

Charter for the

# COMMITTEE OF MANAGEMENT

April 2024



## ACKNOWLEDGEMENT OF COUNTRY

VMIAC works across Victoria and acknowledges the many Aboriginal nations that have lived and cared for this sacred land for thousands of years, and which continues today. We pay respect to Traditional Custodians and Elders – past and present – and thank them for their wisdom and generosity of spirit. We acknowledge that this land was never ceded. We support the Uluru statement from the heart.

The Victorian Mental Illness Awareness Council (VMIAC) is the peak body run by and for Victorian mental health consumers. By 'mental health consumers' VMIAC mean people with lived experience of mental health challenges, trauma, or emotional distress, and/or who have accessed mental health or related services to support their wellbeing.

## OUR VISION

Our vision is a world where all consumers stand proud, live a life with their choices honoured and their rights upheld, and where these principles are embedded in all aspects of society.

## OUR STRUCTURE

VMIAC is a membership-based organisation registered as an Association under the *Incorporated Associations Reform Act 2012 (Vic)*.

## OUR PRINCIPLES

Our work is premised on these beliefs:

- People's experiences are respected and valued
- People are experts in their own lives
- People have a right to self determination
- People have capacity to make genuine choices, free from coercion
- People should be safe, respected, valued and informed
- People's diversity is embraced.

## ADVOCACY WITH, BY AND FOR CONSUMERS

For decades, VMIAC has advocated for what matters to mental health consumers:

- We advocate for individual consumers with mental health and related services
- We provide support and information for people to advocate for ourselves
- We develop [resources](#) for consumers on high priority topics
- We are constantly talking and listening with diverse consumers to hear the issues and what people want
- We work closely with government and the sector, on subcommittees, projects and policy reviews
- We run [campaigns](#), write submissions and develop policy positions about key issues
- We seek out [media coverage](#) to bring attention to our issues
- We celebrate consumer achievements
- We host [events and education](#) sessions for consumers

We know we're still a long way from achieving our vision of consumers' rights being respected and our choices being upheld—but we remain committed to achieving this vision.

# OUR GOVERNANCE CHARTER

This Committee of Management (CoM) Charter sets out the functions and responsibilities of the Committee of Management (“the CoM”) and of the management of VMIAC Inc (“VMIAC”).

## 1. INTRODUCTION

- To achieve VMIAC's vision, it must honour both the grassroots activism of its membership as well as principles of good governance. This will enable the organisation to most effectively, efficiently and ethically achieve our membership's shared ambitions.
- To this end, the CoM will govern VMIAC to best meet its strategic directions and objectives. The CoM acknowledge the central role of the consumer movement, including consumers of VMIAC's services. The views of this growing and evolving movement, people who use VMIAC's services and our membership are part of all CoM decisions.
- Members' rights under the VMIAC Rules include to attend the annual general meeting (AGM), submit items for discussion at the AGM, to have access to information on the association and to vote.<sup>1</sup> As part of enjoyment of these rights, VMIAC members respect the rights of others and abide by the Code of Conduct.
- The CoM will consider the strategic directions, mission, vision and values of VMIAC, ensuring that their actions are in line with these guiding statements. The CoM will maintain appropriate governance structures and accountability measures to ensure that the CoM and VMIAC remain in strong positions both now and into the future.
- VMIAC is an Association governed by the *Incorporated Associations Reform Act 2012 (Vic)*. The CoM will ensure that all relevant regulatory requirements are observed and adhered to in its operations. To ensure the CoM meets its legal obligations it will follow the guidance outlined in the VMIAC Constitution; and all relevant legislation and regulatory standards.

## 2. ROLE OF THE COM

### 2.1 The CoM and Management

- The CoM and Management have mutually supportive, but distinct, roles.
- The CoM's role is to govern VMIAC rather than to manage it.
- In governing VMIAC the CoM Members act in the best interests of VMIAC.
- It is the role of the CEO and their delegated senior management to manage VMIAC in accordance with the direction and delegations of the CoM and it is the responsibility of the CoM to oversee the activities of management in carrying out these delegated duties.

