



INCORPORATING DAREBIN COMMUNITY LEGAL CENTRE

Reg No A0105338Y

ABN 13 421 440 211

## Board Charter

---

Fitzroy Legal Service Inc.

Adopted by the Board on 28 March 2019

## Contents

<b>1.</b>	<b>Purpose of the Board Charter</b> .....	<b>1</b>
<b>2.</b>	<b>Purpose and activities of Fitzroy Legal Service</b> .....	<b>1</b>
2.1	Purpose .....	1
2.2	Not-for-profit .....	2
2.3	Activities .....	2
2.4	Stakeholders .....	2
<b>3</b>	<b>Entity type, charity and Tax Status</b> .....	<b>2</b>
3.1	ABN .....	2
3.2	Entity type .....	2
3.3	ACNC .....	2
3.4	ATO .....	2
<b>4</b>	<b>Board role and responsibilities</b> .....	<b>3</b>
4.1	Board role .....	3
4.2	Board key responsibilities .....	3
4.3	Key documents .....	3
<b>5</b>	<b>Commitment of Board Members</b> .....	<b>4</b>
<b>6</b>	<b>Duties and Governance Standards</b> .....	<b>4</b>
6.1	Exercise reasonable care and diligence .....	4
6.2	Act in good faith .....	5
6.3	Maintain Board / Committee solidarity and collective responsibility .....	5
6.4	Contribute strategically to the work of the Board .....	5
6.5	Build Board / Committee capacity to perform its roles and responsibilities .....	5
6.6	Exercise responsible management of financial affairs and risk .....	5
6.7	Disclose and manage perceived or actual conflicts of interest .....	6
6.8	Disqualification .....	6
6.9	Noncompliance .....	6
6.91	Board Member's right to seek independent advice .....	6
<b>7</b>	<b>Decision Checklist</b> .....	<b>7</b>
<b>8</b>	<b>Transparency and Accountability</b> .....	<b>7</b>
<b>9</b>	<b>Board Composition</b> .....	<b>7</b>
9.1	Board composition and size .....	7
9.2	Suitability of Board Members .....	8
9.3	Appointed Board Members .....	8
9.4	Retirement, term or re-appointment .....	8
<b>10</b>	<b>Board review</b> .....	<b>8</b>
<b>11</b>	<b>Roles of Chair, Secretary and Chief Executive Officer</b> .....	<b>9</b>
11.1	Role of the Chair .....	9
11.2	Role of the Secretary .....	9
11.3	The role of the Chief Executive Officer .....	10
11.4	Delegations from the Board .....	10
11.5	The role of staff in relation to the Board .....	10
<b>12</b>	<b>Board sub-committees</b> .....	<b>10</b>
<b>13</b>	<b>Review of Board Charter</b> .....	<b>11</b>

<b>Attachment 1</b>	
<b>Board Members' acknowledgment of Board Charter</b>	<b>1</b>
<b>Attachment 2</b>	
<b>Conflict of interest policy</b>	<b>1-3</b>
<b>Attachment 3</b>	
<b>Decision checklist</b>	<b>1-2</b>
<b>Attachment 4</b>	
<b>Code of Conduct</b>	<b>1</b>

# Board Charter

## 1. Purpose of the Board Charter

---

The Fitzroy Legal Service Board has adopted this Charter to outline the manner in which its powers and responsibilities will be exercised and discharged by Board Members.

The Charter ensures compliance with the principles of good governance, the Australian Charities and Not-for-profits Commission (ACNC) Governance Standards and applicable laws.

This Charter includes an overview of:

- (a) the purpose and activities of Fitzroy Legal Service as a not-for-profit entity;
- (b) the role and responsibilities of the Board;
- (c) commitments made by Board Members;
- (d) duties and governance standards;
- (e) decision-making;
- (f) transparency and accountability;
- (g) Board size and composition;
- (h) Board review;
- (i) role of Chair, Secretary and Chief Executive Officer;
- (j) the role of staff in relation to the Board;
- (k) delegations made by the Board;
- (l) the authority delegated by the Board to Board Committees; and
- (m) review of the Board Charter.

