

# **Community Bank National Council ("Council")**

## **CHARTER**

**Version 2.0**

**June 2024**

# 1 WHO WE ARE

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- 1.1 Vision  
We are united, significant and influential network of Community Banks and social enterprises, contributing to the prosperity of Australian communities.
- 1.2 Purpose  
To represent and advocate for the aspirations of our community network.

# 2 ROLE

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- 2.1 Purpose  
The role of the Community Bank National Council ("Council") is to do each of the following:
  - a. Contribute to the development of strategy for the Community Bank network and promote innovation.
  - b. Work with Bendigo and Adelaide Bank ("BEN") to lead the long-term sustainability and success of the Community Bank model and its ability to deliver transformational change in our communities.
  - c. Encourage network collaboration and the collaboration between the network and BEN.
  - d. Be an active internal and external voice for the Community Bank network.
  - e. Act as a sounding board and advisor to BEN in respect to the Community Bank network and its interests.
  - f. Unify the Community Bank network.
  - g. Proactively communicate to the Community Bank network relevant decisions and issues of interest.
  - h. Seek input and feedback from the Community Bank network.
- 2.2 Principles  
The Council's development of strategy and recommendations relating to the Community Bank model will be informed by the following:
  - a. Demonstrating the principles of the Community Bank model.
  - b. Active engagement with the Community Bank network and BEN. This includes consulting and collating feedback from the Community Bank network and BEN.
  - c. The broader environment including Government and the community sector.
  - d. Opportunities to strengthen the broader reputation and point of difference of the Community Bank model.
  - e. Monitoring developments and trends in the Community Bank network.
  - f. Planning for the long-term prosperity of our communities.
- 2.3 Authority  
The Council is established by BEN. The Council has the authority to do each of the following and anything else that BEN agrees (in writing):
  - a. **Advice:** it provides advice to BEN on the outcomes of deliberations, and areas of improvement that can be made to the Community Bank model.

- b. **Sub-groups:** it has authority to establish sub-groups, under specific terms of reference, for each of the following purposes, in order for the Council to provide advice to BEN or the Community Bank network on these matters:
  - **Strategic:** Specific strategic discussions or strategic initiatives.
  - **Operational:** Operational issues that are Community Bank network wide of a significant impact on operations, have failed resolution through the appropriate mechanism and support the development of strategy.
  - **Other matters:** The Council may decide to set up a sub-group for other purposes. A sub-group is to be chaired by a Council representative. Other participants may include other directors from the Community Bank network and BEN employees. The Chair of a sub-group is responsible for reporting progress to the Council, making sure the matters considered fit within the Council's overarching mandate, and providing recommendations to the Council to consider in formulating advice to BEN or the Community Bank network.
- c. **Communications:** It has authority to communicate with the Community Bank network about the outcomes of Council deliberations. The Council does not have authority to communicate on behalf of BEN. It has authority to communicate through communication channels made available by BEN and must comply with BEN communication policies and guidelines.
- d. **Conferences:** It has authority to present at State and National Conferences, for the purpose of engaging with the Community Bank network and communicating progress on its activities and initiatives.
- e. **Budget expenditure:** It has authority to use the budget allocated to it by BEN within the limits of the Charter.

### 3 REPRESENTATIVES

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#### 3.1 Composition

The Council can have up to 15 representatives, comprising:

- a. 8 elected Community Bank company director representatives
- b. Up to 4 appointed Community Bank company director representatives
- c. 3 BEN representatives

*See Attachment A: Election and Nomination Procedures*

#### 3.2 Role and Responsibilities

- a. Act responsibly and fulfil their role to the Council, regardless of his or her personal, professional or other affiliations.
- b. Be familiar with and abide by the Constitution and BEN Policies.
- c. Promote a collaborative and supportive approach on all Council decisions, policies and agreed positions of the Council.
- d. Attending Council meetings, preparing for meetings and contributing to discussions. This includes attending designated in-person meetings, in person.
- e. Actively engaging and connecting with the Community Bank network, having regard to the following set by Council:
  - Minimum number of hours
  - Targets for the number of companies to engage with
  - Consistent engagement mechanisms and standards
- f. Acting as a role model for the Community Bank network and championing the Community Bank model and the Council.

