



# Board Governance Manual

June 2021

## 1. An Overview of Brook RED

Brook RED has been operating in South Brisbane since 2000. We started out in Brook Street, Highgate Hill (where we still have a centre) and our legal name is the Brook Recovery, Empowerment, and Development Centre. We now have four centres in South Brisbane - Highgate Hill, Mt Gravatt, Beenleigh and Redlands - and run a number of other programs including:

- the RED House, a residential space where people can spend a few weeks working toward recovery goals,
- Suicide Prevention Programs,
- NDIS Services, and
- Training and professional development services specific to the delivery of peer work.

A lot has changed for us over the years, but one thing that has stayed the same is that we are a first and foremost a peer-managed and operated community mental health organisation. This means that everyone who works at Brook RED identifies as having a living-experience of mental health recovery or moving forward from the experience of suicidal distress; we use the unique perspectives and knowledge gained from these experiences in all of our work.

### **Vision**

A community in which people who are recovering from mental illness are able to live full and satisfying lives.

### **Mission**

To use the unique insights and connections from our lived-experience of recovery to support better opportunities and outcomes for people who experience mental illness.

### **Values**

**Connection** -- We believe that empathy is critical to building genuine and meaningful relationships and is the foundation of all that we do.

**Hope** – We hold hope for better futures as we use our experience to improve outcomes for our members and others.

**Integrity** – We believe in being honest and ethical.

**Self-determination** – We respect that people choose their own path and know what is correct for them.

**Courage** – We strive to do things better and are brave and reflective in our work.

**Lived Experience** – We believe that our work must be informed at all times by lived-experience perspectives.

### **Strategic Objectives**

- ➔ Deliver responsive, high quality peer work to support people who benefit from our services.
- ➔ Be the go to organisation for all things lived-experience practice in Australia.
- ➔ Increase our resiliency.
- ➔ Decrease stigma and enhance understanding of mental illness and recovery.

A complete copy of the Brook RED strategic plan can be supplied by the General Manager.

## **2. Governance and the Brook RED Constitution**

The Brook Recovery, Empowerment and Development Centre Inc. (Brook RED) is an incorporated association under the Associations Incorporation Act QLD. A copy of the Constitution of the association is available from the General Manager upon request. The Constitution sets out the purpose for which Brook RED exists:

2.1 The principal object of the Association is to provide a range of services and support programs for people with a mental illness and/or psychiatric disability in a safe and supportive environment including:

- (i) Information, education and support programs that are responsive to the needs of people with a mental illness and/or psychiatric disability; and
- (ii) Programs and services that recognise and value individual and collective skills gained from a lived experience with mental illness and/or psychiatric disability.

2.2 In support of the principal object, the Association also has the following objects:

- (a) To advocate on behalf of people with mental illness and/or psychiatric disability;
- (b) To develop collaborative partnerships with government and non-government agencies and services; and
- (c) To do all things that are conducive or incidental to the attainment of the objects set out in this Clause 2.

### **Board's Responsibility to Deliver Brook RED's Objects**

As the Board of an incorporated association under the Associations Incorporation Act, the Board of Brook RED, like any other such governing body, is empowered to exercise every right, power or capacity of the association (see clause 3 of the Constitution below).

3.1 The Association has all the powers of an individual including, but not limited to the power to:

- (a) Subscribe to, become a Member of and cooperate with any other association or organisation, whether incorporated or not;
- (b) Enter into contracts, acquire, hold, deal with and dispose of property;
- (c) Make charges for services and facilities it supplies;
- (d) Receive and disburse funds or property for the objects of the Association;
- (e) Borrow any monies required for the purposes of the Association; and
- (f) Do all things necessary or incidental to the furtherance of the objects and exercise of the powers of the Association.

The Board of Brook RED recognises and embraces the fact that being conferred with these extensive powers, the Board has significant accountability for the responsible exercise of those powers in the interests of Brook RED as a whole. The Board regards this accountability as meaning that the Board is responsible primarily to the members (as a whole) of Brook RED, but also to the broader key stakeholders in the association, to deliver the constitutional objects. This sense of accountability and responsibility underpins the philosophy of governance at Brook RED, and demands a constant awareness on the part of the Board to appropriately balance the discharge of these accountabilities.

In the following pages of this Governance Manual are set out the primary role, responsibilities and functions The Brook RED Board of Directors undertakes in discharging its accountability to key stakeholders.

### **3. Brook RED Board's Role and Key Functions and Code of Conduct**

The Board's agreed role in the governance of Brook RED is:

- (a) to ensure that the organisation performs to the best of its ability; and
- (b) appropriately managing risk and legal and other compliance obligations.

The functions of the Board, which are undertaken in order to achieve this role are considered under 5 groupings, based on the Tricker model of governance:

- (a) Delivering accountability to key stakeholders;
- (b) Influencing strategy development;
- (c) Development of key policy;
- (d) Monitoring operations and the implementation of strategy and policy; and
- (e) Working with and through the General Manager.

The remainder of this Manual is divided into Sections setting out Board Policies relating to each of the 5 Board functions listed above, and a further section detailing some of the principles of our Board meetings.

#### **Director Code of Conduct: Expectations of Directors of Brook RED**

Members of our Board are expected to fulfil the following requirements:

1. You are individually responsible to:
  - 1.1 actively contribute to all aspects of the Board's role and functions;
  - 1.2 act consistently with the organisation's values;
  - 1.3 not cause any harm or detriment to the public image of the organisation; and
  - 1.4 act in the best interests of the members (as a whole).
2. As a minimum, you are to become familiar with and strive to fulfil the following legal and fiduciary duties of directors including:
  - 2.1 the duty of care and diligence;
  - 2.2 the duty to exercise powers in good faith in the interest of Brook RED; and
  - 2.3 the duty not to misuse information or position.
3. You must avoid all conflicts of interests (including Conflicts of Interest and Duty and Conflicts of Duty and Duty) according to the board's Conflict of Interest Management Policy **Schedule C**.
4. You are to be mindful of protecting the interests of the organisation as a whole through respecting the confidentiality of all board discussions, except only if expressly permitted or requested by the Board to discuss the matter externally or with the members and then only strictly in accordance with the Board's directions.
5. Directors may contact the organisation's staff through the General Manager.

