



Western Port Biosphere Reserve

Governance Review

Final Report, 11 September 2013

Prepared for the Governance Sub Committee of the Western Port
Biosphere Foundation Board

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Note; This report has been prepared for the Mornington Peninsula and Western Port Biosphere Reserve Foundation Ltd to assist the Governance Sub- Committee provide advice to the Board on possible governance reforms. The advice provided and conclusions drawn have been prepared to assist the sub committee and board in their deliberations but any decisions will need to take into account all information available to it and appropriate legal advice and due diligence.

Western Port Biosphere Governance Review

1. Introduction

The non-profit Mornington Peninsula and Western Port Biosphere Reserve Foundation Ltd, (trading as Western Port Biosphere Reserve) was established in 2003.

The Foundation works with the community and UNESCO to create a sustainable future for Western Port—environmentally, socially, and economically. According to its Constitution, it does this through research, education, community engagement, partnerships, and on-ground conservation efforts.

According to UNESCO¹, The main characteristics of biosphere reserves are:

- Achieving the three interconnected functions: conservation, development and logistic support;
- Outpacing traditional confined conservation zones, through appropriate zoning schemes combining core protected areas with zones where sustainable development is fostered by local dwellers and enterprises with often highly innovative and participative governance systems;
- Focusing on a multi-stakeholder approach with particular emphasis on the involvement of local communities in management;
- Fostering dialogue for conflict resolution of natural resource use;
- Integrating cultural and biological diversity, especially the role of traditional knowledge in ecosystem management;
- Demonstrating sound sustainable development practices and policies based on research and monitoring;
- Acting as sites of excellence for education and training;
- Participating in the World Network.

The Commonwealth Department of Environment, Water, Heritage and the Arts (DEWHA) puts it more simply. According to DEWHA², a biosphere reserve is a unique concept which includes one or more protected areas and surrounding lands that are managed to combine both conservation and sustainable use of natural resources.

- Each biosphere reserve conserves examples of characteristic ecosystems of one of the world's natural regions, managed for their protection and study.
- It is a land and/or coastal/marine area in which people are an integral component, and which is managed for objectives ranging from complete protection to intensive yet sustainable production.

¹ Source UNESCO website, viewed 18 June 2013

² Source DEWHA website, viewed 18 June 2013.

- It is a regional centre for monitoring, research, education and training on natural and managed ecosystems.
- It is a place where government decision makers, scientists, managers and local people cooperate in developing a model program for managing land and water to meet human needs while conserving natural processes and biological resources.
- Finally, each biosphere reserve is a symbol of voluntary cooperation to conserve and use resources for the well being of people everywhere.

UNESCO emphasizes participation in governance, involvement of communities in management of the biosphere, and dialogue for conflict resolution. DEWHA emphasizes cooperation between government decision makers, scientists, land managers and local people.

UNESCO's Seville Strategy promotes the management of each Biosphere reserve as a pact between the local community and society as a whole. It aims to establish a process to develop a comprehensive management plan for the whole site.

The Foundation was constituted as a company limited by guarantee with members drawn from the community, local government and state government. Its Constitution and Charter reflect the Man and the Biosphere (MAB) objectives with a mission of:

- Conserving and improving biological diversity;
- Building and sharing knowledge by facilitating, monitoring and utilizing research;
- Fostering, encouraging and facilitating project partnerships; and
- Engaging with, and providing education for, all elements of the Biosphere community.

Ten years on the Foundation has an active research sub-committee, a growing number of significant project partnerships and, in particular, a major project on biodiversity conservation and connectivity. Its record in community engagement has however been one of mixed success.

At the December 2012 board meeting, the board agreed that there should be a "constitutional and governance" review to determine the not-for-profit governance model that will best provide the strong, strategic leadership necessary to achieve the Biosphere Foundation's mission and UNESCO MAB objectives.

A sub-committee was appointed at the January Board meeting with the brief to guide a process and recruit an independent person experienced in this area to drive the process.

The goal of the review is to decide on the most appropriate governance model to support the UNESCO MAB objectives and deliver on the mission of the Western Port Biosphere Foundation.

Kevin Love Advisory (KLA)³ was retained by the Board's review sub-committee to provide advice on appropriate flexible and empowering constitutional and governance models, taking into account best practice in similar organisations and Australian not-for-profit sector reforms.

It was recognized for the purpose of the review that the vision, mission, values and functions of the Western Port Biosphere Foundation, as stated in the Charter, remain current.

In doing the review, KLA has consulted board members, Biosphere members, and major Biosphere stakeholders, reviewed previous investigations and reports relevant to the governance of the Biosphere, (the Risstrom Report (2005), Roberts Report (2010), and the Biosphere overview by Sharon Pfueller (2008); and conducted personal interviews and an on-line survey to canvass the views of the membership.

³ Specifically, Kevin Love and Associate, Lea Corbett.

2. The Case for Change

2.1. Key findings from earlier reviews

2.1.1. Risstrom Review (2005)

Two years after establishment of Biosphere, in response to a resolution of the inaugural meeting of the Foundation, a review was conducted by an Organisational Review Working Group. It was assisted in this task by consultant David Risstrom. The review reported on how the operation of the Biosphere Reserve might be improved and how the organizational arrangements can help it achieve its goals.

The key conclusion of the review was that it was important to engage more with the wider community of the biosphere. It also observed that the Foundation may have also been failing in its job of communicating with members. In this regard, the review recommended that the Board and Roundtables consider options for improving communications among members and with the community. It also recommended that the communication issues identified in the review should be further considered by a Strategic Review of the Organisation.

No changes were recommended to structure or form of the Foundation despite consideration of options such as reducing the number of local government representatives, changing the number of directors, enabling directors to be elected at large and increasing or removing Roundtable representation on the Board. There was some feedback to the Review that the board was dysfunctional and that some directors did not understand the role (and responsibilities) of a director of an organisation.

The review concluded

" In summary the issues surrounding the Board and Directors are difficult to resolve with confidence, and frequently provide no clear-cut solution that doesn't risk losing another worthy aspect of representation. The conclusion drawn is that while these issues are difficult to confidently resolve, there is no clear justification for changes to the current arrangements as they relate to Directors⁴."

Sir Humphrey could not have said it better!

⁴ 2005 Organisational Review paper/ Mornington Peninsula and Western Port Biosphere Reserve Foundation. P 47 (Draft provided by Foundation)

The review did recommend that a process for monitoring the performance of directors be established and that future recruitment processes include recommendations that people holding particular skills be sought by the Board. It also recommended that an induction manual be prepared that clarified and explain the duties of directors to act in the best interests of the Foundation.

The 2005/06 annual report records that the Board accepted the majority of the Review's 71 recommendations and that a Governance Protocol had been developed to guide its conduct and operation.

2.1.2. Roberts Review 2010 (for DSE)

The Department of Sustainability and Environment commissioned Roberts Evaluation Pty Ltd to review progress with the biosphere since its commencement and consistency of the biosphere's programs with State Government policy.

It found that there was strong support for the concept of a biosphere and for the Mornington Peninsula and Westernport Biosphere Reserve. It concluded that governance structures were appropriate but that there were differences of opinion with respect to some aspects of governance, dating back as far as the initial establishment of the foundation.

The majority of respondents to the Roberts review were satisfied with their level of engagement with the foundation but were not satisfied with the level of communication by the foundation with them, particularly those who were not directly involved in projects.

The review noted that only 3 of 6 community roundtables were functioning and that some board members were becoming frustrated with roundtables as mechanism for community engagement. On the other hand some community members felt alienated and thought that the roundtables were being marginalized. It observed that the relationship was not "facilitative and organic" but rather "directive and hierarchical".

The review also concluded that the financial position of the Foundation made it difficult to achieve on the ground change and that this, as well as governance and direction are barriers to success⁵.

In its response to the review the Board said

⁵ Roberts Evaluation Pty Ltd. Evaluation Report. Performance of the Mornington Peninsula and Western Port Biosphere Reserve Evaluation Study May 2010. Listing of issues regarding the board are on page 49.

In its treatment of perceived shortcomings, the report does not distinguish clearly between concerns associated with the Foundation's formative years, many of which have been addressed, and those that remain to be resolved.

And

The Directors conclude that the Roberts Report makes a constructive commentary on the Foundation's compliance with State Government policy. It does capture only some of the Foundation's achievements and community contributions. The report highlights the need for improved levels and quality of community engagement. This is consistent with the Board's own conclusions and many actions have been implemented recently to address the issues.

The results of the consultation for this current project in 2013 make it clear that despite the Board's protestations in 2010, the problems that have been identified in the previous two reviews still remain to some extent and still colour the perception of the Foundation.

2.2. Feedback from consultation

The general message following in depth discussion with 26 current directors, alternates, former directors and members still remains that the profile of the Foundation needs to be raised and perceptions by the community and partners of a controlling, bureaucratic organisation need to be addressed. Appendix A provides a summary of the themes coming out of the consultations.

While the conversation with the respondents started with governance, it did not end there. There are some governance and constitutional changes that can be made to achieve better outcomes but they are second order to the more significant and challenging changes needed to the strategy, culture and operations of the Foundation.

If the Foundation turns its attention to building alliances and partnerships directed at sustainable development, it can make significant progress towards the MAB objectives. There is certainly no shortage of committed individuals and organisations on which to build. To do this the board needs to take a more strategic and less operational approach to its role.

There was considerable discussion about community engagement, the roundtables and relationships with local government. The general view was that, for whatever reason, the roundtables have not worked. Community engagement is poor and more effort is needed on creating partnerships and alliances. The relationship with local government also needs to be more actively managed.

The consultations also canvassed possible changes to the makeup of the board and the skills required by the board. There was little support for moving away from the current company structure but there were suggestions for a smaller board, achieving community involvement in ways other than having roundtables and reducing the number of local government representatives on the board. There was also support for a stronger skills base for the board while maintaining links to the community.

It is interesting that while previous board and biosphere members may have had more to say about the past, they had ideas and comments about the future of the organisation that were largely consistent with those of current board members.

There was a general feeling that the biosphere project started off with great promise, struggled through its formative years due to differing expectations and poor relationship management, and achieved some good things when it brought various partners together to deliver outcomes that could not be done individually. The initiative stands on the cusp of making significant steps forward if it can re-engage local government, create more effective alliances and partnerships with other key players (private sector and community organisations) in the biosphere and develop a better profile in the community.

