

Board Charter

Castlemaine Community Investment Co-operative



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1 WHO WE ARE

1.1 Mission and vision

We are a group of residents working together to purchase and manage local properties, taking them out of the speculative real estate market to make them community owned, for good.

Our mission is to provide opportunities for local people to invest in community real estate assets to:

- tackle the economic inequality being generated by outside real estate investment and profit extraction, and
- ensure our valuable community assets continue to support things we value, for example, locally owned services, fair access to housing, and action on the climate crisis.

Our vision is for the community to collectively control its real estate assets.

1.2 Values

- Self-help
- Self-responsibility
- Democracy
- Equality
- Equity
- Solidarity

1.3 Principles

We follow the [International Co-operative Alliance's 7 principles](#) of:

1. **Voluntary and Open Membership:** We are a voluntary organisation, open to all persons able to use our services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.
2. **Democratic Member Control:** We are democratic, controlled by our members, who actively participate in setting policies and making decisions. Members have equal voting rights (one member, one vote). Elected representatives are accountable to the membership.
3. **Member Economic Participation:** Our members contribute equitably to, and democratically control, the capital of our co-operative. That capital is the common property of the cooperative. Members allocate surpluses for: developing the cooperative; and/or supporting other activities approved by the membership.
4. **Autonomy and Independence:** We are an autonomous, self-help organisation controlled by our members. If we enter into agreements with other organisations, including governments, or raise capital from external sources, we do so on terms that

ensure democratic control by members and maintain co-operative autonomy.

5. **Education, Training, and Information:** We provide education and training for our members, elected representatives, managers, and employees so they can contribute effectively to the development of the co-operative. We inform the general public - particularly young people and opinion leaders - about the nature and benefits of co-operation.
6. **Co-operation among Co-operatives:** We serve our members most effectively and strengthen the cooperative movement by working together through local, national, regional and international structures.
7. **Concern for Community:** We work for the sustainable development of our community through policies approved by members.

1.4 Our purpose

To keep investment wealth in our town and build a vibrant, democratic, and resilient future for our community.

2 ROLE OF THE BOARD

The role of the Board is to:

- Oversee the building of member value through setting the Co-operative's strategy and overseeing its implementation.
- Set, review, and ensure compliance with the Co-operative's values and governance framework.

In performing its role, the Board will act:

- consistently with the group's Mission and Vision, Values, Principles, Purpose, Strategy
- with regard to the interests of all its members and the environment in which it operates
- in accordance with the Co-operative's Rules and the law.

3 RESPONSIBILITIES OF THE BOARD

The Board is responsible for the effective oversight and management of the Co-operative and its responsibilities include those set out in this charter, the Co-operative's Rules, other Board policies, and legal and regulatory requirements.

Additional key responsibilities include:

- Contributing to and approving the Co-operative's strategy, including setting objectives and approving operating budgets.
- Reviewing, ratifying, and monitoring systems of risk management, internal control, and ethical and legal compliance. This includes reviewing procedures to identify the main risks

associated with the Co-operative's activities and the implementation of appropriate systems to manage those risks.

- Ensuring democratic member engagement and adherence to the Co-operative's principles.
- Oversee the Co-operative's financial responsibilities and associated financial reporting.
- Approving major capital expenditure, acquisitions and divestitures, and monitoring capital management.
- Developing and reviewing the Co-operative's governance principles and policies.

3.1 Delegation of authority

The Board may delegate any of its powers to Committees convened by a Director or any other person or persons the Board thinks is fit to be a convener as per the Co-operative's Rules Section 47. The Board may also delegate any of its powers to an individual director, as per the same.

Each standing committee adopts a formal charter setting out the matters relevant to the composition, responsibilities, and administration of the committee.

The current standing Committees of the Board are:

- Audit, Risk and Workplace Safety Committee
- Director Nomination Committee.

