



**NETBALL**  
NEW ZEALAND

## **NETBALL NEW ZEALAND**

### **Board Charter and Policies**

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## Board Charter

On behalf of the key stakeholders, the board of Netball New Zealand (NNZ) is responsible for the stewardship and future well-being of the organisation. Board members should exercise leadership, enterprise, integrity and judgement in directing the organisation to provide assurance of its continuing and lasting value.

In discharging their responsibilities Board members have a duty to act in the best interests of NNZ, irrespective of personal, professional, commercial or other interests, loyalties or affiliations. Board members' first duty and loyalty must be to NNZ.

In summary the board:

1. Provides leadership to NNZ ensuring that it continues to thrive in the best interests of its members and its other stakeholders.
2. Takes active steps to ensure an appropriate mix of Board members whether through interaction with key stakeholders resulting in the election of appropriately skilled personnel or through the appointment of such individuals.
3. Establishes NNZ's purpose, values and sets the strategic direction as the basis for further planning, e.g. annual and longer term planning.
4. Determines the appropriate culture for NNZ and models behaviours that both reflect and promulgate the desired culture.
5. Establishes governance policies that provide the framework for the management of NNZ e.g. financial, human resource, asset management policies, 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.
6. Employs the Chief Executive and monitors management and organisation performance against board-established criteria.
7. Identifies and monitors the management of organisational risks.
8. Ensures that the organisation complies with all internal and externally imposed compliance requirements.
9. Establishes and maintains an effective interrelationship with stakeholders.

## Responsibilities of the board

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### 1. Meeting legal requirements

The board's first duty is to NNZ. In meeting this duty Board members 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 current and future stakeholders.

The board also has a responsibility to its various stakeholders to ensure that the available resources are used to deliver the right outcomes to the right people in the right way.

Board members have the following legal obligations:

1. To exercise a power for a proper purpose.
2. A Board member must not act, or agree to the organisation acting, in a manner that contravenes relevant legislation or the constitution of NNZ.
3. A Board member must not agree to the business of NNZ being carried on in a manner likely to create a substantial risk of serious loss to the organisation's creditors.
4. A Board member must not agree to the organisation incurring an obligation unless the member believes at that time, on reasonable grounds, that NNZ will be able to perform the obligation when it is required to do so.
5. Board members, when exercising powers or performing duties as a member of the Board, must exercise the care, diligence, and skill that a reasonable competent board member would exercise in the same circumstances.
6. When exercising powers or performing duties as a Board member, they may rely on reports, statements, and financial data and other information prepared or supplied, and on professional or expert advice.
7. A Board member must, forthwith after becoming aware of the fact that he or she is interested in a transaction or proposed transaction with the organisation, cause this to be entered in the interests register.
8. A Board member who has information in that capacity, being information that would not otherwise be available to him or her, must not disclose that information to any person, or make use of or act on the information, except -
  - (a) for the purposes of NNZ; or
  - (b) as required by law.

Board members, either individually or collectively, are potentially liable if they act illegally or negligently.

### 2. Governance philosophy and approach

The board will govern NNZ with an emphasis on:

- serving the legitimate collective interests of the present and future members of NNZ and accounting to present members for the performance of NNZ and for the board's stewardship.
- remaining up to date in terms of key stakeholders' concerns, needs and aspirations.

- developing a future focus rather than being preoccupied with the present or past;
- providing leadership in the exploration of strategic issues;
- behaving proactively rather than reacting to events and others' initiatives;
- bringing a diversity of opinions and views to bear on its decisions;
- the development and expression of a collective responsibility for all aspects of the organisation; and
- Ensure there are positive conditions for the motivation of the Chief Executive and that there is adequate training to support them in their role.

### **3. Values of the Board**

Board members will adhere to and champion the values of NNZ and the following in respect of their role:

Contribution:

- Teamwork and leadership
- The pursuit of excellence
- Collective responsibility

Unity

- Diversity
- Respect, courtesy and humility

Clarity

- Integrity and honesty

### **4. Other**

The board will perform such other functions as are prescribed by law or assigned to the board under NNZ's governing documents.

