



**Victorian Aboriginal Legal Service  
Governance and Risk Committee (GRC) Charter**

**Australian Company Number (ACN) [45926675900]**

**Australian Business Number (ABN) 45 926 675 900**

## 1. Introduction

- 1.1. The Victorian Aboriginal Legal Service Co-operative Limited (VALS) was established as a community controlled Co-operative Society in 1973. VALS plays an important role in providing referrals, advice/information, duty work or case work assistance to Aboriginal and Torres Strait Islander peoples in the State of Victoria.
- 1.2. The Governance and Risk Committee (GRC) is a standing sub-committee of the VALS Board established in accordance with the Board Charter. The Board Charter overrides any clause in this Charter should there be any inconsistencies.

## 2. Purpose

- 2.1. The purpose of the GRC is to assist the VALS Board in fulfilling its obligations through having focused oversight over VALS:
  - organisational governance structures, staff accountabilities and performance;
  - organisational policies review and endorsement;
  - organisational and strategic risk profile, risk management; and
  - organisational compliance with Australian laws and regulations.
- 2.2. This Charter sets out the authority, responsibilities, membership and operations of the GRC, adopting principles of corporate governance and practices that align with applicable laws.

## 3. GRC Composition

- 3.1. The GRC will comprise of two Board Directors and one independent advisor (collectively the members), who are appointed and approved by the Board annually.
- 3.2. Each member serves a one year term on the GRC, and may be reappointed annually by the Board through a majority vote. The decision to reappoint members must consider:
  - Performance and independence discussions undertaken with the GRC Chairperson and Board Chairperson. Results of these performance and independence discussions will be documented and reviewed by the Board prior to reappointment; and
  - The results of the GRC self-assessment process to ensure that GRC members possess the required skills and experience needed for committee membership.
- 3.3. The members, taken collectively, will have a broad range of skills and experiences. At least one member should have governance related experience with an understanding of the standards and requirements of the Australian Charities and Not-for-Profits Commission (ACNC) and the Office of the Registrar of Indigenous Corporations (ORIC). At least one member should have risk management experience, including understanding risk appetites and operational risk management.
- 3.4. The independent advisor or any other independent advisors invited by the GRC Chairperson to participate in GRC meetings to provide subject matter expertise will not have voting rights.

- 3.5. The CEO, CFO, and other members of staff may also be invited to attend the meeting of the GRC to present on specific agenda items, however, they will not have voting rights.
- 3.6. The Board Secretary will serve as the Chairperson of the GRC, and is appointed under clause 57 of the Constitution of the South East Australia Aboriginal Justice Services Limited. At no point can the Board Chairperson or the Finance and Audit Committee Chairperson serve as Chairperson of the GRC.

## 4. Role and Responsibility

### The GRC will:

- 4.1. Independently review and assess the suite of VALS policies and procedure.
- 4.2. Review VALS's organisational structure to ensure that executive and staff accountabilities are aligned with, and can meet organisational objectives.
- 4.3. Oversee the development and implementation of VALS risk profile and risk management framework.
- 4.4. Annually hold a risk workshop with VALS management to review identified risks and treatment plans and discuss any emerging risks and treatment plans.
- 4.5. Oversee VALS's framework for compliance with Australian laws, regulations and internal policies.
- 4.6. Make recommendations and endorsements to the VALS Board as to approve any recommendations from activities in relation to clauses 4.1 - 4.4.
- 4.7. Complete self-assessments on an annual basis to identify gaps in member skills and experience and to assist with succession planning.
- 4.8. On an annual basis, develop and review the GRC skills matrix to identify and address any gaps in the mix of skills and experience needed for committee membership. The skills and experience should be regularly mapped to the skills matrix to identify any collective gaps or individual development areas.

### Policy governance

- 4.9. Establish a programme to review all of VALS' policies on an ongoing basis. The programme will:
  - Be divided into the various functions of the organisation, enabling specific focus on the sub-suite of policies relating to that area;
  - Identify the policies which should be reviewed and updated to reflect processes which are required to be undertaken by staff in order to meet the strategic objectives of the organisation; and
  - Be endorsed by the GRC and presented to the Board for approval.
- 4.10. The programme should be reviewed on an annual basis and updated to reflect any changes within the organisation or any realignment of strategic priorities.

## Governance

- 4.11. Review the organisational structure to ensure that it is appropriate for enabling VALS in meeting their strategic objectives. The review will:
- Be undertaken after the development of the strategic plan;
  - Be undertaken during any realignment of strategic priorities and objectives; and
  - Be endorsed by the GRC should be approved by the Board.
- 4.12. Oversee and review Executive and staff accountabilities within the organisational structure to ensure that staff understand and are aware of their remit and responsibilities.
- 4.13. Oversee and review the appropriateness of VALS's volunteer program, which will include:
- Developing and reviewing the recruitment procedure to ensure that acquisition of volunteers is in accordance with strategic outcomes; and
  - Developing and reviewing a framework to oversee the ongoing management of volunteers, including ensuring that appropriate safeguards are in place to ensure that safety of volunteers and staff working with volunteers.

