

## BOARD OF DIRECTORS Bi-Monthly Meeting Minutes

<b>Meeting:</b>	Board of Directors	<b>Date:</b>	Thursday, 27 June 2024
<b>Meeting No.:</b>	3/2024	<b>Time:</b>	5.30pm
<b>Chair:</b>	Phil Drummond	<b>Venue:</b>	The Courthouse Restaurant, Warragul

### Members In Attendance:

Phil Drummond	Board Director/Chair
Leisa Harper	Board Director/Secretary
Edwin Vandenberg (via telephone)	Board Director
Emma Vandenberg (via Microsoft Teams)	Board Director
Gary Dore	Board Director

### Others In Attendance:

Jenelle Henry	Chief Executive Officer
Lora Moulton	Executive Assistant (& Minute Taker)

### Apologies:

Robyn George	Board Director/Treasurer
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Agenda No.	Subject
1.	<p><b>Acknowledgement</b></p> <p>I acknowledge the traditional custodians of the land we are meeting on today, the Gunnai Kurnai people, and pay my respects to their Elders, past present and emerging.</p>

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2.	<p><b>Appointment Of Positions</b></p> <p>Time Keeper: Lora Moulton Minute Taker: Lora Moulton</p>
3.	<p><b>Declaration Of Conflict Of Interest</b></p> <p>Nil</p>
4.	<p><b>Confirmation Of Previous Minutes</b></p> <p>Motion: That the minutes of the previous meeting, held on Thursday, 18 April 2024, be accepted.</p> <p><b>Appendix 4a</b></p> <p>Moved: Leisa Harper Seconded: Emma Vandenberg</p>
5.	<p><b>Matters For Board Discussion &amp; Decision</b></p> <p><i>Welcomed our new member, Kate Yeowart.</i></p> <p><u>5.1 Action List Review</u></p> <p><b>Appendix 5a</b></p> <p>Items in this document were reviewed, after not being looked at in the preceding meetings due to the comprehensive revisions being made to the overall risk list. This included providing essential background details for the benefit of the newly appointed Board member, Kate Yeowart, for her understanding of the ongoing projects.</p>

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	<p data-bbox="288 651 756 685"><u>5.2 Audit &amp; Risk Subcommittee</u></p> <p data-bbox="288 701 453 734"><u>Appendix 5b</u></p> <p data-bbox="288 750 1453 981">The Audit &amp; Risk Subcommittee convened on the 4<sup>th</sup> June to deliberate on the organisation's risk framework. The committee's discussion primarily focused on the financial aspects of the risk matrix. There was a consensus that the current levels of financial risk might not be pertinent to Headway. Given the budget and the fact that it is operating at a deficit, a more conservative approach was proposed. The Board discussed this and agreed adjusting the lower threshold of financial risk from \$50,000 to \$25,000 and the catastrophic level from \$500,000 to \$250,000 would be more suitable.</p> <p data-bbox="288 1003 1453 1099">The current risk of operating at a deficit was acknowledged. A suggestion was made to split the term deposit into multiple accounts with staggered maturities, ensuring funds are accessible when needed.</p> <p data-bbox="288 1122 1453 1420">Further discussions included the review of the risk document in upcoming meetings, reviews of NDIS, and anticipation for future assessments. The subcommittee also reviewed insurance renewal options. After discussions between Gary and JH, and receiving quotes from two different brokers, the recommendation was to maintain the current insurance policy. However, it was noted that exploring the policy's limitations before the next renewal would be beneficial. A concern was raised about the procurement of a single quote from each broker, the reason for this was that each broker was only able to find one provider. This highlighted the need for a broker capable of providing multiple quotes for comparative analysis, if possible</p> <p data-bbox="288 1442 1337 1503">The next meeting of the Audit &amp; Risk Subcommittee is scheduled for this coming Thursday.</p> <p data-bbox="288 1570 756 1603"><u>5.3 Governance Subcommittee</u></p> <p data-bbox="288 1619 1422 1821">The Governance Subcommittee has convened twice to address a substantial agenda. The initial meeting in May laid the groundwork for reviewing two key remuneration policies, the CEO's contract and position description, followed by the constitution. This comprehensive review necessitated a follow-up meeting in mid-June, where the aforementioned policies and the employment model were looked at. The subcommittee presented two draft documents, which are now accessible in the Board portal.</p> <p data-bbox="288 1843 1453 1973">Consultations with Caitlin from Full Circle HR and Jenelle have resolved several queries and provided necessary advice. An inquiry prompted a discussion about the potential inclusion of a new clause; however, the exact wording remains to be finalised, also noted that the topic is currently irrelevant due to the absence of a surplus.</p> <p data-bbox="288 1995 1453 2092">The reference to fiscal years 24/25 in the documents was noted, and suggestion that the new arrangements should be anchored to a fixed date, specifically 1 July. The precise language for this adjustment is still under consideration.</p>