6. Board members strive to help build a strong culture within the Board and between Board and Management based on openness, honesty, fostering trust, mutual respect and taking individual responsibility.
7. Board members strive to ensure that Board meeting time is spent only on matters which are either clearly within the scope of matters which are reserved for the Board or are material within the organisation's context.
8. Each Board member is expected to comply except in extenuating circumstances with the Board's minimum director contribution expectations, namely:
  - 8.1 attendance at a minimum of 75% of board and strategic planning meetings;
  - 8.2 completion of Board training or professional development; and
  - 8.3 active participation in and contribution to discussions at Board meetings.

## **Functions of Offices**

### **Ordinary Members**

Ordinary Members will contribute to effective governance through:

- (a) ensuring the association maintains a registered office where a document can be served personally;
- (b) ensuring the association complies with its rules about calling and holding general meetings of members;
- (c) preparing financial statements within 6 months of the close of the financial year or more frequently if the rules of the association so require;
- (d) ensuring financial statements are audited by a qualified or approved auditor;
- (e) meeting Departmental and other contractual requirements regarding publication of the annual financial statements;
- (f) ensuring the position of Secretary is not vacant for more than one month;
- (g) ensuring the Secretary resides in Queensland or no more than 65 kilometres from its border;
- (h) ensuring notification of change in Secretary within 1 month;
- (i) ensuring the association holds public liability insurance;
- (j) ensuring the incorporated association complies with appropriate regulations;
- (k) preparing, attending and participating positively in meetings including asking questions when the issue under discussion is not understood and raising concerns relevant to the role of the Member;
- (l) ensuring Board behaviour is consistent with its own policies or those legitimately imposed upon it from outside the organisation
- (m) undertaking any assignments given by the Board on an individual or group basis
- (n) maintaining current knowledge about the work of the organisation; and
- (o) maintaining current knowledge about the environment in which the organisation works and key issues.

## **President**

The role of the President is to ensure the Board behaves consistently with its own policies and those legitimately imposed upon it from outside the organisation.

In addition to any responsibilities of Ordinary Members, the President will:

- (a) ensure the implementation of Board policies
- (b) will hold primary responsibility for liaising between the Board and the General Manager;
- (c) prepare of agendas for meetings in conjunction with the General Manager;
- (d) chair general meetings and ensure that deliberation is fair, open, and thorough but also timely, orderly, and kept to the point;
- (e) work with Board Members and the General Manager to provide organisational leadership; and
- (f) represent the organisation on delegations, at strategic meetings with external bodies, at strategically significant functions and, on occasions, in the media.

## **Secretary**

The Secretary is legally accountable for the fulfilment of these responsibilities and should ensure that they are completed. The Secretary may be supported by staff in the completion of these tasks.

In addition to any responsibilities of Ordinary Members, the Secretary will:

- (a) Notify any change of the registered office of the association within 1 month;
- (b) comply with any request from the Office for Fair Trading for a complete copy of the association's rules (Constitution);
- (c) make the rules available to members if asked;
- (d) ensure that the rules are in printed legible form;
- (e) if applicable provide a certified copy of the audited financial statements to the Department within one month of the adoption of the statements by the annual general meeting;
- (f) notify the Department of any change of president, secretary or treasurer within 1 month;
- (g) notify the Department of any change in the address of the secretary within 1 month;
- (h) provide the "return" required by the Department with the audited financial statements; and
- (i) be one of the signatories for negotiable instruments

**Treasurer**

The Treasurer is legally accountable for the fulfilment of these responsibilities and should ensure that they are completed. The Treasurer may be assisted by staff in the completion of these tasks.

In addition to the responsibilities of Ordinary Members, the Treasurer will:

- (a) serve as the Public Officer for the purposes of tax legislation;
- (b) ensure that expenditure is adequately documented filed in chronological order in a place decided by the Board;
- (c) ensure that negotiable instruments are used consistently with the Board's financial delegations schedule and the organisation's Constitution;
- (d) ensure that the organisation keeps its financial records in Queensland for at least 7 years;
- (e) work with the Manager on:
  - the adequacy of financial systems and controls
  - preparing an annual budget
  - ensuring financial reporting to the Board on a regular basis; and
  - making recommendations regarding the engagement and role of the auditor, and liaising with the auditor during the audit process.

#### **4. Accountability Functions and Policies for Brook RED Board**

The Board provides accountability by ensuring:

- (a) clear written statement of the role and responsibilities of the Board;
- (b) expenditure of money and use of resources;
- (c) appropriate transparent management reporting systems exist;
- (d) the members are given an opportunity to make meaningful contributions towards Board decision-making;
- (e) regular effective communication with key stakeholders;
- (f) adequate avenues exist for people seeking bona fide communication with the organisation;
- (g) active monitoring of viability and activities of the organisation;
- (h) statutory and formal accountabilities are met;
- (i) meaningful evaluations are conducted of the effectiveness of: (i) the Board and the General Manager;
- (j) relevant and meaningful professional development provided for Board and senior management.

#### **Board Charter (Role and Functions of the Board)**

The Board's Role and Functions are detailed in Sections 4 through 8 of this manual.

#### **Communication with Stakeholders Protocol**

Communications with stakeholders are primarily the delegated responsibility of the General Manager or the President. Individual Directors do not provide communication back to stakeholders about matters discussed or agreed by the Board, including, for clarity, to those stakeholders from which Directors are nominated or by which they are employed, except as expressly agreed by the Board.

