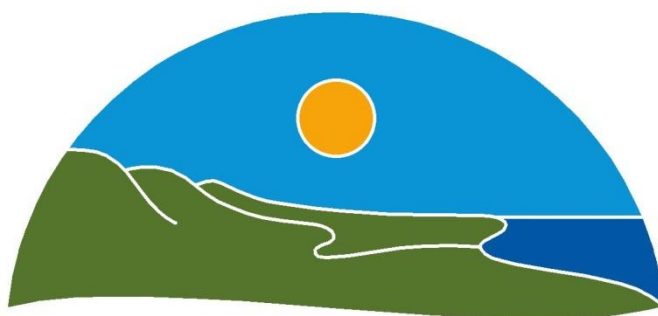


CORPORATE GOVERNANCE STATEMENT



GOOLWA TO WELLINGTON LOCAL
ACTION PLANNING ASSOCIATION INC

www.gwlap.org.au

Local People Local Issues Local Action

December 2013

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DOCUMENT DEVELOPMENT AND COMPILATION

This document was developed and compiled by Tony Randall, Programs Manager, Goolwa to Wellington Local Action Planning Association Inc with the consent and on behalf of the Association's management committee.

Introduction

The Goolwa to Wellington Local Action Planning Association (GWLAP) is an incorporated not for profit community organisation managed by a voluntary Board of Management in accordance with the Associations Incorporations Act 1985 (SA).

The GWLAP was formed in 1998 to deliver environmental works and education programs, and agricultural sustainability programs across the Southern portion of the Eastern Mount Lofty Ranges and Lake Alexandrina regions in South Australia. This area incorporates all of the Eastern Mount Lofty Ranges Catchments that terminate directly into Lake Alexandrina, the adjacent plains, and the River Murray Mouth, making the operating area of the Goolwa to Wellington LAP extremely socially and biophysically diverse. We work closely with the local community to protect and restore biodiversity and sustainably manage natural resources, so as to create an environment where human activity and natural ecosystems can sustainably co-exist. The Goolwa to Wellington LAP assists the community to access the necessary resources to undertake this work.

Goolwa to Wellington Local Action Planning Association Inc.

Governance

The Board of Management and staff of the GWLAP are committed to conducting the Association's business ethically and in accordance with high standards of corporate governance. Where appropriate, the GWLAP has prepared this Governance Statement in line with the *Australian Securities Exchange (ASX) Corporate Governance Council's Corporate Governance Principles and Recommendations (2nd Edition)*. In addition, and in recognition of the GWLAPs not for profit status, *the Australian Charities and Not For Profits Commission Governance Standards Guidance (2013)* has been used to augment this governance statement. The GWLAP Board of Management and administrative staff regularly participate in Corporate Governance workshops to identify and understand the governance obligations and responsibilities of the Association and to maintain currency with changing governance principles.

Good Governance

The GWLAP strives for and supports the principles of good governance as prescribed by *the United Nations Economic and Social Commission for Asia and the Pacific (UN ESCAP)*, namely, good governance is evidenced by an approach that is;

- Consensus orientated
- Accountable
- Transparent
- Responsive
- Equitable and inclusive
- Effective and efficient
- Law abiding
- Participatory

Role of the Chair

The Chair is selected annually by the incoming Board of Management through nomination and ballot. The Chair is responsible for:

- Leading the Board
- Ensuring that Board meetings and activities are organised and managed efficiently
- Ensuring that Board Members are briefed for meetings
- Facilitating the effective contribution of all Board members
- Promoting constructive and respectful relations between Board members and management

Role of the Vice Chair

The role of the Vice Chair is to assume the role of Chair in the Chair's absence.

Role of the Treasurer

The Treasurer is responsible for ensuring appropriate and efficient management of the GWLAP finances and to ensure that all of the organisation's financial compliance requirements and needs are met. The Treasurer may delegate the day to day financial management to a member of staff through appropriate Board approval.