For that to happen however, things need to change. Councils need to get behind the initiative and make it a key priority for their municipality. Community organisations need to see it as an opportunity rather than a competitive threat. The Foundation as the custodian of the biosphere concept and the focal point of the initiative needs to be the facilitator of these changes through better engagement with local government and the community. It also needs to change internally:

- It needs to clearly articulate its value proposition and demonstrate how it is delivering it
- It needs to adopt a culture of partnership, accountability and transparency and;
- It needs to focus on enabling things to happen, not controlling activity.

2.3. Feedback from the Survey

A survey was sent to all members and placed on the Biosphere website. The survey elicited 20 responses, mainly from current members.

The survey provided similar messages to those from the consultations, a picture of variable performance and a desire for partnerships, information and opportunities for participation (Appendix B).

Key findings included:

- Most respondents saw the main work of the Foundation as raising awareness and encouraging partnerships.
- Research and education on conservation and sustainable development were seen by most as the main value of the Reserve.
- However, the Foundation was not highly rated for its performance in these areas – only half of respondents thought the Foundation performed *satisfactorily* on promoting research and only 30% thought it performed *satisfactorily* on educating people (none indicated excellent performance).
- The Foundation was thought to perform best overall on conserving nature – with 55% of respondents indicating *satisfactory* (50%) or *excellent* (5%) performance.
- Responses to the question —*What do you want from your membership of the Biosphere Foundation?*— have been presented in the Table 1 below according to the percentage of respondents who indicated a 4 or 5 on the scale 1-5 (from least to most important) against the statements provided.

Table 1 What members want from the Biosphere Foundation

Order of Importance	% of respondents who rated statement as highly important (levels 4 & 5)
Ability to meet and work with others on nature conservation	79% (15)
Ability to meet and work with others on sustainable development	63% (12)
Information on items of interest to me	61% (11)
Ability to appoint the board of the Foundation	27% (5)
To be consulted on how the Foundation is run	27% (5)

- Interestingly, the two 'governance' statements were rated relatively unimportant by the respondents. Most appeared to be seeking opportunities to participate in projects and information.
- Significantly, *a board with the skills to do the job* and *a board that works in partnership with others* were regarded by almost all respondents as the two most important attributes of the way the Foundation is organised in future. In contrast to the weighty representation of local government on the Foundation's board at present, local government involvement on the board was not seen as so important for the future.
- Responses to the question—*Thinking about the way the Foundation works with the community in the Mornington Peninsula and Western Port area*—indicate that information, partnerships and opportunities for participation are important.
- Having community representatives on the board or even having opportunities for the community to be involved in discussion of the strategy and priorities of the Foundation were judged less important.

2.4. Best practice ideas from other organisations

KLA has examined the governance arrangements of other biospheres here and overseas and of a range of not-for-profit organisations.

A table listing the organisations examined is provided at Appendix C.

There is a wide range of governance models reflected in the Appendix — from the 30+ member 'partnership boards' of some UK Biospheres, to a 9 member skills-based board of Trustees of the Riverland (formerly Bookmark) Biosphere in South Australia. A company structure, limited by guarantee, is the most common form of legal structure adopted by the Australian examples examined. Representative boards, or a mix of representative and independent skills based directors on boards, are commonplace for Biosphere reserves.

At the Commonwealth Government level, the Noosa Biosphere is one that is more highly regarded. The Noosa Biosphere is governed by a company limited by guarantee - Noosa Biosphere Limited. It has one member, the local Council and a Governance Board appointed by the Council. The board has two councilor directors, between 1 and 3 directors appointed from the community at large and 6 directors each nominated from one community sector. The Council has the right to seek alternative nominations if it chooses, or make a direct appointment if no acceptable nomination is made.⁶

In contrast, the Great Sandy Biosphere⁷, run by another company limited by guarantee, has a large number of individuals and organisations as members, with

⁶ NBL Constitution 2009. Noosa Biosphere website viewed August 2013.

⁷ The Great Sandy Biosphere is managed by the Burnet Mary Regional Group for NRM (BMRG), the Queensland version of Victorian CMAs. BMRG has DRG status, and over 200 members.

membership divided into sectors – industry, community, local government and traditional owners. Members are entitled to vote for directors for the sectors in which they are classified. One director is elected from each of the 7 community and industry sectors, two are elected from the traditional owners sector and three from local government. A chair and two independent directors are appointed by the board.

Over the last ten years, since the Foundation was formed, it is true to say that there has been a significant shift in the emphasis given to governance standards and performance in Australia. In all spheres – public, private and not for profit – the importance of diligent and professional governance to high performing organisations has gained greater and greater traction – in part as a result of some monumental failures of corporate governance such as the collapse of HIH in 2002.

The recent formation of the Australian Charities and Not-for-profits Commission (ACNC) is another clear indication of trend and one that the Foundation will need to heed. While it is important to be reminded that there is no universal formula for good corporate governance, there are some important standards and principles to guide organisations. Three trends have been apparent from the recent focus on governance that have some relevance to this review:

- a move toward more independent skills based directors and away from representative boards;
- a move towards smaller, more purposeful boards; and
- a shift from conformance to performance (or getting the balance right between performance and compliance).⁸

In the government sector in Australia, board members are increasingly selected based upon skills, interests and ability to contribute. The process of board selection has become increasingly professional and many jurisdictions now advertise board positions, use professional recruiters and run scrupulous processes.

In the non-profit sector there is often a tendency to draw board members from a small group of known and willing supporters. In some jurisdictions board membership is conferred upon the major donors, almost as a reward. This practice, whilst delivering a board that provides real support to the organization, can lead to a board without governance ability or with an unbalanced set of competences.⁹

The ACNC has developed minimum *mandatory* standards of governance for all organisations (including the Foundation) registered with the Commission. In addition, the Australian Institute of Company Directors recently published the *Good Governance Principles and Guidance for Not-for-Profit Organisations*. This publication provides guidance on Board composition, and the following important cautionary comment:

⁸ AICD, Company Directors Course notes, 2013/14

⁹ Julie Garland McLellan, All Above Board, AICD, 2005

Boards should not function like parliaments

Some organisations seek to have various stakeholder groups (e.g. members nominated by a state) "represented" on the board. This can help to promote an appropriate diversity of views and add to a sense of involvement by those groups "represented". Boards can experience difficulties, however, if individual directors regard themselves only as representatives of a particular group. This can give rise to factions and boardroom infighting, reducing the ability of boards to operate effectively.

It is important to remember that even though a director's appointment may be because he or she is associated with a particular group or might look like they represent certain "constituents", directors must in practice act in the interests of the whole organisation and apply an independent mind to the board's work and decision-making.

Sharon Pfueller, in reviewing biosphere organisations in Australia, identified a number of characteristics associated with their success. Some of these are:

- Clear goals and objectives
- Inclusive
- Drawing on sense of place
- Commitment and trust
- Equitable distribution of power and authority between different levels of government and the community
- Effective bottom up leadership
- Empowerment of individuals and groups
- Effective chairperson skilled in negotiation
- Effective communication
- Well defined process rules
- Flexibility¹⁰

Many of these —such as clear goals and objectives, commitment and trust, skilled chairperson and effective communication —could be regarded as critical to the success of any organization, not specifically a Biosphere governing body. Even so, based on the feedback described in the previous section of this report, the Western Port Biosphere Foundation is unlikely to score well against a number of these criteria.

¹⁰ Pfueller, S.L. (2008) Role of bioregionalism in Bookmark Biosphere Reserve, Australia, *Environmental Conservation* 35 (2)

2.5. Current performance

2.5.1. Achievements

The biosphere concept and the Foundation has seen some success in the Mornington Peninsula and Western Port area:

- The Watsons Creek project won the award in the Community Action and Partnerships – Integrated Catchment Management category in the Victorian Coastal Council's Awards for Excellence in 2012.
- The Foundation through its research committee auspiced the Southern Brown Bandicoot Regional Recovery project which draws together government agencies, local landholders and environmental organisations and takes a landscape scale approach to addressing the threats to the bandicoot.
- The Growing Connections Project is developing a plan of important areas for biodiversity conservation and landscape reconnection across the biosphere and encouraging co-operative efforts to develop linkages.
- The Western Port Catchment Committee, which provides a forum for various interest groups, community members, local governments and state government agencies to exchange information and explore opportunities.
- The Research Committee has developed a research strategy for the biosphere and has commenced work on sustainability indicators.

These successes all have in common the creation of partnerships and alliances and are reflected in the views of survey participants regarding performance of the Foundation in nature conservation.

However the survey respondents were less positive about performance in education around sustainability. To some extent, the resources available to the Foundation limit the amount that can be done in this regard, however opportunities to increase communication around sustainable development in the region should be taken where possible.

Although the resources available to the Foundation clearly limit what can be achieved, there is a widespread view among those who participated in this review that the potential of the biosphere and the Foundation is yet to be realized.

As noted above, members believe the Foundation is performing reasonably well in relation to conserving nature but were less positive about its performance in research and education around sustainability. There was also significant concern that, after 10 years of operation, there remains a general lack of awareness in the community about the Biosphere and what it stands for.

The organization is still faced with the challenge of enunciating and communicating the value of the Biosphere and the Foundation to the community and businesses of the Mornington Peninsula and Western Port region.

While there are some governance and constitutional changes that can be made to achieve better outcomes in this regard, these are second order to the more significant and challenging changes needed to the strategy, culture and operations of the Foundation.

2.5.2. Membership

Membership records over the years show a decline from the early days of the Foundation (Table 2). It is interesting (and sobering) to note that a significant part of the membership now comes from the Mornington Peninsula Shire and this includes participants in the sustainability areas of the Best Bites Program.¹¹

Table 2 MPWPBR Foundation membership (2003, 2004, 2009 and 2013)

Roundtable paid up members	19-Dec-03*	15-Jul-04*	1-Jul-09*	2013**
Bass Coast	11	12	11	10
Cardinia	5	6	3	2
Casey	4	13	4	5
Frankston	25	25	11	5
French Island	11	18	4	0
Mornington Peninsula	65	88	33	40
No Roundtable Nominated				3
Total	121	162	66	65

*Source: 2010 Roberts Evaluation p. 21

** Source: Western Port Biosphere Foundation records.

Roundtables were conceived as providing an opportunity to bring together community members in a municipality that were interested in the various aspects of the Biosphere's Charter. There is a general recognition that this has not worked.