## **5. Brook RED Board's Key Functions: Influencing Strategy**

The Board is responsible to ensure that the organisation pursues appropriate strategy by ensuring:

- (a) delegation of responsibility to the General Manager for driving development of strategy;
- (b) determining with General Manager the cycle for strategic planning;
- (c) the whole Board is engaged in the strategic planning and review processes;
- (d) inclusion in strategic planning of proper consideration of risks and opportunities;
- (e) the members are given an opportunity to express their views regarding the strategic direction of the organisation;
- (f) inclusion of clear measurable financial and other objectives in all strategic plans;
- (g) preparation of business plans and budgets consistent with agreed strategic plans; and
- (h) monitoring and reviewing performance of the organisation against approved strategic plans and goals.

### **The Board's Role in Planning and Monitoring Strategy**

The Board's role in the development of the Strategic Plan and ongoing monitoring of it is primarily managed by:

- (a) providing the members with an opportunity to make meaningful contributions towards the Strategic Plan and the revision of the Strategic Plan;
- (b) the Board setting the annual calendar in advance for the Board's meeting schedule to include adequate opportunity for the Board to be engaged in discussions surrounding the continual monitoring and revision of the Strategic Plan; specifically, scheduling an annual strategy planning meeting in March each year;
- (c) requiring reporting from the General Manager on an ongoing basis to be framed against the strategic goals of the organisation.
- (d) requiring the General Manager to provide for information copies of all operational plans developed by the General Manager based on Board-approved Strategic Plans;
- (e) ensuring that KPIs for the Board which are developed as a result of the Board's annual performance effectiveness evaluation (see Section 0) take in to account and reflect, where appropriate, Board-approved strategic goals or priorities;
- (f) ensuring that KPIs for the General Manager which are developed as a result of the annual General Manager performance evaluation (see Section 0) take in to account and reflect Board-approved strategic goals or priorities, and include a requirement that staff performance evaluation processes (which are under the authority of the General Manager) do the same.

See **Schedule H** for the Brook RED Strategic Planning Policy.

## **6. Brook RED Board's Key Functions: Policy Development**

The Board is responsible for the development of policy by ensuring:

- (a) Members are provided with an opportunity to make meaningful contributions towards the development of appropriate policies and notifying the members of approved policies;
- (b) development of key governance policies by the Board in keeping with appropriate practices in governance and legal accountability;
- (c) the General Manager is accountable and responsible to the Board to develop appropriate operational policies;
- (d) the Board is made aware of operational policies developed by the General Manager;
- (e) there is clear delineation between Board policy and policy which is the responsibility of the General Manager to develop and monitor; and
- (f) active monitoring of all Board approved policies.

### **Investment in Governance**

Effective governance is desirable to ensure that the Board is able to discharge its fundamental role of ensuring performance of Brook RED.

It is also recognised that there is a literal cost in financial terms in Brook RED supporting the Board adequately to do its job. Brook RED budget-development therefore includes allowance for costs associated with the operation of the Board, and its continual improvement, some of those costs include:

- (a) cost of reasonable travel for attendance of Directors at Board meetings; and
- (b) the cost professional development activities for Directors, prior to Board approval.

### **Board Recruitment**

Clause 14 of the Constitution of Brook RED dictates that the Board is to comprise:

- (a) A President, Vice President, and Treasurer;
- (b) any other members elected or appointed at a general meeting; and
- (c) the Board shall consist of a maximum of nine (9) and minimum of five (5) Directors elected at an AGM.

When making Board appointments, the Board proactively seeks to influence the selection of Board Members to provide relevant and diverse skills, backgrounds, perspectives, expertise and networks that will assist the Board to carry out its role.

Director recruitment and Board development is a shared responsibility and, where possible, will be undertaken with due consideration of options, need and existing competencies. Assistance is sought from outgoing Directors to help in the proactive selection of 'replacement' Directors and in their induction where appropriate.

### **Conflict of Interest Management Policy**

Effective identification and management of conflicts of interest in the Board is essential in order to build a strong Board culture of transparency and integrity. The full Policy for the management of conflicts of interest amongst Directors is set out in **Schedule C**.

**Board Confidentiality**

A strong awareness of, and respect for, the importance of confidentiality is also essential in order to build a strong Board culture of mutual trust, respect and openness. Moreover, the fiduciary and statutory duties of Directors demand that Directors remain loyal to the properly-taken decisions of the Board, irrespective of any individual Director's personal views on the matter, since speaking against a properly-taken decision of the Board outside the Boardroom can damage the organisation.

Accordingly, the following protocols apply in respect of Boardroom confidentiality:

- (a) All matters discussed within the Boardroom are to be considered confidential and therefore not to be discussed outside the Boardroom, subject only to the following paragraphs;
- (b) a Director may, outside the Boardroom, discuss reasons for any decision of the Board which has already been published by Brook RED (through the General Manager or the President as appropriate) provided that the Director may not discuss individual views of Directors (including their own views) or matters discussed by the Board in relation to those decisions which have not also been published by Brook RED;
- (c) directors (including the President) may discuss other decisions of the Board, or other matters which come before it, outside the Boardroom with the prior express consent of the Board;
- (d) the General Manager has authority and discretion to publish all decisions of the Board (i.e. decisions passed by proper resolution of the Board) outside the Boardroom, unless directed otherwise by the Board; however, the General Manager does not have authority to publish or discuss individual views of Directors (or their own views) or ancillary or other matters discussed by the Board in relation to Board decisions except with the prior express consent of the Board;
- (e) if a Director is approached and asked to comment or provide information to any person regarding decisions of the Board, the Director ought to refer the individual making the enquiry to the General Manager or President of Brook RED as appropriate;
- (f) if a Director is placed in a compromising position in respect of matters discussed in the Boardroom and is thus forced to make comments outside the Boardroom on matters which this Policy states ought not to be discussed outside the Boardroom, the Director is expected to contact the President immediately after the relevant event and liaise with the President, and through him/her with the General Manager and the Board as the case may require, to determine the best way to handle any issues arising out of the matters discussed by the Director outside the Boardroom;

## **7. Brook RED Board's Key Functions: Monitoring and Supervising**

Board is responsible for monitoring and supervising the governance and management of the organisation by ensuring:

- (a) It actively monitors implementation of agreed strategies and policies;
- (b) receiving and reviewing regular management reporting;
- (c) the Board has a direct relationship with the external auditors to ensure integrity and financial reporting; and
- (d) development of appropriate documented risk management framework which is regularly monitored, reviewed and updated.

