



API

griffinlegal.

API 2021/2022
Governance Review



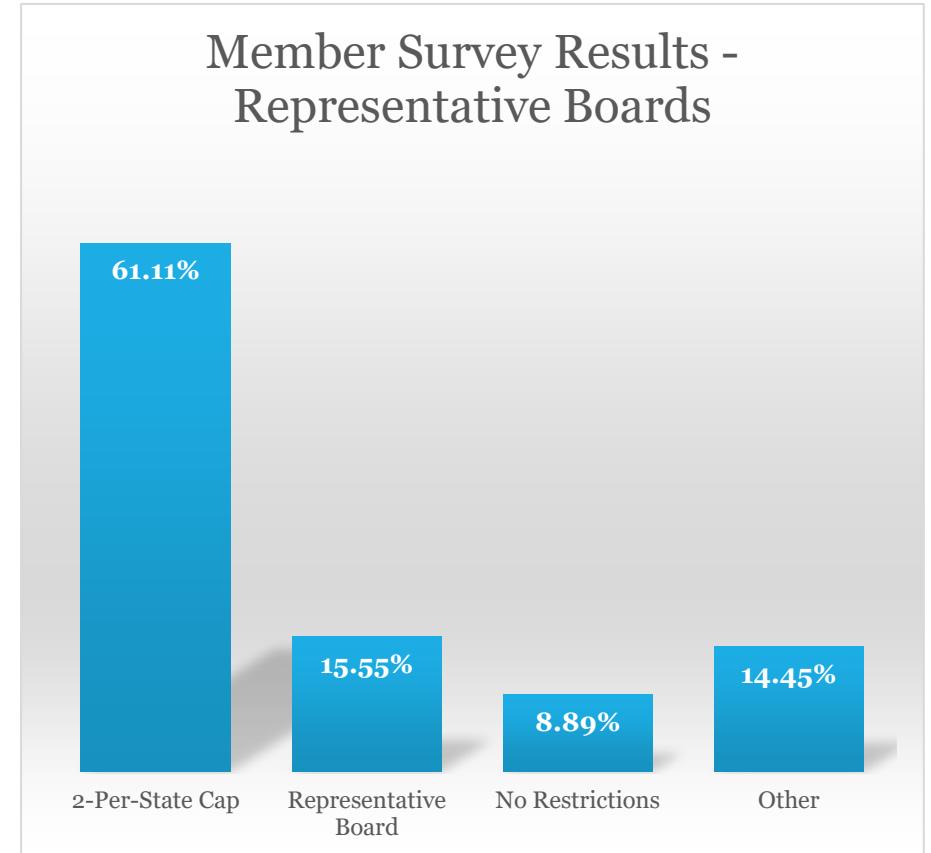
Summary of feedback

- 130+ responses from API members
- All State Committees have been consulted during October, December & February – engagement with more than 100 Members in this forum
- Survey open from October – now. Will close on **Friday, 18 March**
- Individual responses received to Governance inbox or through direct feedback to API or GL

<p>Director terms of 3 years Director tenure of 6 years Decrease gap for director to renominate to 2/3 years Support for State Committees Flexibility in creating new membership categories API's current Objects</p>	<p>Representational Board Increasing the size of the Board State caps on Directors</p>	<p>Director tenure increasing beyond 6 years Sector-specific committees</p>

