

Board meetings and decisions

Guidance note for boards of major agencies

This guidance note is for use by board members of the over 100 major public entities and other statutory boards, committees, councils, panels, etc. in the Department of Energy, Environment and Climate Action (DEECA) portfolio, including large (category 1 and 2) committees of management of crown land reserves.

Guidance notes and model policies for these agencies can be downloaded from DEECA's governance website, On Board (www.deeca.vic.gov.au/onboard), in particular, see the [Board meetings and decisions](#) support module.

Introduction

The purpose of board meetings is to enable board members to exchange information and views, consider issues, and make decisions that are in the **public interest** (the best interests of the agency). The board is collectively accountable to the portfolio Minister for its actions and decisions.

Board meetings and decisions policy

Your board must have a *Board Meetings and Decisions* policy in place that fulfils its legal obligations and complies with good public sector governance practice.

To assist, DEECA offers a **model policy**.

Your board's policy should be consistent with DEECA's model policy.

If your agency's establishing Act has specific requirements in relation to meetings and decisions, the model policy can be adapted to include these.

In addition to the standard model policy for major DEECA agencies, there is a model policy for waste and resource recovery groups (WRRGs). Both are available from the [Board meetings and decisions](#) support module on DEECA's governance website, **On Board** (www.deeca.vic.gov.au/onboard).

Duty as a board member

As a board member, you have a duty to act in the public interest. You should ensure that:

- your board has a suitable policy in place
- the board's culture fosters compliance with its policy
- you personally comply with the policy at all times.

Chair's role at board meetings

The chair presides at board meetings. If the chair is absent, the deputy chair presides. If the deputy chair is also absent or a deputy chair has not been appointed, the board members present decide which of them will preside at the meeting. The chair or presiding member ensures that:

- all relevant policies (in particular, all boards policies), the *Register of Interests*, and the *Register of Gifts, Benefits and Hospitality* are available at the meeting for use by board members;
- conflicts of interest are managed in accordance with the board's *Conflict of Interest* policy;
- board members treat one another with respect and courtesy and participate actively and constructively in each decision;
- no decision is taken without the required quorum; and
- board meetings run in an effective and timely manner.

Overall, the chair balances the need to ensure that all board members have a fair opportunity to express their views and ask questions with the need to progress the

meeting in a timely manner, taking into account the nature, complexity, and importance of the issue being discussed and decided, and all other relevant circumstances.

All board members have a duty to:

- actively support the chair in his/her role; and
- assist in ensuring that board meetings and decisions occur in accordance with board policy.¹

Meeting schedule and agenda

Your board's *Board Meetings and Decisions* policy will set out how frequently it usually meets each year. The chair sets the meeting schedule and agendas in consultation with other board members and the chief executive officer (CEO). Items of strategic significance should be listed on the agenda before routine matters (e.g. regular reports), so that everyone is 'fresh' and there is sufficient time for discussion and decisions on priority items.

The agenda, and any related papers, should be circulated at least five working days prior to the meeting, to provide reasonable time for board members to fulfil their obligation to read all the materials, consider the issues, and fully prepare for the meeting.

DEECA's model policy contains an agenda template.

Attendance at meetings

You are expected to attend all board meetings and to make a 'significant contribution' as a board member. A minimum attendance of 75% is required unless good reason exists otherwise.²

Sometimes, the establishing Act of a DEECA agency includes a provision that if a board member is absent without the board's permission for X meetings then he or she ceases to be a board member.

Remote attendance

Attendance in person at a board meeting is preferable. However the board may permit you to attend 'remotely' (e.g. via teleconference call or internet video link³), provided that you will be properly able to:

- participate in the collective discussions of the board

- read (or have read to you) and comprehend any documents that are tabled at the meeting to inform the board's decision-making.

If you wish to attend a meeting remotely, contact the chair beforehand to ascertain whether this is likely to be suitable. The board's decision whether to allow you to attend remotely is made at the start of the meeting.

Regardless of any decision to allow you to attend remotely, if a document is tabled at the meeting to inform a proposed decision, then unless you can read (or be read) the document and properly comprehend it, you must *abstain from the vote*.

