



## Sydney Heritage Fleet Governance Policy

<b>Date adopted by the Board</b>	25 <sup>th</sup> May 2021
<b>Replacing policy last dated</b>	22 <sup>nd</sup> August 2017
<b>Date of latest review</b>	30 <sup>th</sup> May 2023
<b>Date for next review</b>	May 2024
<b>Related policies and documents</b>	All Sydney Heritage Fleet Policies and Procedures Sydney Heritage Fleet Strategic Risk Assessment

### 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 strategic and operational 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.

## **6. Board Member Undertakings**

Members of the Board are required to sign and submit the following documents to the Company Secretary:

- SHF Board Members Code of Conduct (Appendix A),
- Conflict of Interest Declaration (Appendix B) on an annual basis, and
- Director's Declaration (Appendix C).

**APPENDIX A:**

**SHF Code of Conduct for Board Members**

By signing this Code of Conduct I am confirming that I am aware of the requirements of the *Corporations Act* that apply to directors of registered charities, namely:

- the existence of criminal offences relating to breaches of duties of good faith and acting for a proper purpose and misuse of position or information (under section 184 of the *Corporations Act*); and
- the duty to prevent insolvent trading (under section 588G of the *Corporations Act*) – this duty is also included under the ACNC's Governance Standard 5.

I also agree to abide by ACNC Governance Standard 5, in other words that I commit that I will at all times:

- act with reasonable care and diligence;
- act honestly and fairly in the best interests of the charity and for its charitable purposes;
- not misuse their position or information they gain as a Responsible Person;
- disclose conflicts of interest;
- ensure that the financial affairs of the charity are managed responsibly;
- not allow the charity to operate while it is insolvent; and
- act with standards of integrity and common sense.

Further, I commit to act in accordance with the additional responsibilities for board members as recommended by Australian Institute of Company Directors, namely that I will:

- recognise my duty to use care to SHF and act with diligence in fulfilling the functions of office and exercising the powers attached to that office;
- recognise that my primary responsibility is to SHF as a whole but may, where appropriate, have regard for the interest of other stakeholders;
- not take improper advantage of the position of director;
- be independent in judgement and actions and to take all reasonable steps to be satisfied as to the soundness of all decisions taken by the board of directors;
- ensure that confidential information received by me in the course of the exercise of directorial duties remains the property of SHF and not disclose it, or allow it to be disclosed, unless that disclosure has been authorised by the SHF Board, or the person from whom the information is provided, or is required by law;
- not engage in conduct likely to bring discredit upon SHF;
- recognise my obligation, at all times, to comply with the spirit, as well as the letter of the law and with the principles of this Code.

**NAME OF BOARD MEMBER**

**SIGNATURE OF BOARD MEMBER**

**DATE**

**APPENDIX B:**

**Conflict of Interest Declaration  
[Insert applicable year]**

I, [insert name], of [insert address], declare that, to the best of my knowledge, I or any related parties (related parties include yourself, your spouse, close family members - see definitions on page 2), business interests and/or associates, do not have any:

- financial involvement with a person or body (including receiving or being offered a sponsorship, grant or any other benefit, such as travel and accommodation, or provision of facilities or research materials);
- other direct or indirect financial interest;
- immediate relatives or close friends with a financial involvement with a person or body or other direct or indirect financial interest;
- personal bias or inclination;
- personal obligation, affiliation, allegiance or loyalty; or
- any other Conflict of Interest,

that will or could affect my decisions, actions or judgement as a Sydney Heritage Fleet (SHF) Board member or is otherwise likely to prevent any relevant person (e.g., an employer, client, colleague or member of the public) from placing trust in my independent judgement, except as set out below:

I also declare that if I become aware of any matter that may give rise to a Conflict of Interest, I will immediately inform and provide full details to the SHF President, to enable the Conflict of Interest to be properly recorded and managed, and I will abstain from any decision where such a Conflict of Interest arises.

Conflicts of interest may arise when one party has the ability to control or significantly influence the management or operating policies of the other to the extent that one of the transacting parties might be prevented from fully pursuing the interest of SHF rather than his/her own separate or related party interests.

Please provide further information on any related party transactions of which you are aware.

Transactions between myself (or a related party of mine) and SHF including rental income, consulting fees, advisory fees, purchase of goods or services or any other transactions are as follows:

<b>Date of Transaction</b>	<b>Nature of Transaction</b>	<b>Amount of Transaction (AUD)</b>	<b>Terms and Conditions</b>	<b>Entity Involved</b>

I confirm the total amounts paid or payable by SHF and/or any related entity directly/indirectly to or on behalf of myself as follows:

Committee Member Fees, Directors Fees (AUD):	
Total superannuation contributions (AUD):	
Any other benefits (if any please provide details)	
Loans that have been advanced	

Submitted by			
Name			
Title			
Signature		Date	

**Definition**

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (a) that person’s children and spouse or domestic partner;
- (b) children of that person’s spouse or domestic partner; and
- (c) dependants of that person or that person’s spouse or domestic partner.

**APPENDIX C:**

**BOARD OF DIRECTORS OF SYDNEY MARITIME MUSEUM LTD  
CONSENT TO ACT UNDER S201D OF CORPORATIONS ACT 2001  
AND DECLARATION SHEET**

- |  |   |
|--|---|
| 1. Family name:  | <ul style="list-style-type: none"><li>• Not acting honestly</li></ul>   |
| 2. Given names:  | <ul style="list-style-type: none"><li>• Not taking reasonable care and diligence</li></ul>  |
| 3. Any former or other names used, in full:  | <ul style="list-style-type: none"><li>• Improper use of position</li></ul>  |
| 4. Date of birth:  | <ul style="list-style-type: none"><li>• Non-disclosure of required information</li></ul>  |
| 5. Place of birth:   | <ul style="list-style-type: none"><li>• Misrepresentation of position</li></ul>   |
| 6. Telephone:  | <ul style="list-style-type: none"><li>• Fraudulently omitting any material information</li></ul>  |
| 7. Mobile:   | <ul style="list-style-type: none"><li>• Knowingly receiving pawned property</li></ul>   |
| 8. Email address:  | <ul style="list-style-type: none"><li>• Falsifying records.</li></ul>   |
| 9. Usual residential address:  |   |
| 10. Business occupation:   |   |
| 11. Qualifications:  | 17. I do not hold any office or possess any property or have any relationship that might give rise to a material conflict of interest.  |
| 12. I declare I am not or have not been insolvent.   | 18. I am not a member of other organisations with which SMM may or may not from time to time contract or propose to contract but my interest in any such contract or proposed contract as such a member would not be a material interest. |
| 13. I declare I am not or have not been a director of an organisation placed in administration, receivership, liquidation or provisional liquidation.  | 19. I am not aware of any circumstance or incident which I have reason to suppose might afford grounds for any future claim such as would fall under the scope of the D & O insurance if any.   |
| 14. I declare I am a director of other public organisations or companies or their subsidiaries:  | I declare the above information to be correct.  |
| 15. I do not have an interest directly or indirectly in any contract or proposed contract between any party and SMM.   | In accordance with s201D of the Corporations Act 2001 I consent to act as a director of Sydney Maritime Museum Ltd ABN 70 000 519 246.  |
| 16. I declare I have not been indicted for any offence in connection with: <ul style="list-style-type: none"><li>• The promotion, formation or management of a company</li><li>• Serious fraud</li></ul> | I declare that I am not disqualified from acting as a responsible entity and am a suitable person in accordance with Governance Standard 4 under ACNC Reg 45.20.  |
|  | Signed  |
|  | Date:   |

