

LELAN

BOARD CHARTER

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Introduction

The Charter serves as a reference point to define the operation of the Board, clearly setting out its respective roles, responsibilities and authorities of the Board and management (both individually and collectively).

This Charter is designed to provide guidance and clarity for directors and management with regard to the role of the Board and its committees, the requirements of directors in carrying out their role and in discharging their duties towards the company as well as the Board's operating practices.

LELAN is a not-for-profit organisation and registered Charity that operates under a Constitution. The Board Charter supports the Constitution and in the event of inconsistency, the Constitution takes precedence.

The Board aims to achieve the following objectives with this Charter:

- Make the roles and responsibilities of the Board clear and easily understood by stakeholders;
- Define the operation of the Board and its relationship with management;
- Provide all Directors and stakeholders with a clear statement of the manner in which the Board will conduct itself and the organisation's expectations of the Board;
- Document the policies that the Board has decided upon to meet its legal and other responsibilities;
- To serve as an induction tool for new directors and senior managers.

Under the Incorporated Associations Act 1985 (SA), the Board is accountable to its members (if any) and other stakeholders.

Defining Governance Roles

Board Composition and Structure

Pursuant to the Constitution, the LELAN Board shall comprise of at least six (6) and no more than nine (9) Directors, appointed by the Board. The Board will seek to establish a team with relevant professional experience, knowledge, skills and qualifications.

The Role of the Board

Ultimate responsibility for the governance of LELAN rests with the Board. The Board is responsible for the oversight of the organisation, including input into, and approval of, policies and practices, strategy, management and operation of the organisation.

The Board reviews and approves frameworks and satisfies itself that an effective system of compliance, risk management and internal control is established and maintained through reviewing and measuring the performance of adopted strategies against defined measures.

The Board has delegated the responsibility of management, operation and administration to the Executive Director

Specific tasks undertaken by the Board to discharge its general responsibilities include:

- Working with Executive Director to develop, approve and implement, monitor and review corporate strategy, vision, mission and values;
- Delegating authority to the Executive Director to ensure the effective day-to-day management of the business;
- Providing leadership to the Executive Director by guiding the development of an appropriate culture and values and always acting in a manner consistent with the Code of Conduct;
- Ensure that corporate governance principles and policies are established and maintained;
- Ensuring robust and effective risk management, compliance and control systems (including legal compliance) are in place and operating effectively;
- Approving and monitoring major capital expenditure;
- Approving and monitoring the annual budgets, financial reporting and financial performance;
- Selecting, appointing, supporting and evaluating the Executive Officer;
- Ensure appropriate remuneration of and systems in place for monitoring performance of the management team;
- Approve professional development opportunities for the Executive Officer.

The Role of Individual Directors

Directors are expected to have qualities of integrity and loyalty, and the courage to ask tough questions.

Each member is bound by all charters, policies and codes of conduct of LELAN and the Board.

Director's key responsibilities include:

- Demonstrating professional, legal and ethical behaviour at all times and in particular, to always act in a manner which will enhance LELAN's reputation;
- Being familiar with the rules about conflicts of interest;
- Participating in the induction process for Directors
- Acting impartially and with complete discretion at all times;
- Being familiar with LELAN's vision and strategy, and able to communicate them to stakeholders;
- Participating at Board and committee meetings in a manner that is respectful of others and encourages and respects diversity of opinions and ideas
- Participating in Member engagement and other online and face to face events that the board is invited to attend throughout the year.

Directors owe a fiduciary duty to LELAN to act honestly, in good faith and in the best interests of the organisation. The duty is owed to the organisation as a whole, not to individual groups within the organisation. This duty exists under common law, and under the Corporations Act 2001.

A Director will have discharged his/her duty of care and diligence if they have:

- Made the judgement in good faith and for a proper purpose.
- Does not have a material personal interest in the matter.
- Has informed themselves to a reasonable extent about the matter.
- Rationally believes the judgement to be in the best interests of the organisation.

Directors must exercise their powers and discharge their duties in the same manner a reasonable person would exercise if they were a director of an organisation and held the same responsibilities in the organisation as the director.

The Role of the Chair

The Chair is appointed from amongst the Directors. The Chair provides leadership and guidance to the Board and is responsible for ensuring the Board fulfils its obligations under this Charter.