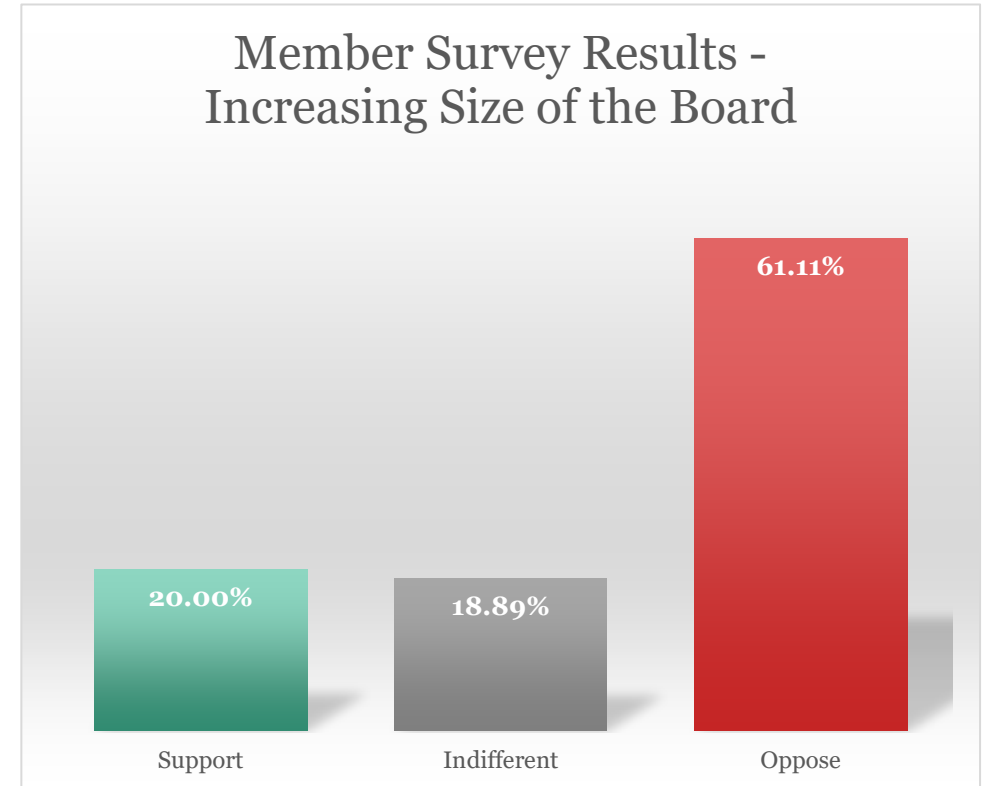
Representational Board

- ❑ Mixed feedback on representational board (i.e., representation from all States/Territories)
- ❑ Feedback included one representative per state, minimum representation from the larger states, and abolition of the existing 2-per-state cap with no limit on state of origin
- ❑ Agreement on importance of having directors with the right skillset
- ❑ No change is proposed with a retention to the cap of 2 per State/Territory



Size and Composition of the Board

- ❑ There was some support to increase the size of the Board, although this was generally tied to a proposed move to a representative structure, thereby allowing for state and territory representation and independent Directors.
- ❑ Only 20% of respondents to the general member survey supported increasing the size of the Board.
- ❑ The Board feels as if the current size of the Board is working well.
- ❑ Some feedback indicated that there may be scope for an additional independent Director to fill skill shortages where necessary
- ❑ Feedback being sought on providing for an additional appointed director – perhaps with a varied term of 1 year, to allow for meeting skills shortages



Poll Question

Currently the Board is made of 9 Directors – consisting of 7 elected Directors and 2 independent Directors which the Board appoints.