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	<p>A concern was raised about a missing element in the documents, which is believed to have been amended. Leisa will verify this change. There was a query regarding the necessity of formatting the documents prior to their adoption. The subcommittee proposed that the board approve these two policies, with Lora providing administrative support for formatting. The subcommittee has commenced work on the next item on their agenda.</p> <p>Motion: That the board accept these two policies, with admin assistance from Lora to format.</p> <p>Moved: Leisa Harper</p> <p>Seconded: Emma Vandenberg</p> <p><u>5.4 Remuneration Policies</u></p> <ul style="list-style-type: none"> <li>• Executive Remuneration Policy</li> <li>• Employee Remuneration Policy</li> </ul> <p>Discussed above.</p> <p><u>5.5 Strategic Planning</u></p> <p><b>Appendix 5c</b></p> <p>The initial draft of the Strategic Plan submitted by Jenny from Non Profit Training was reviewed. While acknowledging the comprehensive nature of the draft, there was a shared sentiment that the plan requires further creative input to truly reflect Headway's need for reinvention. The Board agreed that the strategic plan is a crucial element in this transformation, yet it must also remain attainable without imposing an excessive workload.</p> <p>Discussion held around the suggestion that Board members take time to individually review the draft, annotate with comments, and prepare for a thorough discussion at the meeting in September. This approach aims to refine the Strategic Plan well in advance of the Annual General Meeting (AGM) scheduled for October. This discussion resulted in the suggestion of an additional workshop, which Leisa offered to facilitate. The aim would be to collaboratively refine the Strategic Plan, incorporating both longstanding and fresh perspectives. Given the uncertain trajectory of the NDIS and the necessity for diversified income streams to sustain operations over the next 1 to 5 years, the Board recognised the urgency of this endeavour. The current constitution was identified as a limiting factor, necessitating amendments to enable progress. This workshop has been scheduled for 5.30pm on 15 August, at the Morwell office.</p> <p>The Board meeting that was scheduled for this date has now been moved to 5.30pm on 22 August and will take place at The Courthouse Restaurant in Warragul. Lora to distribute invitations for both.</p>

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	<p>Board members to review the Strategic Plan draft prior to the 15 August workshop.</p> <p><u>5.6 Property at Welshpool</u></p> <p><b>Appendix 5d</b></p> <p>The Board provided a comprehensive background to the new Board member regarding the property at Welshpool. Despite Headway holding an 80% ownership stake, we do not have control over the property. The 20% co-owner is noted for her dedication to supporting individuals with disabilities and prefers a hands-on approach to management.</p> <p>The Board had previously hoped to arrive at a resolution without forcing proceedings. However, as all other strategies have been exhausted, the following options were considered:</p> <ul style="list-style-type: none"> <li>• The co-owner sell or transfer her share to the organisation.</li> <li>• Sell our share to the co-owner.</li> <li>• Force a sale of the property through legal action, which would involve taking the case to the Victorian Civil and Administrative Tribunal (VCAT).</li> </ul> <p>The Board resolved to initiate sales proceedings and Richard from B D Legal will be instructed to commence the process.</p> <p>Motion: Contact Richard at B D Legal to begin sales proceedings.</p> <p>Moved: Edwin Vandenberg</p> <p>Seconded: Leisa Harper</p> <p><u>5.7 Property at Catherine Street, Morwell</u></p> <p>The Board considered the potential of the Catherine Street property to expand service offerings. After inspections by staff and Board members, the possibility of relocating the SC team from the Newborough office to Catherine Street was discussed. A 12-month lease offer has been extended and accepted, pending final Board approval.</p> <p>The property is recognised for its readiness, being neat, tidy, and adaptable to various uses. It presents numerous opportunities, albeit constrained by available time, resources, and staffing. The consensus is that the property represents a worthwhile venture, posing less risk compared to other real estate endeavours previously considered.</p> <p>JH advocates for the property's acquisition, citing its comparative advantages and lower associated risks. Past efforts to secure suitable buildings have been met with challenges, and this property is seen as a viable option that aligns with the organisation's needs.</p> <p>Gary proposed engaging with local council authorities to ascertain any potential restrictions or requirements. Concurrently, Jenelle recommended that B D Legal be</p>

