability sector, and key stakeholders for the organisation. The Board will determine and regularly review the composition of the Board having regard to the optimum number and skill mix of Directors, subject to the limits of Scope's Constitution and the terms served by existing Directors.
21. The Board will approve a written capability framework for Directors to assist:
- a. To set organisational expectations about the role of the Board.
 - b. To provide clarity to Board members and Board office bearers about their roles and responsibilities.
 - c. To review the capability & performance of individual Board members, and the Board as a collective.
 - d. To identify learning and development needs of Board members.
 - e. To inform Board succession planning including progression of Board members into Board Committee roles and into Board office bearer roles.
 - f. To identify capability gaps at Board and Committee level.
 - g. To inform the selection criteria for new Board members, Committee members and Board office bearers.

Corporate Governance

Scope Board Charter

Approved March 2017



Director Independence

22. The Board will assess the Independence of each Director prior to election or appointment and prior to any subsequent election or reappointment by attestation by each Director.
23. Directors must act in the best interests of Scope and will apply an independent mind to the Board's work and decision making. Directors should consider whether they have any conflict of interest or any conflict of duty when making decisions on behalf of Scope. This applies to equally to Independent and non-Independent Directors.

President

24. The Board will appoint a President in accordance with Scope's Constitution. Directors who wish to nominate for the role of President will do so in accordance with the nominations process approved by the Board from time to time.
25. The President represents the Board to members and communicates the Board's position.
26. The President:
 - a. Is generally expected to have been a Director for a minimum of three (3) years, have a well developed understanding of the organisation and the sector in which it operates, and have significant experience in leading and managing teams and in strategy development and implementation.
 - b. Will preferably have additional experience as a Director (or equivalent) of other organisations, ideally as an officeholder (or equivalent).
 - c. Must have time to commit to the role and to meet the outcomes expected of the role.
 - d. Is generally expected to have the skills, qualifications and experience commensurate with the requirements for membership of the Australian Institute of Company Directors or equivalent.

Corporate Governance

Scope Board Charter

Approved March 2017



27. The President's role includes:
- a. Establishing the agenda for Board meetings.
 - b. Chairing Board meetings, the AGM and other meetings of members.
 - c. Chairing the People & Governance Committee.
 - d. Ensuring that Board minutes properly reflect Board decisions.
 - e. Managing Board interactions to be effective, open, focussed, constructive, collegiate, and respectful.
 - f. Managing the formal reporting line between the Board and the CEO / Company Secretary.
 - g. Meeting with the CEO on a regular basis to review the CEO's performance against key performance indicators approved by the Board.
 - h. Ensuring that there is a process for regularly evaluating the performance of the Board and individual Directors.
 - i. Meeting with individual Directors (at least annually) as part of the performance evaluation process.
 - j. Ensuring that there is a process for induction of new Board members.
 - k. Appointing a mentor for new Board members in accordance with the Mentoring Policy approved by the Board from time to time.
 - l. Ensuring that the Board allocates time each year for strategy development and that strategy alignment is considered as a factor in every Board decision.

Vice President

28. The Board will appoint a Vice President in accordance with Scope's Constitution. Directors who wish to nominate for the role of Vice President will do so in accordance with the nominations process approved by the Board from time to time.
29. The Vice President is generally expected to meet the same or similar requirements as for the role of President.

Corporate Governance

Scope Board Charter

Approved March 2017



30. The Vice President's role includes:
- a. Providing guidance and support to the President.
 - b. Performing the role of President if the President is on leave or otherwise unavailable.
 - c. Mentoring new Board members in accordance with the Mentoring Policy approved by the Board from time to time.

Treasurer

31. The Board will appoint a Treasurer in accordance with Scope's Constitution. Directors who wish to nominate for the role of Treasurer will do so in accordance with the nominations process approved by the Board from time to time. The role of Treasurer may be held concurrently with the role of Vice President.
32. The Treasurer:
- a. Is generally expected to have been a Director for a minimum of one (1) year, have additional prior Board experience, have a well developed understanding of the organisation and the sector in which it operates, and have significant skills and experience in finance and accounting.
 - b. Must have time to commit to the role and to meet the outcomes expected of the role.
 - c. Is generally expected to have the skills, qualifications and experience commensurate with the requirements for membership of the Institute of Chartered Accountants or equivalent.
33. The Treasurer's role includes:
- a. Being the key point of contact between the Board and the Chief Financial Officer (CFO).
 - b. Ensuring regular and accurate reporting to the Board on the financial performance of the organisation.
 - c. Ensuring the preparation of an annual budget in line with budget assumptions approved by the Board.
 - d. Ensuring the preparation of annual financial statements in accordance with regulatory and funding requirements.

Corporate Governance

Scope Board Charter

Approved March 2017



- e. Mentoring new Board members in accordance with the Mentoring Policy approved by the Board from time to time.

