

## Volleyball NZ Governance Charter

### Governance Defined – the Role of the Board

Governance might be described as:

The exercising of leadership good judgement and decision making, through the establishment and monitoring of necessary controls and strategic direction setting so that the organisation is equipped to respond to the changing circumstances and situations in the external and internal environments in order to meet its requirements in law and the expectations and requirements of owners (members) and other key stakeholders.

### Responsibilities of the Board

On behalf of the key stakeholders, the Board of Volleyball New Zealand is collectively responsible for the active stewardship of the organisation to ensure its future well-being for the benefit of members, other current and future stakeholders and the broader volleyball community interests.

The Board's legal duty is to the organisation as a whole. In meeting this duty the Board must ensure that all legal requirements under the relevant legislation are met and that the entity is protected from harmful situations and circumstances, in the interests of both current and future stakeholders.

The Board:

1. Provides leadership to Volleyball New Zealand ensuring that the organisation fulfils its purpose and acts in the best interests of Volleyball New Zealand and its members and other stakeholders.
2. Determines and articulates Volleyball New Zealand's purpose and values, sets the strategic direction as the basis for further planning, e.g. annual and longer-term planning, and oversees the selection and implementation of strategies consistent with that purpose and those values.
3. Determines the appropriate culture for Volleyball New Zealand and models behaviours that both reflect and promote the desired culture.
4. Delegation and monitoring: Establishes governance policies (and policies on key issues) that provide the framework for the management of Volleyball New Zealand, e.g. financial, human resource, health and safety policies etc, and ensures that internal processes and procedures are designed to provide effective controls and serve as the basis for reporting to the Board, as required.
5. Human resources: Appoints and employs the Chief Executive and monitors management and organisation performance against Board-established criteria. Approving the remuneration policy and ensuring succession planning is in place.
6. Identifies and characterises potential organisational risks and creates a framework for managing and monitoring them.

7. Compliance: Ensures that the organisation satisfies all internal and externally imposed compliance requirements including all applicable laws, regulations and codes of best practice.
8. Takes an active role in succession planning ensuring that the Board has an appropriate mix of skills, knowledge and experience, whether, individually, they are elected or appointed. *Structure follows strategy*.
9. Establishes and maintains an effective inter relationship with stakeholders in general, and serves, in particular, the legitimate interests of the members of Volleyball New Zealand and accounts to them fully.

## Duties of Board Members

1. A Board member must fulfil his/her fiduciary duty to act in Volleyball New Zealand's best interest at all times regardless of personal position, circumstances or affiliation.
2. A Board member must exercise a power for a proper purpose.
3. A Board member must not act, or agree to the organisation acting, in a manner that contravenes the constitution of the organisation.
4. A Board member must not agree to the business of the organisation being carried on in a manner likely to create a substantial risk of serious loss to the organisation's suppliers or to put the health and safety of those who work in the organisation at risk.
5. A Board member must not agree to the organisation incurring an obligation unless the Board member believes at that time on reasonable grounds that the organisation will be able to perform the obligation when it is required to do so.
6. A Board member, when exercising powers or performing duties as a Board member, must exercise the care, diligence and skill that a reasonable Board member would exercise in the same circumstances.
7. A Board member, when exercising powers or performing duties as a Board member, may rely on reports, statements and financial data and other information prepared or supplied, and on professional or expert advice.
8. A Board member must, immediately after becoming aware of the fact that he/she is interested in a transaction or proposed transaction with the organisation, ensure this interest is recorded in the meeting minutes.
9. A Board member who, in his/her capacity as a Board member of the organisation, has information that would not otherwise be available to him/her must not disclose that information to any person, or make use of or act on the information, except:
  - a. For the purposes of the organisation.
  - b. As required by law.