### 3.3 Priority of Interests

Each representative must apply the following priority of interests in deliberations:

- Priority 1: Interests of the Community Bank model as a whole.  
Note: This reflects the importance of ensuring the model's sustainability to achieve both community and commercial objectives.
- Priority 2: Interests of the Community Bank company network and its communities as a whole.  
Note: This reflects the importance of communities Community Bank companies serve throughout the network.
- Priority 3: Interests of individual stakeholders (or stakeholder groups) that representatives represent (Community Bank companies or BEN).  
Note: This ensures collaboration is first and foremost while enabling a forum for representatives to strengthen the representation of Community Bank companies.

### 3.4 Conflict of Interest

If either of the following apply, the representative must provide details of the interest before the matter is considered by the Council.

- A representative has a personal interest in a matter under consideration that is not held in common with other Community Bank company directors.
- The Community Bank company of which the representative is a director has an interest that is not held in common with other Community Bank companies.

### 3.5 Induction Training

The Council must provide induction training to new representatives with an induction program that outlines roles, expectations and best practice.

## 4 MEETINGS

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### 4.1 Chair

The Council Chair is the Chair of Council meetings. If the Chair is absent from a meeting, if there is a Deputy Chair present, the Deputy Chair is the Chair of the meeting. In other cases, the Council representatives present must choose a representative to chair that meeting.

### 4.2 Calling Meetings

The Council must meet at least three (3) times per year, with the aim of meeting at least 3 times in person (unless there are exceptional external circumstances preventing in person meetings being held). In addition, the Chair may call a meeting at any time and must call a meeting of the Council where a request by any representative of the Council is supported by a majority of the Council representatives.

The General Manager is responsible for advising representatives of the dates, times and venues for meetings and the distribution of papers.

### 4.3 Meetings by telephone or other means of communication

When meeting in person, the Council will ordinarily meet in Melbourne, unless the Council decides otherwise.

For other meetings, representatives may participate in person, by telephone or by video conference.

If a representative wishes to attend an in-person meeting by telephone or by video conference, the representative must first advise the Chair and General Manager.

- 4.4 **Quorum and delegates**  
The quorum is 50% of Council representatives plus one. The representatives present for a quorum must include at least two BEN representatives (including delegates).  
A BEN representative may appoint a delegate to attend and participate in a meeting if the BEN representative is not available.  
A Community Bank company director representative may not appoint a delegate.  
If there are insufficient representatives to form a quorum in relation to a matter being considered during a CBNC meeting because a number of representatives have a material personal interest in the matter, the matter must be held over until a quorum can be obtained.
- 4.5 **Leave of Absence**  
A representative may apply for a leave of absence in the event they will be absent for two or more consecutive meetings. If a leave of absence is for more than two months, the member should consider whether it is appropriate to resign from their position.  
The Council reserves the right to suspend remuneration payments during a member's leave of absence.  
A member must request a leave of absence in writing to the Chair at least 5 days prior to a Council meeting.
- 4.6 **Voting**  
Decision-making is generally by consensus. However, if a matter is referred to a vote, it is decided by a majority of the votes of the representatives present and voting. In the event of a tied vote, the Chair holds the casting vote.
- 4.7 **Minutes**  
BEN must provide an appropriately experienced person to take minutes of Council meetings and retain minutes of meetings.  
The minutes of meeting must be included in the papers for the next Council meeting.
- 4.8 **Attendees**  
The Council may, by invitation, request third parties to attend Council meetings on a standing or ad-hoc basis. Appropriate arrangements in relation to confidentiality must be entered into with attendees.  
A standing invitation is subject to the discretion of the Council to revoke the invitation in relation to attendance at all or any meetings or a specific item of business.

## 5 RESOURCES

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- 5.1 **General Manager**  
A General Manager to the Council is to be appointed by BEN.  
BEN and the Council are to agree who is to be appointed as General Manager and any change to the person appointed.  
The role of the General Manager is to provide support to the Council and help manage and drive specific large-scale projects and initiatives.
- 5.2 **Funding and Council Budget**  
BEN is responsible for setting an annual budget to fund the operational costs of the Council, for example, General Manager costs, representative fees and authorised travel.  
The Council is to manage the amount allocated in the budget for discretionary expenditure.  
BEN may, but is under no obligation to, agree to additional funding for discretionary expenditure. The Council is responsible for sourcing any additional funding requirements.  
The discretionary expenditure budget established by BEN can be used for:
- Representative development and training
  - External advice from legal, business and franchise experts
  - Other strategic projects that arise from time to time

## 6 GENERAL

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### 6.1 Confidentiality and privilege

Each Council representative owes confidentiality obligations to BEN under the terms of appointment.

