
BACK GROUND

The key findings of the recent report provided by RSC Solutions on completion of the Strategic Plan determined the Club's constitution was **critically out of date** and as such required every rule to be re-written to be in line with the 'Current Model Rules'. RSC on instruction re-wrote the rules to include, modern club governance principles and all current requirements of the Incorporations Act's Model Rules. To simplify the reporting process for members it was determined the consultant would prepare a document that outlined only the key or major changes and the reason for such proposed changes.

SUMMARY OF KEY CONSTITUTIONAL CHANGES

An explanation of the issues and the intent of the **key constitutional changes** have been provided below:-

3 OBJECTS

ISSUES:- The current objectives do not accurately reflect the Club's responsibilities.

CHANGES - Intent: - Alter the objectives to better reflect the role of the Club in line with member's expectations.

5 CLASSES OF MEMBERS

ISSUES:- The current classes of membership do not clarify all the requirements and conditions.

CHANGES - Intent: - Provide improved equity, distribution of power, clarity of entitlements and voting rights. Hence membership has been broken down to better reflect the current and the future needs of this organisation - **Classes of Members and the Right to Vote.**

17 MEMBERSHIP OF MANAGEMENT COMMITTEE

ISSUES:- This section does not reflect modern governance and /or volunteer management practises. It currently sets the organisation up for failure and exposes the volunteer committee to burn out.

CHANGES - Intent: - The intent of the changes is to ensure the rules support modern governance and volunteer management practises. The new recommendations will further support the new governance structure determined during the strategic planning process conducted with club members and the committee in June 2009.

MODERN GOVERNANCE PRACTISES

Number required on Committee - If modern good governance requires skilled personnel to be effective, the likelihood of finding high numbers of people with the skills required to deliver high level of outcomes is unlikely hence the risk to the organisation is increased 10 fold. The intent of this rule is to limit the number of personnel required on the Committee and secondly stipulates the level of skill required to hold a position. Couple this with a rolling structure and the new rules will ensure that only a few vacancies will be required to be filled at any given AGM.

As the key responsibilities of a Committee is to manage the club and deliver the Association's policies and procedures it was recommended the Committee consists of 5 persons with high level management skills and a understanding of community need and a good level of understanding of good governance practises. This will assist to decrease the organisation's exposure to vicarious liability. (If personnel with these skills cannot be encouraged to stand the club will be required and empowered to buy in the standard of services required at member's costs).

This change was able to be accommodated under our current rules. Voting in our 2010 Management Committee at the 2009 AGM (held 6th October 2009) was undertaken in accordance with this recommended structure.

MEMBERS SUMMARY

A second level of governance now known as operating and/or technical committees has also been added to support the Committee. The skills required to hold a position on an operational committee will be very specific and technical. (Note this tier of governance, its links, role and responsibilities is referenced in these rules under Duties of Committees).

Rolling governance structure – Intent is continuity – with the rolling structure, only half the Committee is up for re-election in any given year ensuring continuity of knowledge and most importantly succession.

Set timeframes for holding positions and compulsory retirement – Intent is to offer two year terms as one year is not enough to be truly effective. This coupled with no individual being able to hold a position on the Committee for more than 4 consecutive years will decrease the risk of individual ownership and encourages people to volunteer as they know they are not in for life. When a person's term of appointment expires (4 years) they will be required to retire for a period of no less than 1 year. The intent is to ensure that the volunteer is better protected from volunteer burnout.

18 ELECTING THE MANAGEMENT COMMITTEE

ISSUES: - This section also does not reflect good governance practises. The new rules propose individuals are required to have specific skills needed to manage the Association's business and legal obligations therefore it is necessary for the rules to stipulate the skills required. Secondly the current rules do not protect the organisation if only one applicant is received for a position. Under the current rules you are obligated to accept this individual irrespective of their skills and ability.

CHANGES Intent: - The intent is to implement the changes required to modernise the method from a popular vote to skill based popular vote process. The changes will ensure applicants are required to provide members with the information to make an informed decision. It is critical that the organisation have the opportunity to elect skilled personnel to the Management Committee and never be in the position of having to accept a nomination just because it is the only one. It is here the rule supports the buying in of services if positions cannot be filled with skilled personnel.

26 DUTIES AND RESPONSIBILITIES

ISSUES: - The current rules don't stipulate or clarify the duties or responsibilities of any individual body. This alone has been a major contributor to current issues. Good governance practises require clear boundaries and responsibilities. The proposed changes ensure the Rules of Association stipulate the minimum standard, not policy, which can be altered easily.

CHANGES - Intent: - The intent is to clarify the duties and responsibilities of everybody to the Association and to each other. Hence this rule covers duties of the:

- Organisation to the Management Committee personnel
- Management Committee responsibilities
- Management Committee to Association volunteer workforce
- Management Committee to Operating Committee
- Operating Committees to the Management Committee
- All Members to the Association

35 QUORUM FOR, AND ADJOURNMENT OF, GENERAL MEETING

PROXY

CHANGES - Intent: - this section has been removed completely. The intent is to ensure members are physically present when important decisions are discussed and debated prior to the vote.

ADJOURNMENT OF, GENERAL MEETING

CHANGES - Intent: - is to add further value to the existing rules by providing a clear process of what occurs if a quorum is not obtained the second time the AGM or Special meeting is called. The intent is to ensure the organisation can still function.

MEMBERS SUMMARY

36 PROCEDURE AT GENERAL MEETING

CHANGES - As proxy voting has been removed reference to proxies within this section has been removed.

44 GENERAL FINANCIAL MATTERS

CHANGES – Intent :- To decrease the risk of poor financial decisions it is critical this section spell out the general financial matters and individual responsibilities of the Treasurer’s position hence this section now references the specific requirements and reporting to the Management Committee.