## **Expectations of Board members**

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To execute these governance responsibilities, Board members must, so far as possible, possess certain characteristics, abilities and understandings:

#### **1. Enacting legal duties**

Board members must always fulfil their fiduciary duty to act lawfully and in NNZ's best interest regardless of their personal position, circumstances or affiliation. They should be familiar with NNZ's constitutional arrangements.

#### **2. Strategic orientation**

Board members should be future oriented, demonstrating vision and foresight.

#### **3. Integrity and accountability**

Board members must demonstrate high ethical standards and integrity in their personal and professional dealings and be willing to act on - and remain collectively accountable for - all board decisions and speak with one voice on all policy and directional matters.

#### **4. Informed and independent judgement**

Each Board member must have the ability to provide wise, thoughtful counsel on a broad range of issues and constructively challenge thinking where appropriate.

**5. Financial literacy**

Board members are jointly accountable for the financial performance of the organisation therefore all Board members must be financially literate.

**6. Sector knowledge**

Each Board member is expected to bring or acquire a level of sector knowledge sufficient to contribute to the board's deliberations and considerations on behalf of NNZ and its stakeholders.

**7. Participation**

Each Board member is expected to enhance the board's deliberations by actively engaging in value adding board dialogue and decision-making.

## **Governance Process Policies**

### **Code of Ethics**

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The board is committed to the adoption of ethical conduct in all areas of its responsibilities and authority.

#### **Board members shall:**

1. At all times act honestly and in good faith in the best interests of NNZ as a whole.
2. Promptly 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.
4. Make reasonable enquiries to ensure that NNZ is operating efficiently, effectively, legally and ethically in the pursuit of its planned outcomes and strategies.
5. Maintain sufficient knowledge of NNZ's business and performance to make informed decisions.
6. 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.
7. Scrupulously avoid deception, dishonesty and other unethical behaviour in the pursuit of NNZ's business.
8. Not disclose to any other person confidential information other than as agreed by the board or as required under law.
9. Act in accordance with their fiduciary duties, complying with the spirit as well as the letter of the law, recognising both the legal and moral duties of the role.
10. Abide by board decisions once reached notwithstanding a Board member's right to pursue a review or reversal of a board decision.
11. Not to make, comment, issue, authorise, offer or endorse any public criticism or statement having or designed to have an effect prejudicial to the best interests of NNZ.
12. Demonstrate respectful behaviour towards both colleagues, management and those they come into contact within the course of enacting board business.

#### **The board shall:**

13. Make reasonable effort to ensure that NNZ does not raise community, supplier or stakeholder expectations that cannot be fulfilled.
14. Meet its responsibility to ensure that all staff employed by NNZ 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.
15. Carry out its meetings in such a manner as to ensure fair and full participation of all Board members.

## Strategic Direction and Planning

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**An essential element in the board's leadership role is its responsibility to establish a Strategic Direction for NNZ. Accompanying this is an ongoing responsibility to identify organisational priorities, monitor progress towards the achievement of the stated outcomes and approve the annual budget. Accordingly, the board will annually:**

1. In partnership with management, establish and review NNZ's Purpose, Key Results and governance-level strategies.
2. Review annual business plans to ensure alignment with the Statement of Strategic Direction, priorities and strategies.
3. Schedule a programme of strategic dialogue at board meetings that reflects the priorities as defined by the board and creates opportunities for the board and management to think strategically about future issues relevant to NNZ's wellbeing and success.

## Financial Governance

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**The board has a core duty to ensure the financial integrity and viability of NNZ. This entails oversight of all financial processes and systems, regular review of financial results and, annually, approving NNZ's financial plan and budget and financial announcements. Accordingly, the board will:**

1. Develop, review and monitor the implementation of governance-level financial policies.
2. Provide guidance on budget parameters and priorities and confirm the annual budget and financial plan including capital expenditure is consistent with those parameters and priorities<sup>1</sup>.
3. Approve expenditure outside budget parameters that the board determines to be material.
4. Review and approve the full-year financial statements, reports and outcomes.
5. Receive and approve the Audit and Risk Committee's annual plan and scheduled reports.
6. Receive and review regularly scheduled financial statements, reports and projections to ensure consistency with board-set parameters.
7. Ensure that proper accounting records are kept.