The Board Charter and the charters adopted by the Board for its Committees have been prepared and adopted on the basis that strong corporate governance can add to the performance of Fitzroy Legal Service and engender the confidence of the community.

This Charter is to be reviewed by the Board on a bi-annual basis.

This Charter is to be signed by each current Board Member and given to and signed by all new Board Members.

## 2. Purpose and activities of Fitzroy Legal Service

---

### 2.1 Purpose

The primary role of the Board is to ensure Fitzroy Legal Service carries out its purposes as expressed in the Rules of Fitzroy Legal Service Incorporated clause 2, which are:

- (a) to provide free and readily accessible legal service to people in necessitous financial circumstances who live, study or work in and around the City of Yarra or the City of Darebin and to such other persons in need as the organisation may identify from time to time;
- (b) to initiate and encourage the reform of unjust or inequitable legal structures and processes affecting disadvantaged or vulnerable community members; and
- (c) to promote the agency of disadvantaged or vulnerable community members in the management of their legal affairs by providing legal information and education.

## 2.2 Not-for-profit

The Fitzroy Legal Service must not secure pecuniary profit for the Members. All of the income and property of the organisation must be applied solely towards the promotion of the purposes of the organisation.

No part of the income or property may be paid or transferred directly or indirectly by way of dividend, bonus or other profit distribution to Board Members.

Board Members may be reimbursed for expenses properly incurred on behalf of, or for the purposes of the organisation, including:

- remuneration for services rendered or goods supplied to the organisation;
- interest on money borrowed by the organisation and/or rent for premises let to the organisation, where the interest or rent has the prior approval of the Board.

Such reimbursement is subject to provisions:

- the amount payable is not more than an amount which commercially would be reasonably paid; and
- the provision of any goods, services, loan or rental premises by a Board Member has the prior approval of the Board.

## 2.3 Activities

The main activities of Fitzroy Legal Service are:

- Information & Referral
- Legal Advice
- Casework & legal representation
- Duty Lawyer Services
- Community Legal Education
- Law Reform & Advocacy
- Legal information publications – hard copy, online & eBook
- Prison outreach

## 2.4 Stakeholders

The key stakeholders are Fitzroy Legal Service Staff, Members and Volunteers, the Yarra City Council, the Darebin City Council, Government and Non Government Funders, Service & Referral Partners, Donors and Alumni.

## 3 Entity type, charity and Tax Status

---

### 3.1 ABN

The organisation's name and ABN as listed on the Australian Business Register (ABR) is Fitzroy Legal Service Incorporated ABN 13 421 440 211 active from 1 February 2019.

### 3.2 Entity type

Fitzroy Legal Service is a not-for-profit incorporated association.

### 3.3 ACNC

Fitzroy Legal Service is listed on the ACNC register as a charity.

### 3.4 ATO

Fitzroy Legal Service is endorsed by the ATO as a tax concession charity for income tax and payroll tax exemption.

## 4 Board role and responsibilities

---

### 4.1 Board role

The role of the Board is to govern Fitzroy Legal Service in such a way that it is able to pursue its purposes successfully and carry out its activities.

The Board bears ultimate responsibility for the governance of the organisation and is accountable to Members and other stakeholders for protecting and enhancing the overall interests of Fitzroy Legal Service.

The Board has delegated the responsibility for management, operations and administration to the Chief Executive Officer, with whom it has open access to discuss current and future business issues, risks and strategies.

The Board oversees the activities of management to ensure these delegated duties are carried out as directed.

### 4.2 Board key responsibilities

The key functions and responsibilities of the Board include:

- (a) working with management to develop, approve and implement strategy;
- (b) approving and monitoring the annual business plan and budget, financial reporting and financial performance;
- (c) approving and monitoring major contracts, funding arrangements, sponsorships and grants;
- (d) selecting, appointing, managing, evaluating and removing the Chief Executive Officer (CEO);
- (e) delegating authority to the CEO, management and committees to ensure the effective day-to-day management of the business;
- (f) approving the remuneration of the CEO and ensuring a succession plan is in place;
- (g) ensuring robust and effective risk management, compliance and control systems (including legal compliance) are in place and operating effectively;
- (h) reviewing and monitoring financial control and accountability systems;
- (i) overseeing the development and approval of policies and standards which seek to ensure Fitzroy Legal Service is accountable to its stakeholders, and
- (j) providing leadership to the organisation by guiding the development of an appropriate culture and values for the organisation and always acting in a manner consistent with the code of conduct.