## Governance Philosophy and Approach

The Board will govern Volleyball New Zealand with an emphasis on:

1. Serving the legitimate collective interests of the present members of Volleyball New Zealand and accounting to them fully for the performance of the organisation and for the Board's stewardship of that performance.
2. Remaining up to date in terms of key stakeholders' concerns, needs and aspirations.
3. Ensuring that no one person or block of persons has unfettered power and that there is an appropriate balance of power and authority on the Board.
4. Demonstrating high ethical standards (see Appendix 1.1) and integrity in their dealings both individually and collectively.
5. Speaking with one voice on all policy and directional matters, acknowledging that Board members are collectively accountable for all Board decisions, demonstrating trust, teamwork and respect.
6. Developing a future focus rather than being preoccupied with the present or past.
7. Providing leadership in the exploration of strategic issues rather than becoming distracted by administrative or operational detail.
8. Behaving proactively rather than reacting to events and to the initiatives of others.
9. Bringing a diversity of opinions and views to bear on its decisions.
10. Developing and expressing a collective responsibility for all aspects of the Board's role.
11. Acknowledging that individual portfolios may be allocated for Board administrative efficiency only and must not distract from the key philosophy of collective responsibility and not conflict with delegated responsibilities of the CE.
12. Ensuring there are positive conditions for the motivation of the Chief Executive and that there is adequate training to support him/her in their role.
13. Performing such other functions as are prescribed by law or assigned to the Board.

## Chair Role

The Chair ensures integrity of the Board's processes and actions consistent with its policies and, as appropriate, represents the Board and the organisation to outside parties. It is expected that the Chair will promote a culture of stewardship, transparency, collaboration and co-operation, modelling and promoting behaviours that enhance the functionality of the Board and define sound directorship.

1. The Chair will ensure that Board meetings are properly planned, including ensuring the Chief Executive facilitates the development and distribution of Board papers in a timely manner, and that the minutes accurately reflect the deliberations and decisions of the Board.
2. The Chair will chair Board meetings ensuring that:
  - a. Productive use is made of the Board members time.

- b. Meeting discussion content is confined to governance matters as defined in the Board's policies, i.e. the Board does not make decisions that are the responsibility of the Chief Executive.
  - c. All Board members are encouraged and enabled to make a contribution to the Board's deliberations.
  - d. All Board members are treated even-handedly and fairly.
3. The Chair will ensure that all Board decisions are understood by Board members and accurately recorded.
4. The Chair may delegate aspects of the authority accompanying the position but remains accountable for the overall role.
5. The Chair has no independent authority over the Chief Executive, who is employed by the Board as a whole, and the Chair shall not cut across the formal links and flow of information between the Board and its Chief Executive. However, the Chief Executive must report to one person and for Volleyball New Zealand the Chief Executive will report to the Chair. This does not preclude regular communication between the Chair and the Chief Executive and other Board members to exchange information on a 'no surprises' basis and to ensure that the Board has effective support to perform its functions and fulfil its responsibilities. The Chair shall be copied in to any direct communication between any Board member and the Chief Executive.
6. The Chair has no authority to unilaterally change any aspect of Board policy.

## Delegation to the Chief Executive

The Board delegates to the Chief Executive responsibility for implementation of its strategic direction/strategic plan while complying with the Volleyball New Zealand policies.

1. The Chair will review the Chief Executive performance annually and provide recommendations to the Board for approval. The achievement of organisation success will be regarded as successful Chief Executive achievement.
2. The Chief Executive is responsible for the employment, management and performance evaluation of all staff employed by/contracted to the organisation. Neither the Board nor Chair will:
  - a. 'Instruct' staff or others ultimately in the employment of the Chief Executive in any matters relating to their work as the Chief Executive is accountable for all matters staff and organisational performance.
  - b. Take any action that might be construed as public criticism of any staff member including the Chief Executive. Any private criticism of staff that a Board member may wish to voice should be made through the Chair to the Chief Executive.
3. The expert knowledge and experience of individual Board members are available to the Chief Executive at the Chief Executive's initiative. The Chief Executive is accountable for interpreting, weighing and acting (if at all) on any advice or information he or she may receive in that context.

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# Appendix 1: Board Policies

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## 1.1 Code of Ethics

The Board is committed to ethical conduct in all areas of its responsibilities and authority.

