

Appendix 5G Board Charter

1. Purpose of the Board Charter

Refer Members' Handbook 6.5

The Charter outlines how the National Board guides, governs, sustains, protects and develops New Zealand Red Cross in accordance with the Society's goals.

The National Board has adopted this Charter which is publicly available on the New Zealand Red Cross website.

The Charter provides the terms of reference for the Board, its roles, its conduct and its tasks. It is consistent with the obligations set out in the New Zealand Red Cross Constitution, further developed in the New Zealand Red Cross Members' Handbook, and with Board policies that may be determined from time to time.

The Charter will be reviewed by the National Board regularly, and may be modified at any time.

The Charter should be read in conjunction with the New Zealand Red Cross Constitution and the Members' Handbook.

2. Purpose of the Board

Members of the National Board have been elected or co-opted to provide leadership to determine and ensure the implementation of the strategic and financial goals of New Zealand Red Cross. In order to fulfil this purpose, the Board will:

- Govern in accordance with the Fundamental Principles of the International Red Cross and Red Crescent Movement, the Geneva Conventions of 1949, and the Additional Protocols
- Have regard for the Statutes of the Movement, the Constitution of the International Federation of Red Cross and Red Crescent Societies, and policies adopted at International Red Cross and Red Crescent meetings
- Act in accordance with the current strategic plan, operating plan, and other policy documents of New Zealand Red Cross
- Recognise and respect the views, efforts and contributions of members.

3. General powers of the Board

Refer Constitution Article 4.3 and Handbook 6.2

The powers of the National Board, its members and board committees are determined by the Constitution, the laws of New Zealand, corporate governance best practice, and the policies of New Zealand Red Cross. The National Board represents the members and the Movement.

In order to meet its legal and regulatory obligations and to effectively discharge its duties, the National Board may delegate nominated functions to specialised board committees, or individual board members. Delegation does not, however, discharge the National Board from its duties and responsibilities. The National Board, at all times, must bear in mind its fiduciary duties and responsibilities under the Incorporated Societies Act 1908 and Charities Act 2005.

4. Responsibilities and functions of the Board

The National Board shall add significant value to New Zealand Red Cross and ensure its long-term success and shall:

- Protect and enhance the rights and interests of New Zealand Red Cross members and other key stakeholders, retain full and effective control over New Zealand Red Cross, and provide strong leadership
- Determine and uphold New Zealand Red Cross values, adhere to high moral standards and ethical behaviour, and fulfil the Board's role with diligence while striving to gain trust and respect at all times
- Develop a national strategic plan for the New Zealand Red Cross within the relevant strategies and plans adopted by international components of the Movement for approval by National Council. The implementation is monitored and reviewed regularly
- Through the Secretary General, provide direction to management in accordance with the Constitution, Members' Handbook, policies adopted, or directions given by the National Council
- Bring independent and informed judgment to bear in making decisions for New Zealand Red Cross
- Appoint, monitor, counsel and, if necessary, dismiss the Secretary General
- Oversee the prudent management of New Zealand Red Cross' assets and ensure the financial health and sustainability of New Zealand Red Cross, ensuring all funding is used in accordance with the aims of New Zealand Red Cross
- Protect and grow the New Zealand Red Cross Foundation assets and appoint the Trustees
- Approve major capital expenditure, the New Zealand Red Cross annual plan and budgets, and review and monitor implementation of such
- Approve the Annual Report, consolidated financial statements, and Auditors' Report, then refer them for adoption by the National Council
- Ensure compliance with applicable national laws and regulations
- Accept responsibility to grow the organisation, develop its people and by so doing enhance the effectiveness and value of New Zealand Red Cross to the wider community. Acquire knowledge of and seek assurance that health, safety and wellbeing risks are effectively managed and resourced.
- Monitor New Zealand Red Cross risk management
- Review and propose amendments to the Constitution every five years
- Review and amend the Members' Handbook.