3.2 Matters reserved for the Board

In addition to the matters in the Co-operative's Rules and the law required to be fulfilled by the Board, the following matters are specifically reserved for the Board or its Committees:

- Setting the Vision, Strategy, Values, and Purpose in consultation with members.
- Appointment of Alternative Directors to fill a casual vacancy in accordance with the Rules.
- Establishment of Board Committees, their membership and delegated authorities.
- Approval of strategy and annual budgets.
- Approval of capital and non-capital expenditure, acquisitions and divestitures in excess of authority levels delegated to volunteers and/or employees.
- Any other specific matters nominated by the Board from time to time.
- Overseeing the integrity of the Co-operative's accounting and reporting systems and approving necessary regulatory financial disclosures.
- Approving strategic initiatives including the acquisition, establishment, disposal or ending of any significant business.
- Approval of membership applications (as required by the Rules).

4 BOARD PARTICIPATION AND LEGAL DUTIES

Directors have a duty to question, request information, raise any issues which are of concern to them, fully canvas all aspects of any issue confronting the Co-operative and cast their vote on any resolution according to their own judgement.

Directors will keep board discussions and deliberations confidential except where public disclosure is required. Confidential information received by a Director in the course of their duties remains the property of the Co-operative and it is improper to disclose this information, or to allow it to be disclosed, unless that disclosure is required by law or has been properly authorised.

A Director of the Co-operative must understand the duties of a Director, in accordance with legal and statutory requirements. This includes that Directors will:

- Discharge their duties in good faith and act honestly in the best interest of the Co-operative with the level of skill and care expected of a director of the Co-operative.
- Owe a fiduciary duty to the Co-operative using the powers of office for proper purpose, in the best interests of the Co-operative as a whole.
- Fulfil their financial duties as directors, including legal obligations to avoid insolvent trading, disclose related party transactions, and to ensure proper financial reporting.
- Act with required care and diligence.
- Avoid conflicts of interest, and declare any perceived or actual conflicts of interest in accordance with this Charter and the law.
- Act for the benefit of the Co-operative at all times.
- Not make improper use of information gained through their position as a Director.
- Not allow personal interests, or the interests of any associate, to conflict with the interests of the Co-operative.
- Make reasonable inquiries to ensure that the Co-operative is operating efficiently, effectively, and legally towards achieving its goals.
- Undertake diligent analysis of all proposals placed before the Board.

5 BOARD COMMITTEES

Minutes of all sub-committee or convened meetings must be made available to all Directors in the Board papers or meetings.

6 COMPOSITION & TERM

The size and composition of the Board is determined in accordance with the Co-operative's Rules, any applicable Board policies and procedures and any applicable laws and regulations.

At present, as per the Co-operative's Rules Part 4 (pages 18-24):

- the Board must have 5 Directors, elected at an AGM
- the Directors must be over 18
- the majority of Directors must be active members of the Co-operative
- a Board Director's term is for 3 years (except for the initial board who have staggered terms to ensure staggered rotation, as per the Rules).
- quorum for a Board meeting of the board is 50% of the number of Directors

The Board is responsible for:

- ensuring Directors have the full range of skills needed for the effective and prudent management of the Co-operative
- ensuring that Directors are independent and the majority are active members of the Co-operative
- ensuring that appropriate checks are undertaken before appointing a Director or putting someone forward for election as a Director
- making recommendations to members for the appointment or removal of Directors
- reviewing the time required from Directors and whether Directors are meeting that requirement, and
- assessing the performance of the Board, its Committees and individual Directors, annually.

7 CO-OPERATIVE SECRETARY

The Board must appoint a Co-operative Secretary in accordance with the Co-operative's Rules and the law. The Co-operative Secretary:

- is accountable directly to the Board on all matters to do with the proper functioning of the Board.

