



Good Governance Guide for Tasmanian Landcare groups



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Who should use this document?

This document has been developed to assist community Landcare groups operating in Tasmania to enhance their organisation and activities through the application of good governance principles. It can be used by groups who are Incorporated Associations or those who have more informal structures.

This document is one of a number of resources published by Landcare Tasmania on the formation and operation of Landcare groups. See the Landcare Tasmania website for more details:

www.landcaretas.org.au



What is good governance?

Governance is the collective set of arrangements of your group that define how it is controlled and run.

Good governance is using the best possible processes to make decisions for your organisation. It means that the structures, activities and operations of your group meet legal requirements, have probity¹, are transparent and are accountable. Some examples of the role of governance are shown below.

Example 1 – Good governance

Your group receives a grant to undertake some on ground works. The key dates in the timeline for delivery of the project are entered into the forward planning of the group, responsibility is assigned to key members and progress is reviewed regularly at meetings (including financial expenditure). Your project is completed on time and acquitted, which in turn establishes your eligibility for further funding.



Example 2 – Poor governance

Your group receives a grant to undertake some on ground works. Money for the project is deposited to the group bank account. The group does not meet until after the first milestone on the project has passed, and no one is assigned to take responsibility for monitoring and reporting progress. By the due date for completion the on ground works are still largely unfinished. Members of the group then have to scramble to complete the project, leading to a number of personal conflicts and resignations of key members of the group.



¹ Probity is adherence to the highest principles and ideals.

Why is good governance important?

Good governance is not just another barrier getting in the way of committed Landcarers getting on with the job. When properly considered, and adapted to your group's needs and circumstances, good governance will assist you to be:

- Accountable to your members and volunteers, funders, partners and the wider community;
- Transparent, so that your members can see how decisions have been made;
- Compliant with applicable laws and regulations;
- Responsive to your members and supporters;
- Efficient and effective in how the human resources available to you are applied;
- Participatory in the way your group makes its decisions; and
- Trusted and respected by your members and the community.

Web resource: <http://www.goodgovernance.org.au/about-good-governance/what-is-good-governance/>

Governance checklist for Tasmanian landcare groups

Tasmanian Landcare groups are diverse in their size, membership, experience, legal status, priorities and modes of operation. Hence no one set of governance principles will apply to all groups. Below is a checklist of elements of good governance that will apply to most Landcare groups, in particular those that are incorporated.

Each item in the checklist should be considered in terms of its applicability to your group. It is important that any decisions about items in the checklist not being applicable reflect the 'what' and 'why' elements of good governance above, and that these decisions in particular are made in a participatory manner. Legal and regulatory compliance is always applicable to all groups, though compliance requirements will vary.

The following checklist categories are used:

N/A Not applicable. Does not apply to your group.

Yes Group has addressed this requirement.

Part Group has partially addressed this element. Priority should be given to updating or adapting this element so that it meets good governance principles.

No Group has not addressed this element. Priority should be given to developing and adding this element to the group's governance.

The checklist should be considered by your group on an annual basis, as this is the cycle of many legal requirements for community organisations. More frequent or urgent consideration may be needed in some circumstances, for example where a safety principle has not been met.



Remember: Good governance is intended to make the activities of your group more efficient and run more smoothly. Its like planting a seed so that a desired plant may grow and flourish.

