

PROPOSED CONSTITUTIONAL CHANGES 2016

EXPLANATORY NOTES

Purpose:

To propose a reduction in the number of directors on the Canberra North Bowling and ACT Rugby Union Club (CNBACTRUC) Board from 12 to 9.

Background:

The CNBACTRUC Board currently consists of 12 directors:

- Three Board Members nominated by the Australian Capital Territory and Southern New South Wales Rugby Union Limited;
- Three Board Members (Bowling);
- Six elected (ordinary) Board Members.

When the CNBC and the ACTRUC merged in the second half of 2014 it was decided that a 12-person board would best handle the transition period.

The decision was to ensure continuity and a strong working group to conduct the business required to make the merger a success.

Why reduce the Board from 12 to 9 directors?

The decision to reduce the Board from 12 to 9 directors comes off the back of a successful transition period and also follows research and consultation into board best practice.

The following points were considered:

1. Board Meetings – best practice
 - Length of consultative process
 - Length of meetings
 - Number of decision makers – need fair representation but not overkill
 - Inefficient decision making
 - Ability to attract board members
2. The NSW Example
 - Clubs NSW advises that since the Registered Clubs Amendment (Governing Body) Regulation_(s 10(kl) of the Registered Clubs Act and reg 36 of the Registered Clubs Regulation 2015). The regulation imposes:
 - a maximum of nine directors on Club Boards (as of 1 January 2017); and
 - a maximum of two directly appointed directors (as of 1 July 2016).
3. Compliance – requirement to comply with ACT Regulations
 - The Associations Incorporation Act (AI Act) requires a minimum of 3 committee (board) members. There is no maximum.

- The non-mandatory model rules under the AI Act propose 7 committee / board members – the 4 named positions (Pres, VP, Secretary, Treasurer) plus 3 general members.
- Directors compliance require considerable administration including:
 - Personal particulars
 - Statutory Declarations
 - 100 points of identification x 2
 - Police Certificates
 - Annual Return – ACT Gambling & Racing Commission & Office of Regulatory Services
 - Notification process for resignations and nominations
 - Cost and time consumed of the above

Proposal:

Taking all the above into account, we have far greater than the ‘standard’ number of board members and the proposal is to reduce the number of directors by one in each category:

1. Reduce to two, board members nominated by ACTSNSWRU;
2. Reduce to two, board members Bowling;
3. Reduce to five, elected board members.

This proposal was finalised after consultation between the CNBACTRUC Board, the Bowls Management Committee, and the Rugby Community and agreement between the three parties form the following new clauses noting 6.4:

Process:

6.4 Alteration of objects and rules.

The objects contained in these Rules may be altered, in whole or in part, by special resolution of a general meeting of the Association if:

- (a) it is passed at a general meeting of the Association, for which at least twenty-one (21) days’ notice has been given which includes a notice of intention to propose the resolution as a special resolution; and
- (b) it is passed by at least three quarters of the votes cast by those Voting Members of the Association present at the meeting at the time the resolution is put to the vote.

Changes:

Change 3.2:

3.2 Constitution and membership

- (a) The Board consists of:
 - (i) President;
 - (ii) Vice-President
 - (iii) Treasurer;
 - (iv) three ordinary Board Members;
 - (v) three Board Members nominated by the Australian Capital Territory and Southern NSW Rugby Union Limited, and

- (vi) three Board Members (Bowling).

To:

3.2 Constitution and membership

(b) The Board consists of:

- (vii) President;
- (viii) Vice-President
- (ix) Treasurer;
- (x) two ordinary Board Members;
- (xi) two Board Members nominated by the Australian Capital Territory and Southern NSW Rugby Union Limited, and
- (xii) two Board Members (Bowling).

Change 3.3 (k):

The Australian Capital Territory and Southern New South Wales Rugby Union Limited may, within fourteen (14) days after an Annual General Meeting (in this clause referred to as “the nomination period”) nominate three Members for appointment as an ordinary member of the Board. The nomination shall be in writing, signed by the President or Vice-President for the time being of the Australian Capital Territory and Southern New South Wales Rugby Union Limited and delivered to the Secretary. Upon receipt of that nomination by the Secretary the Members nominated shall be deemed to be appointed members of the Board.

To:

The Australian Capital Territory and Southern New South Wales Rugby Union Limited may, within fourteen (14) days after an Annual General Meeting (in this clause referred to as “the nomination period”) nominate two Members for appointment as an ordinary member of the Board. The nomination shall be in writing, signed by the President or Vice-President for the time being of the Australian Capital Territory and Southern New South Wales Rugby Union Limited and delivered to the Secretary. Upon receipt of that nomination by the Secretary the Members nominated shall be deemed to be appointed members of the Board.

Change 3.3 (l):

If the Australian Capital Territory and Southern New South Wales Rugby Union Limited at the expiration of the nomination period has failed to nominate three Members for appointment to the Board, the Board may fill the then remaining vacancies on the Board.

To:

If the Australian Capital Territory and Southern New South Wales Rugby Union Limited at the expiration of the nomination period has failed to nominate two Members for appointment to the Board, the Board may fill the then remaining vacancies on the Board.

Change 3.8 (e):

Any 6 members of the Board (including attendance by telephone or video call) constitute a quorum for the transaction of the business of a meeting of the Board.

To:

Any 5 members of the Board (including attendance by telephone or video call) constitute a quorum for the transaction of the business of a meeting of the Board.

Change 6.12 Transitional provisions:

- (a) Board members elected at the Annual General Meeting in November 2014, or appointed directly after that meeting, shall be appointed for an initial term as follows:
- (i) President – appointed until the third Annual General Meeting following that Annual General Meeting
 - (ii) Vice President - appointed until the first Annual General Meeting following that Annual General Meeting
 - (iii) Treasurer - appointed until the second Annual General Meeting following that Annual General Meeting
 - (iv) Elected Board members - one each to be appointed until first, second and third Annual General Meetings following that Annual General Meeting, as determined by agreement or otherwise by drawing lots.
 - (v) Board members (Bowling) - one each to be appointed until first, second and third Annual General Meetings following that Annual General Meeting, as determined by agreement or otherwise by drawing lots.
 - (vi) Appointed Board members – one each to be appointed until first, second and third Annual General Meetings following that Annual General Meeting as advised by the Australian Capital Territory and Southern New South Wales Rugby Union Limited, or in the event that they fail to nominate three members, as decided by the Board when filling the casual vacancies.

To:

- (a) Board members elected at the Annual General Meeting in November 2014, or appointed directly after that meeting, shall be appointed for an initial term as follows:
- (i) President – appointed until the third Annual General Meeting following that Annual General Meeting
 - (ii) Vice President - appointed until the first Annual General Meeting following that Annual General Meeting
 - (iii) Treasurer - appointed until the second Annual General Meeting following that Annual General Meeting
 - (iv) Elected Board members - one each to be appointed until first and second Annual General Meetings following that Annual General Meeting, as determined by agreement or otherwise by drawing lots.
 - (v) Board members (Bowling) - one each to be appointed until first and second Annual General Meetings following that Annual General Meeting, as determined by agreement or otherwise by drawing lots.

(vi) Appointed Board members – one each to be appointed until first and second Annual General Meetings following that Annual General Meeting as advised by the Australian Capital Territory and Southern New South Wales Rugby Union Limited, or in the event that they fail to nominate two members, as decided by the Board when filling the casual vacancies.