The Chair's key responsibilities include:

- Chairing Board meetings;
- Facilitating open and respectful deliberations, where all Directors may contribute to a thorough analysis of the relevant issues;
- Guiding and mediating the Boards actions with respect to organisational priorities and governance concerns;
- Conducting timely Board meeting debriefings and regular self-assessments to ensure process improvement;
- Assisting Board members in their role, to fulfil their responsibilities, and promote the ongoing effectiveness of the Board;
- Developing the agenda and timetable for Board meetings in conjunction with the Executive Officer;
- Ensuring there is proper flow of information to the Board, reviewing adequacy and timing of documentary materials in support of management's proposals;
- Providing support and guidance to the Executive Officer;
- Assisting the Board to develop good relationships with the relevant State and Federal Government Departments, with the Executive Officer and senior management and with other key stakeholders and interested parties; and
- Representing the Board to external bodies or outside parties as an official spokesperson for LELAN.

The Role of the Executive Director (ED)

The ED reports directly to the Board and is responsible for achieving LELAN's objectives and vision for the future, in accordance with the strategies and policies approved by the Board.

The ED's key responsibilities include:

1. Developing and implementing the strategic objectives as agreed with the Board
2. Leading the organisation to achieve budget results and other targets with agreed risk, governance and financial parameters

3. Leading the delivery of funded projects and ensuring all contractual obligations are met
4. Recruiting, developing and retaining talented people to work at LELAN, providing mentoring and guidance to staff
5. Overseeing the establishment of effective risk management and internal control systems, policies and procedures
6. Establishing a strong working relationship with the Board and reporting regularly with appropriate, timely and quality information so the Board can discharge its responsibilities effectively in particular:
 - Key legislative and policy decisions by Government that are relevant to People with Lived Experience;
 - Debts in excess of 90 days;
 - Any potential legal action against LELAN;
 - Relevant insurance matters;
 - Financial claims against LELAN;
 - All important business activities and matters with potential material risks;
 - Approval to use the seal and each document executed under the seal. This schedule must be made available for internal audit.
7. Recommending to the Board significant expenditure that is beyond the delegated authority
8. Communicating throughout LELAN the strategic objectives, mission, vision and values, ensuring these are achieved in practice and creating a positive culture
9. Overseeing LELAN's compliance program and ensuring LELAN's legislative obligations, regulatory body requirements, including ATO and ACNC, are met
10. Maintaining a Register of Policies as approved by the Board
11. Representing, communicating and advocating on LELAN's behalf to external stakeholders and the community.

The ED is delegated by the Board to authorise all expenditures as approved in the budget, subject to:

- All ED compensation, outside of normal monthly remuneration, must be authorised by the Chair
- All business-related expenses paid to the ED must be approved by the Chair.

The ED is responsible for the appointment of roles within LELAN and with ensuring an appropriate succession plan is in place for direct reports.

The Role of the Secretary

The Secretary is responsible for all governance matters and supports the effectiveness of the Board by monitoring and ensuring Board policy and procedures are followed and coordinating completion and dispatch of Board agendas, briefing papers and minutes.

The Secretary's key responsibilities include:

- Ensuring the agenda and Board papers are prepared and forwarded to Directors no less than five days prior to the Board meeting
- Recording, maintaining and distributing the minutes of all Board and Board committee meetings
- Maintaining, updating and ensuring that all Directors have access to up-to-date Board documentation

The Role of the Treasurer

The Treasurer is responsible for financial governance, including financial reporting and compliance.

The Treasurer's key responsibilities include:

- Ensuring monthly financial reports are reported to the board in an accurate and timely manner
- Raising any concerns with regards to the monthly and overall budget
- Making recommendations to the board with regards to financial decisions
- Ensuring financial related compliance matters are adhered to, including those stipulated by the ATO and ACNC

Improving Key Board Functions and Processes

Risk Management and Compliance

The Board is ultimately responsible for LELAN's risk management framework.

It is the role of the board to set the risk appetite for LELAN, to oversee its risk management framework and to satisfy itself that the framework is sound. The Board and established Committees review and provide guidance as per Committee Terms of Reference.

LELAN ED designs and implement the risk framework and ensure it operates within the risk appetite set by the board.