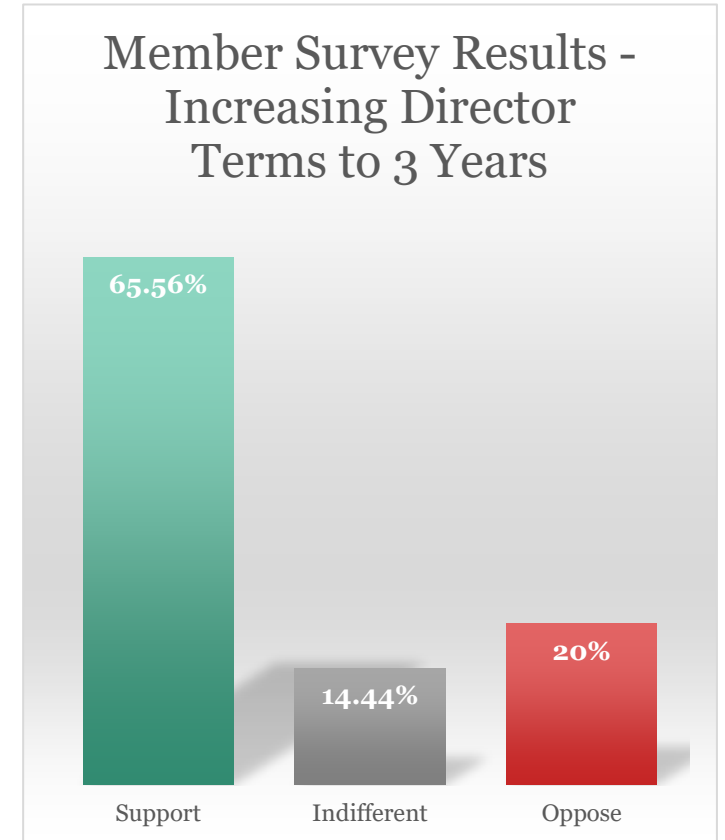
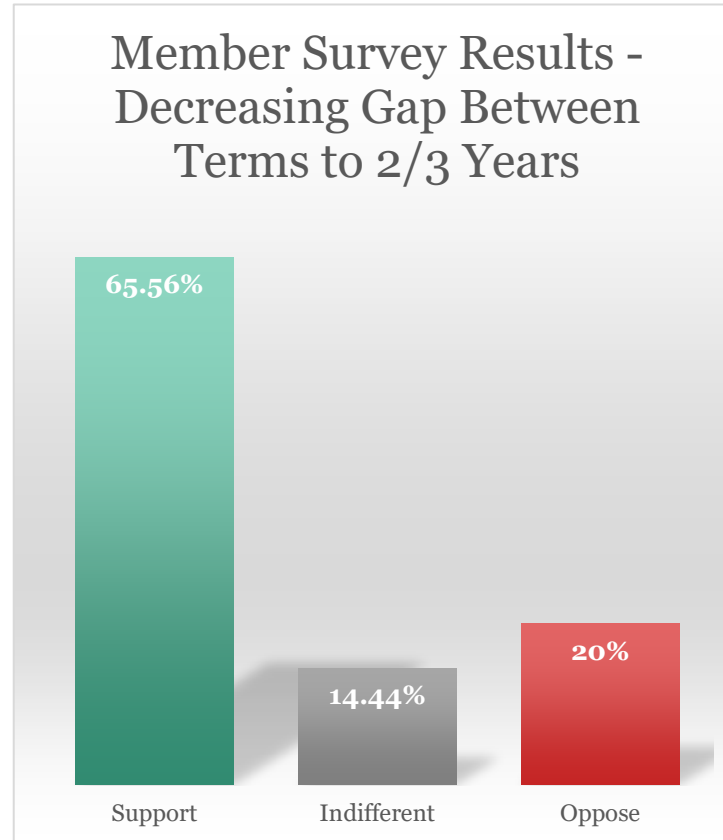
Do you support:

- a) The Board being made up of 3 appointed directors and 7 elected directors? (additional appointed director)
- b) The Board having the ability to appoint 1 additional director from time to time if there is a particular need or skills gap, leaving 7 elected directors? (Board size of **up to** 10)
- c) The Board having 3 appointed Directors, and 6 elected directors? (one less elected director)
- d) No change – leaving the Board as 2 appointed directors and 7 elected directors
- e) Other (please explain)



Director Terms

- ❑ Support for increasing director terms to 3 years, provided that the maximum term length remained at 6 years. Meaning a move to a 2-term limit.
- ❑ Support for reducing the gap between terms from 6 years to 2 or 3 years.
- ❑ Some concern that 3 years would serve as too long as a gap and would lead to skilled directors losing passion and not seeking re-election.
- ❑ Transitional provisions have been included so that current directors will serve a maximum of 6 years