Governance checklist for Tasmanian Landcare groups

Governance item	Notes	N/A	Yes	Part	No
Group Fundamentals					
<p><i>Group has a readily accessible file of key documents.</i></p> <p><i>This is valuable for the organisation because it will assist you to meet legal requirements (e.g. for record keeping, reporting) and make it easier for the group to operate efficiently and effectively.</i></p>	<p>Documents should include (where applicable):</p> <ul style="list-style-type: none"> • Constitution of group (or for unincorporated groups an agreed statement of purpose); • Certificate of Incorporation; • Copy of the Associations Incorporation Act 1964; • List of office bearers and contact details; • Membership list; • Records of financial status of members; • Records of the financial transactions of the group; • Copies of insurance policies and Certificates of Currency; • List and value of assets owned by the group; and • Bank account information, including account details and rules for operating the account. 				
<p><i>Group has a 'forward plan' for its activities.</i></p> <p><i>The term forward plan is used here as a generic description. For your group it could be a Strategic Plan, Activity Plan, Operations Plan, Our Park Landcare Plan, etc.</i></p> <p><i>The key point is to give it a name and use that name consistently, so that everyone knows what it is being talked about.</i></p>	<p>A forward plan can be an annual plan or a longer term strategic plan – just keep it as simple as possible by focusing on what your group is really about.</p> <p>A useful structure is to include:</p> <ul style="list-style-type: none"> • A simple re-statement of your group's purpose or vision; • Its longer term aims, e.g. what would the group like to achieve in the long term (e.g. 3-5 years); • Objectives that state the main things you would like to achieve during the period of the plan; • Notes on how the objectives will pursued; • The period of the plan and its process of review. 				
<p><i>Group regularly reviews the outcomes it has achieved under its 'forward plan'.</i></p> <p><i>This is valuable as it will enable your group to adapt and change to unanticipated events, and also provide the opportunity to celebrate your achievements.</i></p>	<p>Review of a plan should include documentation of:</p> <ul style="list-style-type: none"> • What was achieved; • What went well and what didn't; and • Key learnings to be included in the next forward plan or other aspects of the group's operations. 				

Governance item	Notes	N/A	Yes	Part	No
<p><i>Group has an organisational succession plan.</i></p> <p><i>This is valuable because succession planning helps ensure your group's continuance despite people coming and going.</i></p>	<p>A succession plan will help your group to continue to operate when key people (often the drivers of small groups) decide to 'move on'. The simplest succession plan is one in which the succession in key roles in the group is planned, so that your 'new' people have a period of overlap with their predecessors.</p> <p> Example: Mary Smith decides to take on the Convenor of a local group, and gives a commitment to take on the role for 3 years. At the end of the second year a successor is selected and spends time with Mary during year 3 in order to take over the role after Mary's departure.</p> <p>Web resource: http://www.landcarevic.net.au/resources/for-groups/notes/8.-human-resources/8.3%20Succession%20Planning.pdf</p>				
<p><i>The decision making processes of the group are clearly documented and available to all members.</i></p>	<p>Decision-making can be by vote of a majority, consensus or for committees can be delegated from the larger group.</p>				
<p><i>All on-ground activities of the group are conducted with written authorisation of the relevant land owner, manager and other authorities or relevant groups.</i></p> <p><i>If in doubt consult more widely than less.</i></p>	<p>It is important that authorisations are filed in your records, in case there are any legal issues that arise in group activities or further down the track. There is also value in engaging with stakeholder (e.g. advising them of your activity) and in everyone becoming more informed of the activity and potential opportunities for involvement and collaboration.</p>				

Governance item	Notes	N/A	Yes	Part	No
<i>Records of the organisation are kept</i>	<p>The minimum set of records that should be kept are:</p> <ul style="list-style-type: none"> • The key documents listed above; • Written authorisations to conduct activities; • Meeting notices and minutes; • Financial reports and audits; • Copies of insurance policies; • All documents identified below under Health and Safety. <p>The Associations Incorporations Act 1964 specifies the types of records to be kept and that they should be kept for a minimum of 7 years, unless provided for under other legislation.</p> <p>The 7 year minimum period is recommended for all groups – incorporated or otherwise.</p> <p>It is suggested that groups seek advice on legal and financial requirements for record keeping, as this will vary with different types of group structure.</p>				
Conduct of Meetings					
<i>Meetings of committees or members of the group are notified in advance, with a clear statement of meeting purpose and an agenda where applicable</i>	<p>It is important that your meeting notifications are consistent with your group's rules or expectations of members – late notices should be avoided.</p> <p>Some legal requirements for meeting notifications apply under the Associations Incorporation Act 1964, and there may also be additional requirements in your group's constitution.</p>				
<i>Meetings of committees or members include a request to identify any Conflicts of Interest</i>	<p>A Conflict of Interest may arise where a person's interests are not compatible with the group, or where an individual might potentially benefit materially from the actions or decisions of the group.</p> <p>For incorporated groups, declaration of Conflict of Interest is a legal requirement of the Associations Incorporation Act 1964.</p> <p>For all groups it is good governance practice.</p> <p>Web resource: http://www.integrity.tas.gov.au/_data/assets/pdf_file/0019/191053/CC_Identifying_and_dealing_with_Conflict_of_Interest.pdf</p>				

