

NUMBER	P16/9	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

## Code of Conduct: Foundation Board of Directors

### Purpose

This Code of Conduct outlines the values, principles and standards of behaviour expected of Directors of Foundation for the Historic Houses Trust of New South Wales Limited (Trustee) to ensure best practice standards of corporate governance.

### Background

The *Historic Houses Act 1980* (NSW) (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 HHT is subject to relevant New South Wales Government guidelines and legislation, as well as the direction and control of the Minister for Environment and Heritage.

The Foundation of Historic Houses Trust of New South Wales (Foundation) was established by a Trust Deed dated 14 November 2001 (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'.

The Trust Deed appoints the Trustee as the trustee of the Foundation. The Directors of the Trustee are responsible for governing the Trustee.

As with the Code of Conduct for the Trustees of the HHT, this Code of Conduct has been developed with reference to the NSW Government Boards and Committees Guidelines (M2013-06), the Public Service Commission's Guidelines for Developing and Implementing a Code of Conduct and other relevant legislation and public policy.

### Scope

This Code of Conduct applies to Directors of the Trustee as well as any person that may be appointed from time to time to supplement or replace existing Directors and, members of any committees established by the Directors of the Trustee.

## Code of Conduct

### 1. Governance of Trustee and Foundation

The Foundation is directly accountable to the HHT, which is in turn accountable to the Minister for Heritage through the NSW Government Office of Environment and Heritage. The Directors of the Trustee report directly to the HHT Executive Director.

The Directors of the Trustee acknowledge that exercise of powers, authorities, duties and functions, as conferred by the Trust Deed and the constitution of the Trustee (Constitution), are subject to the direction and control of the HHT.

Information about the appointment of Directors, their respective duties and the proceedings of the Trustee are outlined in the Foundation Charter, and more fully specified in the Constitution.

### 2. Compliance with laws and policy directives

The Directors of the Trustee are responsible for ensuring that the Trustee and the Foundation comply with the relevant legal framework, particularly the Constitution, the Trust Deed and the HHT Act.

Directors are also responsible for ensuring compliance with the Minister's directions, Department of Premier and Cabinet Memoranda and Circulars (such as the NSW Government Board and Committees Guidelines), this Code of Conduct and other government policies.

### **3. Values and ethics**

All those who work within the public sector, including Directors of the Trustee, are expected to maintain standards of conduct, values (integrity, trust, accountability and service) and ethics that maintain public confidence and trust.

The NSW Government Board and Committees Guidelines, and the Premier's Memorandum M2013-06 announcing those guidelines, define the standards of behaviour required of directors of the Trustee. They also provide information and advice on ethical and other accountability issues of relevance to the New South Wales public sector. The NSW Public Service Commission's ethical framework also informs this Code of Conduct.

Key behavioural expectations of Directors of the Trustee include the following:

#### **a) Personal and professional behaviour**

Directors are expected to:

- i. perform their functions with integrity, impartiality, honesty, conscientiousness and loyalty to the public interest;
- ii. exercise due care and diligence in fulfilling the functions and exercising the powers of a Director of the Trustee;
- iii. not engage in conduct likely to bring discredit upon the Foundation, the Trustee or HHT, or take improper advantage of their position as a Director; and
- iv. treat each other, HHT employees and Trustees and others with whom they deal fairly and consistently, in a non-discriminatory manner and with proper respect, courtesy and sensitivity to their interests, rights, safety and welfare.

#### **b) Demonstrate leadership**

Directors will:

- i. promote and support the application of New South Wales public sector values as embodied in the *Government Sector Employment Act 2013* (NSW), having regard to the role of the Foundation;
- ii. look for ways to improve the performance of the Foundation, the Trustee or HHT, and promote high standards of administration and governance.

#### **c) Decision making**

Directors will:

- i. use Trustee board meetings as the appropriate forum for discussion of all relevant issues; and
- ii. bring an independent judgment to decisions, and seek to make decisions that are honest, fair, impartial and timely, based on consideration of the relevant facts and supported by appropriate documentation.

### **4. Efficient and responsible financial management**

The Directors of the Trustee are responsible for ensuring that the Foundation operates within its financial resources, and that expenditure is managed efficiently and responsibly by the Foundation, having regard to the Trust Deed.

The Directors are also responsible for assisting in ensuring that the Foundation, in holding funds and property on behalf of the HHT, meets any financial reporting obligations it or the HHT has under relevant state legislation (including the *Public Finance and Audit Act 1983*) and any other government policies and guidelines governing financial and asset management.

### **5. Confidentiality and public comment**

The Chair of the Trustee Board or their nominated representative manages public comments on Foundation activities on a day-to-day basis. Directors of the Trustee should not make public or media comments on behalf of the Trustee or the Foundation, the Trustee Board's deliberations or the operations and business of HHT unless required by law or authorised by the HHT.