Poll Question

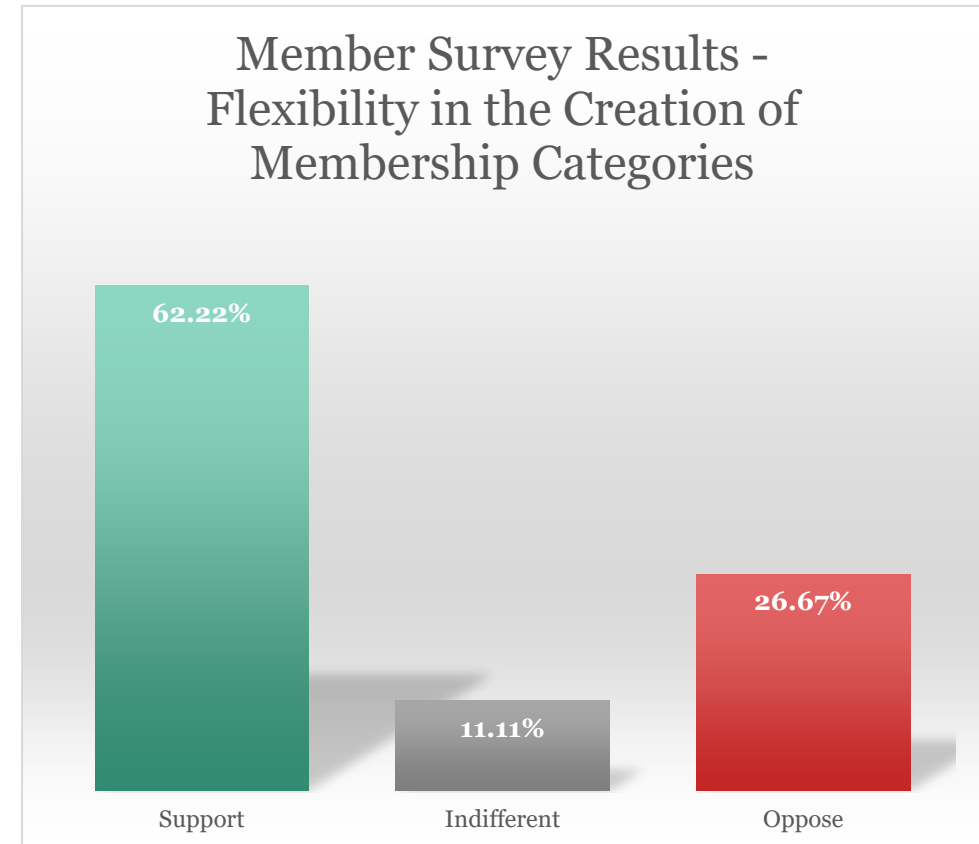
In the current API Constitution, once a Director has served on the Board for 6 years, they must take a break of 6 years before nominating for the Board again.

Do you support reducing the gap before a director can be re-elected from 6-years, to either:

- (a) 2 years; or
- (b) 3 years.

Voting and Members

- ❑ Categories of Voting Members are Life Fellows, Fellows and Associates
- ❑ No changes in new Constitution to categories of Membership that can vote
- ❑ Altering or creating any new category of member with voting rights can only be done through constitutional amendment – requires Member consent
- ❑ Support for flexibility in the creation of new membership categories, and these categories can be covered by the Policies
- ❑ Board's position is that introduction of new membership categories which obtain voting rights is a decision for Members
- ❑ The same categories of Members that can vote will be eligible for election to the Board



Role of Operations Team and Role of Board

Operational	Governance
<ul style="list-style-type: none">• CEO and employees• Day to day operations• Use financial resources within set budget• Operational needs of organisation• Board delegates to management• Management of members (including CPD and education)• Marketing• Events• Standards and compliance• Professional development• Advocacy	<ul style="list-style-type: none">• Board of Directors• Govern• Strategy – oversee and implement the strategic direction of the company• Resources – policies and resources to achieve strategy• Performance – monitor performance of the organisation, financial and outcomes• Compliance – oversee process to comply with legal and regulatory• Risk – oversee risk framework• Accountability – report

