

JULY 2021

NEW DIRECTOR INFORMATION PACK

Avoca District Co-operative Limited



#stronger



#vibrant



#connected

 **Bendigo Bank**

Community Bank
Avoca, Maryborough and St Arnaud

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INTRODUCTION

Thank you for expressing an interest in the position of volunteer director of the Avoca District Co-operative Limited.

The following information is a guide to educate applicants on the director recruitment process and the strategic direction of the board.

For further information, contact:

Executive Office – Julie Driscoll

Phone – 0411 234 800

Email – secretary@avocacoop.com.au

If you wish to proceed, please complete the application form and return via email secretary@avocacoop.com.au

HISTORY

In December 1998, the Avoca District Co-Operative Ltd was formed. It raised \$245,000 from 230 shareholders to purchase the franchise for the 6th Community Bank branch of Bendigo Bank. A Branch Manager and two Customer Service Officers were recruited, and our very own bank opened for business in February 1999. Community Bank Avoca along with Beaufort are now the only banks in the whole of the Pyrenees Shire.

Our Maryborough site was first an agency operated by pharmacy staff at Haywood's Pharmacy. In 1999 when Community Bank Avoca opened, management of the Agency was offered to Avoca. By 2006 it had outgrown the space available in the Pharmacy and was moved to Tuaggra Street where it still is today as a fully operational branch.

In 2011, the Avoca District Co-operative was offered management of the Bendigo Bank Agency in St Arnaud. The Agency is operated by Bruce and Casey Hando in their SportsFirst Shop on Napier Street. Significant upgrades were undertaken to the St Arnaud Agency in early 2016, to allow better business development opportunities, with a new shop front constructed and meeting room established.

COMMUNITY CONTRIBUTIONS

Community banking is based on a 'profit-with-purpose' model, which means our profits are returned directly to the community that has generated them. Everyday our customers help change and save lives, simply by banking with us.

As of July 2021, community contributions exceed \$1.5m which have benefited a wide range of community groups.



Significant projects to date include:

Maryborough District Health Services	\$150,000	Various projects including two vehicles for the transport of cancer patients, Centre of Inspired Learning (COIL) and Inspired Learning classroom.
Avoca Children's Centre	\$60,000	Furniture and landscaping for the centre which includes kinder, childcare, playgroup and maternal health services
Central Goldfields Shire	\$40,000	Skate and Scooter Park (in progress)
Pyrenees Shire Council	\$30,000	Avoca Inclusive Playspace
McCallum Disability Services	\$22,599	Art and craft space
East Wimmera Health Services	\$16,500	Palliative care suite upgrades
Maryborough Ambulance Auxiliary	\$16,500	Maryborough Aeromedical Transfer Station (MATS)

STRATEGIC PLAN & VALUES

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Author:	Donna Wardlaw	Version Changed:	7 July 2020 (review)
Endorsed By:	Board	Review Date:	7 July 2021
Implementation Date:	4 June 2019	Distribution:	Board/Staff

PURPOSE

The Board will approve the corporate strategy of the Company.

A corporate strategy document will be updated and approved each year, not less than three (3) months prior to the commencement of budget development.

ROLE & RESPONSIBILITIES

The Board will be fully involved in the development of the strategic plan. Progress on the strategic plan will comprise part of the EO's Board report.

The Board recognises that its primary responsibility is to ensure that the strategic plan, values and goals of the organisation are achieved.

1. The Board establishes the organisation's strategic plan, values and goals and ensures their integration in all aspects of the organisation.
2. The Board regularly reviews the strategic plan, values and goals as part of its strategic planning process.
3. The Board determines and reviews which existing and new programs and services are most consistent with the strategic plan, values and goals.
4. The Board receives progress reports from the Branch Manager on the implementation of the relevant sections of the strategic plan, values and goals within the organisation.