Governance item	Notes	N/A	Yes	Part	No
<p><i>Accurate minutes of meetings are maintained by the group, and at a subsequent meeting are either confirmed as accurate or amended for accuracy</i></p>	<p>Minutes of meetings need not be highly detailed. For most decisions a simple statement of the item being considered and its resolution should be recorded.</p> <p>Examples might be: </p> <p>“The group agreed that...”</p> <p>“It was resolved that... Moved: Seconded.”</p> <p>Decisions should also be accompanied by an action statement where appropriate, “J. Citizen to...”.</p>				
<p><i>Outcomes of meetings are communicated to the group</i></p>	<p>Communications to group members will depend on the nature of each meeting. In larger groups only key decisions directly affecting members might need to be communicated.</p> <p>Communications which relate directly to individuals need to be considered for any issues around privacy, particularly compliance with the Privacy Act 1988.</p> <p>As a general principle it is best to consult with any individual about inclusion of private information (e.g. participation in an activity, a photo of, etc.) to obtain consent prior to inclusion in any communications.</p>				
Financial Management					
<p><i>Financial records of the group are maintained using accepted and appropriate accounting standards</i></p>	<p>Financial record keeping needs will vary depending on the legal status of your group and its size and complexity.</p> <p>Financial records of incorporated groups are required under the Associations Incorporation Act 1964.</p> <p>Changes introduced to the Act in 2016 provide for an exemption from auditing for incorporated groups with a turnover or assets less than \$250,000 (though financial statements still need to be lodged).</p> <p>For small, unincorporated groups a single investment in professional advice on financial record keeping is recommended. </p>				

Governance item	Notes	N/A	Yes	Part	No
<i>Professional competence in financial record keeping and reporting requirements is held within the group</i>	<p>Financial probity is essential in Landcare groups.</p> <p>If financial competence is not held within the group then consideration could be given to:</p> <ul style="list-style-type: none"> • co-opting someone with the necessary skills; • arranging training in financial competence; or • out-sourcing the financial record keeping activities of the group (e.g. to a bookkeeper, accountant). 				
<i>Financial reports are presented at group meetings</i>	<p>Financial reporting to meetings will only be required if the meeting purpose includes financial matters.</p> <p>A meeting for simply planning an activity, for example would not have any need of a financial report.</p>				
<i>Funds coming into the organisation are only used in ways consistent with the group's purpose</i>	<p>There may be legal ramifications of failure on this principle for any group, incorporated or otherwise, and also in some instances potential consequences for individuals.</p> <p>This is even more important where funding for a specific project, costed in the funding agreement, is provided to the group.</p>				
<i>Group has clear, written rules for authorising and making payments on its behalf</i>	<p>For most small groups authorisation of payments will be by its committee and require two signatures on bank accounts.</p> <p>In larger, incorporated groups a delegated authority might be provided to an office bearer, in which case the scope of the authority and limit of expenditure should be specified.</p>				
<i>Group has investigated its obligations to register for Goods and Services Tax</i>	<p>If in doubt seek professional financial advice – it will only need to be once off. </p>				
<i>Group has investigated and is implementing its obligations for reporting and lodgement of Business Activity Statements</i>					