8 BOARD MEETINGS

Board meetings :

- Board meetings should happen as often as necessary to fulfill the board's responsibilities. The frequency of board meetings is expected to change over time.
- Currently the board regularly meets on the third Saturday of each month at 9am. Require a quorum as per section 45 "Quorum for board meetings" of the Co-operative's Rules. This is at least 50% of the number of directors (and in the case of an odd number of directors, the next whole number greater than half).
- are Chaired by a Chair appointed at the previous meeting (rotates), who is responsible for the conduct of the Board meeting
- The Directors and the Secretary should ensure the Board has all the information and reports necessary for the meeting at least three days in advance, to allow adequate preparation.
- Members are welcome to attend Board meetings, except for any discussions of confidential subjects. Confidentiality of a matter may be noted in information provided in advance of the

meeting, but the ultimate decision as to whether a matter is confidential or not is determined by the Board. Members may not vote at Board meetings.

8.1 Meeting Conduct and Reporting

- Proceedings of all meetings are minuted and circulated electronically to directors for review within one week of the meeting.
- As a rule, the minutes record decisions rather than discussions unless for clarification.
- Minutes of each meeting are approved by the Board at the following meeting. As part of this process a printed copy is signed by both the original minute-taker and the Chair of the following meeting where the Minutes are approved. This copy is kept on file as an additional record (either in a paper file or scanned).
- The practice of proposing, moving and seconding resolutions is not required by law and not expected at board meetings. However, where possible the board agenda and minutes should record which board member proposed each resolution.
- Board members wishing to abstain from voting on a resolution should clearly advise the meeting their reasons for doing so and those reasons shall be recorded in the minutes of the meeting.
- Board members wishing to vote against a resolution should clearly advise the meeting their reasons for doing so and those reasons shall be recorded in the minutes of the meeting.
- Resolutions will be recorded in the minutes in the following format:

The Board unanimously resolved <details of resolution>

OR

The Board resolved <details of resolution>. <number> votes for, <number> votes against, <number> votes abstained.

In the case of the second format, any board member who abstains or votes against a resolution may choose to have their name, and optionally their reason, noted in the minutes.

8.2 Resolutions Outside of Board Meetings

The Board may decide resolutions between meetings when necessary, as allowed by Co-operatives National Law 176 "Transaction of business outside meetings".

- Papers for a proposed resolution must be circulated to all directors (i.e. via email) by a Board member.
- A resolution must be approved in writing by a majority of the directors (i.e. via email) in order to be taken as a decision of the board.
- When circulating a resolution the Board member may set a deadline for voting, after which the proposed resolution is abandoned if it has not been approved by a majority of the directors.
- A resolution which has been approved in this manner must be recorded in the Minutes of the following Board Meeting, within 28 days after the resolution is approved (required by CNL 176.) The record should include the individual votes of each board member.

9 INDEPENDENT ADVICE

The Board collectively and each Director individually, is entitled to obtain independent advice from any internal or external source, at the Co-operative's expense if:

- the Board or Director reasonably considers that obtaining the advice is necessary to assist in fulfilling their duties and responsibilities; and
- consent, which must not be unreasonably withheld, is given by the Board.

The advice will be made available to all Board members as appropriate.

Directors are entitled to rely on information, advice and assurances provided by independent experts as long as they are not aware of any grounds that would make such reliance inappropriate.

10 DECLARATION OF INTERESTS

Directors are required to take all reasonable steps to avoid actual, potential or perceived conflicts of interests. A Director who has an actual, potential or perceived conflict of interest must notify the Board, other Directors and Co-operative Secretary.

Where a conflict of interest is raised during a meeting the conflicted person (perceived or otherwise) is to leave the meeting while the matter is discussed and voted on.

11 INDUCTION AND PROFESSIONAL DEVELOPMENT

All Directors shall be inducted into the Board following their appointment. This includes:

- Understanding this Charter, in particular the sections on Director duties and responsibilities.
- Understanding the processes involved in Board Meetings and decisions.
- Understanding the mission, vision, and values of the Co-operative and its current strategic plan.

Director education should be conducted on a regular basis, for example in the form of sessions with external sector experts.

12 REVIEW OF CHARTER

- The Governance Committee will review this charter bi-annually to ensure it remains consistent with the Board's objectives and responsibilities.
- Any changes to the Charter shall be submitted to the Board for approval.

- Once approved, the current version of this Charter should be published on the Co-operative's website