### 4.3 Key documents

- (a) Rules of Fitzroy Legal Service Incorporated;
- (b) Board policies: conflict of interest, register of interests, grievance management, delegations manual, risk management, workplace health and safety, performance management and appraisal, code of conduct, privacy, sexual harassment and no bullying.
- (c) Fitzroy Legal Service Community Legal Services Program (CLSP) Agreement with Victoria Legal Aid.

- (d) Annual Reports.

## 5 Commitment of Board Members

---

Board Members will:

- (a) use all reasonable endeavours to attend every Board meeting either in person or by phone or other electronic means of communication;
- (b) maintain a strong commitment to the purposes of Fitzroy Legal Service and the activities that support people experiencing disadvantage and vulnerability;
- (c) participate in any induction and Board programs/training arranged for them;
- (d) be well informed on the activities of Fitzroy Legal Service and the issues pertinent to the organisation's activities;
- (e) be well informed on all matters to be discussed by the Board and participate in discussions and express their views at Board meetings;
- (f) be well informed on the finances and the financial management to ensure the Board is responsible and there are adequate resources for on-going operations;
- (g) adhere to all policies of Fitzroy Legal Service;
- (h) treat all Board meetings and Board discussions as confidential and not share Board papers or Board discussions outside of the Board, without the Board's permission;
- (i) take an active part in promoting and raising awareness of the activities of the organisation, including attendance, where possible at events and functions;
- (j) ensure that decisions are made in the interests of the organisation as a whole and not only in the interests of a particular stakeholder group/s;
- (k) immediately declare a possible, perceived or actual conflict of interest and follow the conflict of interest policy;
- (l) immediately notify the Chair and resign as and when requested by the Board, if they are likely to be or are:
  - i. disqualified from managing a corporation, within the meaning of the *Corporations Act 2001*; or
  - ii. disqualified by the ACNC Commissioner.
- (m) immediately raise any concerns with the Chair of the Board on any matter, including any behaviours that may be inconsistent with the purposes of Fitzroy Legal Service, this charter, or any policy; and
- (n) always act in a manner which promotes the public reputation and integrity of Fitzroy Legal Service.

## 6 Duties and Governance Standards

---

Reflecting modern governance standards (including legal obligations), Board Members must perform their roles and responsibilities with honesty, integrity and respect.

### 6.1 Exercise reasonable care and diligence

- (a) understand the roles and responsibilities of a Board Member;
- (b) devote adequate time to the role, including in preparing for, regularly attending, and participating in meetings and the broader work of the Board;
- (c) take responsibility for managing and progressing the work of the Board and committing energy and drive to see that its goals are achieved; and
- (d) cultivate a genuine interest in the organisation, an understanding of the issues affecting its activities, and an awareness of related social justice issues.

## **6.2 Act in good faith**

- (a) only use their position or information obtained in the course of their Board role for proper purposes intended by the Board, and not improperly gain an advantage for themselves or someone else, or cause detriment to the organisation;
- (b) act in a manner consistent with the Rules of Fitzroy Legal Service and in accordance with other applicable standards, including the FLS Code of Conduct;
- (c) act in a manner that upholds the organisation's integrity and good reputation;
- (d) be appropriately responsive to the interests of stakeholders; and
- (e) uphold the values of gender justice, difference, diversity and inclusion by considering the Board's role and responsibility in shaping organisational culture.

## **6.3 Maintain Board solidarity and collective responsibility**

- (a) cultivate productive working relationships by working collaboratively and treating colleagues with respect and courtesy, and in a manner that elicits their best contributions;
- (b) be accountable for the decisions of the Board, and not work or publicly speak against them;
- (c) maintain the confidentiality of materials, discussions and decisions, except where authorised to waive such confidentiality;
- (d) not attempt to exercise individual authority over the operations or staff of the organisation;
- (e) refrain from speaking publicly for the Board, except where authorised to do so.

