

## **Terms of Reference for the Nomination Committee of the Inaugural Board**

This is a template terms of reference, based on a version drafted by the governance expert with input from the CRG and Mental Health Australia. The original version was approved by the Mental Health Australia Board in 2013, when it was anticipated the NMHCO Board would be recruited during the NMHCO Establishment Project. The template assumes there is an initial auspice body for the NMHCO, and can be adapted as required.

### **1. Purpose and Objectives**

- 1.1 The Nomination Committee (**Committee**) is to recommend the appointments to the inaugural National Mental Health Consumer Organisation (**NMHCO**) board to optimise the composition of the NMHCO board (**Board**).
- 1.2 The Committee shall make a recommendation to [the auspice body], as to the composition of NMHCO's inaugural Board.
- 1.3 The appointment of the Committee comprises part of a formal, rigorous and transparent procedure for the appointment of Directors to the Board. The Committee's guiding principle is to choose the best candidate to fill the Board vacancies. However, in so doing, it shall endeavour to seek a balance between the personal and professional qualifications of a candidate and other matters of balance for the Board.

### **2. Role and Responsibilities**

To achieve the Committee's general objectives, the Committee's specific responsibilities and functions are:

- 2.1 To be responsible for identifying and recommending candidates to fill the Board;
- 2.2 Before recommendation of the inaugural Board to [the auspice body] is made, to evaluate the balance of skills, knowledge and experience of each of the candidates and in identifying suitable candidates the Committee shall consider:
  - (a) using open advertising or the services of external advisers;
  - (b) candidates from a wide range of backgrounds; and
  - (c) candidates on merit and against objective criteria, taking care that those prospective appointees have enough time available to devote to the position;
- 2.3 To give full consideration to the brief provided to it by [the auspice body] which shall include:
  - (a) the independence requirements of the Board (see below);
  - (b) the desired competencies for the Board;

- (c) the challenges and opportunities facing the Company; and
- (d) the leadership needs of the Company, with a view to ensuring the ability of Company to achieve its mission and creating a sustainable future for the Company.

- 2.4 In this terms of reference, **independence** means a person who is not an employee of [the auspice body] or any related entity employing staff of [the auspice body].
- 2.5 To ensure that on appointment to the Board, Directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, committee service and involvement outside board meetings.
- 2.6 To ensure that unsuccessful candidates are notified in writing.<sup>1</sup>

The Board appointed by [the auspice body] shall be the first Directors listed on the application to incorporate the NMHCO (by whatever name it shall be called), at which point in time the role of the Committee shall cease.

### **3. Membership**

#### **3.1 Composition**

[the auspice body] shall appoint the Committee. The Committee shall comprise a minimum of three appointees.

#### **3.2 Nomination to Committee**

Subject to 3.1, the persons filling the positions on the Committee are nominated, and can be removed, from time to time by the [the auspice body].

#### **3.3 Chair**

[the auspice body] may nominate a Chair of the meetings of the Committee and determine the period for which he/she is to hold office. If no such Chair has been appointed, the Committee may choose one of their number to be Chair. If at any meeting the Chair is not present within ten minutes after the time appointed for the holding of same, the Committee members present may choose one of their number to chair the meeting.

#### **3.4 Attendance at meetings**

Only members of the Committee have the right to attend Committee meetings.

#### **3.5 Invitees**

Subject to appropriate measures being taken to protect confidential information of our Company, the Committee may invite such other persons with appropriate qualifications, expertise and skills to attend Committee meetings or for certain agenda items as it regards appropriate.

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<sup>1</sup> Application documents should make clear details of decisions will not be provided i.e. result only, not rationale. Board recruitment documents are included in the suite of key documents for the new organisation.

### 3.6 *Term of appointment*

Appointments to the Committee shall be for a period as is required to fulfil the Committee's roles and responsibilities under this terms of reference but shall not be longer than a period of 6 months.

### 3.7 *Remuneration*

Remuneration of the Committee shall be set by [the auspice body].

## **2. Authority**

4.1 The Committee has the power to recommend the inaugural Board of the NMHCO to [the auspice body], who shall appoint the Board.

4.2 The Committee does not have any other decision-making power, unless expressly delegated to it by the [the auspice body] for a specific decision/s. In absence of express delegation in respect of a decision or matter, the Committee only has power to make recommendations to [the auspice body].

4.3 The Committee may, upon approval of [the auspice body], seek any information or obtain any independent professional advice it considers necessary to fulfil its responsibilities.

4.4 The Committee is authorised to require the provision of such information and access to such representatives from [the auspice body], if any, as it requires to discharge its responsibilities.

## **3. Frequency of meetings**

5.1 The Committee will meet as necessary to consider proposals for Board appointments and other matters within the scope of these terms of reference.

5.2 The timing and agenda of the meetings shall be the responsibility of the Committee Chair, subject wherever practicable to the wishes of the Committee members.

## **4. Notice of meetings**

6.1 Meetings of the Committee shall be called by at least five working days' written notice unless all members of the Committee agree to shorter notice.

6.2 Notice of each meeting confirming the date, venue and time, together with an agenda of items and relevant papers to be discussed shall be formally provided, in writing, to each member of the Committee, other than in special circumstances, at least three working days prior to the meeting.

6.3 Members may participate in a meeting by means of a conference telephone, video conferencing facility or other similar communicating equipment.

## **5. Quorum**

The quorum necessary for the transaction of business shall be two appointees. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

**6. Secretary**

The secretary shall be a staff member of [the auspice body]. The secretary shall minute the proceedings and resolutions of all Committee meetings as well as keep appropriate records. Minutes of the meetings shall be circulated promptly to all members of the Committee and, once agreed as to the contents of the minutes, to [the auspice body], unless a conflict of interest arises.

**7. Conflicts of interest**

Members of the Committee must declare any conflict of interest in any matter under discussion. The conflict must be recorded in the minutes of the Committee. No person may sit on the Committee if he or she is seeking appointment to the inaugural Board.

**8. Decisions of the Committee**

Any decisions of the Committee shall be taken on a simple majority basis.

**9. Reporting**

11.1 The Committee shall report to [the auspice body] in writing, at least at the following intervals:

- (a) when a call for candidates is to be made (with provision of detail regarding the calling of candidates);
- (b) upon short-listing of candidates;
- (c) prior to appointment of the Board; and
- (d) upon appointment of the Board to confirm compliance with, inter alia, paragraph 2.5 of this terms of reference.

11.2 The Chair of the Committee will report to [the auspice body] on any matter requiring priority attention.

**12. Procedure**

Where these Terms of Reference are silent, the Committee shall comply with the same protocols and procedures for the operation of its meetings as does [the auspice body] Board, including the keeping of minutes of its meetings.

**13. Approval of Terms of Reference**

13.1 These Terms of Reference require approval by the [the auspice body] Board.

The date of approval of these Terms of Reference is [to be inserted].