State Committees

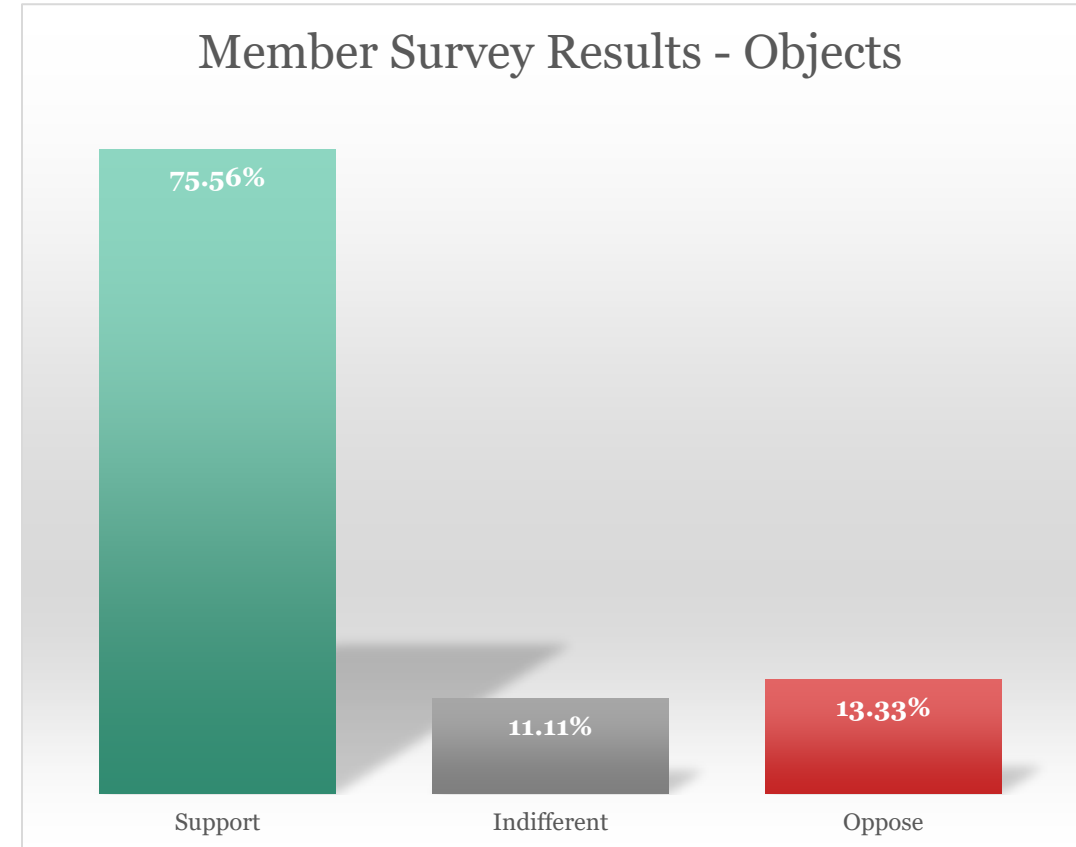
- ❑ Near universal support for the role of State Committees as conduits between members and the Board.
- ❑ Discussions with State Committees showed that most of the work done by, or concerns raised by, State Committees related to operational matters.
- ❑ State Committees remain created by the Constitution, with other Committees created by Policies.
- ❑ Majority felt that there wasn't a need for sector-specific committees.

Link between State Committees and Board

- ❑ Assigned Board Director for each State Committee
- ❑ Minutes of State Committee Meetings (and State Chairs Committee) presented to Board
- ❑ Operational staff in attendance at every State Committee meeting to be aware of any project work arising at State/Territory level
- ❑ State Committees are conduit between Members to the Operational Team and Board
- ❑ Under consideration is communication channels between State Committees and Board with broader membership
- ❑ Retain State Chairs Committee, to share across jurisdictions

Other Commentary

- ❑ Strong support for the Objects of the API
- ❑ Vast majority of respondents across all data collection methods felt that the purpose and aim of the API may change over time
- ❑ Near universal support for moving membership renewals out of December – to either March or June



Structure of new Constitution

The Constitution has been rewritten to:

- ❑ simplify
- ❑ use modern language
- ❑ align with changes to the *Corporations Act 2001*
- ❑ account for Member feedback and expectations
- ❑ future-proof the governance structure of the API

Structure of new Constitution

- Objects – no change
- Membership categories
- Standards and Discipline
- Directors – elected and appointed
- Powers and duties of the Board
- Chair
- Proceedings of API Board
- Proceedings of General Meetings, of Members
- Committees (i.e., State Committees)
- Policies
- Accounts
- Indemnity
- Notices
- Winding up
- Transitional Provisions

Notable changes to Constitution

- ❑ Director terms of 3 years
- ❑ Gap for Directors before being eligible to re-nominate for the Board – 2- or 3-year gap
- ❑ Clearly articulated that changes to voting categories which obtain voting rights is a decision of Members
- ❑ Members will still vote on the remuneration pool for the Board, but the Board will no longer obtain an external report – cost saving for API
- ❑ Removal of Vision and Purpose Statement
- ❑ Calling for motions from Members before the AGM (45 days) – presently has limited application. Fall back on *Corporations Act 2001*

Questions / Feedback?