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	<p>consulted to provide legal insights into the acquisition process. These steps are deemed crucial in informing the organisation’s strategic planning.</p> <p>The Board agreed to postpone further planning and decision-making regarding the property until the necessary information is obtained. Gary has been tasked with initiating contact with the council to understand the limitations related to council regulations, zoning, and legal considerations.</p> <p>The Board will reconvene in August to review the findings and make informed decisions on the future of the Catherine Street property."</p> <p><u>5.8 Draft Budget (2024/25)</u></p> <p>Appendix 5e</p> <p>Appendix 5f</p> <p>Jenelle presented the draft budget, outlining the current financial projections and allocations. Edwin highlighted that the strategic planning meeting could substantially impact the budget, suggesting the potential for revisions. Notably, SC (Support Coordination) and PM (Plan Management) have remained unchanged for four years, in the NDIS Price Guide. There is an expectation that an increase in these areas would lead to notable adjustments in the overall budget.</p> <p>Mention was also made of other budgetary items, including insurance, the Employee Assistance Program (EAP) provider, and Workcover, noting that no significant increases have been projected in these areas at this time. The draft budget does not account for new positions or unforeseen expenses, maintaining a conservative stance in anticipation of the forthcoming NDIS Price Guide.</p> <p>Given the absence of the new NDIS Price Guide, the draft budget is based on cautious estimates, with the understanding that it will be subject to review and possible amendment upon the release of the updated guide.</p> <p>Motion: To adopt the draft budget.</p> <p>Moved: Leisa Harper</p> <p>Seconded: Phil Drummond</p> <p><u>5.9 Membership</u></p> <p>Appendix 5g</p> <p>The Board deliberated on the strategic direction regarding membership growth. The discussion centred on whether to actively pursue an increase in membership or maintain the status quo. It was proposed that any decision on this matter be deferred until after the completion of the constitutional changes.</p>

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	<p>The value proposition for members was also examined, prompting a review of what the organisation currently offers its members. The Board agreed to revisit this topic post-constitutional amendment to ensure alignment with the updated framework.</p> <p>A point of order was raised concerning the eligibility of employees for membership. Phil expressed uncertainty over whether the constitution permits employee membership, noting that Jenelle and Wendy are currently members. This should be investigated to clarify the constitutional stance on employee membership.</p> <p>The Board unanimously supported the motion to extend life membership to Maxine Davies in recognition of her years of dedicated service. This honour is to be formally presented at the upcoming Annual General Meeting (AGM).</p> <p>Motion: To extend life membership to Maxine Davies.</p> <p>Moved: Leisa Harper</p> <p>Seconded: Phil Drummond</p> <p><u>5.10 Board Performance Assessment</u></p> <p><b>Appendix 5h</b></p> <p>An oversight was noted regarding the omission of the Board Performance Assessment from the current meeting's agenda. Lora has been tasked with ensuring that this assessment is included in the agenda for the subsequent meeting."</p>
6.	<p><b>CEO Report</b></p> <p><u>6.1 Report</u></p> <p><b>Appendix 6a - CEO report</b></p> <p><b>Appendix 6b - Brevity reports (to follow)</b></p> <p>Motion: That the CEO Report be accepted.</p> <p>Moved: Leisa Harper</p> <p>Seconded: Kate Yeowart</p>

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<b>7.</b>	<p><b>Financial Report</b></p> <p><u>7.1 Balance Sheet</u></p> <p>Appendix 7a - Balance Sheet (collapsed) - May 2024</p> <p><u>7.2 Budget vs Actual</u></p> <p>Appendix 7b - Budget vs Actual (summary) - April 2024</p> <p>Appendix 7c - Budget vs Actual (summary) - May 2024</p> <p>Motion: That the Financial Report be accepted.</p> <p>Moved: Gary Dore</p> <p>Seconded: Leisa Harper</p>
<b>8.</b>	<p><b>Other Business</b></p> <p><u>Internal Audit Cycle</u></p> <p>The Board discussed the review process for the engagement of auditors and the appropriate frequency for such reviews. It was agreed that a three-year cycle is optimal for assessing the effectiveness and performance of the auditors. The Risk &amp; Audit Committee has been tasked with initiating this review process in preparation for the 2025 audit.</p>
<b>9.</b>	<p><b>Board Correspondence</b></p> <p>Nil</p>



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10.	<p><b>Next Board Meeting</b></p> <p>Date: Thursday, 22 August 2024</p> <p>Time: 5.30pm</p> <p>Venue: The Courthouse Restaurant, Warragul</p>

<b>Meeting Closed</b>	
Date:	Thursday, 27 June 2024
Time:	7.31pm
Chair:	Phil Drummond
Signature:	
Date signed:	