



Life Saving Victoria Limited

Governance Charter

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Life Saving Victoria (LSV) is committed to saving lives and empowering communities to safely enjoy water.

The board of LSV recognises the importance of good governance in achieving this objective, discharging its responsibilities to its members and wider stakeholders, and executing its role as a respected corporate citizen.

OVERVIEW

This charter sets out the main principles LSV and its board adopt to develop, implement and maintain a culture and standard of good corporate governance.

The board is committed to ensuring that contemporary principles of good governance are implemented openly and with integrity, pursuing the true spirit of good corporate governance commensurate with LSV's purpose and needs.

The matters set out in this charter are subject to the Corporations Act 2001 (Cth) (CA), the Australian Charities and Not-for-Profits Commission Act 2012 (Cth) (**ACNC Act**) and the LSV Constitution (**Constitution**). This charter seeks to:

- formalise procedures to help ensure LSV and the board act transparently and dutifully in both its internal and external dealings,
- ensure that appropriate checks and balances are in place to monitor the operations of LSV and those charged with its management, and
- provide a transparent method for stakeholders to evaluate the performance of LSV from a corporate governance perspective.

GOVERNANCE STRUCTURE

The governance structure of LSV consists of a board of directors supported in its functions by five councils and several advisory committees.

The five councils are:

- aquatic sports council (**ASC**)
- council of life saving clubs (**CLC**)
- aquatic education and industry engagement council (**AEIEC**)
- life saving operations council (**LSOC**)
- membership and leadership development council (**MLDC**)

The standing advisory committees are:

- finance, risk and audit committee (**FRAC**)
- governance committee (**GC**)
- honours and awards committee (**HaAC**)
- grievance and judiciary committee (**GaJC**)

The councils and committees must operate within their terms of reference and remain accountable to the board to whom they must report and make recommendations.

WHAT THE BOARD DOES

LSV's board is responsible for LSV's governance, setting LSV's strategic direction, goals, priorities, and risk appetite, and approving policies, strategies and budgets that reflect LSV's objectives and how they are to be achieved.

The board then monitors LSV's strategic, operational and financial performance, delegated to the chief executive officer, who is responsible for LSV's management in accordance with the policies, strategies and budgets approved by the board. The appointment of the CEO and assessment of their performance is also an essential responsibility of the board.

The board's responsibilities are undertaken by the board as a group, exercising its collective decision-making responsibilities through consensus and/or voting processes (as required) at board meetings. Under the CA, ACNC Act and other relevant legislation and common law, the board's and individual directors' respective legal obligations are spelled out.

Notably, while a majority vote of directors will determine a vote's legal outcome, the objective should always be to achieve a consensus. This outcome, as far as possible, reflects the views of all directors, not simply a bare majority. This highlights the importance of a board's decision-forming processes – the information gathering, information sharing and discussion processes that share the group's collective wisdom.

While an essential minimum, mere compliance with legal requirements will not be sufficient to ensure good governance, which is always our objective.

LIFE SAVING VICTORIA – MODUS OPERANDI

In a commercial organisation, the core objective is (relatively) expressed as relating shareholder wealth; to shareholder value by undertaking activities that will achieve that outcome.

Likewise, in a commercial organisation, the relationship between the board and management is also (relatively) simple, with the interaction between the board and management largely channelled through the chief executive officer.

LSV is a company limited by guarantee and a registered charity. This means its directors have all the legal responsibilities of directors of any company; however, LSV is markedly different from a commercial "profit or wealth" entity. Those differences create unique challenges for LSV directors, which are essential to be understood and addressed by all directors.

In summary:

- LSV has a range of (lifesaving-related) objectives, which are not primarily about money. Money is a 'means to an end'.
- LSV undertakes governance 'at more than one level', as the board delegates significant responsibilities to its councils and their council executives, which operate with a level of autonomy. Good governance must be practised there, too noting always the ultimate legal responsibility of directors.
- Council-elected LSV directors 'wear two hats': LSV directors and their council roles. Council roles are not legal roles as such. The differing accountabilities of these interrelated roles must be clearly understood and not blurred.
- While the board make decisions in respect of the whole organisation, councils may only make decisions within their specific council remit.
- LSV has a diverse stakeholder base, including life saving clubs and their members, a range of individuals and organisations involved in aquatic safety and recreation, and the Victorian Government and (ultimately) the Victorian community.
- LSV has two national peak bodies, Surf Life Saving Australia (SLSA) and Royal Life Saving Society – Australia (RLSSA), whose requirements LSV must comply with.