5. Composition of the National Board

Refer Constitution Article 4.1

The National Board has a maximum of 11 members. This includes six ordinary (elected) members, the National President, and a National Youth Representative (NYR), all elected by the National Council, and not more than three co-opted members.

The National Board should, from time to time, determine any skill gaps to ensure, through co-option that the Board retains appropriate skills and competencies.

New Zealand Red Cross will provide opportunities to ensure that all board members fully understand their role on the governing board.

6. Induction of new board members

New candidates are encouraged to understand their obligations and the financial and legal status of New Zealand Red Cross before accepting nomination. This will help to ensure that candidates understand the roles and responsibilities, and the time commitment required, both at National Board meetings and between such meetings.

When a new board member is elected or appointed, an induction programme will be provided to enhance the member's understanding of New Zealand Red Cross, the National Board's governance role, and the Movement.

The new member will be introduced to key staff, familiarised with the facilities, and provided with an up-to-date Board folder (in paper form or electronically).

Members will be expected to keep themselves up to date with changes and trends in the sector and the Movement, as well as with general trends in the economic, political, social, environmental, and legal climate.

7. National President and National Vice-President

Refer Constitution Article 5.2, 5.3

Under the authority of the National Council, the President shall lead the National Board.

It is the National President's responsibility to chair board meetings, facilitate discussion, ensure that all members present participate, and that deliberations result in clear decisions.

The National President represents New Zealand Red Cross in its relations with the Movement, the Government, other organisations and the media, and as Head of Delegation at international meetings.

When necessary, the National President may delegate some of these functions to another board member, or with the consent of the National Board, to any other member of New Zealand Red Cross or the Secretary General.

In the absence of the National President, the National Vice-President will be Acting President. The National Vice-President may also undertake other duties at the National President's request.

8. Secretary General

The Secretary General is appointed by the National Board and is accountable to the Board, through the National President for the effective implementation of the Board's strategic direction and achievement of objectives.

The National Board has delegated to the Secretary General responsibility for the following:

- Leadership – to provide direction and leadership to the whole organisation, to monitor the external environment and develop pathways to achieve objectives as set, with vision and initiative into the future.
- Operational Management – to oversee and monitor a high level of organisational performance including strategic planning, financial management, effective risk management, health and safety management, and senior staff selection.

- Culture and Change – to create, recognise, foster and reward a culture of openness, co-operation, collaboration, accountability and excellence; with continued recognition of its membership-based status with a culture of volunteer empowerment and commitment.
- Advocacy and Representation – to continually seek opportunities to promote New Zealand Red Cross and the International Movement in a way to foster recognition and support, to represent New Zealand Red Cross and act as a public spokesperson in conjunction with the National President.
- Protect and Build value of New Zealand Red Cross – to regularly monitor the external and internal environment, drive initiatives, strategies and actions to protect the brand and reputation of New Zealand Red Cross, to guide and develop effective relationships with the community, governments, donors and others to achieve New Zealand Red Cross objectives.

At least once a year, the National Board will review the financial and non-financial delegations of authority to the Secretary General and senior staff.

The National Board sets annual performance targets for the Secretary General based on the strategic plan. The People and Remuneration Committee assesses the performance of the Secretary General and reports back to the National Board.

9. Board Code of Behaviour

National Board members are at all times representing New Zealand Red Cross.

The National Board and the Secretary General drive New Zealand Red Cross' ethical values. Each Board member is expected to lead by example and demonstrate trust, integrity, honesty, sound judgment, respect, accountability, diligence, and commitment.

There may be occasions when individual board members require formal information from senior staff. However, unless a direct approach has been authorised by the National Board, it is important that any such requests are channelled through the National President and the Secretary General. This is to ensure the effective governance and management of New Zealand Red Cross, and that board members do not at any time undermine the authority of the National President or Secretary General.