Directors shall:

1. Act honestly and in good faith at all times in the best interests of Volleyball New Zealand as a whole.
2. Declare all interests that could result in a conflict between personal and organisational priorities.
3. Exercise diligence and care in fulfilling the functions of office (see Declaration of Interests policy).
4. Make reasonable enquiries to ensure that Volleyball New Zealand is operating efficiently, effectively, legally and ethically in pursuing its organisational goals and strategies.
5. Maintain sufficient knowledge of Volleyball New Zealand's business and performance to make informed decisions.
6. Not agree to Volleyball New Zealand incurring obligations unless he/she believes that such obligations can be met when due.
7. Attend Board meetings and devote sufficient time to preparation for Board meetings to allow for full and appropriate participation in the Board's decision making.
8. Scrupulously avoid deception, unethical practice or any other behaviour that is, or might be construed as, less than honourable in the pursuit of Volleyball New Zealand's business.
9. Not disclose to any other person confidential information other than as agreed by the Board or as required under law.
10. Act in accordance with his/her fiduciary duties, complying with the spirit as well as the letter of the law, recognising both the legal and moral duties of the role.
11. Abide by Board decisions once reached, notwithstanding a director's right to pursue a review or reversal of a Board decision.
12. Not make, issue, comment on, authorise, offer or endorse any public criticism or statement having, or designed to have, an effect prejudicial to the best interests of Volleyball New Zealand.
13. Ensure that all members are treated on an equitable basis.

The Board shall:

14. Make every reasonable effort to ensure that Volleyball New Zealand does not raise community, supplier or stakeholder expectations that cannot be fulfilled.
15. Meet its responsibility to ensure that all staff employed by Volleyball New Zealand are treated with due respect and are provided with a working environment and working conditions that meet all reasonable standards of employment as defined in relevant workplace legislation.
16. Carry out its meetings in such a manner as to ensure fair and full participation of all Board members.

## 1.2 Strategic Direction and Planning

An essential element in the Board's leadership role is its responsibility to set the future direction for Volleyball New Zealand, making clear the outcomes the organisation must achieve. Accompanying this is an ongoing responsibility to identify organisation priorities, monitor progress against the achievement of desired outcomes and approve the annual budget. The Board will annually:

1. In partnership with management, establish and review Volleyball New Zealand's Purpose, Vision, Organisation Outcomes and Priorities.
2. Review annual business plans to ensure alignment with the strategic direction and priorities.
3. Schedule a programme of strategic dialogue at Board meetings that reflects the priorities defined by the Board and that creates opportunities for the Board and management to think strategically about future issues of strategic importance to Volleyball New Zealand's well-being and success.

## 1.3 Financial Governance

The Board has a core duty to ensure the financial integrity and viability of Volleyball New Zealand. This entails oversight of all financial processes and systems. The Board will therefore:

1. Develop, review and monitor the implementation of governance-level financial policies (including the Delegations of Authority).
2. Provide guidance to the Chief Executive on budget parameters and priorities and review and adopt the annual budget, including capital expenditure.
3. Approve all expenditure outside budget parameters that the Board determines to be material.
4. Review and adopt the full-year financial statements, reports and outcomes.
5. Review and adopt regularly scheduled financial statements and reports, i.e. for each Board meeting or when or at a frequency that the Board requires.
6. Incorporate Audit and Risk items as regular meeting agenda items for full Board discussion.

## 1.4 Conflict of Interests

The Board places great importance on declaring any existing or potential conflicts of interest for Board Members.

Conflicts of interest may occur:

1. When a Board Member, or his/her immediate family or business interests, stands to gain financially from any business dealings, programmes or services provided to Volleyball New Zealand.
2. When a Board Member offers a professional service to Volleyball New Zealand.

3. When a Board Member stands to gain personally or professionally from any insider knowledge if that knowledge is used for personal or professional advantage.
4. When a Board Member has family or whānau who are active in the sport and might benefit, or be seen to benefit, from decisions made by the Board.