OUR VISION

To help build strong, connected and vibrant communities in Avoca, Maryborough and St Arnaud

OUR MISSION

Together with our partners, we will create opportunities to grow our business, forge strong and meaningful relationships and share the benefits of our success with all of our stakeholders

OUR VALUES

Courage

Integrity

Leadership & Teamwork

Collaboration

Passion

The full Strategic Plan will be located in the branch for staff and the community to view.

CODE OF CONDUCT

Document Owner:	Board	Version:	3
Author:	Donna Wardlaw	Version Changed:	3 September 2019
Endorsed By:	Board	Review Date:	3 September 2021
First Issued:	27 October 2016	Distribution:	Board/Staff

PURPOSE

This Code of Conduct outlines the principal considerations expected of the Directors and the staff of the Avoca District Co-operative Ltd. It does not cover all the duties of Directors or staff.

There are many other duties more specifically set out in other Policies & Procedures and other documents of the Co-operative.

Any breach/es of this Code of Conduct will result in an investigation and may result in disciplinary action including possible termination.

CODE OF CONDUCT

- Directors and staff will, at all times, act in accordance with the Vision, Mission and Values of the Co-operative. They will also, at all times, comply with the Guidelines, Policies and Procedures of the Co-operative.
- Directors & staff must act with integrity, honesty, in good faith and in the best interests of the Co-operative as a whole.
- Directors and staff will show leadership and demonstration effective teamwork when representing the Co-operative.
- Directors have a duty to use due care and diligence in fulfilling the functions of office and exercising powers attached to that office. This includes taking an active role in the ongoing administration of the Co-operative, attending Board meetings and participating on discussions and decisions on issues under Board examination.
- Directors must use the powers of office for a proper purpose, in the best interests of the Co-operative as a whole, avoiding any attempt to use the position of Director to gain favourable treatment or status.
- Directors will ensure at all times that a clear separation exists between the roles of the Board and the Community Bank branch staff. Staff will respect the role of the Directors and understand that they are volunteers.
- Directors will ensure that they treat other Directors and staff with respect and not undermine, interfere or engage in activities that are outside their jurisdiction. Staff will be provided with working conditions that meet reasonable standards as defined in relative legislation.
- Directors must recognise that their primary responsibility is to the Co-operative's Shareholders as a whole but should, where appropriate, have regard for the interests of all stakeholders. Directors and staff will work in proactively and in collaboration with our partners.

- Directors must not make improper use of information acquired as a Director, ensuring that they respect the privacy of any information disclosed to the Director because of their position of trust within the Co-operative.
- Directors must not take improper advantage of the position of Director, avoiding any request for favourable treatment from Community Bank staff or management, and not requesting confidential banking information from staff or management.
- Directors & staff must not allow personal interests, or the interests of an associated person, to conflict with the interests of the Co-operative. Where a Director or staff member has any interests that may conflict with their position, they are to declare those interests at the first appropriate moment to the Board and refrain from voting on any item in which their interest is material. Conflicts of interest also apply to partners of Directors and staff. These conflicts need to be declared as required.
- Directors have an obligation to 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 but should, once a Board decision is made, abide by that decision.
- Confidential information received by a Director in course of the exercise of directorial duties remains the property of the Co-operative and it is improper to disclose it, or allow it to be disclosed, unless the disclosure has been authorised by the Board, or the person from whom the information has been provided, or is required by law.
- Directors and staff must not engage in any conduct likely to bring discredit upon the Co-operative, Community Bank or Bendigo Bank. Directors and staff must not undertake activities of an illegal or improper nature, must not make misleading statements or give false impressions about the past, present or future performance of the Community Bank to Shareholders, community or suppliers.
- Directors will at all times recognise that they are not the owners of the Co-operative, but custodians on behalf of the Shareholders and communities, ensuring that due diligence is made in all decisions and that appropriate protections for the assets of the Co-operative are in place to help ensure the long term vitality of the Co-operative.
- Directors and staff have an obligation, at all times, to comply with the spirit, as well as the letter, of the law and with the principles of this Code of Conduct.