### **Organisational Risk Management**

As a key element of its monitoring and supervising functions, the Board recognises the importance of understanding material risks to the organisation and how these are being managed. The Board will engage in activities designed to identify potential risks and develop strategies to manage them. The Board has adopted a policy set out in **Schedule D** by which it seeks to manage risks.

### **Governance Compliance Calendar**

In order to assist the Board in managing the many regular obligations it has at law or as a result of its own policy decisions, legal agreements, or industry standards, **Schedule E**. This calendar is approved annually in advance by the Board to ensure that matters for consideration by the Board throughout the year are tracked and scheduled on the Board's agenda for consideration/discussion as required.

## **8. Brook RED Board's Key Functions: Working with and through the General Manager**

The Board is responsible to forge a strong, productive, and mutually trusting working relationship with the General Manager for the benefit of the organisation, by ensuring:

- (a) openness and honesty in all matters is encouraged between Board and General Manager;
- (b) this relationship is fostered between meeting through encouraging a close working relationship between General Manager and President;
- (c) clear written terms of appointment, position description, and delegations for the
- (d) annual General Manager performance reviews are conducted by the Board against position description;
- (e) regular ongoing reporting by General Manager to Board in a form which is meaningful and relevant; and
- (f) a General Manager succession plan is in place.

### **Board and General Manager Role, Authorities, Responsibilities and Delegations**

The Board recognises that the most important relationship it has for the good governance and operation of Brook RED is the relationship with the General Manager as the executive head of the organisation. The General Manager has the delegated authority from the Board to lead and run the operations of Brook RED on a day to day basis as detailed in the General Manager's role description. The delegations and limits of authority of the General Manager are set out in **Schedule F** and are reviewed as necessary.

### **General Manager Performance Management Policy**

The Directors commit to an annual process for the evaluation of the General Manager's effectiveness with a view to supporting the continual professional development and performance of the General Manager. The full policy adopted by the Board in this respect is set out in **Schedule G**.

## 9. Board Meeting Protocols and Practices

The principal activity of the Board is to make effective decisions for the organisation. This is done through the main mechanism of meetings of the Board. To ensure effectiveness, the overarching principles for meetings of the Board are:

- (a) Meetings are convened and conducted in such a manner as to be conducive to effective decision-making;
- (b) Information provided to the Board in advance of Board meetings is provided in a form and with a content designed to fully inform the Board of the information it requires to make relevant decisions, and is provided in a timely fashion to enable the Board members to prepare for meetings; and
- (c) Board members are expected to read all material in advance of meetings to provide the optimum chance to discuss relevant information, give advance notice to management of other information which may be required, and reach relevant decisions.

### Meeting Protocols

1. Adequate notice of all meetings of the Board is to be given to all Directors, in accordance with the Constitution of Brook RED.
2. All Directors shall be given the opportunity to be heard on all matters discussed by the Board.
3. All Directors and the General Manager shall treat one another with respect.
4. Meetings shall be under the primary control of the chairperson and Directors shall comply with all lawful directions of the chairperson during meetings.
5. Accurate minutes of all meetings shall be kept.
6. Minutes shall be taken by a person determined by the Board and approved by the Board at the next meeting.
7. Decisions shall be taken by resolution by show of hands unless the chairperson determines that some other process is demanded in the circumstances.
8. Resolutions shall be effected by one present Director moving and one seconding the relevant resolution, with the chairperson then inviting discussion and the resolution ultimately being taken by requesting show of hands of those in favour of or against a motion.
9. Provided that it is an accurate reflection of the business of the particular meeting, any Director may require that the minutes of a particular meeting record the Director's vote against a resolution, or an abstention and any relevant detail associated.

## Schedule A – Board Induction Policy

### Scope

This policy applies to the Brook RED Board Members and the General Manager.

### Purpose

This policy is in place to ensure that Brook RED Board Members are appropriately inducted to the Board so that they may carry out their role effectively.

### Principles

The Board Members of Brook RED perform a vital function supporting the organisation to perform to the best of its ability; and appropriately manage risk and compliance obligations. To do this, Board Members must be made familiar with their roles and with how Brook RED's governance structure operates.

### Policy

1. On becoming a member of the Board, new Board members will receive a Governance Pack containing:
  - the Brook RED Governance Manual,
  - the Constitution,
  - Contact details for the President and General Manager,
  - A copy of the organisation's strategic plan,
  - The most recent Annual Report,
  - Board minutes from the three most recent meetings,
  - Information about insurances including Director's indemnity.
2. Board members will make a declaration of their appropriateness to hold a such as position with Brook RED. The Board Member Declarations Form is attached at Schedule B.
3. New Board members will meet with the President and General Manager after being given a Governance Pack and preferably before their first Board meeting to help familiarise them with the organisation and with the Board's governance role.
4. New Board members will be supported as needed throughout appointment.