Accordingly:

1. Any business or personal matter which could lead to a conflict of interest of a material nature involving a director and his/her role and relationship with Volleyball New Zealand must be declared and registered in the Register of Interest.
2. All such entries in the Register shall be presented to the Board and minuted at the first Board meeting following entry in the records.
3. All conflicts of interest must be declared by the Board Member concerned at the earliest time after the conflict is identified. Normally there will be the opportunity at the commencement of each Board meeting for conflicts of interest to be declared.
4. The Board shall determine whether or not the conflict is of a material nature and shall advise the individual accordingly.
5. Where a conflict of interest is identified and/or registered, and the Board has declared that it is of material benefit to the individual or material significance to the organisation, the Board Member concerned shall not vote on any resolution relating to that conflict or issue.
6. The Board Member shall only remain in the room during any related discussion with Board approval.
7. The Board will determine what records and other documentation relating to the matter will be available to the director.
8. All such occurrences will be minuted.
9. If an individual Board Member is aware of a real or potential undeclared conflict of interest of another director, they have a responsibility to bring this to the notice of the Board.
10. Any Board Member who has an ongoing, significant material conflict of interest must consider resigning from the Board.

## 1.5 Risk Management

The Board will identify and evaluate the principal risks faced by Volleyball New Zealand, including the protection of intellectual capital, and ensure that appropriate systems are in place to avoid or mitigate such risks. Accordingly, the Board will ensure that:

1. Robust risk management policies and processes are developed and monitored addressing all areas of organisational risk.
2. There are clear processes to enable it to keep abreast of all key organisation risk areas and strategies in a timely manner.
3. Suitable internal controls are in place and are used and monitored to ensure effective and efficient operation and management of the organisation's resources.
4. The organisation is governed and managed in accordance with its constitution and policies.

5. Proper accounting records are kept.
6. Any material shortfalls or breaches in compliance or risk management standards are investigated promptly.

## 1.6 Health and Safety at Work

The Board shall ensure that all directors understand and discharge their duties and responsibilities under the Health and Safety at Work Act 2015. Accordingly, the Board will ensure that:

1. It keeps up to date in respect of potential risks to health and safety in workplaces that are the responsibility of Volleyball New Zealand.
2. Robust systems are designed so that the Board will receive regular information in the form of written and verbal reports necessary to exercise its duties under this Act.
3. Timely and accurate records are maintained to enable tracking of events, trends and responses/actions.
4. It understands the hazards and risks that employees and volunteers are, or might be, exposed to in carrying out their duties including, where possible, the opportunity to meet with affected staff or to visit their place of work relating to exposure to risk.
5. It undertakes annually a formal assessment of compliance with directors' duties and responsibilities under this Act.
6. Budget planning takes account of all requirements under this Act.

## 1.7 Board Committees and Working Groups

The Board may establish committees and working parties to support it in its governance work. The formation of committees and working parties must be to meet governance and strategic imperatives, and not operational need. This does not preclude VNZ staff from consulting with experts and stakeholders as required. The work of committees and working parties should not conflict with the Chief Executive's delegated responsibilities.

1. Committees and working parties shall have clear Terms of Reference, prior to establishment, defining their role, life span, procedures and functions, and the boundaries of their authority, reviewed as required.
2. Committees and working parties may include members from outside the Board to bring additional skills, experience or networks to bear on their work.
3. Committees and working parties shall not exercise authority over employees, nor shall they delegate tasks to any employee unless the Chief Executive has specifically agreed to such delegation.
4. Unless explicitly empowered by the Board, committees or working parties cannot make binding Board decisions or speak for the Board. For the most part the function of committees and working parties is to make recommendations to the Board.
5. Committees and working parties will not mirror operational divisions, departments or employee functions.



## 1.8 Board Meetings

Board business will generally be conducted in Board meetings. To ensure effective meetings:

1. The Board will make the best possible use of its meetings by dealing only with matters that have governance-level significance, by focusing primarily on the future and, within a defined policy framework, by delegating as much as possible to the Chief Executive.
2. The Board will develop a work plan covering the next 12 months that:
  - a. Ensures the Board regularly reviews progress towards achievement of the strategic direction/strategic plan and relevant strategic issues.
  - b. Provides assurance that all relevant compliance requirements are addressed.
  - c. Improves Board performance through education and continuous focus on its governance effectiveness.
3. The Chair, in consultation with the Chief Executive, will establish the agenda for each Board meeting, although each Board member is free to suggest the inclusion of item(s) on the agenda. The agenda will generally be structured so that the most important business of the meeting is taken near the start of the meeting.
4. The Board will normally meet once a month; however, Board meetings may be scheduled at other times or at other frequencies as determined by the Board.
5. Board meetings will be conducted in an open, constructive and respectful manner, recognising that genuinely held differences of opinion can bring greater clarity and lead to better decisions.
6. Board members will receive their Board papers at least five working days prior to the meeting.
7. Apart from the Chief Executive, others, e.g. employees, consultants, contractors, etc, may participate in Board meetings at the Board's discretion. Such attendees will respect the Board's integrity and accountability and will thus accept any constraints imposed by the Board or the Chair on their participation and presence.
8. The Board may hold 'Board only' sessions at its discretion. Such sessions will usually be scheduled prior to, or at the commencement of, the meeting and will generally address matters related to the effectiveness of the Board. They should not exclude the Chief Executive from deliberations on matters in which his/her role as the Board's principal officer would be compromised.