Various reasons were advanced for this during consultations:

- Lack of leadership and support from the foundation board
- Lack of value add from being involved on top of involvement in other community organisations
- Poor relationship management with existing organisations
- Domination of Roundtables by environmental issues
- Frustration by coordinators and lack of convenors

¹¹ Mornington Peninsula Shire Best Bites Food Guide Application Kit

The general view of those consulted was that it would not be a good use of the Foundation's limited resources to get Roundtables operating in areas where they currently do not exist. While the Foundation should support those Roundtables that have succeeded, it should also focus on building partnerships with existing organisations. This will be particularly important in those areas where Roundtables do not operate.

2.5.3. Partnerships and relationships

The Western Port Biosphere Growing Connections project and Mornington Peninsula Shire's Best Bites project show how the Foundation and local governments can demonstrate leadership and cement partnerships when the opportunity is approached in the right way.

The Foundation also now hosts the Western Port Catchment Committee, which involves some 160 members from local government, state government agencies, volunteer groups and local communities.

There is a wide range of other potential partners that are well linked with the community and an opportunity to build strategic alliances with them on equal terms. However despite this being recognized by the Foundation for some time, progress has been slow, perhaps again due to constraints on resources and time.

The Foundation needs to place greater priority on promoting partnerships and synergies with local organisations and businesses – a point we take up again in the next section.

2.5.4. Board Performance

A compilation of records of attendance at board meetings over the last 2 financial years shows that most directors had a strong record of attendance apart from councilors from 4 shires and the nominee of the CEO of Parks Victoria (Table 3).

While the councilors nominated as directors by Mornington Peninsula Shire attended all but two possible meetings, the councilors from the other shires barely attended a meeting in 2011/12 and the first part of 2012/13.

New councilor Directors appointed in December 2012 in Bass Coast and Cardinia subsequently attended three out of three meetings. In contrast where councils had appointed officers formally as directors, the attendance record was much stronger.

*Table 3 DIRECTORS ATTENDANCES AT MEETINGS
2011/12 and 2012/2013 FINANCIAL YEARS*

<i>Directors</i>	<i>Number of Meetings eligible to attend</i>	<i>Number of Meetings attended</i>
<i>Chair</i>	<i>15</i>	<i>13</i>
<i>Min for Env Rep</i>	<i>14</i>	<i>13</i>
<i>CEO PV Rep</i>	<i>15</i>	<i>6</i>
<i>Cr Bass Coast</i>	<i>8</i>	<i>4</i>
<i>Cr Cardinia</i>	<i>14</i>	<i>3</i>
<i>Cr Casey</i>	<i>14</i>	<i>4</i>
<i>Cr Frankston</i>	<i>3</i>	<i>0</i>
<i>Cr Morn Pen</i>	<i>14</i>	<i>12</i>
<i>RT Director Bass</i>	<i>15</i>	<i>14</i>
<i>RT Director Frankston</i>	<i>15</i>	<i>13</i>
<i>RT Director Morn Pen</i>	<i>15</i>	<i>14</i>
<i>Non Cr Director Bass Coast</i>	<i>4</i>	<i>3</i>
<i>Non Cr Director Frankston</i>	<i>5</i>	<i>4</i>

- *Councilors from Cardinia and Bass appointed in December 2012 have attended 3 out of 3 meetings*
- *Directors that did not attend a meeting may have nominated an alternate director. The CEO PV Rep changed roles and delegated to the alternate.*
- *Clause 25 of the constitution covers expectations of attendance by directors*

The board has a series on policies, including a code of conduct, an advocacy policy and a detailed induction manual, including a governance protocol. We make some suggestions in the recommendations that follow about providing additional guidance and training in the induction of board members

The Board does not have an Audit and Risk Committee and given the size of the grant programs it is now managing, it should consider addressing this.

Feedback from consultations suggested that the board has not operated effectively over the years with some directors not actively engaged; others not understanding the role of directors; personality clashes and a focus on technical and operational rather than strategic matters.

The respective roles of the Executive, the board and sub-committees need to be better understood. While the Governance Protocol documents the role of the board, Executive and office bearers, the consultations revealed that there was still some misunderstanding of roles. Delegations need to be clearer and directors need to be better briefed on matters such as D+O and public liability insurance¹².

¹² The Board's governance protocol states that Directors are provided with insurance but the consultations revealed some confusion about the details of this.

The board needs to lift its discussion to a more strategic level and deal with issues such as fundraising, building a profile for the organisation and creating and maintaining alliances and partnerships. It needs to make better use of sub-committees to advance these key issues and to restructure its agenda to ensure strategic matters receive proper attention.

2.6. Stakeholder feedback on options for change to board structure

Suggestions for change to board structure from those consulted by this project revolved around having a smaller board, achieving community involvement in ways other than having roundtables and reducing the number of local government representatives on the board. Almost all survey respondents gave a high priority to a board with the skills to do the job and a board that works in partnership with others. In contrast to the weighty representation of local government on the Foundation's board at present, local government involvement on the board was not seen as so important for the future.

Two options were developed based on this feedback and the analysis of best practice for further consultation with key governance stakeholders.

- The first option is to keep the current board structure but make it work more effectively and strategically. This option creates minimum disruption, but will only address the challenges that the Foundation faces at the moment if there is also significant change to the way the board and individual members operate.
- The second option provides for a smaller board with a set of skills that can provide leadership. This will involve more significant change and careful implementation, but provides the opportunity to reinvigorate the Foundation and to enable it to effectively deliver on its vision and mission.

In view of the fact that all the core funding for the Foundation's operations is provided by the five Councils in the Biosphere region, and that these Councils have a significant board representation under the current constitution, it was considered vital that any changes to structure would require their support.

Council CEO's and representatives of the main state government agencies were consulted on these two options. There was strong support for a skills based board but with concern about the risk of disengagement by Councils if all five were not directly represented on the board. It was recognized that the accountability back to Councils as major funders of the core Biosphere budget could be achieved through a number of ways, including direct membership on the Board, regular reports against KPIs in the MOU or through the Councils having the power to appoint the board.

There was also discussion of the choice between Councilor representatives and Council officer representatives. The merits or otherwise of either option depended

on the individual. An active, engaged Councilor who could think strategically was regarded as ideal, whereas a Council officer who was focused on just one aspect of the Biosphere would be less than ideal.

Council CEOs saw advantage in having a skills based board in terms of it providing much more predictability in its capacity to meet its objectives. However they also viewed it as important to attract people with the right drive – people that are passionate and committed to the Biosphere’s objectives. Examples were given of the skills based Regional Tourism Boards, which have been established in recent years and are proving to be highly successful.

An overall observation was that there needed to be good communication with Councils on an ongoing basis, whatever the governance option chosen – and even more so if there was to be only one local government representative on the board. Suggestions for communication included: regular reports to Council from council staff; Councils and the Biosphere to formalize the MOU and to have annual reporting on progress against KPIs; better selling of the value proposition of the Biosphere to Councils; and formation of technical working groups of council and agency personnel.

3. A New Organisation for the Future

The previous section set out the case for change based on member, director and stakeholder feedback and the consultant's analysis and experience. It points to a significant challenge for the Foundation —but also an opportunity to build on the successes of the past 10 years to achieve the aims of the biosphere into the future.

To do this the Foundation needs to

- Refresh and align its strategy;
- Address its culture;
- Engage and empower partners
- Improve the way the board works; and
- Make some changes to its governance structure

While there is considerable overlap between these points, each will be elaborated on in turn.

3.1. Strategy before Structure

One of the most essential functions of any board is to participate with management in setting policies, goals, strategies and performance targets for the organization, consistent with its mission and community expectations. In an organization with limited funding, this can mean prioritizing or tailoring goals and strategies to available resources or developing strategies to increase resources to enable goals to be achieved.

All directors, staff and key stakeholders should be able to articulate what the Foundation is, how it goes about its work and its current priorities – including what it does *not* do and how it distinguishes itself among existing organisations with similar objectives in the biosphere. In other words, what value does the Foundation add?

In the course of undertaking this review it was clear to the consultants that directors and stakeholders were not necessarily agreed on these fundamentals. Currently there is no shared understanding of what the Foundation's strategy is. Indeed, there is a perception that it has no strategy, but rather acts in an ad hoc and/or opportunistic fashion. Other organisations do see the Foundation as competing for funds or undertaking projects that others are well equipped to undertake – even when it had previously undertaken not to compete. All this suggests that the Foundation's board needs to refresh (or confirm) the organisation's *Living Strategy* (2011-13) and ensure that its resources, priorities, people at all levels of the organization and communications are aligned with it.

It may be that the current strategic plan remains relevant but that performance monitoring by the Board, annual review and business planning processes need greater attention. It may be that new directors are not sufficiently aware of the strategy. Or, it may mean that members have little awareness or ownership of the strategy and priorities of the organisation.

Whatever the explanation, there should be an annual strategic planning process that helps to align and empower members throughout the organisation, and can ensure the Foundation communicates its direction and demonstrates its progress to the wider community.

The Foundation's board should be devoting a significant amount of its time to strategy formulation and monitoring the organisation's performance against its strategies and targets. This includes having discussions about difficult or sensitive topics where diverse views among directors may well exist - such as the role the Foundation may play in the Port of Hastings development - and coming to an agreed policy position that can be explained to members and the community.

Similarly, the Foundation should be able to articulate the sorts of biodiversity conservation projects it gets involved in, particularly when there are so many other organisations that could play an auspicing or hosting role in this area. For example, does the Foundation only pursue projects which are consistent with their strategy and priorities and involve multiple partners and significant areas of the Biosphere?

Being clear (and transparent) about strategic issues like these will ensure that the Foundation is adding value and is able to build partnerships on the basis of mutual respect.

Strategy is not something the Foundation should think about once every three years – set and forget. Confirming strategy, defining priorities (ie. not trying to do everything at once, and not trying to be all things to all people), monitoring the implementation of strategy and dealing with a constantly changing environment is an important ongoing role for the board.

As noted above, this goes to the question of how the Foundation perceives and describes its value proposition. While this is for the Foundation to debate and determine, members were generally in agreement that it included:

- a facilitator of research, discussions, education on key issues of sustainable development
- a facilitator of partnerships to achieve sustainability development outcomes.

Key Messages

- Develop a list of key organisational characteristics—statements that say what your organisation is (and is not) and how your organisation does (and does not) achieve what is expected of it
- Be clear about the Foundation's value proposition
- Be clear about what success looks like
- Be clear about how you position yourself among and add value to the existing organisations in the biosphere
- Focus on your strengths – research, innovation, ideas, education, cross boundary and/or multi partner projects, etc.
- Achieve a better balance between the board's strategy and compliance roles
- Challenge sacred cows and don't ignore the elephant/s in the biosphere!

