

# LIV COUNCIL CHARTER



Approved on 25 May 2017

## 1. Introduction

The Law Institute of Victoria Limited (**LIV**) is governed by the LIV Constitution, *Corporations Act 2001* (Cth) ("**the Act**"), *Australian Charities and Not-for-Profits Commission Regulation 2013* (Cth) ("**the Regulations**"), Common law and any other relevant Australian laws.

The purpose of this charter is to assist Directors (**Council members**) and LIV management carry out their respective role and to guide:

- how the objects of the Constitution will be met;
- how powers and delegations under the Constitution are to be conferred, exercised and varied; and
- how the vision, mission, and objectives of the LIV will be met.

Nothing in this Charter is intended to limit any powers or responsibilities on Directors or impose any greater obligations than the LIV Constitution and any relevant Australian laws.

## 2. Composition

The Council consists of 18 Directors that have imposed statutory and fiduciary responsibilities under the Act and Regulations. The LIV is committed to ensuring that its Directors have the skills, experience, and expertise to deal with current and emerging issues of the LIV's business and to exercise independent judgment in their role.

Directors are appointed for an initial term of no more than 3 years at which time Directors may re-nominate for re-election.

## 3. Key responsibilities of Council

Directors are required to comply with the provisions of the Constitution, *Corporations Act 2001* (Cth), *Australian Charities, Not-for-Profits Commission Regulation (Cth) 2013* and any other relevant Australian laws.

In accordance with the Act, the Council will at all times recognise its overriding responsibility to:

- (a) maintain and encourage good corporate governance standards;
- (b) act honestly, fairly and diligently;
- (c) act in good faith and for a proper purpose and in the best interests of the LIV;
- (d) manage the financial affairs responsibly and act in accordance with all laws and regulations;
- (e) not improperly use its position or information;
- (f) avoid or manage conflicts of interest;

## 4. Matters Reserved for the Council

The Council manages the business of the LIV. The accountabilities and matters reserved for the Council include:

- (a) ensuring the adequacy and effectiveness of the LIV's corporate governance structures to maintain its compliance with statutory requirements;
- (b) setting and reviewing, objectives, goals and strategic direction of the LIV and assessing performance against these benchmarks;
- (c) approving the Strategic Plan;
- (d) reviewing and approving the annual operating budget;
- (e) ensuring the LIV operates within its not for profit purpose;
- (f) establishing, monitoring and reviewing policies of the LIV Council;
- (g) ensuring a process is in place for the maintenance of the integrity of internal controls, risk management systems, delegations of authority and financial management and legal compliance systems of the LIV and responsible persons of the LIV and monitoring compliance with these processes;
- (h) ensuring that the Council has appropriate standards of ethical behaviour, avoids conflicts of interest and fosters a culture of compliance and accountability;
- (i) representing and promoting the LIV, its members and the legal profession on matters affecting the profession and strengthening the community's understanding of and confidence in the legal profession;
- (j) establishing, delegating and revoking powers to standing committees and ad-hoc committees and any other person as permitted by the Corporations Act;
- (k) establishing and liaising with country and suburban law associations and interest groups;
- (l) appointing and conferring any of the powers exercisable by the Council to the Chief Executive Officer (**CEO**);
- (m) supporting and evaluating the performance of the CEO and approving his or her remuneration; and
- (n) approving the annual report, financial statements and other published reporting.

## 5. Committees

To assist in the execution of the above, the Council may establish, delegate to and revoke powers of committees such as:

- (a) standing (ongoing) committees of council, sections, section committees and sub-committees to develop policies and contribute to submissions and advocacy on standing areas of law or legal practice; and
- (b) ad-hoc (non-ongoing) committees including taskforces and working groups to explore a particular issue or matter which cannot be performed by a standing committee.

Committees may consist of Council members only or of Council members and other persons whether members of the LIV or not. The President is an ex-officio member of all committees.

In exercising delegated powers committees must comply with any regulations and directions imposed by the Council, the Constitution, governing documents and any other relevant laws.

## **6. Executive**

The Executive (Office Bearers) consists of five (5) Council members; President, President-elect, Vice President, Immediate Past President and Fifth Executive Member in accordance with the Constitution.

The Council delegates authority to the Executive to exercise the Council's powers and discretions which are reasonably required to facilitate the day-to-day operation of the LIV in between meetings of the Council, acknowledging that ultimate responsibility for the management of the LIV remains with the Council.