### 2.2 The Role of the CoM

- The CoM have the final responsibility for the successful operations of VMIAC. In general, they are responsible for, and have the authority to determine, all matters relating to the policies, practices, management and operations of VMIAC. They are required to do all things that may be necessary to be done

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<sup>1</sup> Members' full rights are enumerated under the VMIAC Rules: *VMIAC Rules*, r 12.

## Committee of Management – Governance Charter

in order to carry out the objectives of VMIAC. In carrying out their governance roles, the main task of the CoM is to drive the performance of VMIAC.

- The CoM must also ensure that VMIAC comply with all of their contractual, statutory and any other legal obligations, including the requirements of any regulatory body.
- Without intending to limit this general role of the CoM, the principal functions and responsibilities of the CoM are detailed below.

### **Providing consumer-perspective leadership**

Providing leadership to VMIAC by:

- Bringing experiences and a commitment to consumer leadership in the strategy development, risk management and CEO line-management and support;
- Guiding the development of an appropriate culture and values for VMIAC through the establishment of and review of codes of conduct, policies, rules and procedures to ensure ethical behaviour and provide guidance on appropriate work methods;
- Always acting in a manner consistent with VMIAC's values, principles and culture and code of conduct.

### **Overseeing strategy development and implementation**

Overseeing the development and implementation of an appropriate strategy by:

- Annually approving the overall process of strategic planning;
- Approving the structure of plans used by VMIAC;
- Working with the senior management team to ensure that an appropriate strategic direction and goals are in place;
- Regularly reviewing and updating the VMIAC's strategic directions and goals;
- Ensuring that an appropriate set of strategic internal controls are implemented and reviewed regularly;
- Overseeing planning activities including the development and approval of strategic plans, annual plans, annual budgets and long-term budgets including operating budgets, capital expenditure budgets and cash flow budgets;
- Reviewing the progress and performance of VMIAC in meeting these plans and objectives, including reporting the outcome of such reviews on at least an annual basis.

### **Control, Accountability and Risk-Management Systems**

- Overseeing the control and accountability systems that ensure VMIAC are progressing towards the goals set by the CoM and in line with VMIAC's purpose, the agreed strategy, legislative requirements and community expectations.
- Ensuring robust and effective risk management, compliance and control systems (including legal compliance) are in place and operating effectively.

## CEO Line Management and Support

Being responsible for VMIAC's CEO including:

- Directly managing the CEO including:
- Appointing the CEO;
- Annually determining the remuneration of the CEO;
- Providing advice and counsel to the CEO including formal reviews and feedback on the CEO's performance;
- Overseeing the development of the CEO;
- Removing the CEO, where necessary;
- Ensuring that an appropriate succession plan for the CEO is in place;
- Ensuring appropriate human resource systems (including WHS systems) are in place to ensure the well-being and effective contribution of all employees;
- Promoting diversity within all levels of VMIAC including:
  - Approving VMIAC's policies in relation to diversity at all levels including the CoM;
  - Establishing measurable objectives for achieving diversity at all levels of VMIAC including the CoM;
  - Assessing annually the measurable objectives set by the CoM in relation to diversity at all levels of VMIAC including the CoM and the progress in achieving them;
- Delegating appropriate powers to the CEO, management and subcommittees to ensure the effective day-to-day management of the business and monitoring the exercise of these powers; and
- Making all decisions outside the scope of these delegated powers.

## 2.3 CoM subcommittees

- The detail of some CoM functions is handled through CoM subcommittees. However, the CoM is wholly responsible for determining the extent of powers residing in each committee and is ultimately responsible for accepting, modifying, or rejecting subcommittee recommendations.
- The CoM have created the following subcommittees:
  - Governance Review Subcommittee
  - Finance Audit and Risk Management Subcommittee
  - Workforce and Culture Subcommittee
  - Membership Subcommittee
  - Human Rights, Strategic Advocacy and Research Subcommittee.<sup>2</sup>
- Each subcommittee has written Terms of Reference (TOR) approved by the CoM, defining its duties, reporting requirements and authority.
- Unless otherwise agreed to by the Chair, all Subcommittees require attendance from the CEO or another appropriate delegate to implement decisions of the Subcommittee.