Recommendation/s:

- Refresh or confirm the current Strategic Plan
- As part of this have a focused discussion at Board level about the value proposition of the Foundation and what success looks like
- Develop an annual business plan that identifies strategic projects and priorities (based on the Strategic Plan) against available resources.
- Implement the projects and priorities and be publicly accountable for progress – report to the community annually on successes and (where appropriate) setbacks.
- Provide members with an opportunity to input to annual business plan priorities – as a means of building ownership and enthusiasm. (Remember, ultimately it is up to the board to decide on the Plan and to ensure that it is delivered.)

3.2. Culture

Whether you like it or not, directors also help to set the culture of the organisation. The Board's own behaviors and decisions signal to staff and others what issues are important and what behaviors and values are acceptable.

According to our consultations and the survey, the Foundation is currently viewed by many internal and external stakeholders as controlling, inflexible and inward focused – a bit too self-important.

In other words, at least some of the things that the Foundation says it values in its Constitution are not perceived as being valued in practice by members and stakeholders. According to the Constitution, for example, the Foundation values:

- empowering people and fostering participation;
- individuality and diversity of opinion across all ages;
- co-operative networks and partnerships;
- open and transparent processes of accountability to the community.¹³

KLA believes the Board needs to take responsibility for fostering an organisational culture that is inclusive, collaborative and outward looking. It needs to find a way to constructively deal with, indeed draw strength from, the diversity of its members.

The success of the Foundation will always depend to a large degree on the quality and strength of its relationships with partner organisations and its volunteer workforce. These relationships depend on trust and mutual respect. Governance and project management processes need to be developed that support and build trust rather than signal the opposite.

The Charter envisaged that the Foundation should be, as far as possible 'community driven' and that in practice this would be achieved through the vehicle of the Roundtables. The historical tensions that emerged with this model were never fully resolved and as a result relationships throughout the organization remain fraught.

It is definitely time to move on.

To achieve its objectives, KLA believes the Foundation needs to simultaneously build and diversify its 'bottom up' participation and at the same time recognize and strengthen the legitimate role ('top down' leadership) of the Board. These are not mutually exclusive directions and both require trust and respect.

Key Messages

- Better define what is expected of staff in relation to supporting members and project groups
- Develop trust and processes that support members in execution of projects while ensuring proper accountability
- Aim to develop an organisation that works BOTH top down and bottom up
- Share information and be transparent in dealings
- Explain decisions
- Walk the talk.

¹³ Constitution of Mornington Peninsula and Western Port Biosphere Reserve Foundation Ltd,

Recommendation/s:

- The Foundation board should actively promote an organizational culture consistent with the values set out in the Constitution and demonstrate adoption of this culture through its own actions.

3.3. Engage with members and the community

Feedback from the consultations revealed there was a general view that the Foundation needed to extend its reach beyond its members and actively engage the broader community in pursuit of Biosphere objectives. There was support for developing different ways for people to get involved – with less reliance on trying to form and sustain Roundtables. The new thrust was for building stronger linkages with the wide range of thriving groups, organisations and businesses that already exist (rather than create new ones from scratch).

Further, according to the Foundation's stakeholders, these alliances should be based on equal (not controlling) terms.

The consultations identified that the Growing Connections project offered a strategic opportunity to demonstrate leadership and cement partnerships if approached in the right way. This is an important project and its success is critical to the Foundation's future. Again, partnership and shared ownership rather than hierarchy and control should characterise project management and implementation as far as possible.

As the survey summary on page 8 indicated, Foundation members are looking for three main things from their membership:

- Ability to *meet and work with others* on nature conservation
- Ability to *meet and work with others* on sustainable development
- *Information* on items of interest to me.

So who might the Foundation engage with and how?

Engagement, like everything else the Foundation does should be guided by strategy — What aspects of the Foundation's strategic plan is current priorities and whom does the Foundation need to work with to achieve these priorities?

Business/Industry – a missing link

It may be, for example, that the Board decides that in view of the attention the Foundation has given to biodiversity conservation projects to date, it now needs to develop its 'sustainable development' credentials and profile more broadly.

The *Living Strategy* strategic plan 2011-13 identifies one strategic action in this area as being:

With council and industry support, promote natural features and existing sustainable tourism products within the biosphere reserve by developing a map for distribution via tourist information centres.

Developing this action is likely to require the identification of the region's main tourism bodies and tourism operators; meeting with and testing the relevance and priority of the Foundation's proposed action with those most closely involved, and following leads and advice from there. It may involve working through Councils or working with Councils and relevant and supportive tourism organisations – with the Foundation playing a coordinating and facilitating role. This is just one example of how, with the right approach, and being prepared to listen to those with industry specific knowledge, the Foundation can build a) networks and, potentially b) project partners and c) new members.

It may be that the Board believes it is timely to revisit the role, if any, the Foundation plays in the Port of Hastings redevelopment – given its undeniable significance to the sustainable development of the Biosphere reserve. What would the *sustainable* development of the port look like? How can the industries that will gain by the redevelopment work with the Foundation to help ensure a sustainable outcome?

It may be that as part of the marketing and promotion of the Biosphere, the Foundation works with regional business leaders or peak bodies to establish criteria against which businesses could be accredited as official 'partners' or 'supporters' – displaying the biosphere brand on their own buildings and collateral.

Building a sustainable future – one small step at a time.

What social, environmental and economic criteria make a business 'sustainable'? What can the Foundation do to promote and support those businesses it accredits and who display the Biosphere brand?

These are just a few of the many opportunities to engage with regional industries and business. It is up to the Foundation to determine its strategies, priorities and approach and start the engagement process.

It may be appropriate to build on initiatives that are already under way, like:

- Extending the Mornington Peninsula Best Bites Program across the other municipalities in the Biosphere.

- there is an opportunity for Mornington Peninsula Shire to join the Metropolitan Waste Management Group (MWMG) network.¹⁴ Councils could work with work with MWMG and regional (waste generating) industries and the waste management industry to develop a sustainable waste management strategy for the Biosphere.

The Foundation should aim for some early and high profile 'wins' to boost confidence and momentum.

Other opportunities

The engagement opportunities with other groups and organisations are no less abundant. Examples include:

- Work with Sustainability Victoria's sustainable schools initiative (AUSSI Vic) to incorporate Biosphere Reserve awareness into the program for schools in the region
- Work with regional land managers to include information that the area is recognized by UNESCO as part of promoting what is being done in landcare; sustainable land management and agriculture; coastal management and nature conservation
- An active program of engagement with local government, including an annual briefing of each of the Councils by the Chair and CEO

The biosphere was founded as a government, industry and community (public, private and community) organization¹⁵. This tri-sector composition is a key strength of the organization if it can be effectively harnessed.

It is clear that the Board already recognizes this as an issue and a priority¹⁶. The next step appears to be to develop a comprehensive stakeholder engagement strategy to accompany the strategic plan, or simply identify a priority stakeholder group aligned to strategy as a focus for the next 12 months.....and get started.

¹⁴See the Victorian Government's response to the Ministerial Advisory Committee's report on governance of waste management in Victoria (August 2013).

¹⁵ See Constitution of Mornington Peninsula and Western Port Biosphere Reserve Foundation Ltd.

¹⁶ See July 2012 Board minutes.

Key Messages:

- Aim to fill vital skill gaps – in particular strategy and engagement skills
- Consider a new membership fee structure – with a higher membership fee for organisations (and/or different fees for NFP groups and businesses)
- Resource the membership with information and opportunities to participate – make them feel valued
- Start to build business and industry networks – most likely on a sectoral basis - as exemplified above
- Hold bi annual progress reporting and priority setting meetings with members and stakeholders

Recommendation:

- The Foundation needs to accord a higher priority to building partnerships with organisations and businesses that support, and can advance, the Foundation's objectives (even within its existing, limited resources).

3.4. Communicate, Communicate, Communicate

The survey respondents and other consulted felt that the Foundation was relatively weak when it came to educating the community and raising awareness about the Biosphere and the role of the Foundation. There was a strong desire to have the Foundation inform the community on sustainable development and to keep the community abreast of the progress being made in achieving the Biosphere's goals.

The Foundation also needs to improve and increase its communications with members - feedback was provided during the review that indicated that not all members receive regular communications from the Foundation (including invitations to participate in the survey!).

Communications and marketing has been raised as a key issue for the Foundation on many previous occasions but as yet little progress has been made. This is now a critical gap in the Foundation's operations and should be a high priority for the Board.

Key Messages

- As a matter of urgency, develop a brand (logo and tag line) that the general community can understand and relate to
- Develop 'elevator conversation' descriptions of what the Biosphere is and what the Foundation is – use them regularly and consistently

- Ask local government to assist with marketing the Biosphere via signage
- Develop an accreditation scheme and work with businesses, land holders etc. to subscribe and display the brand
- Communicate with members, stakeholders and the community about what you are doing – often.

Recommendations:

- Build the Biosphere brand - Approach marketing firms in the region and ask for some pro bono assistance to get started and/or seek these skills in filling new board positions.¹⁷
- Consider building on the 'Blue Frog' exercise - but give it a sense of immediacy based on the governance changes and refreshed value proposition / narrative.

3.5. Board Changes

3.5.1. Changing the way the board operates

For an organisation to be truly effective, its Board needs to be effective and work as a team. This does not mean that all Directors need to think the same way – indeed, it is essential that Directors bring their own independent judgement and views to the Board table. Diverse backgrounds and different perspectives generally strengthen a Board's decision-making capacity. It is important that different views are respected and able to be aired within a Board and that, in the end, all Directors are bound by the collective decision.

Directors are required to act in the best interests of the organization as a whole – not in the interests of a faction of the organization or a particular partner organization – but the Biosphere Foundation as a whole.

There are a number of changes the Board can make which will help reinforce these fundamental points. Some of these (such as the elimination of alternates) are dealt with in the next sub-section on Board structure and composition.

Other changes go more to the culture of the Board and need to be set by the Chair and reiterated through formal inductions, Board refreshers and performance assessments on a regular basis. The Board's 'governance protocol' is a good start but could be updated and simplified (not all the duties apply to unlisted company boards) and put on the website for all to see. Like all documents it also needs to be regularly brought out of the drawer and back to life!