Achieving good governance at LSV requires that LSV directors understand these additional complexities and regard them in exercising their directorial responsibilities.

ROLE AND POWERS OF THE BOARD

The board's role is to provide leadership that will continue to strengthen the position of LSV as the peak aquatic safety organisation in Victoria, specifically in water safety and lifesaving.

Subject to the CA, the ACNC Act and the Constitution, the board shall:

- a. govern the lifesaving business in Victoria in accordance with LSV's purpose and objects,
- b. exercise the powers of LSV,
- c. operate for the benefit of LSV members and the community throughout Victoria,
- d. determine the strategic direction for LSV,
- e. set the enterprise risk agenda (framework and risk appetite),
- f. determine By Laws and policies for LSV,
- g. review LSV's performance in achieving its pre-determined aims, objectives and policies, and
- h. manage interstate and international lifesaving responsibilities.

The board may exercise all the powers of LSV, except any power the CA or the Constitution requires LSV to exercise in a general meeting of members. Councils are not empowered to exercise powers of LSV.

GOVERNING STYLE

The board governs LSV with an emphasis on:

- a. strategy and policy that will be advantageous to the interests of LSV as a whole,
- b. anticipating and planning for change,
- c. objectivity,
- d. consultation and collaboration with stakeholders,
- e. strategic leadership,
- f. clear distinction and differentiation of its governance role and that of LSV management,
- g. collective rather than individual decision making,
- h. always acting professionally and in line with the board's decision, regardless of individual agreement or not,
- i. the future direction of LSV,
- j. being proactive rather than reactive, and
- k. recognising the expertise and know-how of board members in their respective disciplines.

BOARD COMPOSITION

The composition of the board is set out in Rule 23 of the Constitution and comprises:

- the president, elected by council representatives,
- six ordinary directors, elected by their respective councils, and
- three independent directors appointed by the board.

The company secretary may also attend board meetings but is not a director.

At least one of the independent directors must be drawn from the aquatic industry, education and/or external training industry.

TERMS AND SUCCESSION PLANNING

The president is elected for a term of two years, which commences from the conclusion of the annual general meeting (**AGM**) at which the election occurred until the conclusion of the second AGM following. The ordinary directors are elected for two years on a rotational basis, with approximately half of the board positions subject to election each year.

The president and ordinary directors may be re-elected but can serve no more than three consecutive terms.

The independent directors shall hold office for such term as is determined by the directors appointing them but, in any event, for a maximum of two years. Independent directors may be appointed for a second or third but no more than three consecutive terms.

INDUCTION AND TRAINING

All new directors will be briefed by the president and the CEO in accordance with the board induction policy and will receive a copy of this governance charter and relevant documents as outlined in the APPENDIX.

Directors are also encouraged to undertake formal training and professional development in corporate governance and other matters relevant to their roles as directors.

The sum of \$20,000 (twenty thousand dollars) per annum will be available for directors to undertake formal training and professional development in corporate governance and other matters relevant to their roles as directors, including payment of membership fees for corporate governance organisation.

Each director will have access to \$1,000 (one thousand dollars) annually. A director can, however, apply for a maximum of \$4,000 (four thousand dollars) top-up to undertake formal training and professional development in corporate governance and other matters relevant to their roles as directors once per tenure. Tenure refers to three maximum terms of 2-year duration, subject to yearly funds not being exhausted when making the application, on a first come basis, and with the president’s approval.

DIVERSITY AND INCLUSION

LSV as an organisation is committed to improving diversity and inclusion, making roles accessible (especially for ordinary directors across the membership) – ensuring representation of diverse persons from both our membership and community, including but not limited to gender, LGBTQIA+, people with disabilities, Aboriginal and Torres Strait Islander peoples, CALD peoples, etc.