BOARD CHARTER

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Author:	Donna Wardlaw	Version Changed:	3 September 2019
Endorsed By:	Board	Review Date:	3 September 2021
First Issued:	27 October 2016	Distribution:	Board/Staff

PURPOSE

This Board Charter sets out the role, responsibilities, structure and processes of the Board of the Avoca District Co-operative Limited.

ROLE AND RESPONSIBILITIES

1. The role of the Board is to provide leadership and strategic guidance for Community Bank Avoca, Maryborough and St Arnaud agency. The Board is accountable to the shareholders for the performance of the Banks business. In performing its role, the Board aspires to excellence in governance standards.
2. This requires the Board to work as a team and meet on a regular basis.
3. The key responsibilities of the Board are:
 - a. Approving the strategic direction of the Co-operative through the development of a 5-year strategic plan and implementing an annual Business Plan to help achieve its targets.
 - b. Approving the Branches annual targets and financial statements and monitoring financial performance against forecast and prior periods.
 - c. Determining dividend amount, nature and timing of dividends to be paid.
 - d. Managing the Co-operative's risk through the implementation of a governance plan (as part of the strategic plan).
 - e. Selecting, appointing and terminating the external auditor.
 - f. Set the Co-operative's standards of conduct and corporate values and ensure that they are well communicated, monitored and implemented.
 - g. Manage both board and staff effectively, conduct annual reviews, undertake skills assessments and maintain training registers for all members of the organisation.

BOARD STRUCTURE

4. The Board is responsible for deciding the standing sub-committees and any other adhoc committees. The current sub-committees are:
 - a. Audit & Risk (A&R)
 - b. Finance
 - c. Human Resources (HR)
5. The sub-committee charters are detailed in the Corporate Governance Manual. The Board will determine the membership and composition of the sub-committees, taking into account skills, experience and workload.
6. The Board will comprise of a majority of non-executive Directors and the size is in accordance with the Rules of the Co-operative (minimum 9, maximum 12).
7. The Board is responsible for identifying possible future Directors and will appoint Directors to fill casual vacancies as required.

8. The Board decide on recommendations from the Audit & Risk and HR committees in relation to Board composition and nomination matters including the re-election of Directors retiring by rotation.
9. Collectively, Directors will have a broad range of skills and the Board will complete a skills assessment to ensure its composition meets the requirements of the Boards activities as required but as a minimum when Directors retire.
10. Directors will be appointed in accordance with the Rules of the Co-operative and supporting policies.
11. The Board will decide on remuneration and/or incentive packages (if any) of non-executive directors, and seek approval of same by resolution at the AGM.
12. The Board will appoint one of its members to be the Chairperson in accordance with the Rules of the Co-operative.
13. The Board will undertake ongoing assessment and performance review, including its sub-committees and individual Directors as required.

CO-OPERATIVE SECRETARY

14. The Board is responsible for selecting and appointing the Co-operative Secretary, managing their terms of appointment and remuneration levels.
15. The Co-operative Secretary is responsible for the co-ordination of all Board business, including agendas, board papers, minutes and communication with regulatory bodies.
16. The Co-operative Secretary manages the Shareholder Registry
17. Appointment and removal of the Co-operative Secretary is subject to Board approval.
18. All Directors have access to the Co-operative Secretary.

BOARD MEETINGS

19. The Chairperson is responsible, in conjunction with the Co-operative Secretary for the conduct of all board meetings.
20. Board meetings are to be held on the first Tuesday of each month, with the venue alternating between Avoca, Maryborough and St Arnaud.

DELGATION TO MANAGEMENT

21. The Board in conjunction with Bendigo Bank, will appoint a manager or managers to the Branches as deemed appropriate.
22. The Branch Manager/s are responsible for the day to day operation of the business and are subject to specified delegations of authority approved by the Board.