¹⁷ Visit probonoaustralia.com.au for assistance.

Key Messages

- Lift the standard of board governance
- Reinforce the approach that all directors are equal, the board needs to function as a team and all are equally responsible for decisions made
- Ensure that directors act in the interests of the whole organisation not individual organisations or projects and apply an independent mind to the board's work and decision-making
- Review the new ACNC governance standards, AICD NFP standards & DEPI governance guidelines and incorporate appropriate material into the Board's induction and/or protocol material
- Seek DEPI financial support for annual Board governance training (or inclusion in the training offered to other DEPI Board members)
- Require existing board members to sign up to new mandatory ACNC governance standards
- Achieve a better balance between the Board's strategy and compliance roles
- Schedule an annual board self assessment.

Recommendations:

- Refresh and reinforce commitment to the Board's Governance Protocol

3.5.2. Structure/Composition

As we have indicated in section 2.6 above, structural changes to the size and composition of the Foundation's board were developed, taking account of the feedback from members and stakeholders, the objectives of the Foundation and the review of other governance models, standards and trends.

Two main options were formulated, distinguishable to an extent on the appetite of members and the current Board for change. Members and stakeholders indicated a desire for a board made up of skilled leaders, not necessarily representing every community and local government but with strong links back into the communities and sectors that make up those municipalities. These views are consistent with best practice approaches to governance.

Option 1

This option sticks with the current structure (15 directors, 5 of whom are from local government, 6 drawn from communities in the Biosphere plus agency and business representatives and an independent chair) but with some improvements:

- Appointment of business director

- In the absence of Roundtable nominations, enable the board to appoint a director from the geographical area
- Encourage Councils to nominate directors that can serve a term of 2 or 4 years on the board to align with Council elections in order to promote greater stability and continuity
- Discourage the use of alternates where this leads to lack of continuity.

Pros	Cons
<ul style="list-style-type: none"> • Minimal constitutional change and board disruption • Injection of business perspective • More continuity with local government 	<ul style="list-style-type: none"> • Risk of continuing current problems and frustrations • General Meeting needed to change the number or geographic area of roundtables and to empower board to appoint directors from areas where Roundtables don't exist • Risk of not meeting expectations of stakeholders for significant change

Option 2

This option involves reducing the Board's size and appointing a mix of directors with a greater emphasis on the skills they bring, some drawn from key sectors in the Biosphere and some from the general community.

- Smaller Board - maximum of 9, minimum of 5 with staggered 3 year terms (2 or 4 for the local government director, aligned to the Council electoral cycle)
- A mix of desired Board skills set by the Board to reflect the Foundation's strategy and priorities but which would include all or some of:
 - Marketing/ communications
 - Business
 - Finance/accounting
 - Science / environment/ ecology
 - Land management
 - Community engagement/ social science
 - Fundraising
 - Education
 - Advocacy
 - Understanding of federal/ state or local government
 - Experience with working with partner organisations in the biosphere

- The board would determine the mix of skills and other desirable characteristics (gender balance, mix of localities across the Biosphere) it requires, and seek nominations / expressions of interest from:
 - Partner organisations – suitably skilled individuals involved with partner organisations in the following fields could be nominated for consideration across
 - Environment
 - Agriculture
 - Business / Commerce
 - Tourism
 - Research and Education
 - Community at large - advertise for expressions of interest from individuals with suitable skills from the community at large.
- The board would establish a selection committee made up of eminent people from the Biosphere to run a selection process for up to 7 directors nominated from partner organization and Eols from the community at large. This committee would assess nominations/Eols against the desired skills, gender and locality mix established by the Board and make recommendations back to the Board for appointment
- The board would also seek nominations from
 - Local governments – the 5 Councils to nominate one director (with 2 or 4 year term)
 - Traditional owners - groups to nominate one director
- The board would also ask the selection committee to make recommendations for a chair.

Under this model, the Board would commit to meeting with a committee of the 5 Councils twice per year. This 'Council Liaison Committee' would have the role of nominating the representative of Councils on the Board and be the link between that director and the 5 Councils. It would also negotiate and monitor the MOU associated with Council funding.

The overuse of alternate directors has led to a lack of continuity on the current Foundation's Board and should be eliminated or significantly restricted. It is important to remember that a director is still responsible for the activities of the organisation. The Foundation's Constitution allows disqualification of directors who are absent from 3 consecutive Board meetings. This provision should be enforced.

Pros	Cons
<ul style="list-style-type: none"> • Consistent with the views of those interviewed in review • Smaller, more focused board with greater independence (less representational) • Stronger emphasis on skills, but still drawing of key community and sector groups • Stronger engagement with broader range of partners and community organisations • Provides a clear signal of change 	<ul style="list-style-type: none"> • Significant change that will need to be endorsed by members at a GM • Potential disquiet regarding change to the source of community representation from Roundtables • Reduced number of local government directors (but replaced by Council Liaison Committee) • Risk of controversy around constitutional changes leading to the repeat of distractions from achieving the Foundation’s purpose that happened when the constitution was first developed.

Key Messages

- Ensure the board has the skills and experience to lead the Foundation
- Work toward a more strategic board – achieving a better balance of compliance and strategy roles
- Pursue greater transparency and accountability in the relationship with local government and the funds provided via a MOU and bi-annual meeting between senior managers and the local government director and the Board
- Specify other desirable characteristics for directors – for example, to be resident in the Biosphere community; strike a mix of gender diversity, etc.
- Signal the Foundation’s new approach across the range of areas covered in this report with new appointments

Recommendation/s:

- The Foundation’s Board should implement Board structure changes consistent with Option 2;
- The mix of desired Board skills to reflect the Foundation’s strategy and priorities but include:
 - Marketing/ communications
 - Business
 - Finance/accounting
 - Science / environment/ ecology

- Land management
 - Community engagement/ social science
 - Fundraising
 - Education
 - Advocacy
 - Understanding of federal/ state or local government
 - Experience in working with partner organisations in the biosphere
- The Board should eliminate or significantly restrict the use of the 'alternate director' role to ensure greater continuity, efficiency and commitment to Board decisions;
 - The Foundation's Board should work with the 5 Councils to establish a Council Liaison Committee, with a role to:
 - nominate the representative of Councils on the Board
 - be the main link between that director and the 5 Councils
 - negotiate and monitor the MOU associated with Council funding
 - meet with the Foundation's Board at least twice a year.
 - The Board should consider doing away with the Executive Committee and dealing with between meeting requirements through a combination of explicit financial and other decision making delegations to office bearers and the Executive Officer and developing an 'out of session' Board decision making process.

3.5.3. Board sub committees

3.5.3.1. Risk and Audit Committee

There is currently no Risk and Audit committee and the Board should actively consider appointing one. It should include at least one and preferably two external members.

3.5.3.2. Research Committee

The Board meeting of January 2013 resolved that the Constitutional and Governance Review should also consider communication between the Research Committee and the Board and recommend a formal process that best facilitates communication in future.

The current practice of chair of the Research Committee being an ex-officio member of the Foundation Board seems to be working well and this should continue at least until such time as the new Board is appointed. Following the appointment of a skills based board, it would be preferable to have one of the Directors chair this committee if practicable.

3.5.3.3. Project Implementation Committee

The decision to establish the Project Implementation Committee for the Growing Connections project was an appropriate way to ensure good governance of this important multi-million dollar project. It should continue but there should be formal reporting to the Board meeting.

Recommendation/s:

- The Board should consider appointing a Risk and Audit Committee

- The chair of the Research Committee should continue to be an ex-officio member of the Foundation Board until such time as the new Board is appointed

- With the appointment of the new Board, one Director be selected by the Board to chair the Research Committee in the future.

- The Project Implementation Committee should provide formal reports to the Board

4. *Achieving the new organization*

4.1. Selection and appointment of board members

There are basically 3 options for appointment of board members. They can be elected by the membership at large at the AGM, appointed by the Councils (as is the case with Council directors now) or appointed by the outgoing board (as is the case with the current Chair).

KLA recommends that the board members be appointed by the outgoing board based on the recommendations of the selection committee which would be responsible for developing the right mix of individuals and skills drawing on nominations from local government, traditional owners (TO) partner organisations and the community.

We recommend this for a number of reasons.

- It is efficient and provides certainty and continuity
- It help lifts the profile of the Foundation as a professional and independent organisation
- If the Foundation is asking an eminent group to recommend a skills based board, then it should back its recommendations
- If the Foundation wants a board with the right mix of skills it will not get them if the appointment process is subject to the vagaries of local politics (and may not get the best people to volunteer for the same reason).

The procedure for the appointment at the AGM would essentially be the same as that which now exists for the chair and nominees of the Minister for Environment, the Chief Executive Officer of Parks Victoria and the Councils. However if it is thought that there should be a provision for the AGM to ratify the decision, a clause to enable this would need to be added to the constitution.

The selection of the next Chair is crucial for the future success of the organisation. He / she will need to work with the current board to manage the transition to the new way of working, including building a new culture and relationships with partner organisations.¹⁸

We note that, in 2012, the Board had in place succession planning for new chair including engagement with councils on suggestions.¹⁹ KLA suggests that the board

¹⁸ The local government and TO nominations would go forward for appointment but the selection committee would use these as a basis of considering the skills mix and be able to consider further nominations from these sectors for the balance of the potential director pool

¹⁹ Board minutes July 2012

once again gives attention to this matter to give the selection committee a head start in its work.

It is suggested that the recommended chair may be selected early by the selection committee so that he /she may be consulted about the other nominations.

The selection committee should be appointed by the board and provide advice to it on a set of proposed directors who meet the desired skills mix, set by the board. KLA suggests that the committee comprises three eminent people (drawn for example from the current Advisory Committee), supported by the Executive Officer or an independent contractor.

Consideration might also be given to staggering appointments so that the Board is not faced with replacing all its members in one hit when terms expire. For example it may be wise to appoint some (say 3) of the current board to the new board for 12-18 months period to ensure some continuity and provide a staggered turnover.

4.2. Resourcing the new strategy

The revenue base for the core operations of the biosphere foundation is predominately from the contributions of the Councils in the region. There are small amounts from donations, sponsorships and memberships and some recoupment of costs from projects.