The Council must not give any confidential information to the network without first getting the agreement of BEN. BEN is under no obligation to agree.

In addition, if the confidential information is legal advice given to the Council, the Council must take all reasonable steps to maintain BEN's legal professional privilege in that advice.

### 6.2 Performance Review

An annual performance review is conducted of the Council as a whole and individual representatives.

### 6.3 Review of Charter and Election and Nomination Procedures

This Charter and the Election and Nomination Procedures are to be reviewed by the Council at least every two years to ensure they remain consistent with the Council's purpose and responsibilities. Proposed amendments are to be recommended to BEN for consideration.

In addition, BEN may amend this Charter and the Election and Nomination Procedures at any time after consultation with the Council.

### 6.4 Dissolution of the Council

The Council may be dissolved at any time by BEN.

## ATTACHMENT A: ELECTION AND NOMINATION PROCEDURES

Item	Community Bank network representatives		BEN representatives
	Elected	Appointed by the Council	
<b>1. Number</b>	8	Up to 4	3
<b>2. Eligibility</b>	<p>Must be a Community Bank company director and have a Director Identification Number.</p> <p>Must not be an employee or consultant of BEN or its subsidiaries, or of a Community Bank company.</p> <p>However, this does not exclude someone who provides community banking mentoring services from becoming a representative.</p>		Director of the BEN Board, member of the BEN Executive
	Elected representatives are elected based on geographic representation.	<p>Appointed representatives are appointed taking into account the balance and diversity in the composition of the Council.</p> <p>This may include the following.</p> <ul style="list-style-type: none"> <li>• Communities varying geographies and demographics.</li> <li>• The balance of representation from rural and urban communities.</li> <li>• The 'mix' of skills required of the Council as a whole.</li> <li>• Gender balance.</li> <li>• Community Bank companies' varying stages of maturity and progress.</li> </ul>	
<b>3. How appointed</b>	<p>Appointed by BEN after being elected by Community Bank companies in accordance with the Community Bank National Council Election &amp; Nomination Procedures.</p> <p>Each Community Bank company within the specified electorate shall have a single vote.</p>	Appointed by BEN on the recommendation of the Council.	Appointed by BEN
<b>4. Term of appointment</b>	<p>A period of up to 36 months and completion of elections held at or around that time and capped at three consecutive terms.</p> <p>Following three consecutive terms of appointment, representatives must retire from the Council for a minimum of one term before being eligible for re-election.</p> <p>BEN may immediately end the appointment by giving written notice to the representative.</p> <p>There is no requirement for BEN to give the representative prior notice of its intention to end the appointment.</p>	<p>. Term at the discretion of the Council, however no more than a period of up to 36 months and no more than two consecutive terms.</p> <p>Following two consecutive terms of appointment, representatives must retire from the Council for a minimum of one term before being eligible for re-appointment by the Council.</p> <p>. BEN may immediately end the appointment by giving written notice to the representative. There is no requirement for BEN to give the representative prior notice of its intention to end the appointment.</p>	No fixed term. Term at the discretion of BEN.