### References

Brook RED Governance Manual

Brook RED Constitution

Board Member Declarations Form

## Schedule B – Board Member Declarations Form

This declaration is given to ensure that Board Members qualify for membership of the Board, that any likely insurance risks are disclosed to our insurer and that members are aware of, and are willing to act consistent with Board's Code of Conduct. Board Members will complete this declaration on first election or appointment, and after each subsequent election.

### **Qualifications**

- (a) I declare that I am of good fame, integrity and character, and know of no reason why I should be disqualified from holding office.
- (b) I have not been declared bankrupt or entered into a deed of assignment, composition or a scheme of arrangement with creditors.
- (c) I have not been a director of an organisation placed in administration, a scheme of arrangement, receivership, liquidation or provisional liquidation.

### **Insurance Disclosure**

- (a) There are no circumstances that might have resulted in a claim against me, or might give rise to any future claim against me that is relevant to Association Liability or similar insurance cover.
- (b) I have never had Association Liability or similar insurance cover cancelled or declined to renew, or had special terms imposed in relation to this type of cover.

### **Ethical Conduct**

- (a) I have read the Brook RED Director Code of Conduct and will follow it to the best of my ability.
- (b) I will disclose my involvements with other organisations, vendors, or any other associations that might produce a conflict of interest. Where I have an unavoidable conflict of interest, I will declare this and absent myself without comment from not only the vote but also from the deliberation.
- (c) I will not use my position to obtain employment for myself, family members, or close associates. Should I desire employment with the organisation, I undertake to first resign from the Board.

**I agree to the above and will promptly notify the Board of any changed circumstances that relate to this declaration.**

**Signature:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Date:** \_\_\_\_\_

## Schedule C – Board Conflict of Interest Management Policy

### Scope

This policy applies to the Brook RED Board Members and the General Manager.

### Purpose

This policy supports the Board to avoid actual and perceived conflicts of interest.

### Principles

It is critical that Brook RED Board acts in the interests of Brook RED and not in anyone else's interests.

### Policy

1. All actual or identified potential conflicts of interest of Directors must be declared by Board Members at all Board meetings at which any matter is discussed involving the relevant conflict.
2. Board Members must refrain from discussion, abstain from voting and/or leave the room where matters of conflict arise.
3. All declarations of actual or potential conflict of interest as well as potential perceived conflict of interest must be recorded in the minutes of the relevant meeting.

### Definitions of Terms Used

#### *Conflict of Interest*

Conflict of interest refers to conflicts between the Directors' obligations to serve the interests of Brook RED and their own personal, professional, business or other interests. Conflicts of interest may be actual, potential, or likely to be reasonably perceived.

### References

None

## Schedule D – Brook RED Organisational Risk Management Policy

### Scope

This policy applies to all Brook RED board members and employees.

### Purpose

To outline the Brook RED's overall approach to risk management for the organisation and to ensure best practice.

### Principles

Brook RED is committed to minimising risks to the organisation in order that it remains sustainable and able to deliver its mission. The principles that underpin Brook RED's approach to risk management are as follows, risk management:

- Creates value
- Is an integral part of organisational processes
- Is part of decision making
- Explicitly addresses uncertainty
- Is systematic, structured and timely
- Is based on the best available information
- Is tailored
- Takes human and cultural factors into account
- Is transparent and inclusive
- Is dynamic, iterative, and responsive to change
- Facilitates continual improvement and enhancement of the organisation

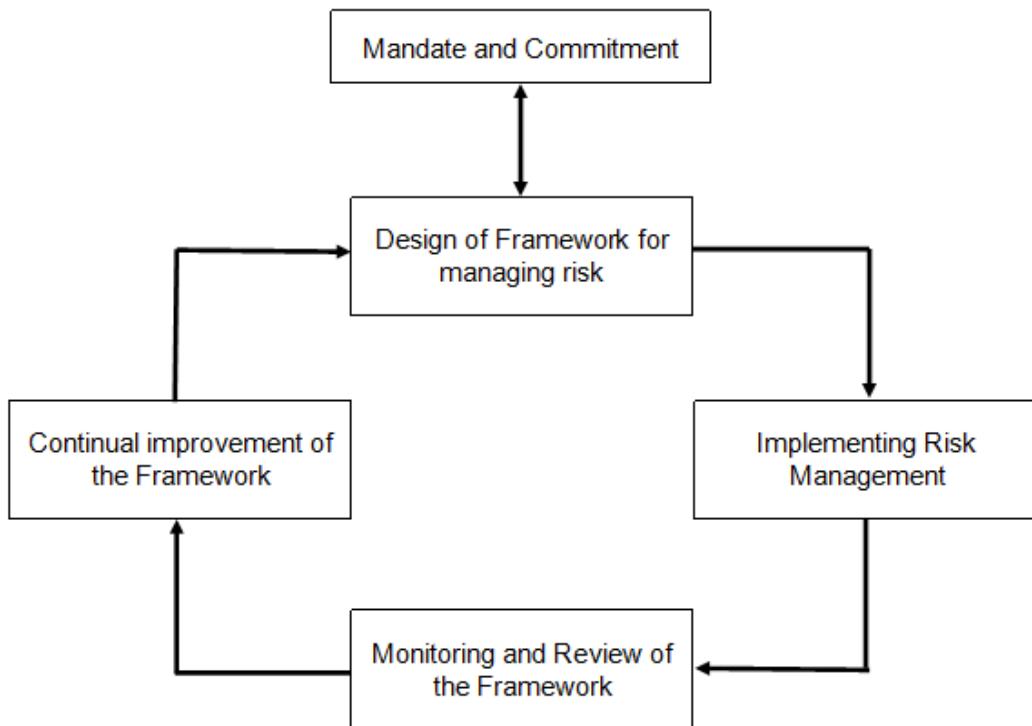
### Responsibility

Responsibility for risk management is shared across the organisation. Key responsibilities include:

- The Board of Directors is responsible for overseeing the establishment and implementation of a risk management framework
- The Board of Directors is responsible for providing advice and guidance to business areas
- The General Manager is responsible to the Board to ensure that the risk management process is carried out consistently with this policy
- The General Manager is responsible for ensuring that risks are recorded in the Organisational Risk Register and for monitoring and reviewing key risks
- Program Coordinators are responsible to report and escalate high risks to management and to ensure that staff are aware of the process
- Staff are responsible for understanding Brook RED's approach to risk management and managing risk as part of day to day operations in order to develop a risk aware and responsive culture

## Policy

The framework for managing risk is shown in the diagram below:



(Adapted from AS/NZS 31000:2009 p9)

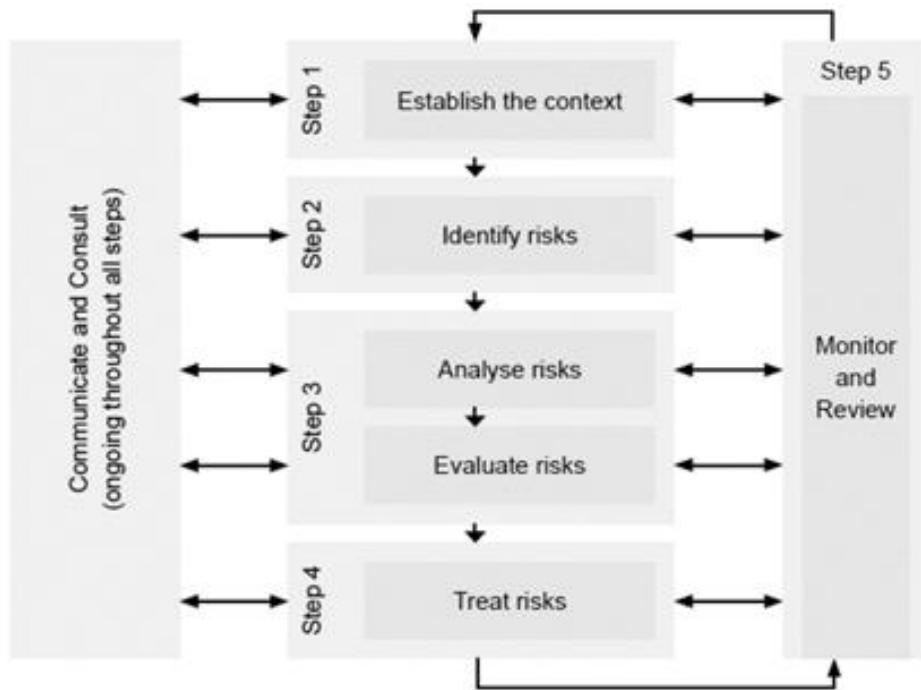
### Mandate and Commitment

Brook RED management, including the Board, have strong and sustained commitment to risk management and measures are taken to show this through our strategic planning and decision-making processes. In order for this to be effective management will:

- Take an active approach to risk management as a *risk aware* organisation, and not a risk - averse one
- Define and endorse the risk management policy
- Ensure that Brook RED's culture and risk management policy are aligned
- Align risk management objectives with the objectives and strategies of the organisation
- Ensure legal and regulatory compliance
- Ensure adequate insurances are taken out advice taken from Brook RED's brokers or insurers where necessary
- Assign accountabilities and responsibilities at appropriate levels
- Ensure the framework continues to be relevant

## Implementing Risk Management

The risk management process is a five step process outlined below:



### Communication and consultation

Brook RED seeks to communicate and consult with stakeholders in order to:

- Engage stakeholders during the risk management process to ensure that their interests are being considered and understood
- Improve people's understanding of the risk management process
- Invite relevant parties to assist in risk identification process
- Bring together a range of expertise to assist in identifying and analysing risk

### Step 1: Establish the context

Priorities within the risk environment both internally and externally are identified with consideration to:

- Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis
- Identifying a responsible owner for managing risk and appropriate stakeholders

### Step 2: Identify risks

Brook RED uses the Organisational Risk Register to identify inherent risks, risk treatments and residuals risks. Risk categories include but are not limited to Political, Economic, Social, Technical, Legal/Legislation, Environment, Competition, Operational, Reputation, and Physical.

### Step 3: Analyse risks

The likelihood and the consequences of risks are considered when evaluating risks. This is done using the following tables to assess impact:

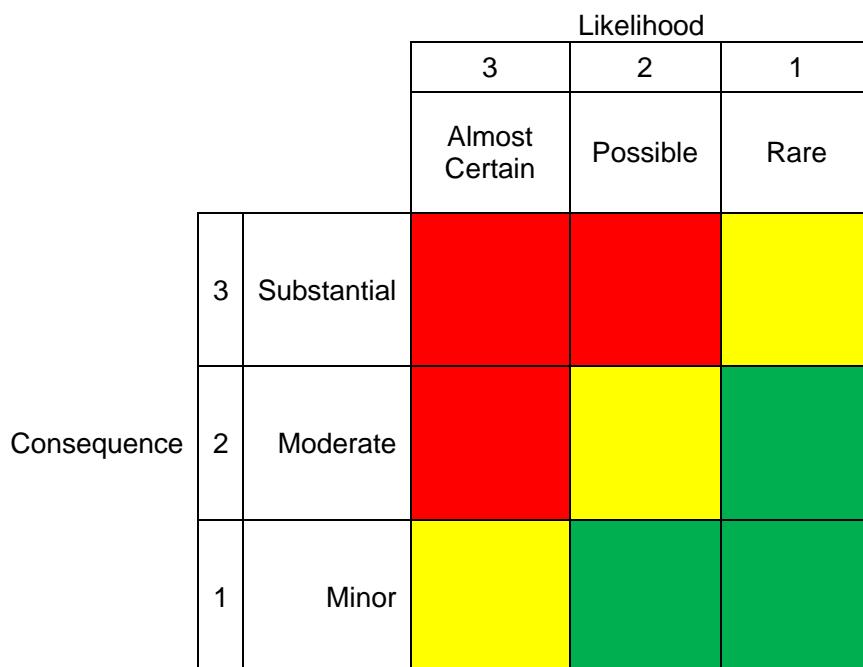
The likelihood of an event is classified as:

<b>1</b>	Rare	The event may occur only in exceptional circumstances
<b>2</b>	Possible	The event should occur at some time
<b>3</b>	Almost Certain	The event is expected to occur in most circumstances

The consequence of an event is classified as:

<b>1</b>	Minor	Minor effects may be easily remedied	Up to \$15,000
<b>2</b>	Moderate	Some of the core objectives and/or operations affected.	\$15,001 - \$50,000
<b>3</b>	Substantial	Sustained / significant impact on ongoing ability to achieve core objectives/ operations.	Above \$50,000

The likelihood and consequence are plotted using the following risk matrix:



Results of risk analysis are recorded in the Organisational Risk Register.

## Evaluate risks

The identified and assessed risks are considered to determine which risks require treatment and these are prioritised for attention. Risks can generally be categorised into three bands:

- Generally Intolerable (RED) – An upper band of adverse risks which are intolerable regardless of potential benefits that the activity might bring. Risk reduction measures are essential, regardless of the cost.
- Tolerable (YELLOW) – The costs and benefits are taken into account. Opportunities are balanced against potential adverse consequences.
- Generally acceptable (GREEN) – Where positive and negative risks are negligible or so small that treated measures are not required.

## Step 4 – Treat risks

Risks are treated using controls or actions. A control is a pre-existing strategy, process or practice used to reduce the likelihood or consequence of a risk. An action is a new strategy to further reduce the likelihood or consequence of a risk after controls are applied.

These are documented in the Organisational Risk Register as well as any residual risks that may arise from treatment. Treatment plans (including contingency plans if necessary) are prepared and implemented for risks categorised as intolerable.

## Monitoring and Review of the Framework (Step 5)

Once implemented it is important to ensure that risk management continues to be effective in supporting the organisation's objectives. In order to do this, Brook RED conducts six monthly meetings with specific stakeholders to look at the process, gather feedback, review the organisational risk register and update policy and procedures. The results of which are reported to the Board. We also review any risk events/trends to assess the contribution that the framework has made (or not) to effectively identifying and treating risks.

## Continual Improvement of the Framework

The results of monitoring and reviewing lead to decisions about how the risk management framework and policy can be improved. Identification and implementation of these improvements helps to ensure ongoing risk management success.

## Definitions of Terms Used

None

## References

Brook RED Organisational Risk Register

AS/NZS ISO 31000:2009 Risk Management – Principles and guidelines

**Schedule E – Brook RED Governance Compliance Calendar**

<b>Review Item</b>	<b>Review Period</b>	<b>Responsibility</b>	<b>Status</b>
General Manager Performance Management	Annually	President and General Manager	
Professional development program for General Manager	As necessary	President and General Manager	
Board Appraisal and Development	Annually	President and General Manager	
Professional development program for Board	As necessary	President and General Manager	
Strategic Plan review	Annually	President and General Manager	
Governance Manual reviewed	As necessary	Board	
Annual Budget	Set annually and reviewed at board meetings	Board and General Manager	
Sign off annual financial statements	Annually	Board	
Organisational Risk Register	Twice annually	General Manager	
Accidents and Incidents Register	Twice annually	General Manager	
Complaints Register	Twice annually	General Manager	
Restrictive Practices Review	Twice annually	General Manager	
Staff Performance Reviews	Annually	General Manager	
Continuous Improvement Projects	Annually	General Manager	
Review of all Policies and Procedures	Annually/Biennially	General Manager	

**Schedule F****Authorities and Delegation of the General Manager and Board**

	<b>Board</b>	<b>General Manager</b>
<b>Submissions/Tenders</b>		
• Identify submission opportunities	Yes	Yes
• Approve submissions		Yes
• Sign contractual documents	Yes	Yes
<b>Fundraising</b>		
• Identify and undertake fundraising activities	$\geq \$10,000$ costs	$\leq \$10,000$ costs
<b>Financial Accountability</b>		
• Develop budget		Responsible
• Expend funds within budget		Responsible
• A/P repayable within 90 days		Yes
• Utilise long term reserves	$\geq \$100,000$	$\leq \$100,000$
• Ensure payroll and debts are settled in a timely manner		Responsible
• Ensure accurate and timely submission of taxation/government requirements		Responsible
• Approve reallocation between budget items	$\geq \$50,000$	$\leq \$50,000$
• A/R		Responsible
• Comply with audit standards and controls		Responsible
<b>Capital Expenditure</b>		
• Acquire, encumber, or dispose of real property	Approval required	
• Purchase capital acquisitions other than real property	$\geq \$50,000$	$\leq \$50,000$
<b>Asset Protection</b>		
• Insure appropriate insurances		Responsible
• Maintain vehicles and equipment		Responsible
• Protect intellectual property and files		Responsible
• Invest in guaranteed interest bearing accounts or other instruments	$\geq \$100,000$	$\leq \$100,000$
• Maintain asset register		Responsible
<b>Legal Matters</b>		
• Ensure the organisation is not unnecessarily exposed to liability claims		Responsible
• Ensure the Board is fully informed and supported in its fiduciary duty		Responsible
• Comply with legislation and internal policies		Responsible
• Ensure a risk management system is in place	Responsible	Responsible

