

Surry Hills Neighbourhood Centre
Guidance for MC Members & Prospective MC Members

- All members of the Surry Hills Neighbourhood Centre (SHNC) are entitled to be nominated as a member of the Management Committee (MC).
- The Management Committee is the governing board of the Centre and has many responsibilities, some in law, some by convention, and some just in good faith.
- MC members are expected to attend monthly MC meetings. The schedule for MC meetings is determined annually based on the preferences of the MC members.
- MC members are expected to contribute time, effort & skills to assisting the SHNC outside MC meetings, based on their specific skills, interests and capabilities, and time availability. The SHNC and the MC cannot afford to have non-contributing “passengers” on the Committee.
- MC members are expected to attend on special occasions such as AGMs, EGMs, Planning Days, Christmas Party as well as at functions where attendance is requested by funders or supporters (e.g. community forum re site redevelopment)
- The following points are adapted from “Selecting a Director for a Membership Based Organisation”, Australian Institute of Company Directors:-
 - The management committee:
 - Acts on behalf of the members
 - Sets an organisation’s direction
 - Sets & reviews the medium & long term goals
 - Approves budgets
 - Monitors business performance
 - Approves large investments and any major financial decisions
 - Evaluates the Coordinator’s performance
 - Ensures major risks are identified and managed
 - Ensures there is accurate financial reporting
 - Ensures compliance with the law
 - The management committee makes decisions collectively, and all members share equal responsibility for these decisions. All MC members need to take an active interest in all matters before the Committee, and not just those of personal interest.
 - The members of the management committee are “directors” of the SHNC and bear responsibilities which are regulated by law, incurring serious consequences if they are not carried out. These duties include:
 - Represent the best interest of all members, not just those who voted for them. This “fiduciary” duty is one of fidelity and trust.
 - Act in good faith, in the best interests of the company and for a proper purpose
 - Avoid conflicts of interest, revealing & managing conflicts if they arise
 - Not use “inside” knowledge they gain from being on the management committee for personal gain
 - Act with all care and diligence that a reasonable person might be expected to show in the role of director
 - Not let the company trade while insolvent. The directors must not let the SHNC enter into any debts that it might not be able to pay.
 - Management committee members must not be:-
 - Banned by ASIC
 - Bankrupt
 - Under 18 years of age
 - Mentally incompetent

- The Management Committee needs a broad mix of skills and experience across its members. Collectively, the management committee must work as a well rounded team.
- The core skills needed by boards generally include:-
 - Strategic expertise – the ability to develop & review strategy through constructive questioning and suggestion
 - Accounting skill – the ability to read and comprehend the company’s accounts, and to understand financial reporting requirements
 - Legal skill – the MC has to oversee compliance with numerous laws
 - Risk management
 - Managing people and achieving change
 - Industry knowledge – experience in similar organizations.
- Desirable personal skills for MC members:-
 - Honesty & integrity – the MC can only operate effectively if there is trust between members, who need to be able to raise and discuss matters in confidence in order to explore issues thoroughly and resolve them
 - Courage – MC members must have the courage to question or speak up if they believe something is not right regarding an important matter, or to challenge management if necessary
 - Tact – the ability to work within a group and express a point of view or question forcefully yet constructively
 - Genuine interest in the SHNC and its business
 - An active contributor and team player
- The LCSA (Local Community Services Association) publishes useful information on good Management Committees & MC members are invited to read this material.
- At an early Management Committee meeting each year, members are invited to make a public “statement of commitment” which indicates the particular skills, experience or interests that the member brings to the group, how the member will serve the SHNC both within and outside meetings, and roughly how much time can be contributed.
- To spread the workloads, MC members may be asked to focus on and advise the MC on specific topics. Areas of “overview” may include:-
 - Primary interface with Coordinator (Chairperson)
 - Minute taking & statutory matters (Secretary)
 - Finance / Budget / Cost Reduction / Revenue (Treasurer)
 - Company Incorporation / Rules
 - MC Governance & Practices
 - Fundraising – Markets, Festival, Hallhire, Childcare
 - New Service Opportunities
 - Staff Admin / Awards / Leave / Recruitment
 - General Admin / Policies & Procedures / Quality Assurance
 - OH&S
 - Funding Bodies / DFACS, DOCS, CoS
 - Functions / AGM, Planning Day, Christmas Party
 - Strategic Planning / Site Redevelopment
 - SHNC Website

Mike Salon
Chairman, Management Committee
December 2005