ETHICAL STANDARDS

23. Board members are expected to observe the highest standards of ethical behavior.
24. The Board supports and encourages policies within the Co-operative which require Directors and employees to act in accordance with these policies at all times.

CONFLICTS OF INTEREST

25. Directors are expected to avoid any action, position or interest that may be considered in conflict with the Co-operative.
26. A Director that has a conflict of interest must give the other Directors notice of such interest.
27. The Co-operative Secretary will maintain a register of declarations of conflict of interest and report them to the Board as necessary.

NEW DIRECTOR POLICY

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Author:	Julie Driscoll	Version Changed:	7 December 2020
Endorsed By:	HR	Review Date:	7 December 2022
First Issued:	27 October 2016	Distribution:	Board

PURPOSE

This policy seeks to ensure that new ADCL board members are provided with the information and training necessary to enable them to contribute appropriately to the ADCL board operations from the time of their election.

POLICY

New board members shall be provided with the information and training necessary to enable them to contribute appropriately to the ADCL operations.

RESPONSIBILITIES

It shall be the responsibility of the Executive Officer to ensure that the materials specified in this policy are prepared and distributed, and to ensure that the procedures specified in this policy are implemented appropriately.

It shall be the responsibility of the director to ensure all policies and procedures are followed. Failure to do so may result in termination.

PROCEDURES

INITIAL CONTACT

The New Director Recruitment Procedure shall be followed in the recruitment of new directors. Only after the procedure has been followed, do the following steps come into effect.

As soon as possible after the board has confirmed the appointment of a new director the Executive Officer shall make contact with the new member to let them know the outcome. The Chair will write a letter of congratulations and welcome.

The Executive Officer will also ensure the relevant paperwork required by Bendigo Bank is completed and returned within the required timelines.

GOVERNANCE POLICY MANUAL

The Executive Officer shall provide a copy of the Avoca District Co-operative Governance Policy Manual to the new director either electronically (via iPad/tablet) or hard copy. The manual will serve as an initial introduction to the group as well as an ongoing reference.

Other relevant documents that will be made available:

- Rules of the Avoca District Co-operative Limited
- Strategic Plan
- Franchise Agreement

- Annual Report
- Business Plan (TBA)
- Financial reports – assistance will be provided in understanding these reports

The Executive Officer will also arrange for the following to be provided:

- Name badge
- Corporate apparel
- iPad/tablet and supporting equipment
- Email address (including instruction on use)

Director Participation Requirement

Minimum requirements for Director participation on the ADCL Board (these criteria may be used to rate Director Performance as part of the HR review of Board structure):

- Undertake a police check (also required if re-elected after a 3-year term)
- Sign a non-disclosure agreement
- Declare and actual, perceived or potential conflicts of interest
- The position of director for a 3-year term
- Assist to find a suitable replacement if you choose to retire within the 3-year term
- Attend all board meetings as is reasonable or take all steps to make sure you are up to date if you are unable to attend.
- Represent one board committee and/or represent the board with one or more or key stakeholders (community group, business, government).
- Compulsory attendance at New Director Induction session provided by BEN
- Attend at least 1 state or national conference in your 3-year term (fully funded by ADCL)
- Be computer literate for access to email, Google Drive and SharePoint documents, video conferencing (Zoom, WebEx etc) and respond to emails and/phone calls promptly.
- Uphold the principals of the Community Bank Model and the requirements of the Bendigo and Adelaide Bank Franchise Agreement. Ensure ADCL's rules are followed and the values (as outlined in the Strategic Plan) and followed.
- Act as an advocate for ADCL and create opportunities to increase banking business with our branches. You are not required to know any banking products or services, but to proactively refer leads through to the branch managers.
- Hold a minimum of 10 shares with the Avoca District Co-operative Limited and at least 1 product with one of our branches.

Director Remuneration

ADCL remunerates directors on a monthly basis, with the rate reviewed annually. This remuneration is in recognition for the costs incurred by directors in providing their services.