Table 4 Western Port Biosphere Revenue sources

	2011/12	2010/11	2009/10	Comment
Total Revenue	211,184	140,120	169,173	
Membership Fees	1195	1068	2591	
Donations	2410	595	5510	
Appeal		220	3054	
Sub Total MDA	3,605	1883	11,155	
Local Government	90,000	74,000	77,500	Under pressure with Frankston withdrawing
Grants	111,532	43,934	75,490	
Other	6,047	20,303	5,028	
Total Revenue minus grants	99,652	96,186	93,683	Core (untied) revenue
Local Govt / Total	43%	53%	46%	
Local Govt / Total - grants	90%	77%	79%	
MDA / Total	1.5%	1.5%	7%	
MDA / Total - Grants	3.5%	2%	12%	

As Table 4 shows, core revenue, has been static at around \$90,000 to \$100,000. This revenue is untied and is used to fund the governance and management of the organisation.

Eighty to ninety percent of this core revenue comes from local government. It highlights the importance of maintaining a strong relationship with local government and a high level of accountability for the money it provides.

By contrast in 2011/12 and 2010/11 less than 5 percent of it came from membership fees, donations and appeals. The Foundation has Designated Gift Recipient (DGR) status and this could be better utilized to grow the funding base from these sources. However the DGR status has implications for the way that the organisation is structured and the board will need to consider how important it is and if it remains important how to implement the changes in governance with this in mind.

The Foundation is registered as a Registered Environmental Organisation and as such has Designated Gift Recipient status under the Income Tax Assessment Act. This is useful in that it also provides access to funding from philanthropic funds.

Currently the Foundation falls under the provision that if an organisation is predominantly made up of individuals; or a mix of individuals (majority) and bodies corporate (minority), then it is required to meet the 50 minimum membership rule. Membership is defined as members who are financial (i.e. paid up) and who are entitled to vote at an annual general meeting. Falling membership means it is a continuing challenge to meet this requirement. We propose that the Foundation concentrate on building membership by other organisations and businesses to address this problem – see the section on engagement].

If an organisation is a body corporate made up by a majority of other bodies corporate, then the organisation is not required to meet the 50 minimum membership requirement. While no minimum number of bodies corporate is specified in the legislation, it is anticipated that such organisations will have at least 5 other bodies corporate as members. Gonwanda Link Ltd is an example of such a REO. It commenced with 3 members. As at 30 June 2012 it still had only five members. The Fitzgerald River Biosphere is part of the area covered by the Gonwanda Link project.

Under the Local Government Act, Councils are defined as bodies corporate.

Ideally the Foundation should seek to double its core revenue to enable it to resource the level of activity needed to create and maintain alliances and partnerships, build and service the membership and develop programs like the accreditation system. This is going to be challenging, particularly given the reduction in funding from Frankston Council. Some things to consider are:

- Creating a new category of membership for partner organisations with a membership fee of, say, \$100.
- A concerted push for funding from philanthropic funds.
- Increasing the number of members
- Cost recovery of administrative overheads from projects
- Earnings from ticketed events

None of these options by themselves will lead to a significant increase in funds but their potential should be further explored by the Board. There are also State and Federal Government grant programs that arise from time to time that may provide opportunities to assist in developing programs.

4.3. Constitutional changes

While the Foundation will need to seek professional legal advice on the constitutional changes that flow from the Board's decisions with respect to the recommendations made in this report, we have made some suggestions about the changes that will be needed to give effect to the new governance structure. These are set out by way of example in Appendix D.

Consequential changes will need to be made to the Biosphere's Charter.

The Board will need to actively promote the constitutional changes in the context of the overall changes to governance and culture of the organisation, to avoid the pitfalls experienced with the initial constitution.

4.4. Timing of Changes

KLA suggests that the new board commence operation at the start of the next financial year, following endorsement of the necessary constitutional changes at the next AGM, currently scheduled for November.

An indicative timeline is set out in Table 5 below

Table 5 Indicative timelines for governance changes

Date		Comment
19 September 2013	Board agrees to recommended changes	
October 2013	Legal drafting of constitutional changes	Needs to be complete in time to meet notice requirements for AGM
November 2013	AGM	Company agrees to constitutional change, retains current board to implement
November / December 2013	EOI's for nominations advertised to partner organisations and community	
	Board establishes selection committee	
31 January 2014	EOI's close	
February 2014	Selection Committee meets	Suggest 2 stage process with chair selected first
April 2014	Board agrees to recommendations for new directors	
May 2014	EGM	Formal ratification of new board
June 2014	Induction and handover to new Board	
1 July 2014	New Board commences	
Nov 2014	AGM	
Nov 2015	AGM	3 directors retire
Nov 2016	AGM	3 directors retire
Nov 2017	AGM	3 directors retire

Appendix A

Feedback from consultations

<p>Key Issues for the organisation to address</p>	<p>The profile of the biosphere foundation and its value proposition needs to be raised. The concept of the biosphere is not well understood in the community and the foundation itself is not really clear about what it stands for despite its charter and the Living Strategy.</p> <p>While it remains focused on Stage 1 it is going to find it hard to engage the broader communities of Casey and Cardinia.</p> <p>The board and particularly the executive are perceived as bureaucratic and controlling. While there is talk of partnerships there is no concrete action to create alliances.</p> <p>The organisation is not seen as doing much.</p> <p>The promise of an entity that can bring together government, private landholders and the community has not been realized.</p>
<p>Strategic direction</p>	<p>The future direction of the organisation is seen by various people consulted as</p> <ul style="list-style-type: none"> • A champion and facilitator of sustainability in action • A creator of partnerships to achieve MAB objectives • An enabler that can bring various groups together on projects that none can do alone <p>The concept of sustainability is variously seen as</p> <ul style="list-style-type: none"> • Anchored by promotion of biodiversity • Achieved through sustainable land management / clean food production • An opportunity to link with food / wine and ecotourism / nature based tourism <p>The biodiversity project provides a strategic opportunity for the organisation to build its profile, create partnerships and demonstrate significant achievements.</p> <p>There is also an opportunity to be a key adviser to councils on how to pragmatically achieve sustainable development in the biosphere. This includes participating in strategic planning for the region</p> <p>The foundation can build on its state and local government and community connections to be an organisation that can forge partnerships and broker projects to achieve sustainability in its broadest sense and sustainable development in the biosphere.</p>

<p>Operations of the board</p>	<p>There is a general view that the board has not operated effectively over the years with some directors not actively engaged; others not understanding the role of directors; personality clashes and a focus on technical and operational rather than strategic matters.</p> <p>The respective roles of the executive, the board and sub-committees need to be better understood and documented. Delegations need to be clearer and directors need to be better briefed on matters such as D+O and public liability insurance.</p> <p>Executive functions well but broader board less focussed on governance.</p> <p>Need to balance the tension that occurs between strategic oversight from a board and the diverse opinions, passions and enthusiasm at the grassroots level</p> <p>The board needs to lift its discussion to a more strategic level and deal with issues such as fundraising, building a profile for the organisation and creating and maintaining alliances and partnerships. It needs to make better use of sub-committees to advance these key issues.</p> <p>Regular board self-appraisals/ reviews are worthwhile.</p>
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There was considerable discussion about community engagement, the roundtables and relationships with local government

<p>Roundtables</p>	<p>Roundtables were conceived as providing an opportunity to bring together community members in a municipality that were interested in the various aspects of the biosphere's charter. There is a general recognition that this has not worked.</p> <p>Various reasons were advanced for this</p> <ul style="list-style-type: none"> • Lack of leadership and support from the foundation board • Lack of value add from being involved, on top of involvement in other community organisations • Time demands on top of other voluntary commitments • Poor relationship management with existing organisations • Domination of RT by environmental issues • Frustration by co-ordinators and lack of resources <p>Not all respondents supported getting rid of Roundtables (but mandating in constitution is different from enabling them to form if there is a demand for them)</p> <p>Most respondents felt it would be better to make use of partnerships with existing organisations</p>
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<p>Community Engagement</p>	<p>There was a general view that the foundation needed to extend its reach beyond its members and engage the general community in the biosphere.</p> <p>There is a wide range of potential partners that are well linked with the community and an opportunity to build strategic alliances but on equal (not controlling) terms.</p> <p>The foundation needs to promote partnerships and synergies with local organisations and businesses. A high level stakeholder forum was suggested.</p> <p>Potential partners and collaborators mentioned by respondents are</p> <ul style="list-style-type: none"> • Morn Pen <ul style="list-style-type: none"> ○ SPIFFA(South Peninsula Indigenous Flora and Fauna Association.) ○ Balcombe ○ Devilbend Foundation ○ Foreshore CoM's ○ Council advisory group • Cardinia <ul style="list-style-type: none"> ○ Cardinia Environment Coalition • Bass Coast <ul style="list-style-type: none"> ○ PI Conservation Society ○ Bass Coast Landcare • Casey <ul style="list-style-type: none"> ○ Council Environmental Advisory Group • Chambers of Commerce • Mornington Peninsula Tourism Board • Yarra Valley tourism (cover Cardinia and Casey) • WPCC – cross sectoral • Royal Botanical Garden Cranbourne • Chisholm Institute of TAFE. • Monash, Frankston - which focuses on education. We already have done work with their Science Centre in Clayton and would like to do more. • Phillip Island Nature Parks • South East Councils Climate Change Alliance • CMAs • Coastal boards • VFF • Communities that Care • Inter Council Aboriginal Consultative Committee • Mt Eliza Association for Environmental Care • Waste management groups • Sustainable schools
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<p>Relationships with local government - Councils' involvement in Biosphere</p>	<p>Having the constituent councils as the primary funders of the core organisation provides a strong base from which the foundation can seek donations, memberships and project funding. However it is also a major risk if councils start to question the value of the initiative and pull out.</p> <p>There are strong synergies between what councils do and what the biosphere was established to do and these should be developed further including by joint badging.</p> <p>While there are responsibilities on both sides to improve engagement between the foundation and local government, the drive needs to come from the foundation because it has more to lose from a breakdown in the relationship. It needs to show that it offers something that other entities or councils themselves do not have.</p> <p>The MOU was seen as a good initiative and this should be followed up and progress against it reported on a regular basis (not just to Councils, but transparently to members and other interested stakeholders). Councils need to see what they are getting for their money</p>
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The consultations also canvassed possible changes to the makeup of the board and the skills required on the board