Item	Community Bank network representatives		BEN representatives
	Elected	Appointed by the Council	
<b>5. Council ends appointment</b>	<p>A representative's appointment may be ended by the Council in its absolute discretion, provided that:</p> <ol style="list-style-type: none"> <li>1. A special meeting of the Council is convened to consider the termination. The representative is given an opportunity to present to Council.</li> <li>2. At least 75% of all representatives vote in favour of the termination. The requirement for 75% of all representatives applies regardless of the number of representatives present.</li> <li>3. The Council tells the representative in writing.</li> </ol>	<p>A representative's appointment may be ended by the Council in its absolute discretion, provided that:</p> <ol style="list-style-type: none"> <li>1. A special meeting of the Council is convened to consider the termination.</li> <li>2. A majority decision in support of the termination is made by Council.</li> <li>3. The Council tells the representative in writing.</li> </ol>	<p>A representative's position may be ended by BEN in its absolute discretion.</p>
<b>6. End of appointment</b>	<p>A representative's appointment ends in each of the following cases.</p> <ol style="list-style-type: none"> <li>1. A representative resigns.</li> <li>2. A representative is no longer a Community Bank company director.</li> <li>3. A representative becomes an employee or consultant of BEN or one of its subsidiaries, or of a Community Bank company. However, this does not exclude a representative providing community banking mentoring services.</li> <li>4. A "proper person" declaration by the representative is or becomes inaccurate, or a representative is unwilling or unable to make a "proper person" declaration or makes a qualified declaration. It also ends if the outcome of a "proper person" assessment is that the representative is not a "proper person" to represent the Council.</li> <li>5. The Council ends the appointment under the terms of this Charter.</li> <li>6. A representative is absent from meetings of the Council during a period of two consecutive meetings without leave of absence from the Council where the Council has not, within 14 days of notice giving particulars of the absence, resolved that leave of absence be granted.</li> <li>7. A representative has not attended 2 meetings of Council or any of its Portfolio groups in any twelve month period without reasonable justification or prior approval of the Council.</li> <li>8. A representative breaches a term of their appointment, BEN views the breach as serious and the Council agrees. A breach of confidentiality is a serious breach.</li> <li>9. BEN dissolves the Council.</li> </ol> <p>In each case, other than when a representative resigns, the appointment ends when BEN tells the representative. If a representative resigns, the appointment ends when the representative tells BEN.</p>		<p>A vacancy occurs in each of the following cases:</p> <ul style="list-style-type: none"> <li>• A representative resigns.</li> <li>• BEN ends the appointment.</li> </ul>
<b>7. How a vacancy is filled</b>	<p>The Council may nominate a Community Bank company director to BEN to appoint as an interim representative to join the Council until an election is held to fill the vacancy.</p>	<p>Appointment by BEN on nomination of the Council.</p>	<p>Appointment by BEN.</p>

Item	Community Bank network representatives		BEN representatives
	Elected	Appointed by the Council	
<b>8. Elections</b>	Held annually. Council to decide timing.	Not applicable.	Not applicable.
<b>9. Chair</b>	<p>The Chair is to be a Council representative who is appropriately qualified and has completed twelve months as a Council member and have a minimum 2 year term remaining as an individual community company director.</p> <p>The qualifications for the role of the Chair are as follows:</p> <ul style="list-style-type: none"> <li>• Strategic thinking.</li> <li>• Leadership experience.</li> <li>• AICD representative</li> <li>• Ability to cultivate effective relationshipsGood communication skills</li> <li>• Encourage self reflection and self evaluation of self and board</li> <li>• Governance understanding.</li> <li>• In depth understanding of community banking.</li> <li>• Experience as a Chair of a committee or company.</li> </ul> <p>The Council is to decide who is the Chair and the term of appointment. The term of appointment may be up to three years and canbe terminated at any time.</p> <p>A result is ascertained by counting the number of votes for each candidate. The successful candidate must attain an “absolute majority (in excess of 50%) of the formal votes to be elected. In the event there is a tied vote with two or more candidates with the same number of votes, and only one candidate is to be elected, then a casting vote will be applied. The Deputy Chair would have a casting vote</p> <p>The responsibilities of the Chair are:</p> <ul style="list-style-type: none"> <li>• Manage the business of the Council</li> <li>• Treat all representatives even-handedly and fairly</li> <li>• Encourage and enable all representatives to make a contribution to the Council's deliberations</li> <li>• Guide and direct discussion of Council to achieve a resolution</li> <li>• Ensure that decisions and behaviour of representatives is consistent with policies and the Constitution</li> <li>• Represent the Council to outside parties</li> <li>• Consult with the General Manager to set the meeting agenda</li> <li>• Ensure that the decisions of Council are properly recorded</li> </ul>		
<b>10. Deputy Chair</b>	<p>The Council may decide to appoint a Deputy Chair.</p> <p>The Deputy Chair is to be a Council representative who is a Community Bank representative and appropriately qualified.</p> <p>If the Council decides to appoint a Deputy Chair, the Council is to decide who is the Deputy Chair and the term of appointment. The term of appointment may be up to three years.</p> <p>In the absence of a Chair, the Deputy Chair will undertake the role of Chair as required</p>		