An exception to this is the administration of the Audit and Risk Committee. These queries are authorised through the Chair of the Audit & Risk Committee and General Manager Commercial and Shared Services.

10. Communications

All communications with media will be through the National President or Secretary General, or alternatively their delegated authority.

Email is legally accepted as part of an organisation's records and can be open to public scrutiny. Email must always be used appropriately, sparingly, and in accordance with Board policies. The adoption of any social media communications must adhere to appropriate Board policies including that of social responsibility.

11. Board meeting operation

Refer Constitution Article 4.8

The National Board will meet at least quarterly, with further meetings called at the discretion of the National President. In addition, the Board should meet at least once a year to focus on strategic issues.

At the beginning of each financial year, the National Board should prepare an annual work plan consisting of strategic planning, operating plan approval, review of risk management, Board evaluation, the Secretary General's performance review, the annual budget, the annual meeting, etc.

It is crucial to the success of the National Board's work that members work together cooperatively while at the same time exercising sound, independent judgement. All members should participate fully and frankly in discussions, and should ensure that they have a sound working knowledge of the matters under discussion.

The agenda, reports, minutes of previous meetings, and any other pertinent Board papers should be circulated at least seven calendar days before each meeting.

12. Board Committees

The National Board has the power to appoint board committees who report back to the full Board.

Currently, the National Board has four permanent committees: Audit and Risk, People and Remuneration, International, and Honours and Awards. The Board may establish other committees as required.

The terms of reference of permanent board committees are annexed to this Chapter (appendix 5H).

Unless otherwise agreed by the National Board, there will be a minimum of three board members appointed to each board committee. When not a full committee member, the National President shall be an ex-officio member of board committees (and when attending is able to vote). The Board will appoint the Chair of each committee.

The National Board may co-opt specialists for their knowledge, to any Board committee.

The minutes of all board committee meetings will be circulated to the full National Board. The Committee Chair will report back on those proceedings at the next board meeting.

Appointments to permanent board committees will be confirmed by the National Board, on the National President's nomination, at the first board meeting following the New Zealand Red Cross National Council.

Any costs of board committees will be identified and provided for in the annual budget.

13. Disclosure and Register of Interests

The National Board will maintain a register, recording and detailing the individual interests of each board member.

The purpose of this register is to ensure that the National Board is aware of any conflict of interest that may arise in any matter before the National Board of New Zealand Red Cross.

All the interests of individual members should be recorded, including their appointments to, or membership of, any other organisation. It is the board member's obligation to ensure the accuracy and completeness of their declared interests.

This Register will be maintained by the National Board secretariat services, included in board papers and will be updated by the National Board at the commencement of each meeting.

Board members are obliged to notify the National President or the National Board where matters for discussion may result in a possible conflict of interest for the board member.

Determination of a conflict of interest will be made by the National President, who will also determine whether a board member may deliberate on a matter of possible conflict and/or vote on any resolution required. Any challenge to the National President's adjudication will require a full National Board vote, which is final.

14. New Zealand Red Cross Budget

Financial responsibility is a key role of the National Board.

For each financial year, the Secretary General and staff will prepare a comprehensive operating plan and budget, based on the New Zealand Red Cross Strategic Plan, for the National Board to approve.

The Operating Plan and Budget will reflect the strategic imperatives approved by the National Board, both short and long term. In addition, the Operating Plan and Budget will reflect any particular matters, objectives, allowances, project outcomes, and directions that the Board may determine.

The Budget will have regard to the sustainability of the New Zealand Red Cross financial prudence, protection of the New Zealand Red Cross assets, and cash and funding requirements including the provision of any capital expenditure.

The draft Operating Plan and Budget will be considered by the Audit and Risk Committee prior to a recommendation for adoption by the full Board.

The Budget should be approved before the commencement of the financial year to which it applies.

The execution of the Budget and the New Zealand Red Cross financial operations will be undertaken by the Secretary General and the staff in accordance with delegated authorities. Any deviation from the Operating Plan or Budget, or any unforeseen impact, must be reported to the National Board.