Role of the Secretary

The Secretary is responsible for ensuring GWLAP Board correspondence and documentation is made available to all members of the Board of Management, and to document true and accurate records of all Board meetings held. The Secretary may delegate some or all of these duties to a member of staff through appropriate Board approvals.

Role of the Public Officer

The Public Officer has legal responsibilities for submitting documents to the Office of Consumer and Business Affairs South Australia as per the requirements of the Associations Incorporation Act (1985), and is the official contact person for the organisation.

Role of the Board of Management

The GWLAP Board of Management is responsible for the overall governance of the Goolwa to Wellington Local Action Planning Association and the development of its strategic direction. This includes setting goals and objectives, monitoring performance against those goals and objectives, and ensuring that the GWLAPs internal control and reporting procedures are effective. The Board of Management is also responsible to ensure that the GWLAP's strategic direction provides value and service quality for clients and stakeholders. The Board of Management monitors the performance of the Programs Manager.

Composition of the Board of Management

The GWLAP is comprised of a Board of Management with no less than eight members including a Chair, Treasurer, Secretary and Public Officer. A list of GWLAP Board Members is maintained by the Programs Manager. The Board of Management is elected from the Association membership each year at the Annual General Meeting. The office bearers are elected annually by the incoming Board of Management. The rules for election of Board members are set out in the GWLAP Constitution.

In November 2013 the GWLAP Board of Management consists of:

- Keith Parkes (Cr. for the Alexandrina Council) (Chair)
- Bruce Brooks (Vice-Chair)
- Margaret Wilksch (Treasurer)
- Merri Tothill (Secretary)
- Derek Fenton (Public Officer)
- Chris Bagley
- Paul Johnston
- Barry Lincoln
- Jan Meek
- Peta Page
- Harry Seager
- Ian Grosser (Cr. for the District Council of Mount Barker)
- Gerry Thompson
- Anne Welsh

The Board of Management has representation from a range of interest and stakeholder groups from across the Local Action Planning area including, Local Government, Agricultural Bureaus, Landcare and Catchment Groups, environmental and Bushcare groups.

All Board of Management members are required to sign a GWLAP Board Member Declaration Statement in order to comply with the Australian Charities and Not-for-profits Commission Governance Standards, August 2013. This statement confirms that Board members are legally able and entitled to hold the office of Board Member and that they have not been disqualified from managing a corporation or not for profit organisation.

A letter of appointment is provided to Board members annually to outline basic responsibilities and expectations as a sitting member on the Board of Management.

Board Committees

The GWLAP Board of Management may establish sub-committees with appropriate terms of reference as might be required to conduct the business of the Board of Management. Standing sub committees at the time of writing this governance statement are:

- The On Ground Works Assessment Sub-Committee.
 - The purpose of this committee is to assess on ground works proposals to ensure compliance with stated project guidelines, alignment with project objectives, compliance with minimum project implementation requirements, and to ensure higher priority projects are given preference for funding.
- The Finance and Contracts Management Sub-Committee.
 - The purpose of this committee is to ensure financial processes and procedures are managed appropriately and transparently. The committee undertakes internal audits and reconciliations, provides advice to the GWLAP Board on financial management, investment opportunities, and feasibility of financial proposals.
 - The committee reviews and advises on GWLAP financial policies.
 - The committee manages the GWLAP Contracts Register to ensure that all current contracts are progressing in accordance with stated milestones and outcomes.
- Community Engagement Sub-Committee
 - The purpose of this committee is to develop and implement a detailed community engagement strategy for the GWLAP.

Board Performance

The GWLAP reviews one of the seven goals and associated targets / indicators of success within the GWLAP strategic plan per month. The Board monitors the actual annual achievement as reported by the Programs Manager against the stated annual targets and indicators of success as a measure to determine if the Board's strategy has been implemented.