## **6.4 Contribute strategically to the work of the Board**

- (a) help shape the organisation's strategic direction by contributing to the Board's performance of its roles and responsibilities;
- (b) respect the distinction between the roles of the Board and management;
- (c) thoughtfully explore, assimilate and act upon information, make enquiries about any critical gaps, and where appropriate, demonstrate personal courage in challenging ideas and processes;
- (d) effectively apply any specialized or relevant skills and knowledge;
- (e) communicate and negotiate with clarity, succinctness and influence;
- (f) where appropriate, be willing to contribute to the organisation outside the course of their Board role; and
- (g) actively engage in the development and regular monitoring of the FLS Strategy and implementation of the Annual Business Plan.

## **6.5 Build Board capacity to perform its roles and responsibilities**

- (a) develop their own capacity to contribute to the work of the Board, including through ongoing education;
- (b) assist in developing the capacity of other Board Members, including, where appropriate, by acting as a guide or mentor;
- (c) work to enhance the effectiveness of the Board's working environment and work practices; and
- (d) be open to receiving and acting upon feedback about the performance of their Board role and responsibilities.

## **6.6 Exercise responsible management of financial affairs and risk**

- (a) understand, evaluate, and act upon information about the organisation's financial situation and risk environment;
- (b) maintain a current knowledge of work health and safety matters, including the hazards and risks associated with the operations of the organisation;
- (c) ensure the institution of appropriate and tailored financial systems and procedures, such as



those aimed at minimizing financial wastage and any risk of wrongdoing, corruption, fraud, bribery, or other financial impropriety, including among the Board; and

(d) not allow the organisation to operate while insolvent.

## **6.7 Disclose and manage perceived or actual conflicts of interest**

- (a) complete a declaration for inclusion in the Register of Interests (which operates with ongoing effect) upon appointment to the Board, and review and update their declaration as their circumstances change, and at least annually;
- (b) declare any other perceived or actual conflicts of interest prior to the Board's consideration of any relevant matter; and
- (c) where there is a perceived or actual conflict of interest, absent themselves from discussions, as appropriate, and abstain from voting or otherwise participating in the decision-making on the matter.

## **6.8 Disqualification**

Board Members must immediately resign from the Board if they are:

- (a) within the meaning of the Corporations Act 2001: disqualified from managing a corporation; or
- (b) within the meaning of the Australian Charities and Not-for-profit Commission Regulation 2013: suspended or removed by the Commissioner from being a responsible entity of a registered entity.

## **6.9 Noncompliance**

- (a) Board Members must report any perceived or actual breach of these roles and responsibilities to the Chair (or, in the case of a perceived or actual breach of these roles and responsibilities by the Chair, to the Deputy Chair) as soon as is reasonably possible.
- (b) For minor or technical breaches, the Chair (or, in the case of a breach by the Chair, the Deputy Chair) may counsel the non-compliant Board Member. For more significant breaches, the Chair (or, in the case of a breach by the Chair, the Deputy Chair) must inform the Board, who may decide against reappointment of the non-compliant person, or censure, suspend or expel that person.

## **6.10 Board Member's right to seek independent advice**

Board Members have the right to seek independent professional advice.

Board Members may rely on information, in good faith, when making decisions if:

- (a) the Board Member makes an independent assessment of the information;
- (b) the information is given by:
  - i. an employee that the Board Member believes on reasonable grounds to be reliable and competent in relation to the matters concerned;
  - ii. a professional adviser or expert on matters the Board Member believes on reasonable grounds to be within their competence;
  - iii. another Board Member or committee member in relation to matters within their authority or area of responsibility.

The organisation will not cover any cost associated with a Board member seeking independent advice.

## 7 Decision Checklist

---

Board Members will formally consider the attached decision checklist for material or contentious Board decisions and will keep it in mind for all decisions of the Board.

## 8 Transparency and Accountability

---

The Board will ensure Fitzroy Legal Service makes available the following documents relating to Fitzroy Legal Service to the public on request, on the website and will lodge, if required, these with the ACNC for the ACNC public register:

- (a) Rules of Fitzroy legal Service Incorporated;
- (b) annual report;
- (c) annual financial statements.