Director Reimbursement

Directors, at their discretion, can request reimbursement for travel to board meetings, committee meetings, conferences and any other board associated travel. Travel will be reimbursed at the current ATO rate.

Directors can request the Expense Claim Template from the Executive Officer. Once completed and returned to the Executive Officer, reimbursement will be promptly paid.

DIRECTOR RECRUITMENT PROCEDURE

Document Owner:	Board	Version:	4
Author:	Julie Driscoll	Version Changed:	7 December 2020
Endorsed By:	HR	Review Date:	7 December 2022
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PURPOSE

This procedure is set up to assist the Board in the new director recruitment process.

RESPONSIBILITIES

The Board will review its composition on a minimum 2 year basis, particularly when director retirement occurs, with the process initiated by the HR Committee. The HR committee will also review the skills assessment of the members of the Board.

The HR Committee is responsible for the implementation of the Director Recruitment Program. Recommendations of potential candidates can be made by any Board member and the HR Committee will follow this procedure in the recruitment process.

The Avoca District Co-operative Ltd will through its Rules appoint Directors as either:

- Non-executive (or volunteer) Directors – required to be a Shareholder of the Co-operative
- OR
- Board Advisors (professional individuals that are appointed for specific skills e.g. accountants or lawyers and are not required to be Shareholders).

PROCEDURES

The skills audit undertaken by the Board will form the basis for appropriate Director Recruitment.

1. Director vacancies can be advertised in the local newspapers and/or social media. However, the Board has the discretion to fill a vacancy without advertising.
2. Potential candidates will be asked to complete a **Skills Assessment Form** and forward this to the Executive Officer.
3. A minimum of two board members will undertake an informal interview with the candidate that will allow both parties to ask further questions and understand more about the expectations of the role.
4. If the candidate is deemed suitable by the board members undertaking the interview, the candidate will be asked to join the board in a 3 month 'observer' role. The candidate must complete a confidentiality agreement (BEN Deed Poll) and will then be given access to board reports. The reports will be shared via email as PDF documents, not via access to Google Drive. The candidate will also be invited to attend board and committee meetings, where appropriate.
5. Following the 3 month observer period, a recommendation will then be forwarded to the Board for ratification to officially proceed with the **Director Nomination/Acceptance Form**. Once the Director Nomination Form has been received the Executive Officer will provide the incoming Director with a copy of their **Nomination/Acceptance Form** and the **New Director Policy** will be followed.

6. The Executive Officer will maintain a list of potential candidates that the HR Committee may approach. This list should include candidates that have indicated that the timing for Directorship does not suit them at present.

BOARD AMBASSADORS

The ADCL will recognise the significant contribution that retiring Directors have made to the organisation by giving them the opportunity to become a Board Ambassador. This role will allow retiring Directors to continue to act as an advocate for the organisation and to provide information and advice to the present Board when invited to do so. The ADCL recognises the wealth of knowledge that sits with retiring Directors and that this knowledge is incredibly valuable for the ADCL to still have access too.

SUPPORTING DOCUMENTS

ADCL New Director Policy
ADCL Director Remuneration Policy and Procedure
ADCL Code of Conduct
ADCL Board Charter
ADCL Strategic Plan and Values

DIRECTOR APPLICATION

Please complete the below application and forward to the Executive Officer via email secretary@avocacoop.com.au

Name	
Address	
Daytime Phone	
Home Phone	
Mobile	
Email	
Date of Birth	
Occupation	
Community Service Involvement	
Professional/Academic Qualifications	
Business Management/Professional Experience	

Previous Experience as a Director	
<p>Personal Skills/Experience (in order of strength, maximum of three)</p> <p>E.g. Specific Computer Software, Sales, Marketing, Public Speaking, Secretarial, Administration, Leadership, Strategic, etc</p>	
Availability – E.g. times day or night, also please note any specific days, times you are not available?	
Do you consent to Police Check	
Why do you wish to join the Board?	
What specific contributions do you hope to make to the Board?	