Role of the Programs Manager

The role of the Programs Manager is to ensure that the Strategy prescribed by the Board of Management is implemented in a timely, efficient and effective manner by seeking funding and service delivery agreements that align with the GWLAP Strategic Plan. It is the role of the Programs Manager to oversee and manage staff to ensure staff actions and activities undertaken through project delivery facilitate the implementation of GWLAP Board Strategy and do not compromise GWLAP governance principles or key GWLAP governance documents. The Programs Manager monitors the performance of GWLAP staff.

Key Governance Documents

The GWLAP is supported by the following key governance documents:

- The Goolwa to Wellington Local Action Plan
 - This document identifies the priority environmental, agricultural, and natural resources management issues in the GWLAP area and identifies potential strategies for their management.

- The GWLAP Constitution
 - This document prescribes the functions, objectives, and powers of the GWLAP.
- The GWLAP Strategic Plan
 - This document details the GWLAP Board strategy and the key goals and actions to achieve the strategy.
- GWLAP Contracts Register
 - The GWLAP contracts register lists all service delivery and grant contracts that the GWLAP is currently engaged in. The contracts register identifies any delays or discrepancies in reporting, acceptance of submitted reports, and milestone payments
- GWLAP project contracts and service agreements
 - Each contract and service agreement entered into by the GWLAP provides specific direction on the administration and delivery of projects.
- GWLAP Policies and Standard Operating Procedures.
 - These documents describe and define the administrative and operational procedures of the GWLAP.
- GWLAP Governance Statement.
 - This document details the governance obligations and responsibilities of the GWLAP.

Decision Making

The GWLAP Board of Management is established to strategically implement the aims and objectives of the GWLAP Association. All GWLAP Board members must make their decisions, in the first instance, with full regard for the interests of the GWLAP and the achievement of the Association's strategic objectives. Profession, agency, organisational, or representative interests are secondary to appointment to the GWLAP Board of Management.

To this end, where a Board member identifies a conflict of interest with respect to a GWLAP Board of Management Decision or discussion topic, that Board member is required to absent themselves from proceedings. Further, GWLAP Board members are asked to self-nominate potential conflicts of interest.

Financial management

The GWLAP is committed to ensuring the integrity and quality of its financial management and reporting. Contract budgets are prepared and progress against budget expenditure milestones are reported as per contractual requirements. The GWLAP uses accredited accounting software packages and regularly updates these to ensure compliance with Australian Taxation Office (ATO) and other regulatory requirements.

Weekly financial reconciliations are undertaken by the Finance Manager on behalf of the Treasurer. Monthly internal financial audits are undertaken by the GWLAP Board Finance Sub-Committee which comprises Board and staff representation.

Annual financial audits are undertaken by an independent, qualified, and industry certified auditor who is appointed at the Association's AGM. Annual financial statements are prepared in accordance with Australian Accounting Standards and all relevant state and federal regulations.

Audited Annual financial statements are submitted to the relevant regulatory authorities and are made available to the GWLAP members and general public through the GWLAP annual report.

All financial documentation is archived for the prescribed period as determined by the ATO.

Communications

The GWLAP has established a communications strategy to;

- Update members of the Association on the activities being undertaken by the Association
- Maintain and build relationships with clients and stakeholders
- Market and promote the core services of the GWLAP
- Build brand awareness
- Respond to concerns

The Communications strategy provides a management framework for the timely and accurate release of information to Association members, clients, stakeholders, project partners, elected members and the media.

The GWLAP will continue to communicate to its members, clients, stakeholders and project partners through the Annual General Meeting, the development and distribution of the GWLAP Annual Report and through the provision of a wide array of relevant and up to date information via the GWLAP website, social media and more traditional media outlets.

Risk management

The GWLAP Contracts Register identifies several high level project administrative risks relating to the delay or non-payment of project funds and suspension or termination of contract. This document also outlines associated risk management strategies.