## 9 Board Composition

---

### 9.1 Board composition and size

The Rules of the organisation stipulate that only Members may be made Board Members, so the Board must approve a person's membership before they can be elected or appointed.

The *transitional Board* is made up of:

- (a) 4 eligible Members nominated by FLS (FLS Nominees);
- (b) 4 eligible Members nominated by DCLC (DCLC Nominees); and
- (c) 1 independent Member to be agreed between the FLS Nominees and DCLC.

*Following the first Annual General Meeting and onwards thereafter*, the Board will comprise:

- (a) 6 elected (by the Members) Board Members; and
- (b) 3 appointed Board Members.

The Board is cognisant of the need for diversity, including a balance of age, cultures and gender.

The Board, as a whole, should ideally have the following knowledge, skills and experience:

- experience or knowledge specific to activities supported and conducted by the Fitzroy Legal Service;
- knowledge or networks in fundraising and/or philanthropy;
- corporate governance;
- finance/accounting;
- stakeholder management and partnerships;
- strategic planning; and
- understanding of social justice and human rights issues.

The Board will annually review the skills represented by Board Members and determine whether the composition and mix of those skills remain appropriate for Fitzroy Legal Service.

## 9.2 Suitability of Board Members

Board Members must:

- (a) not be disqualified from acting as a director under the Corporations Act;
- (b) not be disqualified from acting as a responsible entity under the ACNC Act;
- (c) not have been convicted of fraud; and
- (d) not have been bankrupt.

## 9.3 Appointed Board Members

- (a) Board Members will be appointed for their individual skills, experience and expertise which they can bring to the Board, and their suitability.
- (b) Factors to be considered when reviewing a potential candidate include, without limitation:
  - the skills, experience, expertise and personal qualities that will best complement Board effectiveness;
  - the capability of the candidate to devote necessary time and commitment to the role;
  - potential conflicts of interest; and
  - the suitability requirements in this Board charter.

## 9.4 Retirement, term or re-appointment/re-election

- (a) Board Members should review their appointment after 3 years with the assistance of the Chair to ensure they are still adding value to the Board, and if so, put themselves forward to the Board for re-appointment / Members for re-election.
- (b) There is a maximum term of 9 years.
- (c) The Secretary will keep a schedule of appointments, elections, and re-appointments / re-elections and at each meeting approving the end of year accounts, note the period of service of each Board Member to determine if any Board Member is up for review.

## 10 Board review

---

The Board will annually consider the following to ensure the role of the Board can be carried out:

- (a) the size and composition of the Board;
- (b) the Board succession plan;
- (c) the necessary and desirable competencies and skills of the Board Members (including those who are elected and/or appointed);
- (d) the number and type of committees and their size and composition;
- (e) the appointment of Board Members and consideration of candidates for appointment to the Board;
- (f) the performance evaluation of the Board, Board committees and individual Board Members, and the development and implementation of plans for identifying, assessing and enhancing Board Member competencies;
- (g) the suitability of Board Members, including satisfying itself that Board Members:
  - i. are not disqualified from managing a corporation, within the meaning of the *Corporations Act 2001*; and
  - ii. are not disqualified by the ACNC Commissioner nor have been disqualified by the ACNC Commissioner at any time during the preceding 12 months; and
- (i) any amendments required to this Board Charter.

## 11 Roles of Chair, Secretary and Chief Executive Officer

---

### 11.1 Role of the Chair

The Board will appoint one of its members to be Chair each year.

The Chair leads the Board in its performance of its roles and responsibilities, guides the Board Members and the Chief Executive Officer, and represents the Board to stakeholders.

The Chair is responsible for ensuring Board Members are properly briefed in all matters relevant to their role and responsibilities, facilitating Board discussions and managing the Board's relationship with management.