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<sup>2</sup> Some of these subcommittees have been on hold as at March 2024 and are due to recommence.

## 2.4 Delegations of Authority

- VMIAC's CoM have reserved all powers for themselves. Delegated authorities to management are set out in the Delegation of Authority Register. Where a delegation is not specified in the Delegation of Authority Register, the CoM retain the authority, and approval to act must be sought from the CoM.

## 3. COM STRUCTURE

### 3.1 Number of CoM Members

- The CoM shall be comprised of between 6 and 10 Members.<sup>3</sup> There is no limit specified in the governing rules, however the CoM agree that between 6 and 10 Members is good governance.

### 3.2 CoM Member Independence

- The CoM's policy is that the CoM Members shall be independent. The CoM regularly review the independence of each Member. The CoM only consider Members to be independent where they are independent of management and free from any business or other relationship that could materially interfere with the exercise of their independent judgement.

### 3.3 CoM Skills and Diversity

In the opinion of the CoM, all CoM Members should bring specific skills and experience that add value to VMIAC. The balance of skills, experience, and diversity of the CoM is to be regularly reviewed by the Governance Review Subcommittee and the CoM.

### 3.4 Terms and Conditions of Appointment

- The terms and conditions of the appointment of new CoM Members are contained in a letter of appointment which sets out, amongst other things:
  - Term of appointment;
  - Remuneration (currently nil);
  - Expectations in connection with meetings and committees;
  - Classification as an independent CoM Member and expectations in this regard;
  - Compliance with good governance CoM policies (including code of conduct, conflict of interest policy);
  - Outside Directorships; and
  - Indemnification and insurance.
- All CoM Members have access to VMIAC Association information, management and the VMIAC Secretary to enable them to carry out their responsibilities.

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<sup>3</sup> This size has been accepted on grounds of good governance. We note that the VMIAC Rules state that the annual general meeting must by resolution decide the number of ordinary members of the Committee (if any) it wishes to hold office for the next year: *VMIAC Rules*, r 52(1).



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- CoM Members may also call on independent, professional advice at the expense of VMIAC in carrying out their duties. It is expected that prior consultation with the Chair, the CEO or the VMIAC Secretary will take place before consultation with external advisers.

## 4. THE ROLE OF INDIVIDUAL COM MEMBERS

### 4.1 CoM Members General Roles

- CoM Members have ultimate responsibility for the overall successful operations of VMIAC. Their duties relate to:
  - The strategic direction of VMIAC;
  - Financial operations and solvency;
  - All matters as prescribed by law including, but not limited to, safety and the environment;
  - All major policy issues including, but not limited to, industrial relations and quality assurance; and
  - Uphold, develop and foster understanding of consumer perspective advocacy and governance.

CoM Members must act in the “best interests of the association” under sections 84 and 85 of the *Incorporated Associations Reform Act 2012 (Vic)*.

### 4.2 CoM Members Code of Conduct

In accordance with legal requirements and agreed ethical standards, VMIAC CoM Members:

- Owe a fiduciary duty to VMIAC as a whole;
- Use the powers of the office for a proper purpose;
- Discharge their duties in good faith and honestly;
- Act with the level of skill, care and diligence expected of a CoM Member;
- Demonstrate reasonableness in their decisions;
- Act for the benefit of VMIAC;
- Do not make improper use of information gained through their position as a CoM Member;
- Do not take improper advantage of the position of CoM Member;
- Do not allow personal interests, or the interest of any associated person, to conflict with the interests of VMIAC;
- Make reasonable inquiries to ensure that VMIAC is operating efficiently, effectively and legally towards achieving its goals;
- Undertake diligent analysis of all proposals placed before the CoM;
- Do not engage in conduct likely to bring discredit upon VMIAC;
- Give their specific expertise generously to VMIAC;
- Foster a culture that supports and respects diversity, equality, inclusion and human rights;
- Support and develop consumer perspective values; and
- Comply with the spirit, as well as the letter, of the law and with the principles of this charter.