The GWLAP has operational risk management plans in place for larger projects being delivered by the Association. These generally form part of the project contractual arrangements and are developed as part of the funding application process.

The GWLAP has several policies in place that assist with risk management through prescribing safe and effective working practices that are to be adhered to when in the employ of the GWLAP.

Procurement

The GWLAP uses service agreements when engaging service providers to undertake on ground works and measures or consultancy services. The agreements detail the key aspects of the relationship between the GWLAP and the contractor including the services, timeframes, payments, and any special conditions.

The GWLAP aims to purchase goods and services from local providers where possible and where pricing is competitive with similar suppliers.

Performance management

The GWLAP strategic plan prescribes a number of performance indicators for the organisation. These targets will be reviewed on an annual basis by the Board of Management to determine performance against the strategic goals of the GWLAP.

GWLAP projects have defined project milestone, objectives and outcomes as part of the project delivery contract. Project progress is measured through achievement against stated project milestones at the time of progress reporting. This is monitored by the responsible Project Officer and the Programs Manager to determine if projects are on track. If a project does not meet progress milestones, strategies are developed and adopted by the Programs Manager and Project Officer to rectify the situation. The degree to which a project is successfully delivered is measured by comparing the achievements of the project against the contracted project objectives.

The GWLAP Board undertakes a performance review of the Programs Manager on an annual basis. The Programs Manager undertakes performance reviews of each staff member on an annual basis.

Reporting

Reports on key aspects of the Board's administration and operations are provided to the GWLAP Board of Management at each monthly meeting for acceptance after review by relevant sub committees. The Programs Manager provides reports to the GWLAP Board at each monthly meeting on relevant work health and safety matters, human resources matters and operational and administrative matters not addressed in the finance and contracts register reports. The Board may request additional information and reports from the sub-committees or Programs Manager as might be required for the Board to fulfil its duties.

The Contracts register is provided to the monthly Finance and Contracts Management Sub-Committee meeting for review. This document reports on the progress of all current contracts and identifies when projects are not progressing as per the contract terms.

A finance report is provided to the monthly Finance and Contracts Management Sub-Committee meeting for review. This document reports on the financial position of the organisation and each current project.

Projects delivered by the GWLAP are reported on to the project principal as per the project contractual requirements.

Ethical Standards

The GWLAP Board of Management subscribes to the need for continued maintenance of the highest standards of ethical conduct by all members of the Board and employees of the GWLAP. All Board Members and employees are expected to act with the utmost integrity and objectivity in their dealings with each other, with clients, with competitors and with the community, aiming at all times to enhance the reputation and performance of the GWLAP.

The GWLAP sets standards of behaviour required of all Board Members and employees including requirements to:

- Ensure all legal obligations and requirements are met and all applicable acts and legislation are complied with

- Act properly and efficiently in pursuing the objectives of the GWLAP
- Avoid situations which may give rise to a conflict of interest
- Know and adhere to the GWLAP Policies and Procedures
- Maintain confidentiality in the affairs of the GWLAP and its clients
- Be absolutely honest in all professional activities

Environment

The GWLAP encourages responsible environmental management including undertaking projects to manage or reduce the environmental impact of our business operations. Areas addressed are the reduction of energy consumption, the minimisation of waste, and recycling materials where possible. This is in addition to the organisation's core business of biodiversity conservation, revegetation, and sustainable and efficient primary production.

Social Responsibility

The GWLAP is committed to operate its business in a manner consistent with the demands of our members, clients and the wider community. The Board of Management may at times discuss current and emerging political, social and public policy issues that could affect or influence business operations, performance or public image. Matters discussed and reviewed include community engagement, community and government relationships, knowledge and perceptions, diversity, social responsibility, education, communications, employee health and safety, and business dealings.

Adoption and revision of this Governance Statement

The GWLAP will review and revise accordingly this governance statement on an annual basis.