LELAN's Risk Framework provides a road map to identify and manage risks and is designed to ensure efficient operations and compliance with legal and other obligations. Risks are identified by examination of operations and activities by the Board and Management and the identification of risks and opportunities is the responsibility of all employees.

Risk exposure and control mechanisms are presented to the Board, together with mitigation and improvement strategies. Regular monitoring of risks and risk management is conducted by established Committees and management. The Board monitor the management of key risks on a regular basis and ensure any preventative or remedial action is taken where necessary.

Policy Frameworks

LELAN has established a policy framework for the management of policies and procedures.

The policies of LELAN are designed to provide clear, unambiguous guidelines for the implementation of various operational activities and to provide consistency in practice and ensure accountability.

LELAN's policy framework outlines the structure for all policies and procedures developed to support the strategy and operations of LELAN sets out the requirements and standards for each step of the development and improvement process. All policies and procedures must be developed, deployed, monitored and revised in accordance with this framework.

Board Meetings

Meetings of the Board shall be held not less frequently than bi-monthly. Unless otherwise agreed, the Board will generally meet on a monthly basis. Meetings will be held in person, unless there are Government issues restrictions that prohibit this, at which point they will be held over web conferencing.

The Chair will conduct the meeting in accordance with the requirements of the Constitution and general principles applying to meetings and determine the degree of formality required at each meeting while maintaining the decorum of meetings and will ensure that Board discussions are conducted to achieve effective decision making and actions.

Board Meeting Agenda and Papers

Board papers will be distributed to members no less than five days prior to the meeting, and will contain an agenda, ED report, financial report for the preceding month, minutes from the last

meeting, minutes from Committees for the preceding month and significant business items appropriate for consideration of the Board.

If there is an issue that a Director wishes to have listed on the agenda, they should discuss and agree this with the Chair.

Board Calendar

LELAN has established a Board Calendar to assist in planning the Board's meeting schedule, including identifying key issues to be addressed and ensure matters are addressed in a timely and logical manner.

The calendar may change from year to year as LELAN and its business evolves and needs change. The Board Calendar will provide an overview of the board's focus at each of its meetings and set out the work and issues that need to be completed or addressed during the year.

Committees

Board committees may be established or removed at the discretion of the Board and the function of each committee is as directed by the Board. Each Committee has its own Terms of Reference outlining its role and responsibilities.

The composition of each Committee is the responsibility of the Board, on the recommendation of the Chair and Deputy Chair, taking into account Directors' skills, experience and personal preferences.

As required by the Board, senior management will attend committee meetings on an ex-officio basis and without voting rights.

Minutes of committee meetings will be made available for the following Board meeting, once endorsed, subject to time pressures. Committee objectives, responsibilities, frequency of meetings and timing are set out in the committee Terms of Reference as agreed by the Board.

Board Effectiveness

Director Protection

LELAN arranges for the benefit of each Director a policy of Directors' and Officers' insurance. The protections provided to Directors are outlined in the Directors Access and Indemnity agreement.

All executed agreements are held in the Office of the ED. All agreements are identical as between Directors there is no variation of rights. No agreement can be modified or altered without the written consent of all parties who are party to the original.

It is at Directors discretion as to whether they enter into the agreement with the organisation but in either case, the Directors protections under current instruments are not impacted.

D&O insurance coverage will be provided to each Director. This D&O insurance covers each Director and Officer for claims made against them during the Policy period with respect to their duties to LELAN.

LELAN is not entitled to insure Directors against failure to act honestly and properly in connection with their duties in the course of LELAN's business.

Director Induction

New Directors are provided with a letter of appointment setting out LELAN's expectations, their responsibilities, rights and the terms and conditions of their appointment. All new Directors participate in an induction program which covers the operation of the Board and its Committees and the financial, strategic, operations and risk management issues of the business.

Board Evaluation

The Board considers the ongoing development and improvement of its own performance as a critical input into effective governance. To achieve this, the Board, its Committees and Directors will conduct an annual review of their performance against their objectives. The evaluations are determined through group assessment. The process aims to encourage open and constructive discussion in relation to performance of the board and for the purpose of continuous quality improvement.