## 5. THE ROLE OF THE CHAIR

- The Chair's role is a key one within VMIAC. The Chair is considered the “lead” CoM Member and utilises experience, skills and leadership abilities to facilitate the governance processes. Duties include:
  - Chairing all CoM meetings;
  - Driving governance structure and good functioning of the CoM;
  - Modelling and maintaining consumer-perspective values, principles and processes across the CoM and in the strategic direction of VMIAC;
  - Supporting the performance and support of CoM members;
  - Ensuring that CoM decisions are implemented in a timely manner;
  - Performance appraisal and line management of the CEO; and
  - Representing VMIAC on matters of strategic importance.

### 5.1 Election of Chair

In accordance with the rules, the VMIAC Members elect the Chair at the Annual General Meeting or by filling casual vacancies under rule 56.

- The Chair is appointed for one year.

## 6. THE ROLE OF THE VMIAC SECRETARY

- The VMIAC Secretary (Secretary) is elected by VMAIC members or by filling casual vacancies under rule 56
- The VMIAC Secretary facilitates VMIAC's good governance processes and is responsible for the coordination of CoM meetings, including agendas, CoM papers and minutes, for communication with regulatory bodies such as the ACNC, Victorian Government and for all statutory and other filings.

## 7. THE ROLE OF THE CHIEF EXECUTIVE OFFICER

- The Chief Executive Officer (CEO) is appointed by the CoM and holds office until removal, resignation or retirement.
- The CEO (and any other employees) is an attendee to, rather than member of, the CoM.
- The CEO is responsible for the attainment of VMIAC's goals and vision for the future, in accordance with the strategies, policies, programs and performance requirements approved by the CoM. The CEO reports directly to the CoM.
- The CEO manages senior management responsible for all functions contributing to the success of VMIAC.
- The CEO's performance is assessed annually in light of the achievement of goals, targets and other key performance indicators as determined by the CoM.
- The CoM, in consultation with the CEO, maintains a succession plan for the CEO.

- The CEO and their delegates are responsible for the appointment of staff roles and ensuring appropriate succession plans are in place for their direct reports. The CEO is also responsible for appointing, changes to remuneration arrangements, performance targets, assessments of performance for, and termination of staff.

## **8. COMPLIANCE, RISK MANAGEMENT AND INTERNAL CONTROLS**

### **8.1 Compliance**

- The CoM are charged with overseeing, reviewing and ensuring the reliability and effectiveness of VMIAC's compliance systems. As such, compliance is a quality control system that is part of a proactive risk management strategy.
- The CoM have established a Financial Audit and Risk Management Subcommittee that is responsible for overseeing VMIAC's compliance systems and reporting to the CoM on those systems.
- A Code of Conduct for VMIAC ensures the highest of ethical standards and business behaviours are maintained.
- The CoM comply with their reporting requirements under all relevant legislation and agreements.
- The CoM view compliance as an integral function and recognise that for the compliance system to succeed it must be championed by the CoM along with management.

### **8.2 Risk Management**

- Since risk management is a critical component of VMIAC's governance, the CoM have established a Finance Audit and Risk Management Subcommittee to oversee and guide the detail of this topic. The CEO is charged with implementing appropriate risk management systems within VMIAC. Aspects of this process may be delegated.
- The risk management system at VMIAC is based on the Australian Standard, AS/NZS ISO 31000. The primary objectives of the system are to ensure:
  - All major sources of potential opportunity for and harm to VMIAC (both existing and potential) are identified, analysed and treated appropriately;
  - Business decisions throughout VMIAC appropriately balance the risk and reward trade-off;
  - Regulatory compliance and accuracy in reporting are achieved; and
  - The CoM and management understand the risk profile of VMIAC.
- VMIAC undertakes an annual review of strategy and operations to update their risk profiles in line with the risk appetites set by the CoM in conjunction with management.
- While the responsibility for risk lies with the CoM, oversight of the processes to manage risk within the organisation is delegated to the Finance Audit and Risk Management Subcommittee.