## 1.9 Monitoring Operational Performance

The Board has a duty to oversee and monitor the performance of the operational organisation, and so:

1. The Chief Executive will report to the Board on the performance of Volleyball New Zealand at a frequency and to a standard specified by the Board.
2. All such reporting should be designed to address and support the Board's interests and duties. It should primarily document the outcomes achieved by management rather than describe the activity engaged in by management to achieve (or not) the desired outcomes.

## 1.10 Board Member Induction

The Board will give all newly appointed Board Members an induction into the affairs of both the Board and Volleyball New Zealand at large. In fulfilment of this obligation:

1. All prospective Board members will be provided with all relevant information.

Upon appointment/election and prior to attendance at their first Board meeting, newly appointed directors will receive a copy of the Board Charter and governance policies, a copy of the Constitution and other relevant legal governance documentation, current and recent meeting papers, an organisational chart, contact details for other directors and key staff, a glossary of key terms, definitions and acronyms, the current year's meeting schedule and the Board work plan.

2. Newly elected or appointed directors will meet with the Chair for a governance familiarisation. This meeting may be held as a group session or with individuals.
3. They will also meet with the Chief Executive for an operational familiarisation.

## 1.11 Board and Member Professional Development

The Board's value-adding role requires that the Board as a whole and all directors individually regularly review their performance and have access to professional development relevant to the role and duties of directorship.

1. The Board will review its effectiveness and the performance of individual Board Members at least every two years.
  - a. The criteria for assessing the Board's performance will be drawn from the documented policies of the Board together with any further criteria agreed by the Board from time to time. The outcomes of the assessment will establish the upcoming requirements for the effective governance and Board leadership of the organisation.
  - b. A suitably qualified independent specialist may be used to assist the Board in this process.
2. All Board members will be encouraged to undertake relevant professional development including attendance at conferences relevant to their role as Board members or conferences related to other aspects of their directorship of Volleyball New Zealand. Volleyball New Zealand may contribute to the costs associated with this activity according to a policy that the Board will adopt and review from time to time.
3. All costs associated with governance effectiveness will be designed to ensure the development of the highest standard of governance including: directors' fees, meeting costs associated with effective communication with owners and other key stakeholders, surveys and associated analysis, focus groups, the costs associated with external audit, and other independent third party reviews or consulting input.

## 1.12 Indemnities and Insurance

Volleyball New Zealand will provide Board Members with, and will pay the premiums for, indemnity and insurance cover while acting in their capacities as effectively directors, to the fullest extent permitted by relevant legislation and the Volleyball New Zealand's constitution.

## 1.13 Reimbursement of Board Member Expenses

Volleyball New Zealand will reimburse all reasonable expenses incurred by members' in carrying out their role.

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## Appendix 2: Board-Chief Executive Interrelationship Policies

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### 2.1 Chief Executive Authority

1. As long as the Chief Executive applies 'any reasonable interpretation' of the Board's policies (i.e. does not set out to defeat the stated intent or the spirit of the policies), he/she is authorised to establish all operational/management policies, procedure and forms, make all operational decisions, and design, implement and manage all operational practices and activities.
2. Acknowledging a Board member's right to have access to information necessary to meet his/her duty of care to the organisation, the Chief Executive may refuse instructions or requests from individual Board members or from unofficial groups of Board members if, in his/her opinion, such requests or instructions are:
  - a. Inconsistent with the Board's policies.
  - b. Deemed to make unjustifiable intrusions into the Chief Executive's or other staff members' time.
  - c. Likely to pose an unjustifiable cost to the organisation.
3. The Chief Executive must notify the Chair of the use of such a refusal as soon as possible.
4. The Board recognises the Chief Executive will be absent from time to time in accordance with approved annual and other leave. It also recognises that one of its major risks is the unexpected loss of its Chief Executive and/or other key personnel due to unforeseen circumstances. The Board expects that the Chief Executive will have provided for his/her delegated authority to be exercised by others no matter what the reason for his/her absence.