## **7. President**

The role of the President is to preside as the Chairperson of the Council at general meetings. The President's responsibilities include:

- (a) acting as the primary point of contact and conduit of communication between the Council and the CEO on the management of the business of the LIV;
- (b) establishing the agenda for Council and Executive meetings in consultation with the CEO and council secretary;
- (c) managing the conduct of meetings and procedures so that matters of importance and decision are given due consideration to assist the Council to make decisions and resolutions;
- (d) mentoring the President-elect in his or her preparation for the presidential term;
- (e) leading discussions relating to succession planning and performance of Council members with the whole Council and individual Council members as required; and
- (f) exercising powers as delegated to the President by the Council from time to time.

The President is the public face and chief spokesperson of the LIV. In consultation with the CEO, the President carries out public relations activities such as media, social media, attends functions and attends or ensures that a liaison representative is present at meetings of committees and law associations.

In the absence of the President, the President-elect or Vice President may be called upon to carry out the duties of the President.

## **8. Chief Executive Officer**

The Council may confer or revoke any of its powers on the Chief Executive Officer (**CEO**). The CEO's responsibilities may include:

- (a) managing the operations of the LIV in accordance with its vision, mission and objectives;
- (b) developing strategic plans, strategies, policy positions and statements, annual budgets and

- operational plans;
- (c) ensuring that the LIV maintains its status as the 'go-to' organisation on law reform and advocacy;
  - (d) developing and maintaining the LIV's internal controls including financial management, risk management systems and strategies to ensure compliance with the Constitution and applicable laws;
  - (e) advancing the LIV's positive reputation within the legal profession and the wider community;
  - (f) providing regular updates to the Council regarding the status of the LIV's operations and performance against key performance indicators (**KPIs**) and key risk indicators (**KRIs**);
  - (g) reporting to the Council any material or important matters in an accurate and timely manner so to ensure that there are "no surprises" that may inhibit the ability of the Council to discharge its obligations;
  - (h) establishing KPIs to measure the performance of the leadership team;
  - (i) developing the capabilities of the leadership team to encourage succession opportunities;
  - (j) managing the expectations and resourcing of committees;
  - (k) working collaboratively to forge strong and viable relationships with key stakeholders, both internally and externally to the LIV; and
  - (l) exercising any powers as delegated to the CEO by the Council from time to time.

## 9. Secretariat

The secretariat manages the efficiency of the Council protocols and procedures as directed by the CEO and the President. The council secretary's duties include:

- (a) notifying Council members in writing of a meeting and distributing the agenda at least five (5) days in advance of the meeting, recording resolutions and draft minutes promptly following the meeting for review by the President and CEO and approved by the Council at the subsequent meeting;
- (b) maintaining a complete set of Council papers at the LIV's registered office and on the Council's governance portal;
- (c) maintaining registers including delegations of authority, conflicts of interest and approved Council policies and procedures;
- (d) assisting the Council and committees on governance matters and developing policies and procedures for approval by the Council;
- (e) preparing and attending all annual and extraordinary general meetings of the LIV;
- (f) facilitating Council member induction and professional development programs; and
- (g) ensuring effective communication and information flows within the Council and Council committees on matters approved to be communicated by the CEO and President.

## 10. Council Culture & Communications

The Council is committed to and expects the highest standards of integrity and strict compliance with the law from all Directors, senior management and employees of the LIV.

The Council seeks to foster an inclusive culture that engages and communicates respectfully with one another, staff members, stakeholders and members.

Council members may consult with the CEO, leadership team, council secretary and policy staff for the purposes of exercising their responsibilities and duties. However when internal direction or resources are required, in the first instance, it is necessary to discuss the matter with the most appropriate officer, being either the President or CEO and bearing in mind Clause 7 (a) of this Charter.

Individual Council members have a responsibility to bring independent judgement to bear on all Council decisions and a duty to ensure that decisions are impartial, free from interference or consideration of other loyalties and in the best interests of the company. However a decision by Council is taken collectively, whether determined consensually or by majority and binds all Council members. Therefore Council members must be prepared to implement the decisions of the Council and the instructions of the CEO irrespective of their independent views.

Council members should not engage in conduct likely to bring discredit upon the company. If concerns are raised about the LIV by members, they should be communicated to the President and CEO for resolution. Council members will be kept informed.