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<sup>1</sup> The board does not approve the operating budget. It is the Chief Executive's response to the board's budgeting policy. The board ensures it is consistent with that policy.

## **Conflict of Interests**

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**The board places great importance on making clear any existing or potential conflicts of interest for Board members.**

1. Any business or personal matter which could lead to a conflict of interest of a material nature involving a Board member and his/role and relationship with NNZ, 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 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 Board member.
8. All such occurrences will be minuted.
9. Individual Board members, aware of a real or potential conflict of interest of another Board member, have a responsibility to bring this to the notice of the board.

## **Health and Safety at Work**

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**The board has a core duty to ensure that all relevant elements in the Health and Safety at Work 2015 Act are met. Accordingly, the board will:**

1. Ensure that all Board members understand and discharge their duties and responsibilities under the Act.
2. Ensure that 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 the Act.
3. Verify that records are maintained in a timely and accurate fashion enabling tracking of events, trends and responses/actions.
4. Understand the hazards and risks that employees and volunteers are, or might be, exposed to in carrying out their duties.
5. Design a system that ensures that all Board members have the opportunity of personal exposure to workplace processes where there is exposure to risk.
6. Annually undertake a formal assessment of compliance with Board members' duties and responsibilities under the Act.
7. Ensure that budget planning takes account of all requirements under the Act.

## **Welfare of Sport and Recreation Participants**

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**There is an imperative that all Board members understand the obligations of the organisation under legislation specific to sport and recreation and the welfare of participants within it. This includes, but is not limited to, the Sports Anti-Doping Act 2006, and match fixing as addressed in the Section 240A of the Crimes Act 1961 together with legislation that ensures the safe participation of players and volunteers. Accordingly, the board will:**

1. Ensure that related operational policies are in place, understood and adhered to.
2. Receive reports relating to participant welfare and related matters as part of its planned cycle of legislative and policy compliance.

## **Risk Management**

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**The board will identify and evaluate the principal risks faced by NNZ and ensure that appropriate systems are in place to avoid or mitigate these risks including the protection of intellectual capital. Accordingly, the board will:**

1. Engage actively in characterising and monitoring risks associated with the achievement of its overall objectives.
2. Ensure that robust risk management policies and processes are developed and monitored addressing all areas of organisational risk and that the board is kept abreast of all key organisational risk areas and strategies in a timely manner.
3. Develop a risk aware culture in which both Board members and staff are encouraged to identify risks and respond to them quickly and effectively.
4. Make clear the processes required to enable it to keep abreast of all organisation risk areas.
5. Ensure that suitable internal controls are in place and are enacted and monitored to ensure effective and efficient operation and management of the organisation's resources.
6. Ensure that the organisation is governed and managed in accordance with its constitution and policies.
7. Ensure prompt investigation of any material shortfalls or breaches in compliance or risk management standards.

## **Board Committees and Working Parties**

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**The board will establish committees and working parties to support it in its governance work. The work of committees and working parties should not conflict with the Chief Executive's delegated responsibilities.**

1. Committees and working parties shall have Terms of Reference defining their role, life span, procedures and functions, and the boundaries of their authority, reviewed annually.
2. Committees and working parties may co-opt outside members from time-to-time in order to bring additional skills, experience or networks.
3. Committees and working parties shall not exercise authority over staff nor shall they delegate tasks to any staff unless the Chief Executive has specifically agreed to such delegations.

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, in fulfilling their role, is to make recommendations to the board.
5. Committees and working parties will not mirror operational divisions, departments or staff functions.