The Chair must:

- (a) chair meetings of the Board, and General Meetings of Members;
- (b) work with the Chief Executive Officer to prepare for meetings of the Board, and General Meetings of Members;
- (c) ensure Committees of the Board are established and function to support the Board's roles and responsibilities, and fulfil their Terms of Reference;
- (d) provide regular feedback to Board Members about the performance of their roles and responsibilities;
- (e) lead the recruitment process for the Chief Executive Officer;
- (f) establish a successful working relationship with the Chief Executive Officer which results in meaningful, frequent exchange of information;
- (g) conduct the annual appraisal of the Chief Executive Officer in conjunction with the Deputy Chair, after seeking feedback from all Board members;
- (h) Take any appropriate action as a result of the annual appraisal of the Chief Executive Officer, including addressing development needs;
- (i) represent the organisation at meetings where required;
- (j) ensure proper Board delegations, reporting and monitoring systems;
- (k) ensure the Board is fully informed of and well-positioned to fulfil their duties and responsibilities, and
- (l) provide leadership and promote cohesive, effective teamwork by the Board.

When the Chair is unable to attend a Board meeting, then the Deputy Chair will fulfil the role.

### 11.2 Role of the Secretary

The position of Secretary may be filled by any Board Member (except the Chair or Deputy Chair), the Chief Executive Officer or any other suitably qualified person.

The Board will appoint a Secretary who is accountable to the Board and responsible for carrying out the administrative functions of the Board, coordinating all Board business and assist in ensuring compliance.

The role of the Secretary includes:

- (a) preparing, compiling and distributing agendas and Board papers;
- (b) maintaining minutes of Board meetings and following-up on action items;
- (c) ensuring the necessary paper-work and resolutions are effective for change in the Board, change to auditors and any changes required to be submitted to the members;
- (d) maintaining Member registers or other registers as required;
- (e) communication with regulatory bodies and all statutory, financial and other necessary filing;
- (f) ensuring compliance with legislation and reporting requirements, as applicable;  
and
- (g) undertaking any other roles clearly delegated to the Secretary or required by the Board.

### **11.3 The role of the Chief Executive Officer**

The Chief Executive Officer is responsible for the management of the organisation in the fulfilment of its purposes and mission. The Chief Executive Officer must manage the organisation in accordance with the strategy and business plans and other delegations and policies approved by the Board from time to time.

The Chief Executive Officer reports directly to the Board.

### **11.4 Delegations from the Board**

The Board may make delegations of authority to Committees and/or the Chief Executive Officer.

Such delegations to the Chief Executive Officer will be recorded in the Delegations Policy and Manual.

Such delegations to Committees will be recorded in Committee Charters.

### **11.5 The role of staff in relation to the Board**

The Chief Executive Officer, who reports directly to the Board, is the conduit for staff to raise matters of strategic risk or opportunity.

During the phase of integration between what were the two staff groups from Darebin Community Legal Centre and Fitzroy Legal Service, the Board will seek regular updates on the activities of the Staff Integration Working Group, particularly as they pertain to strategy, industrial relations and risk.

Notwithstanding, from time to time the Board may invite key staff to make presentations on matters that are recognized as being areas of expertise and/or knowledge that will provide valuable input into decision-making.

Further, the Board supports an annual planning day, and will ensure that as many Board Members as are available will participate.

## **12 Board Committees**

The Board currently has the following committees:

- (a) Finance and Audit Committee
- (b) People Committee

Consideration may be given to forming other committees as required.

### 13 Review of Board Charter

The Board Charter will be reviewed 1 year from adoption, and then every 2<sup>nd</sup> year thereafter.

Date reviewed	Outcome	Approved	Date

# Attachment 1

## Board Members' acknowledgment of Board Charter

---

I **[insert name]** Board Member of Fitzroy Legal Service have read the Board Charter of Fitzroy Legal Service adopted by the Board on **[insert date]**.

I am aware that I am subject to the requirements and duties as a Board Member at law and those set out in the Board Charter. I will comply with these requirements and duties