Note that a series of separate telephone calls does not constitute a meeting as the board cannot participate in collective discussion.

Attendance by non-members

A non-board member may only attend a board meeting if invited by the chair or another member on behalf of the board. It is up to the board to determine the item(s), or part thereof, which the invited guest may attend. A non-board member must not participate in any board discussions unless requested to do so by the chair and never takes part in any board decision.

External guests

The chair will advise external guests that, as a condition of attending the meeting, they must refrain from discussing any matters raised at the meeting with non-board members. If the external guest is provided with any board papers, access is limited to during the meeting, unless specific alternative arrangements are made for their use and return.

Executives and Staff

The presence of executive or staff members of the agency (e.g. the CEO) at a board meeting is by invitation. The chair will advise the person of the item(s), or part thereof, for which he/she is to be present.

To assist the board to maintain its independence in decision-making, the chair should ensure that:

- no executive or staff member is present as 'a matter of course' during board meetings; and
- there is a suitable period of time during each board meeting when no executive or staff member is

¹ See the public sector values (section 8) and the duties of director's (section 79) in the *Public Administration Act 2004* (PAA) and related codes (e.g. *Directors' Code of Conduct*).

² [Appointment and Remuneration Guidelines](#)

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³ Some establishing Acts specify methods of remote attendance – e.g. s 49M(5) of the *Environment Protection Act 1970* enables waste and resource recovery groups to meet remotely by teleconference call, video link 'or any other system of telecommunication'.

present (other than, if required, a non-executive minute taker).

Nominees not permitted

You cannot nominate another person to attend a board meeting on your behalf or to exercise any of your decision-making powers or rights as a board member.⁴

Gifts register

At the start of each board meeting the chair should ask all board members present to state whether their entries in the *Register of Gifts, Benefits and Hospitality* are 'complete and correct'. Responses should be noted in the minutes and any changes declared should be entered into the register.

Conflict of interest

DEECA also offers an 'overview' guidance note and a model policy on conflict of interest.

Register of interests

Your board has a *Register of Interests* in which the interests of all board members that **may give rise to a conflict of interest** are recorded. The chair brings the register to each board meeting. At the start of the meeting, he or she asks for all board members to confirm that their interests as recorded in the register are 'complete and correct'.

If there are no changes, the minutes will note that 'all board members present confirmed that their entries in the *Register of Interests* are complete and correct'.

If you have new interests that are not yet included in the register you must declare them. They will be recorded in the minutes. The chair will arrange for them to then be entered into the register.

Declarations of conflict of interest

At the start of each board meeting, the chair will also ask you and the other board members present to declare any interest (private interest or duty to another organisation) in relation to any item on the agenda.

You must declare any interest you have that relates to any item on the agenda, *even if it is already recorded in the register*. The board will then decide how to manage the conflict of interest. The standard procedure for 'material' (serious) conflicts is for the board member with the conflict to leave the room for all discussion and decision-making on the issue.

Due consideration

As part of each board member's duty to exercise due care, diligence and skill, prior to making a decision the board should:

- ascertain all relevant information;
- objectively consider all relevant facts and criteria (and avoid irrelevant considerations);
- consider all relevant options; and
- understand the full implications (strategic, financial, community, etc.) of the proposed decision.

The board should ensure that it has the information/advice it needs to fulfil its role effectively. The reports which the board receives (e.g. regular financial reports) must be suitable to its needs, in particular, contain all the relevant information in a way that is easy-to-read and understand. The format of reports should be reviewed at least annually.

Courtesy and respect

Board members must treat one another with courtesy and respect, in accordance with the public sector values in section 7 of the *Public Administration Act 2004* and related codes (e.g. the *Directors' Code of Conduct*). There should be an appropriate opportunity for all board members to ask questions, express ideas, and offer opinions. Whilst the chair has a key role in ensuring this occurs, all board members share this responsibility.

Quorum

The minimum number of board members (quorum) who must **attend** the board meeting, in person or remotely, and **participate** in a decision for it to be valid is set out in the establishing Act or terms of reference. It is usually 'a majority of the members for the time being in office'.

If a board member is unable to vote on a particular issue (e.g. they are absent from the room due to a conflict of interest or they are attending remotely and a lengthy document is tabled to inform the proposed decision), the chair checks that a quorum still exists before the board proceeds with making a decision.

