



Sydney Heritage Fleet Governance Policy

Date adopted by the Board	25 th May 2021
Replacing policy last dated	22 nd August 2017
Date of latest review	Not applicable.
Date for next review	May 2022
Related policies and documents	All Sydney Heritage Fleet Policies and Procedures

1. Basic law under which SHF operates

Sydney Maritime Museum (trading and hereafter referred to as Sydney Heritage Fleet) is a public company limited by guarantee and a registered charity. Its key governance laws are the *Corporations Act 2001* (Commonwealth) and *Australian Charities and Not-for-profits Commission Act 2012* (Commonwealth) (ACNC Act). Key requirements for Members and Directors in the ACNC Act displace some standard rights and obligations in the Corporations Act. The common law will be applied if statute law is silent on the issue in hand.

2. Basis of authority of the Board

Clause 45 of the Constitution invests in the members of the Board (Directors) the responsibility for managing and directing the activities of the Sydney Heritage Fleet (SHF). Clauses 45 to 50 further define and powers and responsibilities of the directors who make up the Board.

The Directors must exercise that authority in accordance with the law, the Constitution and for a proper purpose, determined by the Object of the Constitution (Clause 6). The essence of this is that it is the Directors, not the Members, who take responsibility for SHF. Directors manage SHF through applying appropriate policies and delegating operational management to staff and volunteers who are accountable to the Directors.

3. Accountability of the Board to Members

The Board is accountable to Members by holding General Meetings. Clause 21 of the Constitution requires an Annual General Meeting (AGM) to be held at least once in every calendar year and

outlines the basic obligations at the AGM in relation to Directors reporting to Members, electing Directors and appointing an auditor, consistent with basic legal obligations.

4. Responsibilities of the Board

In addition to the responsibilities of the Board outlined in the Constitution, the Board is responsible for the following:

- Compliance monitoring: ensuring compliance with SHF's objects, purposes and values, and with its Constitution.
- Organisational governance: setting or approving policies, plans and budgets to achieve those objectives, and monitoring performance against them.
- Strategic planning: reviewing and approving strategic direction and initiatives.
- Regulatory monitoring: ensuring that SHF complies with all relevant laws, regulations and regulatory requirements.
- Financial monitoring: reviewing SHF's budget, monitoring management and financial performance to ensure the solvency, financial strength and good performance of the organisation.
- Financial reporting: considering and approving annual financial statements and required reports to government.
- Organisational structure: setting and maintaining a framework of delegation and internal control.
- Leadership selection: selecting, evaluating the performance of, rewarding and, if necessary, dismissing staff in senior executive roles.
- Succession and remuneration planning: planning for Board and senior executive succession, and determining senior executive remuneration.
- Risk management: reviewing and monitoring the effectiveness of SHF's risk management and compliance; agreeing or ratifying all policies and decisions on matters which might create significant risk to SHF, financial or otherwise.
- Dispute management: dealing with and managing conflicts that may arise within SHF, including conflicts arising between Board members, staff, members, volunteers or other parties.
- Social responsibility: considering the social, ethical and environmental impact of all activities and operations and ensuring that these are acceptable.
- Board performance and composition: evaluating and improving the performance of the Board.

In certain circumstances, some of these tasks may be delegated but only in accordance with Clauses 46 (Delegation of directors' powers) and 58 (Board Committees) of the Sydney Maritime Museum Constitution.

5. Individual Responsibilities

Members of the Board must recognise that in addition to their collective responsibilities (as outlined in Section 4), they must:

- make decisions and vote on governance matters solely in the best interests of the organisation and not under the direction of an external body or agency;
- abide by the decisions of the Board, even if these are not consistent with their own views.