## **Board Meetings**

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**The majority of board business will be conducted in board meetings. In order to ensure effective meetings, the following principles apply:**

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 (1) ensures the board regularly reviews progress towards the achievement of the strategic direction/strategic plan and relevant strategic issues (2) provides assurance that all relevant compliance requirements are addressed, and (3) improves board performance through education and continuous focus on its governance effectiveness.
3. The Chairperson will, in consultation with the Chief Executive, establish the agenda for each board meeting although each Board member is free to suggest the inclusion of item(s) on the agenda. The focus of the meeting will drawn from the work plan. All Board members have the opportunity to contribute to the agenda.
4. The board will normally meet every 2 months; 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 and constructive manner, recognising that genuinely held differences of opinion can bring greater clarity and lead to better decisions.
6. The Chairperson will seek a consensus of the Board but may, where considered necessary, call for a vote. All discussions and their record will remain confidential unless there is a specific direction from the Board to the contrary, or disclosure is required by law.
7. Board members will receive their board papers at least five working days prior to the meeting.
8. Others (e.g. staff) may participate in board meetings at the board's discretion. Such attendees will respect the board's integrity and accountability and will accept any constraints imposed by the board or the Chairperson on their participation and presence.
9. 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 but should not exclude the Chief Executive from deliberations on matters to which his/her role as the board's chief adviser would be compromised.
10. Board members unable to attend a meeting will advise the Chair at the earliest date possible. Any Board member being absent from two consecutive regular Board meetings without leave granted by the Board may forfeit his or her seat on the Board.

## **Monitoring Operational Performance**

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**The board has a duty to oversee and monitor the performance of the operational organisation.**

1. The Chief Executive will report to the board on the performance of NNZ at a frequency and to a standard specified by the board.
2. All such reporting should be targeted at the board's interests and duties rather than a description of management actions.

## **Media statements**

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**Interaction with the media, radio, press TV and other media outlets, shall at all times be designed to present an accurate and, wherever appropriate, positive expression of NNZ - related matters. It shall be consistent with NNZ policy and board decisions and free from personal opinions and interpretations.**

1. The Chairperson shall be the spokesperson for governance-related matters and all other matters that the board determines are best presented by the Chairperson.
2. The Chief Executive shall be the spokesperson for all operational matters and all other matters that the board deems are best presented by the Chief Executive.
  - a. The Chief Executive may permit specified staff to act on his/her behalf but remains accountable for such delegation.

## **Board member Induction**

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**The board will provide all newly appointed Board members with a thorough induction into the affairs of both the board and NNZ at large.**

1. All prospective Board members will be provided with all relevant information.
2. Upon appointment/election and prior to attendance at their first board meeting, new Board members will:
  - a. Receive a copy of the board Manual including Governance policies; Constitution and other relevant legal governance documentation; current and recent meeting papers; an organisational chart; contact details for other Board members and key staff; if relevant a glossary of key terms, definitions and acronyms; the current year's meeting schedule and the annual agenda.
  - b. Meet with the Chairperson for a governance familiarisation. This meeting may be held as a group session or with individuals.
  - c. Meet with the Chief Executive for an operational familiarisation.

## **Board and Board member Performance Assessment and Professional Development**

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

1. The board will undertake a bi-annual structured assessment of its performance and an annual assessment of the performance of individual Board members.
  - 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.
  - c. The assessment process shall culminate in a report presented to the board analysing the data and providing recommendations for improvements as required.
  - d. A Peer and Self-assessment process may be included in the process, the criteria based on a set of competencies agreed by the board.
  - e. Professional development needs and priorities will be determined from the assessment processes undertaken, and will also take into consideration the organisations means and needs.
  - f. The Board will seek to fund the professional development priorities.
  - g. Any costs associated with professional development will require prior Board approval

## **Chairperson Role**

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**The Chairperson provides leadership to the board, ensuring that the board's processes and actions are consistent with its policies. As appropriate, the Chairperson represents the board and the organisation to outside parties. It is expected that the Chairperson will promote a culture of stewardship, collaboration and co-operation, modelling and promulgating behaviours that define sound Board membership.**

1. The Board will appoint a Chairperson from among the Board members annually.
2. The Chairperson is responsible for representing the Board to Members.
3. The Chairperson will chair board meetings ensuring that:
  - a. Meeting discussion content is confined to governance matters as defined in the board's policies.
  - b. All Board members are treated even-handedly and fairly.
  - c. All Board members are encouraged and enabled to make a contribution to the board's deliberations.
4. The Chairperson has no authority to unilaterally change any aspect of board policy.
5. The Chairperson will ensure that board meetings are properly planned including the development and distribution of board papers in a timely manner and that the minutes accurately reflect the deliberations and decisions of the board.
6. The Chairperson is responsible for ensuring that board meetings are focused on the right matters and that time is allocated to apply sufficient attention to those.