The Directors acknowledge that confidential information received in the course of the exercise of their duties remains the property of the Foundation and it is improper to disclose it, or allow it to be disclosed, unless that disclosure is required by law or authorised by the Trustee Board.

## **6. Gifts and benefits**

Other than in the context of receiving donations for the Foundation, the Directors of the Trustee must not accept gifts or benefits that could place them under an actual or perceived financial or moral obligation to other organisations or individuals. Consequently, any offers of gifts or benefits received by Directors, other than donations received for the Foundation in accordance with the Trust Deed, must be declared to the Trustee board.

## **7. Conflicts of interest and related party transactions**

Directors of the Trustee must ensure they do not allow personal interests, or the interests of any associated person or organisation, to conflict with the interests of the Foundation, the Trustee or HHT. For example, a conflict of interest would exist in circumstances where a Director or one of their friends or relatives has a financial interest in a matter dealt with by the Foundation or HHT. A conflict may similarly arise if a Director is a member of an external board of an organisation whose interests may conflict with those of the Foundation or HHT.

These are indicative examples only and there may be other situations that can lead to a real or perceived conflict of interest. It is each Director's responsibility to avoid conflicts that could compromise the impartial performance of their role.

Upon appointment as a Director of the Trustee and on an annual basis during the term of their appointment, each Director must make a written declaration that they do not have any conflict of interest that would preclude them from continuing as a Director of the Trustee.

Directors of the Trustee also have a duty to declare any personal interests (such as pecuniary interests, board memberships or involvement with corporations, partnerships or businesses) that may affect board decision making. The Foundation Director Conflict of Interest Declaration Form, which forms part of the Induction Package, provides the opportunity for directors to make any such declarations.

When a conflict of interest issue arises, the relevant director must as soon as possible disclose the nature of the relevant interest at a meeting of the Trustee board. The disclosure will be recorded in the Conflict of Interest Register. After disclosing the interest, the director must remove themselves from any discussion or vote of the Trustee board in respect of the matter, unless the Trustee board decides otherwise.

## **8. Reporting suspected corrupt conduct and public interest disclosures**

Corrupt conduct is the dishonest or partial exercise of public official functions. It may also involve the conduct of non-public officials which adversely affects the honest and impartial exercise of a public official's functions.

The Directors of the Trustee should:

- a) familiarise themselves with their rights and responsibilities under the *Independent Commission Against Corruption Act 1988* (NSW) and the *Public Interest Disclosures Act 1994* (NSW); and
- b) report any instances of improper conduct, misconduct or corruption to the Trustee Board and the HHT Executive Director (note that, to constitute a 'public interest disclosure', the report must be made to HHT's Executive Director or the other persons nominated under HHT's Public Interest Disclosure Policy to receive reports).

The *Public Interest Disclosures Act 1994* (NSW) provides protection to public officials who voluntarily report suspected corrupt conduct.

The Directors of the Trustee are also able to report directly to investigative bodies such as the Independent Commission Against Corruption NSW (ICAC), the NSW Ombudsman or, in the case of serious and substantial waste of public money, the NSW Auditor General.

A more exhaustive explanation of this issue is set out in the HHT's Public Interest Disclosure Policy. Further information is available from the NSW Ombudsman, ICAC or the NSW Auditor General.

## **Roles and responsibilities**

- Set out in Foundation for the Historic Houses Trust of NSW Charter

## **Legislation**

- *Annual Report (Statutory Bodies) Act 1984*

- *Government Information (Public Access) Act 2009*
- *Government Sector Employment Act 2013*
- *Historic Houses Act 1980*
- *Independent Commission Against Corruption Act 1988*
- *Public Finance and Audit Act 1983*
- *Public Interest Disclosures Act 1994*

### Related policies

- M2013-06 NSW Government Board and Committee Guidelines
- Foundation for the Historic Houses Trust of NSW Charter
- Public Interest Disclosures Policy
- Trust Charter

### Other related documents

- Charter - HHT Board of Trustees
- NSW Auditor-General Better Practice Guide – Fraud Control Improvement Kit: Meeting your Fraud Control Obligations (2005) available at [http://www.audit.nsw.gov.au/ArticleDocuments/138/156\\_Fraud\\_Control\\_Improvement.pdf.aspx?Embed=Y](http://www.audit.nsw.gov.au/ArticleDocuments/138/156_Fraud_Control_Improvement.pdf.aspx?Embed=Y)
- Consent to Act as Foundation Director Form
- Foundation Director Conflict of Interest Declaration Form
- Foundation Membership Form
- Consent to Act as a Director 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	7/4/2016	Development of Code of Conduct	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](mailto:zoep@sydneylivingmuseums.com.au)

Phone: 02 8239 2282