The methods of conducting evaluations are to be determined by the Board / Committee and the review processes should include:

- A review of the Board Charter and Committee Terms of Reference;

- Review of the skills mix and composition of the Board and its Committees;
- The content of the board meetings and the amount of time dedicated to particular topics, topics included and whether any new areas of focus should be included;
- Programs for inducting directors and developing their skills and involvement; and
- Whether Board and Committee meetings are efficient, including the scheduling and timing of meetings, division of time between its various responsibilities, minutes, quality of papers and agendas.

Directors are encouraged to undertake professional development to enhance their understanding of governance matters and to assist in their performance on the Board and its Committees.

The Board Evaluation will be conducted at least one month prior to the Annual General Meeting

Director Remuneration

Board members are volunteers and do not receive any form of monetary reimbursement for their involvement in the Board.

LELAN will reimburse Directors for reasonable expenses incurred as part of activities that are agreed upon by the Board, and that may include travel, meals, accommodation and registration fees, subject to prior Board approval.

Director Election

Chair and Deputy Chair

The Board elects a Chair and Deputy Chair from its elected members. The Chair is the Chair of the Board and the Deputy Chair will deputise in his/her absence. In the absence of both the Chair and Deputy Chair at a meeting of the Board, the Directors present will elect one of their number to act as Chair of that meeting.

The Chair and Deputy Chair will hold office as per their term (unless they resign or are removed beforehand) and may nominate for reappointment to the office that they previously had.

Election and reappointment procedures for Directors are contained within the Constitution.

Code of Conduct for the Board

- A Director must act honestly, in good faith, in line with LELAN's core values and in the best interests of LELAN as a whole;
- A Director must demonstrate professional, legal and ethical behaviour at all times and in particular, to always act in a manner which will enhance LELAN's reputation;
- A Director has a duty to use due care and diligence in fulfilling the functions of office and exercising the powers attached to that office;
- A Director must use the powers of office for a proper purpose;
- A Director must recognise that the primary responsibility is to LELAN and must have regard for the interests of all stakeholders of LELAN;
- A Director must not make improper use of information acquired as a Director;
- A Director must not take improper advantage of the position of a Director;
- A Director must not allow personal interests, or the interests of any associated person, to conflict with the interests of LELAN
- A Director has an obligation to be independent in judgment and actions and to take all reasonable steps to be satisfied as to the soundness of all decisions taken by the Board;
- All Directors and Committee members are required to complete a consent, confidentiality and conflict of interest statement prior to their appointment. Confidential information received by a Director in the course of the exercise of directorial duties remains the property of LELAN. It is improper to disclose, or allow to be disclosed, this information unless that disclosure has been authorised by LELAN or is required by law;
- A Director should not engage in conduct likely to bring discredit upon LELAN;
- A Director has an obligation, at all times, to comply with the spirit, as well as the letter, of the law and with the principles of this Code;
- Directors seeking information or site visits must organise this through the Executive Director;
- Unless delegated by the Chair, Directors cannot represent the Board at external functions;
- Directors will not speak to the media about LELAN. The Executive Director as Public Officer will be the point of control for media statements or, in the Executive Officer's absence, the Chair;
- A Director must attend all meetings of the Board and appointed Committees in accordance with LELAN's policy on meeting attendance (as per the Constitution);

- A Director must participate in induction processes and whenever possible, ongoing professional development training that are offered;
- A Director must participate in annual evaluations of the Board and Committee performance;
- A Director must prepare thoroughly for all meetings by reading Board and Committee papers;
- A Director must actively seek all necessary information to enable informed participation in decision making;
- A Director must actively participate in and constructively contribute to Board and Committee deliberations;
- A Director must allocate the scheduled time of meetings exclusively for that purpose;
- A Director must exercise independent judgement;
- A Director must ensure that any queries or matters of concern raised by Regulators are addressed appropriately;

Position Descriptions

3.7.1 Position description – all Board and Committee members

The following key result areas apply for all Board and Committee members.

Ambassadorial Responsibilities

- Projects a positive image of LELAN in all internal and external interactions
- Promotes LELAN's community and business activities in a positive light
- Creates and uses strong partnerships with external stakeholders to enhance the opportunities available to the organisation
- Influences others both within the organisation and external to the organisation to support LELAN and its goals
- Actively networks, builds and maintains strong relationships for the benefit of LELAN.