Governance item	Notes	N/A	Yes	Part	No
Insurance					
<i>Group has public liability insurance and products liability insurance for its activities</i>	<p>Groups accessing the Landcare Tasmania group insurance scheme have access to up to \$10 million cover of each insurance type.</p> <p>Groups operating outside the Landcare Tasmania group scheme may seek their own annual insurance cover, or cover for specific activities only.</p> <p>Operating without insurance does not satisfy the principles of good governance.</p> <p>It is best to seek advice if there is any doubt about whether your group's activity has appropriate insurance.</p>				
<i>Equipment or plant owned by the group is appropriately insured</i>	<p>Most groups will only choose to insure more expensive items whose unexpected replacement would be a significant impost.</p>				
<i>Any private or personal equipment used in group activities should be appropriately insured</i>	<p>Expensive private equipment such as motor vehicles should be insured by the owner.</p> <p>The obligations of the group in the event of a claim arising during a group activity (e.g. payment of insurance excess) should be by agreement in writing.</p> <p>Any agreement relating to motor vehicle insurance should specify if claims arising in travel to and from the event are included; they would generally be excluded except for example where towing a trailer or other equipment required for the group activity.</p> <p>Individuals will often purchase materials for a group activity, and seek reimbursement for the expense from the group.</p> <p>It is best the group has a clear policy for authorising expenses that will need to be reimbursed, including specifying the limit to be spent on a particular item.</p> 				

Governance item	Notes	N/A	Yes	Part	No
Health and Safety					
<i>IMPORTANT INFORMATION</i>	Notes in this section cover governance elements of Health and Safety only. Landcare Tasmania has produced a step-by-step Safety Guide for volunteer Landcare groups. See: www.landcaretas.org.au/safety				
<i>Group has a Health and Safety Policy</i>	A Health and Safety Policy is a commitment and statement of principles. Our Safety Guide contains a Health and Safety Policy template you can use to set out safety principles for your group. Your group should ensure the Policy is completed and regularly reviewed.				
<i>Group activity planning includes explicit consideration of Health and Safety issues</i>	For good governance your Health and Safety Policy should include a commitment to planning activities to ensure the Health and Safety of participants, and that a suitable planning template is followed. The Landcare Tasmania Safety Guide contains information for planning activities.				
<i>Participants in group activities are registered in writing for each activity.</i> <i>An activity might be a half day planting and weeding event, or a larger event carried out over two consecutive days.</i> <i>The same planting and weeding activity carried out as one day of each of two successive weekends should be considered as two separate activities.</i>	Registration should include: <ul style="list-style-type: none"> • contact details of participants; • a statement that the activity will be conducted in accordance with the Health and Safety Policy,; • a copy of your Health and Safety Policy being available for inspection; and • all participants signing to confirm they understand and will comply with the requirements. Our Safety Guide contains registration forms that can be used for your activities.				

Governance item	Notes	N/A	Yes	Part	No
<i>Group completes a risk assessment for all activities or sites, and retains a copy for future reference</i>	<p>Hazards and risks will vary with the nature, scale and intensity of each activity.</p> <p>Safety should always be considered from an over-cautious perspective.</p> <p>The Safety Guide on Landcare Tasmania's website contains instructions for conducting risk assessments, as well as a template on which to record the assessment.</p>				
<i>Participants in group activities receive an appropriate induction to the Health and Safety issues and requirements of the site and the activities to be undertaken</i>	<p>Induction requirements will vary with the nature, scale and intensity of each activity.</p> <p>As a general rule, your group should identify one or two people who will be responsible for Health and Safety of your event.</p>				
<i>Safe work practices for the use of tools, machinery and chemicals in group activities are consulted and their requirements included in planning for the site</i>	<p>Regularly consult the Worksafe Tasmania website for current Safe Work Practices guidelines for a range of tools and machinery.</p> <p>Product data sheets for hazardous substances should be consulted and complied with.</p>				
<i>Accident and incident reporting forms are available at all group activities, and are completed and retained</i>	<p>Our Safety Guide contains a template for accident and incident reporting.</p> <p>The Guide also includes instructions to be followed in the event that an incident occurs.</p>				
<i>Group has a document to be signed by any contractors confirming that appropriate insurance, licenses and competencies are held for the activity</i>	<p>Insurances will include Public Liability, Professional Indemnity and Workers Compensation, including providing certificates of currency.</p> <p>Licenses may include vehicle, equipment or chemical use licenses.</p>				
<p>Notes in this guide cover governance elements of Health and Safety only. See Landcare Tasmania's health safety guide for volunteer landcare groups – www.landcaretas.org.au/safety</p>					



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