

NUMBER	P16/8	VERSION	1.0
CATEGORY	Charter	SUBJECT	Governance
ISSUED BY	Trust	APPROVAL DATE	31/03/2016
AUTHORISED BY	Trust	ISSUED DATE	7/04/2016
DISTRIBUTION	External	REVIEW DATE	7/4/2018

Foundation for the Historic Houses Trust of NSW

Purpose

This Charter sets out the duties, responsibilities and proceedings of the Foundation of Historic Houses Trust of New South Wales (Foundation), and is to be read in conjunction with:

- a) the Trust Deed for the Foundation dated 14 November 2001, as amended on 28 August 2002 (Trust Deed); and
- b) the constitution for the Foundation for the Historic Houses Trust of New South Wales Limited (Trustee's Constitution).

Background

The NSW *Historic Houses Act 1980* (HHT Act) established the Historic Houses Trust of NSW (HHT) to provide for the care, control and management of houses and other buildings and places of historic importance.

The Foundation was established by the Trust Deed for the purpose of raising money for the 'management, maintenance, promotion, advancement and development of the museums, historic houses and other properties vested in, acquired by or under the care, custody and control of the HHT.'¹ The Foundation seeks to set an example for how a philanthropic organisation should operate and help ensure the longevity of the HHT properties and access to them by encouraging private giving. The support of donors ensures the longevity of the HHT's properties, by enabling public access, ongoing conservation and acquisition of relevant collection items.

The Trust Deed provides the governing rules for the Foundation and its interaction with the HHT. The Trust Deed also appoints Foundation for the Historic Houses Trust of New South Wales Limited ACN 098 133 692 (Trustee) as the corporate trustee of the Foundation and outlines the powers of the Trustee in respect of the Foundation.

The Trustee is a company limited by guarantee. All directors are members of the Trustee. The Trustee's Constitution provides the governing rules for the Trustee, including directorship, membership and decision-making.

Scope

This Charter applies to the Foundation, including the Trustee and any person that may be appointed from time to time to act in the place of the Trustee, and to the Board of Directors of the Trustee.

¹ Trust Deed, introduction paragraph A.

CHARTER

1. Objectives

The Foundation is responsible for raising money on behalf of the HHT and applying such money and other HHT property for the purpose of managing, maintaining, promoting, advancing and developing the museums, historic houses and other properties vested in, acquired by or under the care, custody and control of the HHT.

The Foundation is also responsible for ensuring that the powers, authorities, duties and functions of the Foundation are undertaken in accordance with the Trust Deed and the Trustee's Constitution, and are not inconsistent with the HHT Act.

2. Trustee

2.1 Term of Appointment

The Trustee is appointed pursuant to the Trust Deed and its appointment is ongoing, subject to the HHT's power to remove and replace the Trustee.²

2.2 Trustee's Role

The purpose of the Trustee, under clause 3 of Trustee's Constitution, is to act as trustee of the Foundation and to do all such things as are necessary, incidental and conducive to acting as trustee of the Foundation. Under clause 5 of the Trustee's Constitution, the Trustee must apply all income and property under its control towards promoting and achieving that purpose.

The Trust Deed, more specifically, provides that the Trustee is responsible for the general administration and management of the Foundation and its property.³

2.3 Directors

The Trustee's Constitution governs the appointment, removal and appointment duration for Directors of the Trustee.

Every member of the Trustee is also a Director, provided he or she provides the appropriate consent to act as a Director (included in the induction package).⁴ Directors must remain members of the Trustee for the duration of their appointment.⁵

The HHT can:

- a) Appoint Directors to fill a casual vacancy (provided they are admitted as a member of the Trustee within 3 months of that appointment);
- b) Appoint additional Directors (provided they are admitted as a member of the Trustee within 3 months of that appointment); and
- c) Remove and replace Directors for any cause.⁶

Directors are appointed for a term specified in his or her letter of appointment. Each Director must retire at the third general meeting after his or her appointment, but is eligible for reappointment for a maximum of two further terms of three years each.⁷

2.4 Induction of Directors

An induction pack will be provided to new Directors of the Trustee upon their appointment to enable them to gain an understanding of the HHT, the Foundation and the Trustee. The information provided will include:

- a) HHT Act;
- b) Trustee's Constitution;
- c) Trust Deed;
- d) This Charter;
- e) Trustee Board of Directors Code of Conduct;
- f) Roles & Responsibilities – SLM Foundation Board;

² Trust Deed, clauses 3 and 11.