7. The Chairperson will ensure that all board decisions are understood by Board members and accurately recorded.
8. With the approval of the board the Chairperson may establish a regular communication arrangement with the Chief Executive in which there is an exchange of information. This might also provide an opportunity for the Chief Executive to use such sessions as a sounding board for proposed actions or to check interpretations of board policy. However;
  - a. The Chairperson will recognise that such sessions are not used to 'personally' supervise or direct the Chief Executive.
  - b. The Chairperson will maintain an appropriate professional distance from the Chief Executive to ensure objectivity and attention to governance matters and concerns,
  - c. The Chairperson will not inhibit the free flow of information to the board necessary for sound governance. Therefore, the Chairperson will never come between the board and its formal links with the Chief Executive.
9. The Chairperson may delegate aspects of the authority accompanying the position but remains accountable for the overall role.

#### **Indemnities and Insurance**

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**NNZ will provide Board members with, and will pay the premiums for, a reasonable level of indemnity and insurance cover while acting in their capacities as Board members, which provides for indemnity to the fullest extent permitted by the relevant legislation.**

#### **Reimbursement of Board members' expenses**

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**NNZ will reimburse all reasonable expenses incurred by Board members in the carrying out of their role that have been or are approved by the board.**

## **Board-Chief Executive Interrelationship Policies**

### **Delegation to the Chief Executive**

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**The board delegates to the Chief Executive responsibility for delivering the outcomes stated in its Statement of Strategic Direction/Strategic Plan while complying with the Chief Executive Delegation policies.**

1. The Chief Executive is the sole link and point of accountability between the board and the operational organisation.
2. The board will view Chief Executive performance as identical to total management performance so that the achievement of successful organisation outcomes will be regarded as successful Chief Executive performance.
3. Only the board acting as a body can instruct the Chief Executive.
4. The board will make clear NNZ's strategic direction including performance indicators to be applied by the board when reviewing the organisation's and the Chief Executive's performance.
5. The Chief Executive is responsible for the employment, management and performance management of all staff employed/contracted to the organisation.
  - a. Neither the board nor individual Board members will instruct staff in any matters relating to their work.
6. Provided that the Chief Executive achieves the outcomes sought by the board and does so in a manner consistent with the board's policies and NNZ's values, the board will respect and support the Chief Executive's choice of actions.
7. The expert knowledge and experience of individual Board members is available to the Chief Executive at his/her initiative.

### **Chief Executive Authority**

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1. As long as the Chief Executive applies a reasonable interpretation of the board's policies, and does not set out to defeat their stated intent or spirit, they are authorised to establish all operational policies, make all operational decisions and design and implement and manage all operational practices and activities.
2. Acknowledging a Board member's right to have access to information necessary to meet their 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 their opinion, such requests or instructions are:
  - a. inconsistent with the board's policies;
  - b. are deemed to make unjustifiable intrusions into the Chief Executive's or other staff members' time; or
  - c. are an unjustifiable cost to the organisation.
3. The Chief Executive must notify the Chairperson of the use of point 2.

## **Chief Executive Remuneration**

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**Chief Executive remuneration will be decided by the board based on terms and conditions that reflect the organisation's performance and executive market conditions.**

1. Remuneration will be competitive with similar performance within the marketplace based on achievement of the board's strategic direction and strategic goals while complying with the Chief Executive Delegation Policies.
2. A committee process may be used to gather information and to provide options and recommendations for the board for its consideration and decision.

## **Chief Executive Performance Assessment**

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**The Chief Executive's performance will be continuously, systematically and rigorously assessed by the board 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. Organisation performance will be defined in terms of the board's policy criteria and as identified through monitoring those criteria.
2. The standard applied to assessment of the performance assessment shall be whether the Chief Executive has met or can demonstrate compliance with the intent or spirit of the board's policies.
3. The board shall monitor any policy at any time using any method but will normally base its monitoring on a predetermined schedule outlining the regularity and method of monitoring for each policy.
4. The board shall use any one or more of the following methods to gather information necessary to ensure Chief Executive compliance with board policies and to determine its satisfaction with that person's performance:
  - a. Chief Executive reporting,
  - b. stakeholder feedback;
  - c. advice from an independent, disinterested third party, or
  - d. obtained by a board-appointed Board member, board committee or working party.

