

Governance Board Charter

Board policy
and procedures

Board policy and procedures

Revision History

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Abbreviations

Abbreviation	Definition
APA	APA
CEO	Chief Executive Officer

Reviews & Authorisation

Quality Assurance	
Cris Massis has reviewed this document and authorises its release within the Australian Physiotherapy Association.	
Cris Massis	Date: 13 May 2016

Permitted Distribution

Public document

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1 Introduction

The Corporations Act clearly establishes that the Board is ultimately responsible for all matters relating to the effective operation of the Australian Physiotherapy Association (APA).

The APA is a company limited by guarantee. As a result, the APA's Board of Directors (the Board) are subject to all of the provisions of the Corporations Act 2001.

Directors individually have a duty to participate as an engaged and productive member of the Board. Collectively, Directors carry the authority and responsibility given to the Board by the Association members through the Constitution of the APA.

Where applicable, [Australian Securities Exchange Corporate Governance Principles and Recommendations](#) (3rd Ed, 2014) have been adopted.

1.1 Australian Physiotherapy Association (APA)

The APA is the peak body for physiotherapy in Australia, representing physiotherapists, physiotherapy assistants and physiotherapy students. The APA seeks to position itself as a member-centric organisation with a distinctive brand, valued by physiotherapists and the community.

1.1.1 Our vision

To be a focus of excellence for the global physiotherapy community.

1.1.2 Our belief

All Australians should have access to quality physiotherapy, when and where required, to optimise health and wellbeing.

1.1.3 Our mission

To evolve into a more member-centric organisation that gives value to members and to support our belief.

2 Purpose of this Charter

The purpose of this Charter is to specify how the APA is governed so as to promote the APA and to protect the interests of the members, employees and the communities in which the APA operates.

This Charter sets out the:

- the role and responsibilities of the Board;
- responsibilities delegated to committees of the Board;
- responsibilities delegated to Management;
- responsibilities delegated to the membership; and
- operation of the Board

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3 Governance philosophy and approach

The Board will govern the APA with an emphasis on:

- a future focus;
- strategic issues rather than administrative detail;
- pro-activity rather than reactivity;
- encouraging a diversity of opinions and views;
- reconciling diversity of opinion into a clear and appropriate strategic direction;
- the development and expression of a collective responsibility for all aspects of the Board's performance;
- continuing improvement in Board and individual Director effectiveness; and
- the interests of the APA as a whole.

4 Board focus

The Board will:

- ensure that it makes the best possible use of its meetings by dealing principally with matters that have strategic and/or governance levels of significance, within a defined policy framework by delegating as much as possible to relevant committees or to the Chief Executive Officer (CEO);
- ensure that committee and member reports and proposals to the Board are delivered/available in a timely fashion and that the content and format reinforce and support the Board's governance role

The Chairperson in conjunction with the CEO will establish the agenda for each Board meeting although each Board member is free to suggest the inclusion of item(s) on the agenda. To the extent possible (given some matters worthy of the Board's attention may be unforeseen) agendas will be based on a work schedule agreed to at the beginning of each year.

5 Role and responsibilities of the Board

The role of the Board is to provide overall strategic guidance for the APA and effective oversight of Management. The Board will monitor the APA's compliance with its Constitution, from which the Board derives its authority to act, and with all legal and regulatory requirements.

To achieve this role, the Board has reserved to itself the following specific responsibilities:

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5.1 Strategy

The Board is responsible for:

- overseeing the development of the APA's [corporate strategy](#) through constructive engagement with Senior Management;
- reviewing and approving strategic plans and performance objectives consistent with the APA's strategy;
- reviewing the assumptions and rationale underlying the strategic plans and performance objectives; and
- monitoring implementation of plans to give effect to the APA's strategy.

5.2 Oversight of Management

The Board is responsible for:

- the recruitment, appointment and removal (if required) of the CEO;
- monitoring performance of the CEO and implementation of strategy against measurable and qualitative indicators, via an approved organisational scorecard;
- approving the remuneration policies and procedures in respect of the CEO;
- approving succession plans for key individuals; and
- providing advice and counsel to Management.

5.3 Members

The Board is responsible for:

- reviewing the effectiveness of communication with APA members;
- reporting to APA members in accordance with the requirements of the Corporations Act or other relevant law via an AGM; and
- approving and monitoring compliance with policies to satisfy the APA's continuous disclosure obligations.

5.4 Other stakeholders

The Board is responsible for:

- approving and monitoring compliance with policies governing the APA's relationship with other stakeholders and the communities in which the APA operates; and
- approving and monitoring compliance with environmental, employment, occupational health and safety policies, and other legislated matters.