<p>Board structure and Constitution</p>	<p>There was little discussion of moving away from the current corporate form of a company limited by guarantee. There was concern that drastic change may impact on the status of the foundation as a designated gift recipient.</p> <p>Suggestions for change to board structure revolved around having a smaller board, achieving community involvement in ways other than having roundtables and reducing the number of local government representatives on the board. These suggestions included having a specific council committee and community reference groups. It was also suggested that better use could be made of existing committees.</p> <p>While some argued that the current constitution was fine and that it was implementation that was the problem, there was more support for consequential changes to the constitution to remove specific references to roundtables and to change the way that councils were represented,</p>
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<p>Councils on Board</p>	<p>Councils need to have some role in governance. Councils have a financial stake and need to have a say.</p> <p>There is a need to foster cooperation and networking but in a way that makes best use of Councillor or officers' time.</p> <p>There is general support for councils being involved in some way, represented by councillors or officers. This did not have to be through each council being on the board one or two reps of the five on a rotational basis and / or regular meetings with the councils are possible alternatives.</p> <p>However there was also a concern raised that if each council was not directly involved on the board, the commitment of each Council to provide core funding for the biosphere may drop off.</p>
<p>Skills based board</p>	<p>The general feeling was that a combination of representation and skills based was probably the most practical outcome. While a fully skills based board may be desirable there was concern that community members with commitment and passion for the biosphere might be overlooked in any appointment process.</p> <p>The types of skills seen as useful for the board included:</p> <ul style="list-style-type: none"> • Marketing/ profiling/ communications • Business skills • Law / accounting • Science / environment/ ecology • Land management • Community engagement • Research and education • Marine science • Ecology • Fundraising • Advocacy • Social • Local Government • State Government

A list of those consulted is included as Appendix E

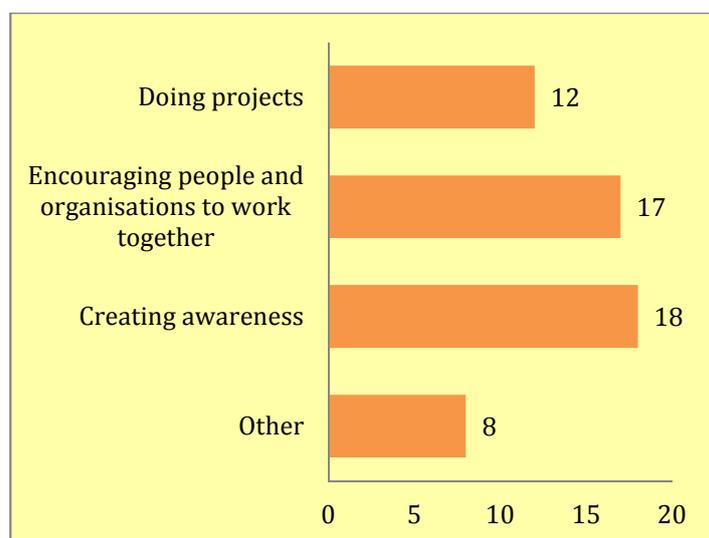
Appendix B

Summary of Survey

N=20 unless otherwise indicated.

What do you see as the key work of the Biosphere Foundation?

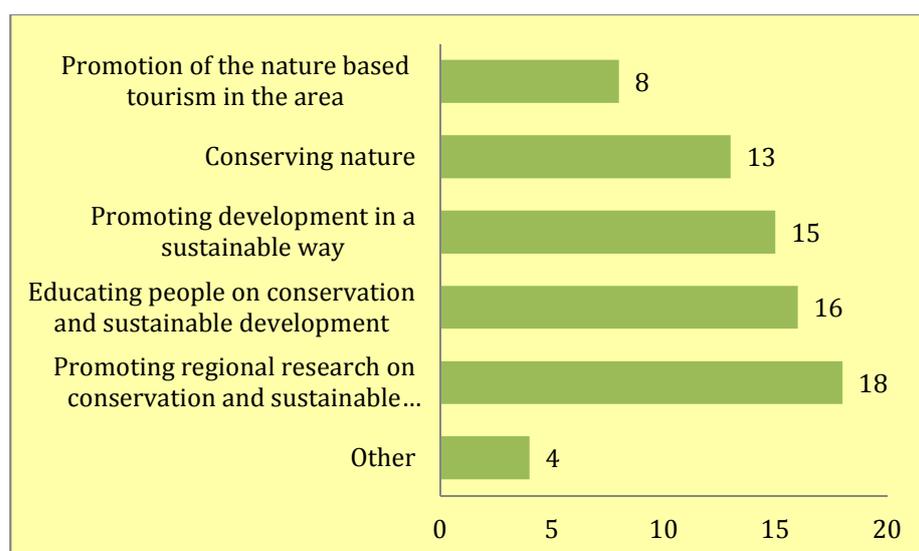
[Note – more than 1 answer was allowed]



Most respondents saw the main work of the Foundation as raising awareness and encouraging partnerships.

What do you see as the value of the Mornington Peninsula and Western Port Biosphere Reserve?

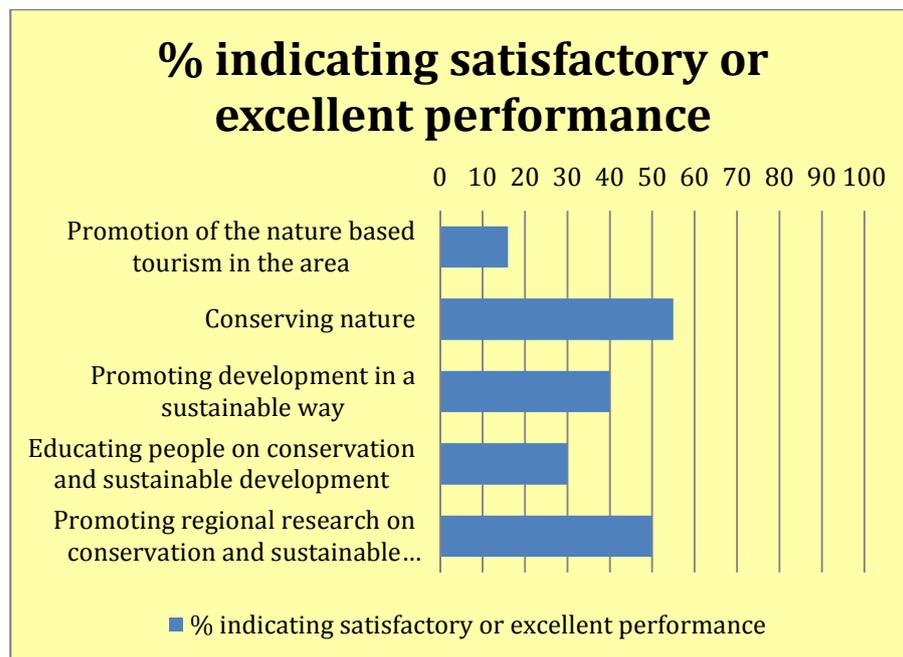
[Note – more than 1 answer was allowed]



Although responses were more evenly spread, research and education on conservation and sustainable development were seen by most as the main value of the Reserve.

However, the Foundation was not highly rated for its performance in these areas – only half of respondents thought the Foundation performed satisfactorily on promoting research and only 30% thought it performed satisfactorily on educating people (none indicated excellent performance). The Foundation was thought to perform best overall on conserving nature – with 55% of respondents indicating satisfactory (50%) or excellent (5%) performance.

How does the Foundation perform?



In response to the question 'If you wanted to convince a friend or colleague to join the Foundation, what would you tell them?', the main selling points for the Foundation can be categorised into 5 main themes:

- Support for conservation/biodiversity

(It is) an informed conservation body that covers the whole of the Mornington Peninsula and Western Port, from the sea to the land.

- Support for the 'ideal'

We need people who want to help our region be a place that our great great grandchildren will want to live work and play.

- The Foundation is a unique organisation

That we live in this wonderful place and we have a responsibility to care and nurture it and the Biosphere Foundation is THE organisation at our local level to help us all to be aware of our responsibilities to ourselves, our community and future generations.

- The Foundation needs you!
The Foundation needs more members who can make a contribution.

Maybe we can change it and ensure that it meets in objectives.

Strength in numbers is needed to increase results in topics above (4).

- Other

Two respondents indicated it was essentially a waste of time.

Responses to the question **What do you want from your membership of the Biosphere Foundation?** have been presented in the Table below according to the percentage of respondents who indicated a 4 or 5 on the scale 1-5 (from least to most important) against the statements provided.

Order of Importance	% of respondents who rated statement as highly important (levels 4 & 5)
Ability to meet and work with others on nature conservation	79% (15)
Ability to meet and work with others on sustainable development	63% (12)
Information on items of interest to me	61% (11)
Ability to appoint the board of the Foundation	27% (5)
To be consulted on how the Foundation is run	27% (5)

Interestingly, the two 'governance' statements were rated relatively unimportant by the respondents. Most appeared to be seeking opportunities to participate in projects and information.

Questions 7 and 8 asked respondents if they were members of other similar organisation and if so, **what is good about the governance of those organisations that might be useful for the foundation?**

Thinking about the way the Foundation works with the community in the Mornington Peninsula and Western Port area, responses indicate that information, partnerships and opportunities for participation are important. Having community representatives on the board or even having opportunities for the community to be involved in discussion the strategy and priorities of the Foundation were less important.

Order of importance	% of respondents who rated as highly important (levels 4 & 5)
The community is informed on progress in achieving the goals of the biosphere	80% (16)
The Foundation is an active partner with other community and business organisations	75% (15)
The community is regularly informed of activities and invited to events	70% (14)
There are community representatives on the board	65% (13)
The community is involved in discussing strategy and priorities of the Foundation	55% (11)

Finally, respondents were given an opportunity to make any other comments they wished to. Responses (n=13) fell into the following main categories :

- The need to build community ownership, awareness and engagement

Community members should be given the opportunity to initiate activities and get Biosphere approval for involvement. The Biosphere should not be seen as the "top-dog" but rather a facilitating partner.

Still seems a fundamental problem that the general population, don't know what the Biosphere is and have enormous difficulty understanding it and the Foundation's role.

- The need to better define its purpose and strategy

Need to go back to basics and be really clear about why the Biosphere was formed and what its aims are (ideal and realistic). The organisation cannot expect to be supported without a clear, achievable Strategic Plan and the ability of the Board to drive it.

Despite being in the local conservation movement I fail to understand what the biosphere does.

- The need to strengthen the Foundation's role with business and industry, in education and research and on the ground projects.