No proxy or absentee decision-making

Proxy or absentee voting is not permitted. Only board members who attend the meeting, in person or remotely, are part of the quorum.

⁴ An exception is the Budj Bim Council: the establishing documentation permits 'alternative' members.

Voting requirements

Each decision is to be made by **formal vote**. The establishing Act or terms of reference will set out your agency's decision-making requirements. Usually:

- a decision is determined by *'the majority of votes of members who are present and voting on the question'*
- in the event of a deadlock, the chair, or presiding member, has a casting (second) vote.

Whilst it is vital for the board to consult together as a team, you must each decide individually whether to agree with, or dissent from, a proposed decision, and make your choice known.

Each board member must balance respect for the expertise of others with their own duty to speak up, ask questions, and ensure that the correct decision is made.

Decisions must be valid

The board must ensure that each of its decisions is **valid**, including that it is consistent with:

- the purpose, functions, and powers of the agency
- the quorum and decision-making requirements specified in the establishing Act (see above)
- all applicable laws and related obligations.

In addition, certain decisions may need to be:

- ratified by legal instrument
- affixed with the agency's common seal, and/or

approved by the minister before taking effect (e.g. strategic and business plans).

Decisions must be in the public interest

The board must also ensure that each of its decisions is in the **public interest**, including that it is:

- ethically sound and fair (e.g. consistent with the *Directors' Code of Conduct*, including made in good faith, with honesty and integrity, without bias, in a financially responsible manner, and with a reasonable degree of care, diligence and skill); and
- consistent with government policy; the agency's strategic and business plans; and any directions, guidelines, and/or statements of obligation or expectation issued by the Minister.

Resolutions without meetings

It is preferable that all decisions of the board are made at board meetings. However, where an urgent decision is required by the board and the chair deems it to be

warranted, a decision of the board can be made by written resolution as follows:

If **every** board member sees a document setting out a proposed resolution of the board (or an **identical** copy thereof) and the majority sign a statement at the bottom of that document (or identical copy) that they are in favour of the resolution, then the resolution is deemed to have been passed at a board meeting held on the day that the last board member signs. Each board member must be advised as soon as practicable whether the resolution has passed.

A resolution passed in this manner is equivalent to minutes of a board meeting and must be dealt with accordingly. This includes being endorsed at the next board meeting and retained as an enduring record of the board's decision.

Minutes of the meeting

The secretary of the board records the minutes of each meeting or arranges for someone else to do so. The minutes must be an accurate record of the meeting.

DEECA's model policy sets out a list of what should be included in the minutes, and a minutes template.

The draft minutes are sent to the chair for review (preferably within a few days of the meeting) and then to the other board members. The minutes are endorsed by the board, with any necessary amendments, at the next meeting.

The chair signs the endorsed minutes on behalf of the board. They are retained as an enduring record of the board's decisions. A complete set of board papers is also retained, including copies of any documents tabled at the meeting.

As with other documents produced by the board (e.g. *Register of Interests*), minutes are a public record. However, this does not mean they are automatically 'open to the public'. Unless the board agrees, a member of the public who wants to see the minutes would need to lodge an application under the *Freedom of Information Act*. If this occurs, the board can contact DEECA, which can provide advice and assist the board to assess whether the minutes are exempt from disclosure.

Other obligations and good practice

Confidentiality and proper use of information

Any information that a board member receives in his/her role:

- must only be used for proper purposes: It must not be used to gain advantage for the member (or any other person) or to cause detriment to the agency

- must be kept confidential, even after the member resigns or otherwise leaves the board.

Major risks

If the board decides that there is a major risk to the proper management of the reserve, the chair will notify the local regional office of DEECA.

Further information

On Board (www.deeca.vic.gov.au/onboard), in particular, the [Board meetings and decisions](#) support module.

DEECA also offers support to its agencies through DEECA divisions and regional offices. Please contact your agency's usual relationship manager or team or phone the Customer Service Centre on 136 186.

This document is available from the internet at www.deeca.vic.gov.au/onboard

For more information contact the DEECA Customer Service Centre 136 186

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