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5.5 Ethics

The Board is responsible for:

- actively promoting ethical and responsible decision-making;
- approving and maintaining the APA Code of Conduct to guide its Directors, employees and contractors necessary to maintain confidence in the APA's integrity;
- adhering to the Australian Institute of Company Directors Code of Conduct; and
- monitoring the effectiveness of the system of accountability for unethical practices.

5.6 Oversight of financial, operational and capital management

The Board will monitor corporate performance against the strategic direction, including assessing operating results to evaluate whether the APA is being managed appropriately.

The Board is responsible for:

- reviewing and approving the annual financial reports;
- monitoring financial and operating results on an ongoing basis;
- overseeing the APA's accounting and financial management systems;
- reviewing, approving and monitoring the progress of major capital expenditure, capital management and material commitments; and
- approving decisions affecting the APA's capital, including capital structure and major financing arrangements.

5.7 Compliance and risk management

The Board will identify and characterise the principal risks faced by the APA and ensure that appropriate systems are in place to avoid or mitigate the risks including the protection of intellectual capital developed with the resources of the APA and intrinsic to the value, or potential value, of the APA.

The Board is responsible for approving, reviewing, ratifying and monitoring:

- APA's control and accountability systems and reviewing reporting under those systems;
- a system for identifying, assessing, monitoring and managing risk throughout the APA;
- systems of internal compliance, risk management and control, and systems of legal compliance that govern the APA's operations; and
- written policies, codes and procedures governing compliance, risk oversight and management.

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6 Role and responsibilities of Chairperson, CEO and Company Secretary

6.1 Chairperson

The Chairperson is a non-executive member Director appointed by the Board. The Chairperson is responsible for:

- leading the Board in reviewing and discussing Board matters;
- chairing the Board meetings and the Annual General Meeting;
- managing the efficient organisation and conduct of the Board's function;
- briefing all Director's in relation to issues arising at Board meetings;
- facilitating the effective contribution by all Directors and monitoring Board performance;
- overseeing that membership of the Board is skilled and appropriate for the APA's needs;
- promoting constructive relations between Board members and between Board and Management;
- reviewing corporate governance matters with the Company Secretary and reporting on those matters to the Board;
- overseeing the implementation of policies and procedures to renew the composition of the Board; and
- overseeing the implementation of policies and procedures to annually review Board performance.

6.2 Chief Executive Officer (CEO)

The CEO leads the APA's Executive team and is accountable to the Board for the APA's overall management and performance. The CEO manages the APA in accordance with the strategy, business plans and policies approved by the Board.

The CEO's performance will be regularly evaluated against the achievement of agreed performance measures.

6.3 Company Secretary

The Company Secretary acts as secretary of the Board, attending all meetings of the Board as required. The Company Secretary is accountable to the Board through the Chairperson on all corporate governance matters.

The Company Secretary is responsible for:

- organising Board meetings and Director attendance;
- monitoring compliance with Board policy and procedure;
- coordinating the completion and dispatch of the Board agenda and briefing materials;

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- preparing minutes of meetings and resolutions of the Board and presenting these to the Chairperson for approval and circulation;
- circulating Minutes from committee meetings to the Board; and
- APA's compliance with its requirements under the Corporations Act regarding registered office, annual returns and notices to be lodged with the Australian Securities and Investments Commission.

7 Delegations of authority

Under the APA's Constitution, the Board may delegate responsibility to committees to consider certain issues in further detail and then report back to and advise the Board.

Standing committees established by the Board will adopt terms of reference setting out authority, responsibilities, membership and operation of the committee.

There are currently two standing committees of the APA Board:

- audit and risk committee
- nominations and remuneration committee
- Physiotherapy Research Foundation

The APA may establish other committees from time to time to consider other matters of special importance.

7.1 Delegations to CEO and Management

The Board has delegated to the CEO the authority to manage the APA's day to day affairs and the authority to control the APA's affairs in relation to all matters other than those responsibilities reserved by the Board itself in this Charter.

The Board may impose further specific limits on CEO delegations. These delegations of authority will be maintained by the Company Secretary and will be reviewed by the Board as appropriate from time to time.

The CEO has authority to sub-delegate.

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8 Board Membership

8.1 Composition and size

The Chairperson of the Board will be elected by the Directors and must be a member director.

The Directors will determine the size of the Board, subject to the limits established by APA's Constitution, which provides that there can be no less than three directors.

The number of Directors and the composition of the Board must at all times be appropriate to achieve efficient decision making.

The Board will seek to inform the National Advisory Council of the appropriate range of skills, experience and expertise and an understanding of and competence to deal with current and emerging issues of the business. The APA's succession plans are designed to maintain an appropriate balance of skills, experience and expertise on the Board.