## Risk Management

- 4.14. Oversee the development and going review of VALS risk profile. This should include:
- Identification of material risks facing VALS and ascertaining the likelihood and impact of each of the risks;
  - Assigning accountability for the management of each material risk to specific staff members at VALS;
  - Review of mitigation plans proposed by management accountable for their risks;
  - Review the risk profile at each meeting to ensure it reflects the political, social and economic environment VALS operates; and
- 4.15. Oversee the development VALS risk management framework, which details the organisation's approach to managing risk and the processes and systems in place for managing risk.
- 4.16. Oversee the promotion by management of a risk-based culture throughout the organisation, including recognition of appropriate risk management practices

## Compliance with Australian laws, regulations and internal policies

- 4.17. Obtain periodic updates from management about the adequacy and effectiveness of the system for monitoring compliance with Australia laws, legislation and internal policies and the results of management's investigation and follow-up (including any disciplinary action) of fraudulent acts or non-compliance.
- 4.18. Be satisfied that key regulatory compliance matters have been considered in the undertaking of strategic engagement and operational activities.

- 4.19. Be satisfied that there are effective policies and processes for compliance with laws and regulations.
- 4.20. Be satisfied that there is a systematic process for the reporting and investigation of compliance breaches or potential breaches of Australian laws and regulations.

#### Secretary (Chairperson of the GRC)

- 4.21. The Chairperson of the GRC cannot be the Chairperson of the Board or another Board Subcommittee. The duties of the Chairperson includes:
- Reviewing that VALS policy register is up to date and all policies are included in the internal policy review programme;
  - Maintaining all organisational structure charts and ensuring that the latest copy is disseminated across the organisation;
  - Providing information to the Board so that it understands and meets its governance, risk and compliance obligations;
  - Ensuring that any risk events or compliance breaches are documented and maintained on a register;
  - Providing leadership to the GRC, facilitating effective contribution of all Directors and promoting constructive and respectful relation between all directors and management;
  - Overseeing the development of GRC agenda, papers and its provision to Directors as required by the timelines specified in this Charter;
  - Chairing the proceedings of the GRC during meetings, assisting in the resolving of differences in opinions to enable resolution of decisions; and
  - Assisting the Board Chairperson to continuously improve the performance of Directors with respect to understanding of governance standards and risk management practices, through the provision of training, education and professional development.

#### Secretariat

- 4.22. The Secretariat will:
- Prepare the GRC agenda in consultation with the GRC Chairperson and, if required, the CFO;
  - Co-ordinate the timely completion and provision of GRC papers;
  - Ensure that appropriate GRC records, including papers, agendas and minutes are maintained; and
  - Ensure that the GRC complies with this Charter and its internal corporate governance system.

## 5. Meetings and Administration

### Meetings

- 5.1. The GRC will meet on a quarterly basis. The GRC may also convene where matters arise requiring immediate attention.
- 5.2. A quorum for any meeting will be two members who have voting rights, one of which must be the GRC Chairperson.
- 5.3. Should the GRC Chairperson be unable to attend a meeting, the GRC Chairperson may appoint an existing Board Director to Chair the meeting, providing the composition of the committee still contains the required governance and risk management skills. Alternatively the GRC Chairperson may choose to defer the meeting.
- 5.4. The agenda and relevant supporting documentation will be distributed to all GRC members at least 10 business days prior the meeting.
- 5.5. Minutes of the meetings will be taken by the GRC Secretariat and distributed in draft within five business days after the meeting. Following approval of the draft by the GRC Chairperson, GRC members shall provide feedback within five business days of receiving the draft minutes.
- 5.6. GRC members must attend all scheduled meetings including meetings called on an ad-hoc basis for special matters, unless prior apology, with reasons, has been submitted to the Chairperson.
- 5.7. GRC members may attend and be present physically or by electronic communication means. Members of senior management and professional advisors may attend meetings by other technological means.

### Workplan

- 5.8. The GRC Secretariat will develop an annual workplan, which includes the internal policy review programme identified in clause 4.8 and the review of the risk management framework in clauses 4.13 – 4.15, based on areas of responsibility and major issues to be considered by the GRC. The basis of the workplan will mirror the key responsibilities outlined in the GRC Charter.

### Conflict of Interest

- 5.9. GRC members must declare any conflicts of interest (actual or perceived) annually and at the start of each meeting or before discussion of the relevant agenda item or topic. Details of any conflicts of interest should be appropriately documented and resolved to the satisfaction of the GRC Chairperson (or Board Chairperson in the case of the GRC Chairperson).
- 5.10. Where GRC members are deemed to have a real or perceived conflict of interest in may be appropriate that they are excused from GRC deliberations on the issue where a conflict of interest exists. This decision resides with the GRC Chairperson (or the Board Chairperson in the case of the GRC Chairperson).
- 5.11. The GRC collectively, and each member individually, has the right to seek independent professional advice, subject to the approval of the GRC Chairperson, or in the GRC Chairperson's absence, the Board Chairperson.

### Review of GRC Charter

5.12. The GRC will review at least annually the GRC Charter and endorsed for Board approval.

### Committee Performance Evaluation

5.13. The GRC undertakes a self-assessment review as part of the annual self-assessment undertaken by the Board as a collective, and also through individual Director Assessment.

5.14. The GRC Chairperson, and in conjunction with the Board Chairperson, will undertake performance discussions with each of the members specifically with regards to their contribution to the GRC during their term of appointment.

## Appendix 1 – GRC Charter Version Control

Reviewing and approving this Charter		
Frequency	Person responsible	Approval
Annually	Board of Directors	Chairperson Deputy Chairperson

Position Description review and version tracking			
Review	Date Approved	Approved by	Next Review Due
1			
2			
3			
4			
5			
6			
7			