LIFE SAVING VICTORIA BOARD OF DIRECTORS CODE OF ETHICS

1. Respect the rights, dignity and worth of fellow directors	Within the context of a person’s position and responsibilities, treat everyone equally regardless of gender, disability, ethnic origin or religion.
2. Be fair, considerate and honest	All directors deserve equal say and attention.
3. Directors hold responsibility for the whole organisation and not just councils	Directors are elected “to provide overall direction and leadership for LSV activities and services”.
4. Be professional and accept responsibility for your actions	Directors should: <ul style="list-style-type: none"> • attend all meetings, • be punctual and not depart from meetings early, • display high standards of language, manner, preparation and presentation, • display control, respect, dignity and professionalism, and

LIFE SAVING VICTORIA BOARD OF DIRECTORS CODE OF ETHICS

	<ul style="list-style-type: none"> encourage fellow directors to demonstrate the same qualities.
5. Commit to having a detailed understanding and knowledge of the entire organisation	<p>Directors should:</p> <ul style="list-style-type: none"> improve their current knowledge and understanding of all facets of LSV's business by reading all relevant documents, and seek continual improvement through ongoing education and training, whether offered or sought.
6. Operate within the rules and spirit of Life Saving Victoria	<p>Directors should be familiar with and follow the LSV Governance Charter, Constitution, By Laws, Code of Conduct, policies, and values.</p>
7. Confidentiality is critical	<p>Directors should maintain confidentiality in accordance with adopted policies.</p>
8. Refrain from personal abuse towards fellow directors, management and staff	<p>This includes verbal, physical and emotional abuse.</p>
9. Refrain from any form of harassment	<p>This includes but is not limited to sexual and racial harassment, vilification and harassment due to disability.</p>
10. Declare any potential conflicts of interest	<p>Directors should declare any perceived, actual or potential conflicts of interest(s) promptly, in accordance with adopted policies.</p>
11. Expression of concern	<p>Any concerns with a fellow Director or the CEO should be directed to the President without delay. If the concern is with the President, the Director should address the matter with the Director, who is the Chairperson of the Governance Committee.</p> <p><i>Note: See section below to address Expressions of Concern</i></p> <ul style="list-style-type: none">
12. Other duties of directors	<p>This includes:</p> <ul style="list-style-type: none"> to always act honestly, not to make improper use of information for personal advantage, not to gain by improper use of the position, directors exercising the skill and diligence that any ordinary person would expect a director to take, directors ensuring obligations under the CA and ACNC Act are met.
13. Be a positive role model	<ul style="list-style-type: none"> Always modelling the member's code of conduct embodied in the SLSA Member Protection Policy

ADDRESSING EXPRESSIONS OF CONCERN

The President or Chairperson of the Governance Committee must then determine the urgency of exploring any Expressions of Concern raised and the potential ramifications of the concern. They should consult the LSV Legal Counsel or external professional advisor for confidential advice if required.

Unless legal advice to the contrary is received, the President (or Governance Chairperson, as appropriate) should then either address the matter in a Directors Only session of the next scheduled Board Meeting or call an urgent meeting of Directors.

The President (or Governance Chairperson, as appropriate) should raise the concern with all Directors and, if appropriate, ask the Director(s) concerned to leave the meeting while the topic is discussed. The Board, as a collective, should then determine the best course of action to resolve the concern in line with relevant LSV Policies.

DIRECTORS' RIGHT TO SEEK EXTERNAL PROFESSIONAL ADVICE

A Director is entitled to seek independent professional advice (including but not limited to legal, accounting, and financial advice) at LSV's expense on any matter connected with the discharge of their responsibilities, in accordance with the procedures and subject to the conditions set out below:

- the Director must seek the prior written approval of the President (or Governance Chairperson, as appropriate);
- in seeking such prior approval, the Director must provide details of:
 - the nature of, and reasons for the independent professional advice to be sought.
 - the likely cost of obtaining the independent professional advice; and
 - details of the independent adviser the Director proposes to instruct.
- the approval of the President (or Governance Chairperson, as appropriate) must not be unreasonably withheld.

MEETINGS

THE IMPORTANCE OF MEETINGS

Individual directors have no personal or individual authority to act or make decisions on behalf of LSV. The board can only make decisions in accordance with its constitutional authority. This requires that a majority vote be obtained at a properly convened board meeting, by a properly called and passed circular resolution or that the decision has been properly made under a power of delegation granted by the board.

Therefore, directors do all or most of their legally effective decision-making at board meetings as a group. There is a clear duty for directors to prepare for meetings, attend meetings and to vote on all matters coming before a session for consideration.

PREPARING FOR MEETINGS

The degree to which a director is prepared for a meeting is perhaps the most important factor in ensuring meetings are effective and achieve results with minimal time wasted.