8.2 Appointment and re-election of Directors

The process of selection and appointment of new Directors to the Board is carried out in accordance with the APA Constitution.

Directors will be engaged by a letter of appointment setting out the terms and conditions of their appointment. Directors will be expected to participate in any induction or orientation programs on appointment, and any continuing education or training arranged by or for them.

Directors must retire from office in accordance with the APA Constitution. Retiring Directors may be eligible for re-election. Before each election, the Chairperson of the Board will assess the performance of any Director standing for re-election and the Board will determine their recommendation to members on the re-election of the Director (in the absence of the Director involved). The Board (excluding the Chairperson), will conduct the review of the Chairperson.

8.3 Independence

All Directors should bring an independent judgment to bear on all Board decisions. A Director is considered independent by the APA if the Director is not a member of Management and is free of any business or other relationship that could materially interfere with the exercise of their unfettered and independent judgment in relation to matters concerning the APA. (A Director presenting Professional Development for the APA is the exception).

A Director who:

- within the last three years has been employed in an executive capacity by the APA;

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- within the last three years, has been a principal of a material professional adviser or material consultant to the APA;
- is a material supplier to, or customer of the APA, or an officer of or otherwise associated directly or indirectly with a material supplier or customer; or
- has a material contractual relationship with the APA

will not be independent unless the Board is satisfied on reasonable grounds that the Director is independent despite the existence of one or more of these circumstances.

The Board will regularly assess the independence of each Director in light of the interests disclosed by them. Each independent Director must provide the Board with all relevant information for this purpose and keep such information up to date. The outcome of such assessment will be reflected in the corporate governance section of the APA annual report.

8.4 Conduct of individual Directors

Directors must at all times act in accordance with legal and statutory requirements, and discharge all their duties as Directors.

Directors must:

- discharge their duties in good faith and in the APA's best interests and for a proper purpose;
- act with care and diligence, demonstrate commercial reasonableness in their decision making and act with the level of skill and care expected of a Director of a major company;
- avoid conflicts of interest except in those circumstances permitted by the Corporations Act;
- not make improper use of information gained through their position as a Director;
- not take improper advantage of their position as a Director;
- notify other Directors of a material personal interest when a conflict arises;
- make reasonable enquiries if relying on information or advice provided by others;
- undertake any necessary inquiries in respect of delegates;
- give the APA all the information required by the Corporations Act; and
- not permit the APA to engage in insolvent trading.

9 Board process

9.1 Meetings

All Board meetings will be conducted in accordance with the APA's Constitution and the Corporations Act. The Board will meet formally at least five times per annum and will also meet whenever necessary to deal with urgent matters which might arise between scheduled meetings. Part of each meeting shall be set aside to allow the Directors to meet in a private session to discuss management issues or other matters of a sensitive nature.

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Directors have a duty to question and raise any issues of concern to them. Matters are to be debated openly and constructively amongst the Directors. Individual Directors must utilise their particular skills, experience and knowledge when discussing matters at Board meetings.

Directors are committed to collective decision making and shall endeavour to arrive at a consensus decision on all matters requiring Board approval. Where a consensus decision is unable to be made, the decision of the Board shall be determined by: a majority of votes of the Directors present at the meeting; and, by voting whereby, subject to the Corporations Act, each Director has one vote. The Chairperson of a Directors' meeting has a casting vote in addition to his or her deliberative vote.

Directors must keep Board discussions and resolutions confidential, except where they are required to be disclosed.

Directors are expected to attend, to be adequately prepared for, and to participate in each Board meeting.

Senior members of Management may attend Board meetings at the Board's request to present reports on, or seek approvals within their areas of responsibility. The Board may invite external advisers to attend Board meetings where necessary or desirable.

The Board may conduct meetings by telephone or videoconference.

9.2 Independent professional advice

The Board collectively, and each Director individually, has the right and obligation to seek independent professional advice at the APA's expense to help them carry out their responsibilities. Generally, this advice will be available to all Directors.

9.3 Access to information and management

All Directors shall have unfettered access to any APA records and information they consider necessary to fulfil their responsibilities. Directors shall also have access to the Company Secretary and other members of the Executive Team, via the CEO, to seek additional information concerning the APA's business. Directors shall receive regular detailed financial and operational reports and may request elaboration or explanation of those reports at any time.

10 Review and publication of Charter

The Board is responsible for reviewing this Charter, at a minimum, every two years. The Charter may be amended by resolution of the Board.

This Charter or a summary of its main provisions shall be made available on the Associations' website in a clearly marked corporate governance section.

Reviewed by the APA Board – 13 May 2016