Specifically, I confirm that I will

- use all reasonable endeavours to attend every Board meeting either in person or by phone or other electronic means of communication;
- maintain a strong commitment to the purposes of Fitzroy Legal Service and the activities that support people experiencing disadvantage and vulnerability;
- participate in any induction and Board programs/training arranged for them;
- be well informed on the activities of Fitzroy Legal Service and the issues pertinent to the organisation's activities;
- be well informed on all matters to be discussed by the Board and participate in discussions and express my views at Board meetings;
- be well informed on the finances and the financial management to ensure the Board is responsible and there are adequate resources for on-going operations;
- adhere to all policies of Fitzroy Legal Service;
- treat all Board meetings and Board discussions as confidential and not share Board papers or Board discussions outside of the Board, without the Board's permission;
- take an active part in promoting and raising awareness of the activities of the organisation, including attendance, where possible at events and functions;
- ensure that decisions are made in the interests of the organisation as a whole and not only in the interests of a particular stakeholder group/s;
- immediately declare a possible, perceived or actual conflict of interest and follow the conflict of interest policy;
- immediately raise any concerns with the Chair of the Board on any matter, including any behaviours that may be inconsistent with the purposes of Fitzroy Legal Service, this charter, or any policy; and
- always act in a manner which promotes the public reputation and integrity of Fitzroy Legal Service.

I further confirm that I will resign as a Board Member of Fitzroy Legal Service if I have been:

- (a) disqualified from managing a corporation, within the meaning of the *Corporations Act 2001*; or
- (b) disqualified by the ACNC Commissioner.

**Signed by**

*sign here*



---

*print name*

---

*Date*

---

**in the presence of**

*sign here*



---

Witness

*print name*

---

*Date*

---



## Conflict of interest

---

### **POLICY STATEMENT**

Fitzroy Legal Service (FLS) is committed to ensuring that actions and decisions taken at all levels in the organisation are informed, objective and fair. A conflict of interest may affect the way a person acts, decisions they make or the way they vote on group decisions. Conflicts of interest must be identified and action taken to ensure that personal interests do not impact on the organisation's services, activities or decisions.

All Board Members, staff, volunteers and contractors are required to act in the interests of the organisation at all times, and to notify the organisation when this conflicts with other interests or commitments. Declaration and management of conflicts of interest are specifically required for Board Members as part of their legal responsibilities as Board Members.

### **What is a conflict of interest for this policy?**

A conflict of interest exists where loyalties of Board Members are divided. Conflicts of interest cover any real or perceived conflicts the Board Members may have with other duties owed, such as being a Board Member or trustee of another company or trust, and conflicts with a personal interest, such as the interests of an associate or relative.

All staff, volunteers and Board Members ('FLS person') must:

- act impartially and without prejudice,
- declare any potential or actual conflicts of interest,
- not solicit or accept gifts or benefits that might in any way compromise or influence, or be seen to compromise or influence, them in their particular role, or create a conflict of interest in the performance or non-performance of their functions or duties.

This includes situations in which:

- close friends or family members of an FLS person are involved, such as decisions about employment, discipline or dismissal, service allocation or awarding of contracts,
- close friends or family members of an FLS person may obtain a financial gain or other form of advantage,
- an FLS person is involved with another organization, or personally offers a good or service, in competition with our organization,
- an FLS person is bound by prior agreements or allegiances to other persons or organisations that require them to act in the interests of that person or organization or take a particular position on an issue.

### **What must a Board Member do?**

#### **(a) Disclosure**

- Board Members must disclose to the Board, through the Secretary their employment, their connection to any stakeholder group and other Board Memberships, as well as any actual potential or perceived conflict of interest.
- The Secretary will keep a list of disclosures to be provided to any Board Member on request and to new Board Members for their information.
- Board Members must disclose any actual, potential or perceived conflicts of interest to the Chair prior to a Board meeting where the conflict maybe relevant or to the Board Members at a Board meeting prior to discussions.
- Board Members must ensure any change in circumstances relevant to the disclosure of interest is advised to the Chair, Secretary or all Board Members at a Board meeting considering a matter that gives rise to or may

give rise to that Board Member having an actual, potential or perceived conflict of interest.

- If the Board Member wishes to keep the matter giving rise to the possible conflict confidential he or she may just advise Board Members that he or she has a conflict with the matter under discussion and that the protocol will apply.

**(b) Protocol**

If there is a conflict of interest, or the Board Members or Chair have decided there is sufficient potential for a perceived or actual material conflict to arise so as to apply the protocol, then the Board Member:

- will not receive the papers on the matter, but will be advised that certain papers have been excluded;
- cannot be present (by phone or in person) when the matter is considered unless permitted by law and the other Board Members resolve that the Board Member in question can stay; and
- cannot vote on the matter.