³ Trust Deed, clause 2.

⁴ Trustee's Constitution clause 7.2.

⁵ Trustee's Constitution clause 13.6.

⁶ Trustee's Constitution, clauses 7.3, 13.5 and 17.

⁷ Trustee's Constitution, clauses 13.2 and 13.3.

- g) Application for membership of the Foundation;
- h) Register of Directors, together with the biographies of each Director and their contact details;
- i) Most recent HHT annual reports;
- j) Trustee Board and member meeting Minutes for the prior 12 months;
- k) List of activities of the Foundation for the last 12 months;
- l) Key HHT policies;
- m) HHT properties information and contact details;
- n) Conflict of Interest Declaration Form; and
- o) Notice of Consent to Act as a Director.

3. Authority

The exercise and performance of the Trustee's powers are subject to the overriding power of the HHT. The HHT may overrule any decision of the Trustee and prevent such decision from being implemented, where it considers that the effect of the decision is not in accordance with the purposes of the Trustee, is not for the overall benefit of the Foundation or the HHT, or is in breach of the Trust Deed.⁸

The Trust Deed sets out the powers and authorities of the Trustee, including the powers to⁹:

- a) Attract and encourage donations, gifts, bequests, endowments, trusts and other forms of financial assistance to the Foundation for the benefit of the HHT;
- b) Attract and retain for the HHT, the continuing interest and financial support of the business community and the general public;
- c) Invest the Foundation's property or any part of it in investments authorised by the *Trustee Act 1925* (NSW);
- d) Sell, call in or convert any investment or asset forming part of the Foundation's property into money or other property;
- e) Change, vary or transpose any investments or assets forming part of the Foundation's property for other investments or assets authorised by the Trust Deed;
- f) Lease or license all or any part of the real or personal property forming part of the Foundation's property for any period upon such terms and conditions, and for such rent, as the Trustee thinks fit;
- g) Raise or borrow money either bearing or free of interest and secure the repayment of moneys borrowed and any interest payable by mortgage or charge over all or any of the investments or assets of the Foundation's property, and apply such money for any of the Foundation's purposes;
- h) Receive as part of the Foundation's property gifts and benefactions of any kind;
- i) Delegate to any person or corporation all or any of the powers, duties and discretions vested in the Trustee by the Trust Deed;
- j) Manage the Foundation's property and effect repairs to the Foundation's property as the Trustee may consider necessary or advisable;
- k) Open any banking account and operate it in the ordinary course of business;
- l) Pay all insurance premiums, rates, taxes, rents and other outgoings in connection with any real or personal property which forms part of the Foundation's property.

The Board of Directors of the Trustee may exercise all the powers of the Trustee, other than those required to be exercised by the members of the Trustee in general meeting.¹⁰

⁸ Trust Deed, clause 4.1.

⁹ Trust Deed, clause 6.1.

¹⁰ Trustee's Constitution, clause 22.1.

4. Board responsibilities and duties

4.1 Required skills and qualifying attributes

Each Director of the Trustee must have experience in:

- a) Fundraising and stimulating a philanthropic culture.
- b) Board governance and management.

Each Director must also:

- a) Have a high profile in a key sector for the Foundation;
- b) Have relevant networks and connections; and
- c) Be able to identify prospective donors and help cultivate donors.

The majority of the Directors must also be 'responsible persons', that is persons who have, by virtue of the tenure or some public office or their position in the community, a degree a responsibility to the community as a whole¹¹

4.2 Continuing duties and responsibilities

Each Director of the Trustee must:

- a) Be and remain a member of the Trustee;
- b) Support the Foundation through personal contributions or the sourcing of contributions on behalf of the Foundation;
- c) Attend all Foundation events and activities, where possible, including meetings of the Trustee Board;
- d) Read all briefing notes for events and come prepared to approach allocated contacts at those events as potential donors;
- e) Where appropriate, ask for contributions to the Foundation;
- f) Help to thank donors for their contribution to the Foundation; and
- g) Communicate with donors about the Foundation's fundraising program and strategic work.