The Council should maintain professional courtesy in obtaining materials and information from employees relating to Council matters. The Council should expect that materials for review are made available for response within a reasonable period of time. Council members must comply with Policies and Procedures of the LIV as included in the Council induction materials and also as developed by the LIV and provided to Council members from time to time

## 11. Meeting Conventions

The Council will meet to discharge its duties and responsibilities. At least one meeting will be held in a suburban location and at least one meeting will be held in a country location and otherwise as determined by the Council.

A quorum for a meeting shall be determined in accordance with the Constitution.

Council members are expected to prepare for and attend each Council meeting (either in person or by teleconference or videoconference). In the event that a Council member cannot attend a meeting an apology is to be submitted to the President or council secretary prior to the meeting so that it can be recorded in the minutes of the relevant meeting.

Council members are asked to allocate time, as needed, to attend and participate in allocated committee meetings and other occasional business or events as identified and invited by the President, CEO or council secretary. Meeting times will be scheduled to limit the impost on Council members' time.

Should a Council member want to see the Council take action on a particular issue or submission whereby a policy statement is made or a procedure is established, the Council member should in the first instance discuss the proposal with the President, CEO and council secretary. Directors are invited to contribute ideas to the agenda, however emerging issues will be considered in the context of the total workload of the Council and the urgency of the request. It may take up to two meeting cycles for a request to be actioned, noting the President has the final say on what items appear on the agenda.

## 12. Effectiveness

With attention on corporate governance and accountability, there is an expectation that the performance of the Council and individual directors will be regularly evaluated.

Council members may, from time to time, participate in a review of the skills of Council members. Such reviews will form part of an evolving cycle of self-evaluation, review and performance development. Council members may be invited to undertake professional development and self-development where appropriate, supported by the LIV.

## 13. Conflict of Interest

Council members have a duty to avoid a situation that presents a perceived or actual conflict of interest (i.e. material personal, professional or business interest in a matter or transaction that is being considered at a meeting of the Council).

Each Council member is required to declare any conflict of interest including:

- (a) to disclose the nature and extent of the conflict of interest to the Council (either by giving prior written notice to the CEO and Council or immediately prior to the matter being discussed);
- (b) if required, to absent himself or herself from the meeting whilst the remaining Council members discuss;
- (c) whether a conflict of interest exists;
  - i. if so, to what extent will it have an impact on the item or items of business to which it applies; and
  - ii. what, if any action needs to be taken.
- (d) The disclosing Council member may be given the opportunity to be present and/or vote if the non-conflicted Council members pass a resolution that:
  - i. identifies, the nature and extent of the member's interest in the matter and its relation to the affairs of the LIV; and
  - ii. states that they are satisfied that the interest should not disqualify the member from being present and/or voting on the matter.

If the Chairperson discloses a conflict of interest, he or she must vacate the Chair for the discussion and voting on the matter or transaction that is being considered. The President Elect will act as Chair if the Chairperson has a conflict of interest or if he or she is unavailable or also has a conflict of interest, the Council members present may appoint an acting Chair for this purpose.

The nature, extent and process adopted by the Council to deal with a conflict of interest is to be entered into the minutes of the relevant Council meeting.

## 14. Deed of Indemnity and Access

A deed of indemnity and access will provide an indemnity to Council members for liabilities incurred to the extent permissible by law and in addition to the existing provisions of the Constitution with respect to:

- (a) the advancement of monies to the Council member to meet legal costs and expenses incurred in defending claims as permitted by law;
- (b) the right to access LIV records (board papers, agendas, minutes) and the return of these materials;
- (c) the entitlement to joint legal professional privilege in legal advice obtained by the LIV; and
- (d) the right to seek, at the LIV's expense, independent legal advice in carrying out his or her duties.

Council members who wish to obtain independent professional advice should seek the approval of the President.

## **15. Review of Charter & Inconsistencies**

The Council recognises the benefit of reviewing this Charter from time-to-time, with an objective of continually enhancing governance. This Charter operates as a “working document” to be reviewed on an as needs basis by the Corporate Governance Committee. The Charter was adopted by Council on 18 December 2009, revised on 25 February 2011, 16 July 2015 and 25 May 2017.

To the extent there is any inconsistencies between this Charter and the LIV Constitution, the Constitution will prevail.