Company Secretary

- 34. The Board will appoint a Company Secretary in accordance with Scope's Constitution. All Directors will have direct access to the Company Secretary.
- 35. The Company Secretary:
 - a. Is generally expected to be an experienced Australian legal practitioner and will preferably have a minimum of three (3) years experience in company secretarial role.
 - b. Is generally expected to have the skills, qualifications and experience commensurate with the requirements for membership of the Governance Institute or equivalent.
- 36. The Company Secretary's role includes:
 - a. Ensuring that the agenda for Board meetings is developed in a timely and effective manner for review and approval by the President.
 - b. Ensuring, in conjunction with the CEO, that board papers are developed in a timely and effective manner.
 - c. Drafting and maintaining minutes of Board and Committee meetings.
 - d. Ensuring, in conjunction with the CEO, that Board decisions are notified to and implemented by the Executive.
 - e. Ensuring that compliance requirements of the Board are met in including regulatory filings to relevant statutory and regulatory bodies.
 - f. Providing advice and guidance to the Board on governance matters including through the issuing of written Guidance Notes.
 - g. Obtaining legal advice at the request of the Board.
 - h. Working with the President and CEO to maintain and deliver best practice governance.

Corporate Governance

Scope Board Charter

Approved March 2017



Committees

37. The Board has established Committees to assist the Board in exercising its authority, including the responsibilities set out in paragraph 12.
38. The standing Advisory Committees of the Board are:
 - a. People & Governance Committee
 - b. Risk & Audit Committee
 - c. Business Development Committee
 - d. Investments Committee
39. The Board may establish ad hoc Committees from time to time in accordance with Scope's Constitution to consider matters of special importance or to exercise the delegated authority of the Board.
40. The Board will determine the Charters of standing and ad hoc Committees, which will set out the roles and responsibilities of the Committee (including, if applicable, whether and to the extent that the Committee may exercise the delegated authority of the Board). The Chair of each Committee is responsible for reporting to the Board where delegated authority is exercised by the Committee pursuant to approved delegations.
41. The Board will review the membership and composition of Board Committees not less than annually, having regard to workload, skills and experience, and any regulatory requirements.

Support Groups

42. The Board may approve the establishment of Support Groups such as Parent and Friends Associations in accordance with Scope's Constitution.
43. The Board may issue policy directions to Support Groups. If a Support Group does not comply with approved policy directions, the Board may terminate the Support Group in accordance with Scope's Constitution.

Corporate Governance

Scope Board Charter

Approved March 2017



Board Meetings

44. The President is responsible, in consultation with the CEO and Company Secretary, for the conduct of Board meetings. This includes being satisfied that agendas are comprehensive, that all agenda items are appropriate, and that recommendations fit within the broad strategic direction set by the Board.
45. The President will promote Board interactions which are effective, open, focussed, constructive, collegiate, and respectful. The President will seek regular feedback from the Board regarding the conduct of Board meetings and the quality of Board interactions.
46. The Board will regularly meet without the CEO or members of the Executive present (**In Camera Meeting**), including at the start of each Board meeting.

Board Papers

47. The Board will manage Board Papers as strictly confidential and in accordance with protocols approved by the Board from time to time. **Board Papers** includes Board and Committee agendas, minutes, papers presented to the Board or Committees, and any other materials prepared for Board or Committee meetings.
48. The Company Secretary will be responsible for keeping the original Board Papers. These may be kept in hard copy and/or electronic form. It is intended that the original set be the extant set.
49. Board Papers will generally only be made available in electronic form, via a secure web portal. Access will be limited to Board members, Committee members, the CEO, the CFO, the Company Secretary, and relevant support staff (on a need to know and strictly confidential basis). Board members must keep their access details to the web portal confidential.
50. Any hard copy Board Papers (other than the original set) must be given to the Company Secretary at the end of each meeting, for secure destruction, unless otherwise approved by the Company Secretary.
51. Board and Committee members will be required to sign a Deed of Access, Indemnity and Insurance (**Deed**) with Scope at the time of their appointment. Board and Committee members (including former members) will be provided with access to Board Papers in accordance with the Deed and as otherwise required by law.
52. Board and Committee members will have access to Board policies and procedures as updated from time to time.

Corporate Governance

Scope Board Charter

Approved March 2017



Board Performance

- 53. The Board will undertake regular assessment and review of the performance of the Board, its Committees, and individual Directors, including external Board appraisal at least once every three (3) years.
- 54. Directors are encouraged to undertake continuous education and professional development relevant to their role as Directors of Scope.

Ethical Standards

- 55. Board members are expected to observe the highest standards of ethical behaviour. The Board will approve a written Code of Conduct setting out the ethical and behavioural expectations for Directors of Scope.

Conflicts of Interest

- 56. Directors are expected to avoid any action, position or interest that conflicts with the best interests of Scope, or gives the appearance of a conflict.
- 57. The Board will approve a written Conflict of Interests Policy setting out the Board's expectations regarding the disclosure and management of actual or potential conflicts of interest.
- 58. The Company Secretary will maintain a register of standing interests which will be reviewed by the Board at the start of each Board meeting.