QUORUM

At board meetings, the number of directors whose presence (or participation under Constitution Rule 28.4 is required to constitute a quorum is a majority of the directors.

CHAIR

The president is the chairperson of all meetings of the board. If the president is absent, the president shall nominate a chair. The remaining directors shall elect a chair in the unexpected absence of the president.

MINUTES

Draft minutes of board meetings should be available (electronically) within 14 days of the meeting and are distributed upon request. Alternatively, the draft minutes will be included in the following board pack.

MEETINGS SCHEDULE

According to the Constitution, the board is required to meet as often as is deemed necessary in every calendar year for the dispatch of business. The board is expected to meet at least eight times per annum, including workshops and extraordinary/out-of-session meetings.

DECISIONS – UNITY

There is not expected to be a consensus amongst all directors on all issues.

It is important to emphasise that teamwork and harmony do not exclude diversity and differences of opinion; debate and alternative and challenging views are essential on important issues.

Directors need to ensure they raise any concerns in meetings.

When the debate is over, and as large a consensus as possible has been reached, all directors must accept that the board has decided. If they remain as part of the board, they must accept a duty of loyalty and confidentiality.

All directors, whether for or against a particular decision, must advocate for the final board decision.

If a director understands that their fiduciary duty is to LSV as a whole, there can be no justification for breaching board confidentiality or showing public disloyalty while remaining a board member. In such cases, resignation is the only option.

LSV BOARD REPRESENTATION - NATIONAL BODIES

It is current custom and practice that the LSV President is a member of the SLSA Board (as are the Presidents for all other Australian states and territories). This is viewed as for the betterment of LSV, and the SLS federation. The President is expected to represent LSV's view on matters where and when appropriate, not their own personal views, with consideration of their fiduciary duties as a director of SLSA and allegiance to the overall SLSA federation.

Specifically: The President is to consult the LSV board for direction when voting at SLSA general meetings (e.g. national president election), as per Clause 36 of the SLSA Constitution.

Generally: Ahead of SLSA Board/Committee meetings, the President is required to consult with the Board, or at a minimum the relevant LSV Directors, on non-confidential agenda items, so that the President is appropriately informed and can convey a view that is reflective of the best interests of LSV at that time. This process links to SLSA Executive Management Group (EMG) meetings and involves the CEO and relevant GM representatives.

Similarly, LSV Board Directors who hold positions on SLSA Advisory Committees are expected to consult with the President and/or management on items prior to meetings and inform the Board about decisions arising that the Board would have an interest in (via the Company Secretary).

There is not expected to be a consensus amongst all directors on all issues.

To facilitate consultation:

- the President, relevant Board Directors and management will meet prior to SLSA Board meetings with the purpose of reviewing and discussing non-confidential agenda items.
- the CEO and President will consult one another before and/or after SLSA Executive Management Group (EMG) meetings.

- relevant Board Directors are expected to consult with the Chair and/or Executive Management Team (EMT) before and/or after SLSA Management Committee and Advisory Committee meetings.

Any information received regarding SLSA Board matters, like all LSV Board information, must be kept confidential.

It is noted that the President whilst a director of SLSA is a director of two legal entities and thus a potential conflict of interest exists. This will be managed in accordance with the policies and processes of SLSA and LSV and in accordance with good corporate governance principles. Whilst acting as a director of SLSA the LSV President must act in the best interests of SLSA and its members noting this includes LSV. SLSA directors must take into account all State Centres' priorities and goals and will of course be guided by their own State Centre's context. It is for these reasons we seek alignment of strategic plans amongst all SLS entities.

LSV members of SLSA committees do not have a strict legal conflict of interest but are still bound by confidentiality and must act in accordance with the terms of reference of the relevant committee and any other rules created for the committee by SLSA.

Persons acting on SLSA committees should have the benefit of relevant insurance so long as they act within the scope of their appointment and the terms of reference of the relevant committee.

The above currently excludes RLSSA Board Director and RLSSA Member arrangements.

PERSONAL RESOURCES FOR DIRECTORS

REMUNERATION

No remuneration is payable to directors of LSV.

EXPENSES

Directors may be reimbursed for pre-approved expenses incurred in carrying out their duties and responsibilities.

Directors seeking to be reimbursed for expenses such as phone, office supplies, printing, travel, and other 'incidentals' need to gain approval in accordance with the Delegation of Authority Policy. Directors seeking reimbursement of pre-approved expenses shall submit receipts within one month of incurring such costs.