### **8.3 Internal Controls**

- The CoM have a process for review and authorisation to ensure the truthful and factual representation of VMIAC's financial positions and adherence to policies and procedures. This process includes:

- External audit;
- Review of VMIAC's annual financial statements by the CoM or Finance Audit and Risk Management Subcommittee.

## 8.4 External Auditor

- The CoM are responsible for recommending the appointment of a qualified external auditor, with appropriate skills, knowledge and experience which is subject to members' approval at VMIAC's Annual General Meeting.

## 9. COM MEETINGS

- Unless otherwise agreed, the CoM meet at least bi-monthly.
- The meeting agendas and papers are provided to CoM Members no less than three calendar days prior to a scheduled meeting.
- Meetings are conducted to allow a full and frank exchange of views by the CoM Members while at the same time ensuring that a positive CoM culture is maintained.
- A full set of minutes is kept by the VMIAC Secretary.
- In order to provide an even distribution of work over each financial year, the CoM have adopted twelve-month calendars, which include all scheduled and subcommittee meetings as well as major activities.

### 9.1 Disclosure of Interest

- As required by law and the VMIAC Governing Rules, all CoM Members have a legal obligation to disclose to the CoM, any material personal interest which relates to the business of VMIAC. When an issue arises at a CoM meeting, relating to such an interest, the CoM Member will not attend the meeting while that matter is discussed and may not vote on such an issue, unless the non-conflicted CoM Members pass a resolution that the CoM Member may either remain for the discussion but not vote or remain for the discussion and vote. The non-conflicted CoM Members will only pass such a resolution when they are strongly of the view that the nature of the conflict does not inhibit the conflicted CoM Member from making a decision in the best interest of VMIAC. CoM Members have an obligation to disclose to the CoM any other interest which the CoM Member believes is appropriate to disclose in order to ensure there is no actual or perceived conflict of interest. VMIAC maintain a Register of Conflicts of Interest.

## 10. COM AND CEO EVALUATION

### 10.1 CoM Evaluation

- The CoM recognise their responsibility to conduct regular evaluations of the performance of the CoM and individual CoM Members. Annually, there is a performance evaluation of:
  - The CoM having regard to the requirements of this Governance Charter and leading practice principles of good governance;

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- The Chair
- Individual CoM Members contribution to the CoM;
- CoM subcommittees.
- The CoM engage an independent advisory firm with expertise in Board / CoM assessment to facilitate the process every three year(s).
- The processes are regularly reviewed to ensure they meet contemporary good practice guidelines for CoM and CoM Member assessment.

## 10.2 CEO Assessment

- CEO assessment is undertaken by the full CoM according to the process developed by the Governance Review Subcommittee and approved by the CoM on an annual basis (and outlined in the CEO's Employment Agreement). The processes are regularly reviewed to ensure they meet contemporary good practice guidelines for CEO assessment.

## 11. COM MEMBER INDUCTION AND DEVELOPMENT

- New CoM Members undergo a full induction into their role on the CoM. The CoM allocate an annual budget to encourage CoM Members to participate in training and professional development programs.

## 12. REVIEW

- This Governance Charter is to be reviewed by the CoM as required and at least annually.

<b>GOVERNANCE</b>	
Category	Governance and Integrity
Standards	<i>Incorporated Associations Reform Act 2012 (Vic)</i>
Policy owner	Committee of Management
Approval authority	Committee of Management
Drafted by	Secretary, Committee of Management
Date effective	TBC
Date last reviewed	TBC
Date to be reviewed	20 March 2025
Version	V1
Content enquiries	<a href="mailto:secretary@vmiac.org.au">secretary@vmiac.org.au</a>