## Chief Executive Delegation Policies

### Overarching Chief Executive Limitation

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**As the board's principal officer, the board holds the Chief Executive accountable for ensuring that neither the CEO nor any organisational employees take, allow or approve any action or circumstance in the name of NNZ that is in breach of the law, is imprudent, which contravenes any organisation specific or commonly held business or professional ethic or is in breach of generally accepted accounting principles.**

### Financial Management

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**The Chief Executive is responsible for the day-to-day financial management of the organisation. In carrying out this duty they must take all reasonable steps to ensure that nothing is done, or authorised to be done, that could in any way cause financial harm or threaten the organisation's financial integrity. Without limiting this scope of requirement, the Chief Executive must not allow situations and circumstances in which:**

1. Organisational funds are committed, contracts entered into or liabilities incurred other than for the implementation of board-approved purposes and priorities.
2. Expenditure exceeds the revenue received in the financial year or annual budget or policy parameters unless offset by approved borrowings or board-approved withdrawals from reserves.
3. Undisputed invoices from suppliers of goods and services remain unpaid beyond trade credit terms agreed with those suppliers.
4. Land and buildings are acquired, encumbered or disposed of.
5. Staff have access to lines of credit, credit or other purchasing cards without limitations on expenditure or adequate controls on their use.

### Budgeting and Financial Planning

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**Budgeting and financial planning for any financial year or the remaining part of any financial year shall be designed to ensure the achievement of the board-determined outcomes with no risk of harm to the organisation. Without limiting this scope of requirement, the Chief Executive must not allow situations and circumstances in which:**

1. There is too little available information to enable (a) a credible projection of revenues and expenses, (b) separation of capital and operational items, (c) projection of cash flows, and (d) disclosure of planning assumptions.
2. Financial risks are created that exceed board-determined parameters.
3. Expenditure is incurred within any financial year that could result in default under any of NNZ's financing agreements, or risk insolvency.
4. Could result in the achievement of a 'bottom line', materially different from that determined by the board, e.g. a predetermined surplus, acceptable deficit or balanced budget.
5. Omits board developmental and other governance related expenditure.

## **Budgeting and Financial Planning**

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**In managing the setting and review of salaries and benefits, the Chief Executive must not make or allow decisions or promises that would in any way cause or threaten financial harm to the organisation. Without limiting the scope of requirement, the Chief Executive must not allow situations and circumstances in which:**

1. There is any change to his/her remuneration or benefits.
2. Obligations are created that cannot be met over the projected period of an employee's or contractor's term of employment or over a period for which revenues can realistically be projected.
3. Unfunded employee/contractor related liabilities occur that in any way commit NNZ to unpredictable future costs that could harm the organisation.
4. Promises or offers of guaranteed long-term employment are made under circumstances when such guarantees or promises cannot realistically be honoured.

## **Protection of Assets**

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**In managing the protection of NNZ's physical and intellectual assets, the Chief Executive shall take all prudent and reasonable actions necessary to ensure that these are protected against all foreseeable damaging circumstances. Without limiting the scope of requirement, the Chief Executive must not allow situations and circumstances in which:**

1. Unauthorised persons are permitted to handle cash.
2. Organisation funds are processed or dispersed outside of controls acceptable to the organisation's official auditor.
3. Assets are insured for less than is necessary for prudent risk-management.
4. Board members and/or staff are unprotected against claims of liability.
5. Goods or services are purchased without protection against conflicts of interest.
6. There is inadequate protection against theft, improper use or significant damage to intellectual property and organisation information or information systems.
7. The organisation's good name and/or reputation is harmed to the extent that the achievement of its Purpose and Strategic Intent are impeded.
8. The organisation lacks a 'best-state-of-preparedness' necessary for the maintenance of effective and efficient operation in the event of conceivable or unanticipated risk.