RELATIONSHIP OF THE BOARD WITH MANAGEMENT

The day-to-day business of LSV is to be conducted by or under the supervision of the CEO appointed by the board and by those other officers and employees to whom the management function is appropriately delegated by the CEO.

Communication between directors and management will primarily be through the CEO's office; however, ordinary directors elected by councils will liaise with the relevant senior executives and officers within LSV for matters directly related to the council role they are appointed.

FINANCIAL MANAGEMENT AND ACCOUNTABILITIES

FINANCIAL OVERVIEW

LSV's financial statements and records are audited annually in accordance with the CA. LSV must also lodge its annual information statement with the ACNC. LSV's auditors are appointed annually at the AGM. LSV must comply with Australian Accounting Standards.

FINANCIAL RESPONSIBILITY

Every director has a responsibility to maintain an overview of the financial position of LSV, including a legal obligation to ensure LSV is not trading while insolvent.

ANNUAL BUDGET

The approval and monitoring of LSV's annual budget is a major responsibility of the board.

EXPENDITURE CONTROLS

The CEO is responsible for ensuring expenditures are within approved budgets and in compliance with financial authorisations and expenditure policies, e.g., quotes, approved suppliers, etc.

FINANCIAL PERFORMANCE MONITORING

The finance, risk and audit committee is responsible for monitoring the financial accounts and performance and recommending any remedial actions necessary to the board.

Regular management accounts (including 'statements of financial performance and a summary report on variations to budget) should be provided to directors and formally presented to board meetings for review and endorsement.

ANNUAL FINANCIAL REPORT

The board is required to approve the annual financial statements that are published in LSV's annual report.

The finance, risk and audit committee will, in the first instance, review the statements and auditors' report before presenting a recommendation to the board.

POLICIES

To assist and guide the many diverse activities and operations of LSV, the board adopts, as required, By Laws, policies, and other resolutions.

LSV also abides by SLSA and RLSSA policies 'at a minimum' but will frequently adopt and vary these to suit Victorian legislation and requirements.

MEDIA STATEMENTS

The president and/or the CEO handle potentially political and/or sensitive community issues, e.g., member protection, government policy, insurance, and potential crises.

The president can delegate specific Directors to be the official spokesperson on specific issues. Approval must be sought from the president by directors to make statements on behalf of the organisation.

ACCESS TO AND USE OF INFORMATION

Requests to inspect written records or sources of information (e.g., documents, files, etc.) are to be made to the Company Secretary, who is the legal custodian of LSV's records.

Such requests must be for information specific to fulfilling the Director's duties.

Directors do not have automatic access to information beyond that necessary for the performance of their duties.

A current or past Director may not make improper use of information acquired as a director to gain, directly or indirectly, a financial or material advantage for themselves or someone else or to harm LSV.

Information will not be released if it is confidential.

LEGAL LIABILITIES

LSV

As a company limited by guarantee, LSV is capable of suing and being sued and of doing, subject to any restrictions in the legislation and SLSA and RLSSA regulations, anything that a natural person could do.

DIRECTORS

LSV has insurance coverage for certain legal liabilities. The CEO and/or the president must be informed of any act or matter resulting in a potential legal claim so that insurers can be notified, and any other necessary action taken. The president must inform the CEO as soon as practicable when notified of any act or matter that may result in a potential legal claim by a director so that insurers can be notified, and any other necessary action taken.

Directors should be aware that in certain situations, they can be personally liable for their actions, including those taken in the role of director, or for the actions of council and committees. LSV maintains Directors' and Officers' Liability Insurance, indemnifying directors for certain specified liabilities. However, no insurance is available for some actions, including cases where a director acts dishonestly.

Any director who becomes aware of a threatened or possible legal action (including acts or matters that may later result in a claim) must immediately notify the CEO or president.

APPENDIX

GOVERNANCE DOCUMENTATION

The following documentation is provided to all directors as governance-related documentation, policies and forms and may be updated from time to time. The current version will be provided, and updates will be transmitted regularly.

Document name	Document number (if applicable)
Constitution	N/A
LSV structure	N/A
Director induction checklist	LSV-FRM-002
Consent to act as director form	LSV-FRM-001
Conflict of Interests policy	LSV-POL-001
Police check application	N/A
Working with Children Check form	N/A