Each Director of the Trustee has a responsibility to:

- a) Have a clear understanding of and comply with his or her legal duties and responsibilities, including those set out in the *Corporations Act 2001* (Cth), the Trustee's Constitution and the Trust Deed;
- b) Abide by the Trustee Board of Directors Code of Conduct;
- c) Contribute the time needed to study and understand any notes and documents relating to the Foundation provided to them;
- d) Attend meetings of the Trustee Board, and of HHT when invited;
- e) Accept membership of one or more Trustee Board committees as requested;
- f) Act as advocates for HHT;
- g) Represent HHT and the Foundation at functions and forums as requested;
- h) Inspect HHT properties from time to time, both existing and proposed;
- i) Bring relevant matters to the attention of the Trustee Board and, where appropriate, the HHT;
- j) Apply good analytical skills, objectivity and good judgment;
- k) Apply the full range of their professional expertise and broader career experience in their assessment and commentary on relevant matters; and
- l) Return any Trustee Board papers or other Trustee or HHT records to the Trustee Board on retirement to ensure secure destruction, or confirm in writing that such records have been securely destroyed.

¹¹ Trust Deed, clause 11.3.

5. Board rights and benefits

Rights and benefits for Directors of the Trustee include:

- a) Personal indemnity under the Treasury Managed Fund Contract of Coverage for actions committed in good faith for the purpose of discharging their responsibilities as Directors of the Trustee;
- b) Coverage for personal accidents arising out of or in the course of official duties (coverage is equivalent to that provided under the NSW Workers Compensation Act 1987);
- c) Reimbursement of expenses incurred on while carrying out their duties (by submission of invoices and receipts to the Trustee board);
- d) A Sydney Living Museums (SLM) Complimentary Membership with benefits including free entry to all properties (for the Director, an accompanying adult and up to four children);
- e) Free entry to public programs with attendance requests directed to the Head of Development.

6. Committees

In accordance with the Constitution, the Trustee Board may delegate any of its powers to a committee or committees consisting of some of the Directors and any other persons that the directors think fit. The committees must exercise the powers delegated to them in accordance with the directions of the directors.¹²

7. Proceedings

The proceedings of the Trustee are governed by the Constitution.

The Constitution sets out the requirements for Trustee Board and member meeting frequency, attendance, quorum, decision making and appointment of a chairperson, as well as the procedure for minute taking and dispute resolution.¹³

8. Assessment arrangements

The Trustee board will review and report on the performance of the Foundation, including the performance of the Trustee and the Directors of the Trustee, at least annually. The review will be conducted on a self-assessment basis.

9. Review of Charter

At least once every two years the Trustee Board will review the Charter. This review will include consultation with the HHT Executive Director. Any substantive changes to the Charter will require the formal approval of the Trustee Board and HHT Board of Trustees.

Roles and responsibilities

- Set out in section 4.2

Legislation

- *Historic Houses Act 1980*
- *Trustee Act 1925* (NSW)
- *Corporations Act 2001* (Cth)

Related policies

- M2013-06 NSW Government Board and Committee Guidelines
- Code of Conduct: Foundation Board of Directors
- M2009-04 Official Travel within Australia and Overseas
- Public Service Commission Circular: PSCC2012-08 Australian and Overseas Travel by Senior Officials)
- Trust Charter

Other related documents

¹² Trustee's Constitution, clause 20.

¹³ Trustee's Constitution, clauses 18 to 26, 29 to 38, and 46.

- Consent to Act as Foundation Director Form
- Foundation Director Conflict of Interest Declaration Form
- Foundation Membership Form

Definitions

- **Foundation** means the Foundation of Historic Houses Trust of New South Wales
- **HHT** means the NSW Statutory Authority Historic Houses Trust of New South Wales
- **Legitimate expenses** are those for which Directors may be reimbursed under NSW Government Policy.
- **Trustee** means the Foundation for the Historic Houses Trust of New South Wales Limited ACN 098 133 692
- **Trustee's Constitution** means the constitution for the Foundation for the Historic Houses Trust of New South Wales Limited.
- **Trust Deed** means the Trust Deed for the Foundation dated 14 November 2001, as amended on 28 August 2002.

Superseded documents

- none

Revision history

Version	Date issued	Notes	By
1.0	7/04/2016	Development of Charter	Head of Development & Fundraising

Review date

- The next review date is 7 April 2018.

Contact

Zoe Pollock

Head of Development & Fundraising

email: zoep@sydneylivingmuseums.com.au

Phone: 02 8239 2282