## **Communication & Support to the Board**

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**The board must be adequately informed about issues and concerns, an awareness of which is essential to meeting its legal duties, discharging its moral responsibilities and meeting its accountabilities to stakeholders. Without limiting this scope of requirement, the Chief Executive must not allow situations and circumstances in which:**

1. The board is uninformed about matters critical to its timely and effective governance of the organisation.
2. Financial reports lack adequate detail to enable the board to interpret and assess the significance of:
  - a. significant trends;

- b. data relevant to agreed benchmarks and board-agreed measures; and
  - c. data and information relating to all further financial matters as determined by the board from time-to-time.
3. The board is placed in the position of being uninformed about significant external environmental trends, breaches of Acts relating to the organisation's performance and the board's duties and responsibilities, significant internal issues, adverse media publicity, achievement of, or progress towards the achievement of, the Organisational Outcomes as stated in the Statement of Strategic Direction or changes in the basic assumptions upon which the board's policies are based.
  4. Board members are uninformed when, for any reason, there is actual or anticipated non-compliance with a board policy.
  5. The board is uninformed about health and safety in the workplace matters that fall within the Board members' 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.
  6. The board is uninformed 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 NNZ.
  7. The board is unaware of any occasion, action or decision that results in it being in breach of its Governance Process policies particularly when this relates to the Chief Executive's ability to carry out his/her responsibilities.
  8. Board members are treated as individuals rather than as part of the board-as-a-single-entity, except when responding to individual requests for information or requests from board committees or working parties. (See also Chief Executive Authority policy point 2)

#### **Emergency Chief Executive Succession -**

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**The board recognises that one of its major risks is the loss of key personnel, particularly its Chief Executive. To this end the Chief Executive must not neglect to ensure that there is an emergency management regime that can operate in the event of unexpected loss of his or her services. There must also be at least one person capable of responding to board concerns and requirements at a level necessary to support effective governance.**

#### **Employment Conditions**

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**In the management of the organisation's staff and volunteers, the Chief Executive must ensure that the workplace environment is conducive to ethical behaviour consistent with NNZ's core values, and sound workplace practices consistent with workplace legislation or its common understanding. Without limiting this scope of requirement, the Chief Executive must not allow situations and circumstances in which:**

1. Employees work under adverse conditions or are managed in a manner that may invite behaviour contrary to NNZ's values or that might undermine NNZ's trust and reputation with its stakeholders.
2. There are no clear guidelines as to employee rights, entitlements and workplace obligations.
3. Employees are placed in 'inequitable', 'unsafe', 'undignified' or 'unfair' working conditions or circumstances as defined in relevant workplace legislation.

4. Employees and volunteers and others to whom NNZ owes a duty of care, are exposed to, unprotected from, or unprepared-for hazardous and risky situations or circumstances that could result in harm as specified in the Health and Safety at Work Act.
5. Staff are denied engagement in planning and review of health and safety policies and procedures.
6. Continuous improvement protocols are omitted in the design and execution of health and safety systems and processes.
7. Employees are denied the right to an approved and fair internal grievance process.
8. Employees are uninformed of their rights under this policy.

### **Stakeholder Engagement**

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**In engaging with NNZ's key stakeholders, the CEO must take all reasonable steps to ensure that the relationships created and maintained are in the best interest of both the organisation and the stakeholder. Without limiting this scope of requirement, the Chief Executive must not allow situations and circumstances in which:**

1. The good name of the organisation is placed at risk as the result of poor quality interpersonal or interorganisational communication.
2. Unrealistic expectations are created or implied that could cause hardship to either party, i.e. deviation from organisation policy.
3. NNZ is unaware of the expectations, needs and aspirations of key stakeholders as these relate to the organisations' planning and programme delivery systems.
4. The board is uninformed of any significant change in relationship status with a key stakeholder, notably in regard to funding.

### **Public Affairs**

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**As the board's principal officer, the board holds the Chief Executive accountable for ensuring that neither he/she or other organisation personnel undertake, approve or in any way support any action or circumstances that are directly or indirectly demeaning or derogatory or in any way damaging to NNZ.**