	<b>Board</b>	<b>General Manager</b>
• Monitor policies which instruct the General Manager	Responsible	Responsible
• Comply with Privacy legislation		Responsible
<b>Systemic Advocacy</b>		
• Make all reasonable attempts to ensure accuracy of claims		Responsible
• Sign letters to Minister; D-G or Deputy D-G in relation to advocacy		Responsible
• Meet with Minister; D-G or Deputy D-G		Responsible
<b>Lobbying &amp; Influencing</b>		
• Ensure the organisation's reputation is maintained	Responsible	Responsible
• Statements directly criticising a Minister, Department, or Public Servant	Approval required	
<b>Operational planning and policy</b>		
• Overall operational planning for organisation		Responsible
• Operational policies		Responsible
• Planning client programmes		Responsible
• Monitoring programmes		Responsible
• Day to day activities		Responsible
• Funding reporting		Responsible
• Liaison with other agencies		Responsible
<b>Human Resources</b>		
• Recruitment, appropriate checks, training, and performance management		Responsible
<b>Promotion</b>		
• Organisation publicity		Responsible
• Networking		Responsible
• Manage media enquiries		Responsible

## Schedule G – General Manager Performance Management Policy

### Scope

This policy applies to the Brook RED Board Members and the General Manager.

### Purpose

This policy sets forth the process for managing the performance of the General Manager by the Board.

### Principles

The Board is committed to supporting the General Manager to perform in a manner that will support the organisation to achieve its strategic objectives. In addition, managing the performance of the General Manager ensures accountability to stakeholders and contributes to the continuous improvement of the organisation.

### Policy

1. The President will be responsible for managing the performance of the General Manager in consultation with other Board Members.
2. Performance management of the General Manager will be conducted in a manner designed to be supportive and to create a culture of collaboration and shared responsibility.
3. Managing the General manager's performance is an ongoing process and will include an annual performance appraisal and development plan and an annual remuneration package review.
4. The annual performance appraisal:
  - (a) Is based on the General Manager Position Description and any other agreed on Key Performance Indicators set in the previous year's development plan.
  - (b) May utilise a process of the President's choosing (for example, it may be more or less formal, involve other stakeholder input, or be facilitated by an external consultant).
  - (c) Will be conducted between July and October with the General Manager being notified of the appraisal and process to be used at least two weeks in advance.
  - (d) Will include an evaluation of whether the General Managers performance is satisfactory or not satisfactory and a development plan for the coming year will be developed with a monitoring schedule as appropriate. The appraisal may include a review of the General Manager position description if requested by the President or General Manager.
5. The annual remuneration package review will take into consideration performance in the previous year, industry standards for similar positions, and length of tenure. Remuneration is determined at the sole discretion of the Board.

### References

General Manager Position Description

## Schedule H – Strategic Planning Policy

### Scope

This policy applies to Brook RED community members, nominated support people, board members, employees, volunteers, and students on placement.

### Purpose

To outline responsibilities and establish a formal process for developing, implementing and monitoring the Brook RED strategic plan to enable long range planning.

### Principles

Brook RED has a formal strategic planning process in order to define our future direction and priorities. To ensure that Brook RED stakeholders are working together to achieve the same goals.

### Policy

- Development of the strategic plan is done in consultation with Brook RED stakeholders (see strategic planning consultation guidelines)
- The President of the Board of Directors is responsible for approval and review of the strategic plan
- The President of the Board of Directors is responsible for updating the strategic plan (at least every 5 years)
- Strategic plans will be flexible and responsive to emerging needs and information
- The President of the Board of Directors or their delegates will report annually on accomplishments on carrying out strategies and achieving goals in the plan

### Strategic Planning Consultation Process Guidelines

#### Rationale

Brook RED values the views of its *stakeholders* and believes that they have a vital contribution to make to the success of our work. Brook RED seeks to ensure that its strategic plans can incorporate a wide range of stakeholder views throughout the planning process and as such makes an effort to consult with stakeholders using a range of methods.

#### Brook RED Strategic Planning Consultation Process

1. Appoint a consultation coordinator 6 months prior to renewal of Strategic Plan
2. Determine methods of consulting, which may include: small focus groups, poll/survey (online/telephone), full day workshop, general data collection (complaints, feedback on programs and events, statistics on usage and number of participants)
3. Determine resources required, such as: space for focus groups/workshop, catering, staff resources
4. Identify and contact stakeholders
5. Develop a process to manage opinions/feedback, such as consensus or facilitation
6. Have a central contact for enquiries
7. Appropriately communicate outcome of strategic planning activity to stakeholders (a copy of the current strategic plan will be made available on the Brook RED website)

### **Strategic Planning Consultation Structure**

1. Review of organisational status to include:
  - a. Review of Mission, vision and values
  - b. Strengths, Weaknesses, Opportunities, Threats
  - c. Review of performance against current plan
2. Setting future priorities

### **Definitions of Terms Used**

#### **Consultation**

To seek advice or information from; ask guidance from.

#### **Stakeholders**

Groups and individuals who are impacted by the strategic plan or impact on the strategic plan. This may include community members, nominated support people, staff, board and other service providers.

#### **References**

Robert I. Tricker., 1994, International Corporate Governance: Text Readings and Cases

### Document Control and Record of Changes

Version	Effective Date	Approved by	Summary of Change	Date of Next Review
Version 01	July 2014	Board of Directors	Introduction of new manual	-
Version 02	April 2017	Board of Directors	Change of format	January 2018
Version 03	May 2017	Board of Directors	Change to version control Change of format	January 2018
Version 04	July 2017	Board of Directors	Change of content	January 2018
Version 05	June 2018	Board of Directors	Change of content	January 2019
Version 06	September 2019	Board of Directors	Update and Review	January 2021
Version 07	June 2021	Board of Directors	Update and Review	June 2023

The Board of Directors has overall responsibility for this manual. If there are any questions regarding this manual, please direct these to the President.