### 2.2 Chief Executive Remuneration

The Board will determine Chief Executive remuneration based on terms and conditions that reflect the nature of the organisation (size, sector, complexity of strategic challenges, etc) and market conditions for executive remuneration in comparable organisations. Unless otherwise delegated, e.g. to a Board committee, the review will be conducted by the Chair and be agreed by the Board as a whole.

### 2.3 Chief Executive Performance Assessment

The Board will continuously, systematically and rigorously assess the Chief Executive's performance against achievement of the Board-determined strategic outcomes and compliance with Chief Executive delegation policies. The Board will provide regular performance feedback to the Chief Executive.

1. Monitoring and evaluation of organisational and, thereby, Chief Executive performance will be directly related to criteria embedded in Board-determined policy.
2. The standard applied to all facets of the performance assessment shall be that the Chief Executive has met or can demonstrate compliance with the intent and/or spirit of the Board's policies.
3. The Board may monitor any policy at any time using any method but will normally base its monitoring on a predetermined schedule.
4. The Board may use any one or more of the following three methods to gather information necessary to ensure Chief Executive compliance with Board policies and thus to determine its satisfaction with the Chief Executive's performance:
  - a. Chief Executive self-reporting.
  - b. Direct inspection by the Board or a Board-approved director or group of directors.
  - c. Advice from an independent, disinterested third party.

## 2.4 Communication and Support to the Board

The Chief Executive shall ensure the Board is informed about issues and concerns essential to meeting its duty of care, carrying out its responsibilities and meeting its accountabilities to its members and other key stakeholders. Without limiting the scope of the foregoing, the Chief Executive must not:

1. Allow the Board to be mis or not informed about matters critical to the timely and effective governance of the organisation.
2. Neglect to provide financial reports that make clear:
  - a. Significant trends or exceptions that will impact materially by (5%) on the surplus or forecast surplus.
  - b. Data relevant to agreed benchmarks and Board-agreed measures. These include, for example:
    - i. Profit and loss statement.
    - ii. Balance sheet.
    - iii. Cash flow statement.
    - iv. Cash flow forecast.
    - v. Current (and other Board-determined) ratio.
    - vi. Further financial data as determined by the Board from time to time.
3. Allow the Board not to be aware of significant external environmental trends, potential or actual adverse media publicity, achievement of, or progress towards, the achievement of the outcomes stated in (Volleyball New Zealand's)'s Statement of Strategic Intent/Performance, or changes in the basic assumptions upon which the Board's plans and policies are based.
4. Present information in an unnecessarily complex or lengthy form or in a form that fails to differentiate between information that requires Board acknowledgement and attention, e.g. for decision-making and monitoring purposes, and information that is simply for directors' interest.

5. Board Members are not informed for any reason, there is actual or anticipated non-compliance with a Board policy.
6. Allow the Board not to be informed of any serious legal conflict or dispute, or potential serious legal conflict or dispute, that has arisen or might arise in relation to matters affecting (Volleyball New Zealand).
7. Allow the Board to be uninformed of any Health and Safety at Work matters that fall within the Board's duties and responsibilities, or about any related matter the Board has made clear it wishes to be informed of, including the results of all internal and external health and safety audits.
8. Neglect to ensure that the Board is provided with a wide range of views and perspectives in support of effective decision making.
9. Permit the Board to be unaware of any occasion, action or decision that results in it being in breach of its Board Process policies, particularly when this relates to the Chief Executive's ability to carry out his/her responsibilities.
10. Allow him/herself to neglect to treat all Board Members equally when responding to requests for information, except when responding to requests from Board committees or working parties.