15. Board budget and members' reimbursement of expenses

An allocation for reasonable and actual expenses forecast to be incurred by board members in properly carrying out their duties will be included in the annual budget. These expenses might include, air and taxi fares, accommodation, telecommunications, vehicle expenses, postage, stationery, and other such incidentals approved by the National Board.

The allocation for National Board expenses will also include provision for training, Board functions including national meetings of the membership, the National Council, and special meetings, plus any functions that the Board may determine appropriate in the year ahead, with a contingency allowance for unexpected expenses.

Expenses incurred by board members in carrying out their duties are reimbursed following submission of a claim form approved by the delegation process and supported by relevant evidence or receipts to the General Manager Commercial and Shared Services. In the case of the National President, the Chair of the Audit and Risk Committee shall sign the claims, or such other board member approved by the National Board. All board members with access to a New Zealand Red Cross credit card must follow the Purchase Card Policy.

Where a submission for expenses is subject to query, the National President shall be the sole arbitrator.

16. Services to the Board

New Zealand Red Cross staff will provide support to the National Board as necessary.

The General Manager Commercial and Shared Services will:

- Provide secretariat services to the National Board, its committees and working groups as required.
- Ensure that board meetings are appropriately minuted. (The Chair will circulate minutes for confirmation among the board members that they are a true reflection of proceedings and determinations, and then forward them to the Secretary General and General Manager Commercial and Shared Services. Appropriate action items are also circulated and included in the board pack for the next meeting.)
- Manage the process for the collation and distribution of board papers, for timely consideration by the National Board, committees, or working groups.

The National Board should take time annually to review the content, size, and timeliness of board papers and the style of board minutes.

17. A responsible employer

The National Board will always seek to ensure that New Zealand Red Cross is a responsible employer.

All staff are valued and important to New Zealand Red Cross. They will be treated in accordance with the Fundamental Principles, New Zealand Red Cross policies, and the laws of New Zealand. Policies will encompass fair and equitable treatment of all staff regardless of age, sex, ethnicity, or ability.

The health, safety and wellbeing of all members and staff, are paramount. Work practices and requirements will reflect that priority.

The National Board will seek to ensure that all staff receive compensation in keeping with their services and responsibilities, having regard to New Zealand Red Cross' ability to pay such compensation, and to the non-profit sector within which New Zealand Red Cross operates.

18. Provision of professional services by board members

It is generally accepted that board members will not provide paid professional advice or service to the National Board on board-related business, or to the national society on society-related business.

Board members may suggest members of the appropriate profession to provide such advice or service, which can be accepted or rejected by the National Board.

19. Independent professional advice

With the agreement of the National President, or failing that, the agreement of the National Board, any board member is entitled to seek independent professional advice.

New Zealand Red Cross may seek such advice in regard to any matter or commitment where independent professional advice would assist the National Board to reach a decision. Similarly, appropriate IT, legal, financial or other specialist advice may be sought where there is a possible conflict of interest with the staff.

New Zealand Red cross will reimburse approved independent professional advice and such advice will be made available to all board members.

20. Board policies

Policies are reviewed in full at least every three years. A review of the Policy list/ library is annual. Any Policy where New Zealand Legislation has changed and affects a Policy is updated.

21. Board folder

The Board Secretariat shall maintain an up-to-date Board folder (in paper form or electronically) to be given to each new board member at their induction. The folder should contain all key documents for governing the society.

22. New Zealand Red Cross Foundation

The New Zealand Red Cross Foundation financially protects, promotes and encourages the work of New Zealand Red Cross by establishing separate investment funds, which can be used, from time to time, as the Trustees grant on National Board request. The purpose, terms, and rules are incorporated in a Trust Deed. The Board accepts and endorses the Statement of Investment Policy and Objectives (SIPO).