Business Acumen

- Can read, review and understand and enquire in relation to financial reports
- Understands LELAN's business and uses this to make informed business decisions
- Can participate in the development of business strategies
- Is committed to building an organisation which is capable of sustained performance
- Has a strong understanding and commitment to Lived Experience and the ways in which Lived Experience leadership and advocacy can influence community understandings and systemic change
- Has a current understanding of State and National policy drivers and the threats and opportunities to LELAN's mission

Corporate Governance

- Understands the role of the Board and its statutory requirements
- Supports the development of policies and procedures for effective corporate governance of the organisation
- Ensures the Board is both accountable and transparent in its decision making
- Ensures that all organisational objectives are considered in light of both opportunity and risk
- Continual education and improvement.

Strategic Thinking

- Contributes to a vision and strategic plan which sets the direction for LELAN in both the long and short term
- Ensures that a shared vision is promoted internally and externally
- Regularly reviews the organisation's vision and mission in light of trends and opportunities to ensure long term organisational viability
- Changes strategic direction in response to critical new information
- Supports senior management team in the execution of the vision.

Qualifications

Directors shall have relevant Lived Experience of mental distress. Directors will also have

- professional experience, knowledge, skills and qualifications in one or more of the following core areas:
 - o Strategic expertise;
 - o Community engagement and co design;
 - o Systemic advocacy;
 - o Accounting and Finance;
 - o Legal;
 - o Managing risk;
 - o Leadership and achieving change;
 - o Specific knowledge about the mental health system and relevant policies and legislation in South Australia;
 - o Marketing and communication;
 - o Political acumen.

3.7.2 Position description – Chair

Summary of the Main Purpose of the Position

The Chair acts on behalf of LELAN in supporting the strategic direction of LELAN. The Chair has responsibility to identify the organisation's direction and goals while it is the responsibility of management to decide how to achieve those goals. The Chair also has responsibility for obtaining best value and contribution from the Board as a whole and from individual members of the Board.

The Chair must maintain an appropriate personal and professional relationship with the ED, based on respect, trust and mutual understanding of their roles.

Reporting Relationships

The Chair is appointed by the members of the LELAN Board and the Board is accountable to the members of LELAN.

Qualifications

Formal qualifications are not required for the Chair, however, it is highly desirable that the Chair has or agrees to undertake a course for Directors offered by the Australian Institute of Company Directors (or an equivalent course) and a course on the duties of a Board Chair.

Main Experience

The Chair must be able to:

- Effectively chair a meeting;
- Communicate effectively;
- Provide leadership;
- Work constructively with the ED;

Position description –

- Support the ongoing development and performance of the Board
- Act as the spokesperson for LELAN and the Board.

3.7.3 Deputy Chair

Summary of the Main Purpose of the Position

The Deputy Chair acts on behalf of the Chair when they are not available.

Reporting Relationships

The Deputy Chair is appointed by the members of the LELAN Board and the Board is accountable to the members of LELAN.

Qualifications

Formal qualifications are not required for the Deputy Chair, however, it is highly desirable that the Deputy Chair has or agrees to undertake a course for Directors offered by the Australian Institute of Company Directors (or an equivalent course) and a course on the duties of a Board Chair.

Main Experience

The Deputy Chair must be able to:

- Effectively chair a meeting;
- Communicate effectively;
- Provide leadership;
- Work constructively with the Chair and with other Directors.

Position description –

3.7.4

Chair, Audit, Risk and Governance Committee

Summary of the Main Purpose of the Position

The Chair leads the Committee in assisting the Board with its responsibilities for:

- Compliance Management;
- Governance;
- Risk management across the organisation;
- Financial Management;
- Insurance; and
- Audit compliance.

Reporting Relationships

Reports to the LELAN Board.

Qualifications

Formal qualifications in accounting/finance/business/corporate governance are preferable but not essential.

It is necessary that the Chair will have a business/finance background and be able to analyse and interpret financial reports.

The Chair should undertake a course for directors offered by the Australian Institute of Company Directors or equivalent.

The Chair should have experience in corporate governance outside of LELAN.

Committee objectives and responsibilities are outlined in the Terms of Reference.