**(c) Open discussion**

- When any matter is being discussed at Board level, any Board Member may query another Board Member as to whether they consider they have a possible conflict of interest with the matter under discussion.
- This matter should then be discussed and considered by the Board and if the Board (other than the Board Member who is being queried) considers that there may be a possibility of a perceived or actual material conflict of interest, then disclosure must be made and the protocol must apply.
- If a Board Member is uncertain as to whether he or she has or may have a perceived or actual material conflict of interest, he or she must disclose this at the Board meeting discussing the matter or with the Chair prior to the meeting.

**(d) Records**

Any discussions, disclosures, resolutions and the application of the protocol relating to a conflict of interest should be recorded in the Board meeting minutes.

**(e) Confidentiality**

- (1) Board Members must remember that board papers and matters discussed at board meetings are confidential and each Board Member has a duty to maintain the confidentiality of information he or she learns by virtue of his or her position as Board Member.
- (2) If there is a need or desire by a Board Member to disclose or report on resolutions or matters discussed at board meetings, or information gained as a result of them being a Board Member, to third parties, then the disclosure or reporting can only be made with the consent of the Board Members at the meeting or by the Chair.

**(f) Chair's role**

- (1) The Chair will be available to discuss with any Board Member the application of this procedure to particular circumstances and provide guidance as to whether he or she should be making a disclosure or whether the protocol should apply.

The Chair shall also seek to remind the Board Members from time to time of their obligations and commitments under this policy and this policy will be given to any new Board Members.

# Attachment 3

## Decision checklist

---

- Does the proposal further the organisation's purposes and its activities to support disadvantaged or vulnerable people?
- Do you or any other Board Members have a conflict of interest or perceived conflict of interest related to the proposal?
- Does the proposal comply with the Rules of Fitzroy Legal Service Incorporated and its not-for-profit nature?
- Is the proposal consistent with the strategy and any policies and within the budget?
- Does the Board have authority to make the decision or should it be referred to the Members?
- Does the decision comply with applicable laws, eg. fundraising, local government approvals, copyright, privacy, OH&S, etc.?
- Are the risks adequately identified and considered, eg. financial, reputational, personal injury, property damage?
- Have you considered the effect on all stakeholders eg. clients, funders, donors, local community, members, employees, volunteers, public?
- Is the proposal in the best interests of the organisation as a whole, i.e. you are not favouring any one group of clients over another?
- Is there a chance things could go wrong, and is there a plan to reduce the effects of things going wrong?
- Does the Board need to amend or develop any budgets or policies with respect to the proposal?
- Is there a plan to communicate the outcome of this proposal to any stakeholders (Members, government agencies, communities, media. etc.)?
- Does the proposal contain a system for monitoring how the decision will be actioned and/or the impact of the decision?
- If the proposal is controversial, do you have more than one source of information and/or a source of independent advice?
- Are you satisfied that you have been fully informed on the topic?
- Would your common sense lead you to accept or reject this proposal?

## Code of Conduct

---

The board should ensure and actively promote ethical behaviour and decision making as set out in the Code of Conduct. Board members are expected to act with integrity to ensure that the reputation of Fitzroy Legal Service is managed, protected and enhanced.

- The board recognises the importance and value of board diversity. The Board and its Members are expected to promote and encourage equity and inclusiveness throughout the organisation and considers age, gender, cultural background and people with a disability in decision making.
- Board Members are expected to act honestly and in the best interests of the members as a whole and not to represent individual constituents.
- Board Members are expected to contribute to a positive board behaviour and culture by showing respect for other Board Members' opinions and allowing each Member a fair and equal opportunity to contribute to discussion / decision making.
- Board Members are required to comply with the following legal duties including:
  - Act in good faith and for a proper purpose;
  - Exercise due care and diligence;
  - Ensure the organisation does not continue to carry on its business whilst insolvent; and
  - Meet the requirement of various federal and state laws that directly impact on the organisation.
- Board Members are expected to disclose actual/potential conflicts of interest.
- Board Members are expected to behave responsibly particularly regarding confidential information.
- Board Members are expected to review board papers before board meetings and acquaint themselves with the issues confronting the boards.