The Biosphere is a wonderful healthy destination for 4 m Melbourners, just one hour away, and service in the tourist industry can be, and should be, expanded to a level of excellence second to none. Numerous jobs are possible to enhance the Biosphere for all - in tourism (including guides), accommodation of all types, related service industries, education,

Fifteen of the twenty respondents listed membership of a vast array of conservation and environment groups. The governance features of the organisations that were highlighted have been grouped into the following broad themes:

- Good at communications, awareness raising and engaging their members

They involve membership with activities, newsletters, they do things that allow members and volunteers to participate at all levels. They reach out to the community.

- Conservation focused (note – this is not ‘governance’ but it is what people valued)
- Skills-based board
- Getting things done/performing

They actually do something, change public opinion, lobby government, keep their members informed, seek feedback

Again, responses (n=19) to the question ‘**Thinking about the way the Foundation is organised in the future, please rate in order of importance the following statements’** have been presented in the Table below according to the percentage of respondents who indicated a 4 or 5 on the scale 1-5 (from least to most important) against the statements provided.

Order of importance	% of respondents who rated as highly important (levels 4 & 5)
The board has the leadership and other skills to drive strategy for the biosphere.	89% (17)
The board creates effective partnerships and alliances with other bodies in the biosphere	89% (17)
The board represents the various localities in the biosphere.	68% (13)
The board represents the various sectors (agriculture, environment, business) in the biosphere	64% (12)
The board includes directors from local government	53% (10)

Significantly, a board with the skills to do the job and a board that works in partnership with others were regarded by almost all respondents as the two most important attributes of the way the Foundation is organised in future. In contrast to the weighty representation of local government on the Foundation’s board at present, local government involvement on the board was not seen as so important for the future.

outdoor education, environmental management and training, recreational boating and fishing, health, upgraded public transport, landscaping and restoration of 'weedy' and unkempt public land - the list is endless.

- Laments about the demise of the roundtables

With a number of Round Table groups collapsed it is difficult to see how the Foundation can keep in touch with on ground issues across the Biosphere.

Appendix C - Other Governance Models

Name of organisation	Governance arrangements	Pros	Cons
<p>Cardinia Environment Coalition www.cecinc.net.au/</p>	<p>Incorporated Association Committee of Management, comprising 9 members Representative of member groups Elected at AGM Unpaid/volunteer CoM Maintain tax deductible public fund</p>	<p>Informal network with strong commitment from volunteers & community, potentially due to :</p> <ul style="list-style-type: none"> • Narrower environment/Landcare focus • More restricted geographical area covered (3 municipalities not 5) 	<p>Membership restricted to environment groups/organisations</p> <ul style="list-style-type: none"> - No formal links to government, industry etc
<p>Dolphin Research Institute www.dolphinresearch.org.au</p>	<p>Company Limited by Guarantee Board, comprising: (a) the Executive Director; and (b) up to 11 Appointed Directors - who are members invited by the then current Board 2 year term</p>	<p>Board exercises control over general membership and Board membership which provides certainty and consistency.</p> <p>Significant expertise and skills on Board</p>	<p>Not community driven.</p>
<p>RSPCA (Victoria) www.rspcavic.org</p>	<p>Company Limited by Guarantee Board, comprising 7-9 Directors – members elected at the AGM Unpaid/volunteer Board Directors must first sign a 'compliance undertaking'. Board can appoint Patrons (up to 3)</p>	<p>Membership driven</p>	<p>Not skills-based</p>
<p>Sunrise 21</p>	<p>Incorporated association</p>	<p>Board skills based</p> <p>Involved key leaders in area who oversaw significant achievement and adaptation over 15+ years.</p> <p>Self sufficient for funding after first few years</p>	<p>Recently merged with another organisation because of solvency concerns as project revenue fell.</p>

Appendix C - Other Governance Models

<p>Outdoors Victoria</p>	<p>Company Limited by guarantee Has members and affiliate members Members vote for directors Board comprising 4-12 Directors, who must have suitable qualifications, skills and experience...as determined by the Board from time to time. Length of time a director holds office is determined by a resolution at the time of election but total time must be not greater than 9 years.</p>	<p>Board largely skills based</p>	<p>Because it is designed as a peak body of other organisations, it is not clear what would happen if a constituent body with a large number of members sought to dominate elections and disenfranchise others.</p>
<p>Victorian National Parks Association</p>	<p>The VNPA is an incorporated association with membership open to all like-minded people. VNPA is governed by a volunteer Council or board which includes a President, two Vice-Presidents, an Honorary Secretary, Honorary Treasurer and up to nine councillors. These are at an Annual General Meeting. A small number of councillors are appointed each year due to their specialist expertise.</p>	<p>Strong membership base and significant income from donations. Councillors drawn from / convene special interest groups / committees</p>	

Appendix C - Other Governance Models

Name of organisation	Governance arrangements	Pros	Cons
Noosa Biosphere (Qld)	<p>Company Limited by guarantee Sunshine Council sole member Board comprising 11 directors</p> <ul style="list-style-type: none"> • 2 from council • 3 from general community • 1 each from 6 community sector boards <p>General community reps appointed by Council. The 6 sector directors jointly appointed by sector board and council with council having the final say. Councillors appointed until next council election. Others directors for 1 year. Directors other than councillors are paid Chair appointed by Council from one of the general community reps</p>	<p>Clear accountability Directors from a range of backgrounds Community sector boards already established before biosphere formed</p>	<p>Dependent on council taking a light handed approach</p>
Great Sandy Biosphere (Qld)	<p>Company Limited by guarantee Managed by the Burnett Mary Regional Group for NRM Ltd (BMRG). Ordinary members and affiliate members Ordinary members classified into 9 sectors (including local govt and traditional owners) Board comprising up to 15 directors:</p> <ul style="list-style-type: none"> • one from each of 7 industry and community sectors, • 3 local government, • 2 traditional owners, • independent chair and • 2 external (non-member) directors appointed by board <p>Sector directors elected in accordance with a policy prescribed by the board</p>	<p>Has some independent directors as well as elected reps Substantial well resourced organisation.</p>	<p>Large board</p>

Appendix C - Other Governance Models

Name of organisation	Governance arrangements	Pros	Cons
Fitzgerald River Biosphere	<p>The FBG formed in early 2002 due to the rationalisation and resulting amalgamation of three local groups:</p> <ul style="list-style-type: none"> • JERAC (Jerramungup Extension and Research Advisory Committee), • Jerramungup Landcare Services, and • Jerramungup Land Conservation District Committee. 		<p>UNESCO nomination was just for FRNP although 2003 review proposed extension to transitional and buffer areas</p> <p>Does not cover whole of proposed biosphere. Opportunity missed to do so in 1997.</p> <p>Since 2010, part of a Biosphere implementation Group with friends of the Fitzgerald R National Park, Ravensthorpe Agricultural Initiative network and others</p>
Riverland (formerly Bookmark) Biosphere (SA)	<p>Calperum Station and Taylorville Station are pastoral leases which form part of Riverland Biosphere Reserve. These 2 stations are managed by the Australian Landscape Trust under contract to the director of National Parks (SA). The Australian Landscape Trust is a non-profit, philanthropic organisation, dedicated to supporting improved management of Australia's natural resources for the benefit of regional communities and the broader environment.</p> <p>Board comprises 9 skill- based trustees. Unclear how other 38 odd other land holder partners are involved.</p>		Conflicts between community volunteers and institutions

Appendix C - Other Governance Models

Clayoquot Biosphere Trust (Canada)	<p>Incorporated under the SOCIETY ACT—essentially a not-for-profit organisation).</p> <p>Board, comprising 10 Directors -</p> <ul style="list-style-type: none">• appointments/representatives from 5 First Nations,• 3 local Districts and• 2 'At-large' Directors (at large directors are appointed via a public advertisement process and are skills based). <p>Unpaid/volunteer Board</p> <p>To mark the UNESCO Biosphere Reserve designation and its intended focus on balancing conservation and sustainable development in the Clayoquot Sound Region, the federal government made a \$12 million grant to the Clayoquot Biosphere Trust.</p>	<p>Has considerable and ongoing funds to invest in objectives.</p> <p>Mix of representative and skills-based.</p>
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Appendix C - Other Governance Models

Name of organisation	Governance arrangements	Pros	Cons
North Devon Biosphere Reserve (UK)	<p>The North Devon's Biosphere Reserve Partnership is the body responsible for coordinating, on behalf of the constituent local authorities and stakeholders, the management of the Biosphere Reserve.</p> <p>North Devon's Biosphere Reserve Partnership will comprise (30-odd reps):</p> <ul style="list-style-type: none"> • A rep of Christie Devon Estates • A rep of the MOD • A rep of the Joint LSP • Elected members appointed by the constituent local authorities (4) • A representative from the North Devon AONB Partnership • A rep from the Taw Torridge estuary Forum • Environment Agency, • Natural England, • SWRDA • North Devon Chamber of Commerce and Industry • Bideford College • North Devon College • University of Exeter • University of Plymouth • Devon Association of Parish Councils • Exmoor National Park • Dartmoor National Park • Westcountry Rivers Trust • NFU • North Devon Fishermen's Association • MP Torridge and West Devon • MP North Devon • Local Member of House of Lords • Tarka Foundation • National Trust • North Devon Marketing Bureau 	Very wide ranging partnership.	<p>Large and potentially unwieldy. Costly to administer.</p> <p>May only be possible because of core funding for 5 staff from 3 local authorities.</p>

Appendix C - Other Governance Models

<ul style="list-style-type: none"> • Experts co-opted by the partnership <p>Also has 3 Working Groups:</p> <ul style="list-style-type: none"> • Educational and Public Awareness • Research and Monitoring • Environmental Quality <p>Partnership members sign an 'accord'. Hold a community forum 1/year.</p>			
<p>Galloway and Southern Ayrshire Biosphere (UK – Scotland)</p>	<p>Biosphere Partnership Board (BPB) working to the remit of a Biosphere Charter. BPB comprises 26 reps and has a strategic focus:</p> <ul style="list-style-type: none"> • 3 Councillors; • 6 Community Representatives; • 4 Public Sector Agencies; • 4 National Organisations; • 4 Business Representatives; • 3 Tourism Representatives; • 2 Academic/Research organisations. <p>Meetings rotate between 3 councils; held every 4-6 months</p> <p>Under the BPB sits a Biosphere Working Group: The BWG is principally a working group of seconded officers drawn from the public sector partners. It has an operational focus.</p> <p>Also have Biosphere Thematic 'Groups' covering broad areas like -</p> <ul style="list-style-type: none"> – Tourism, Food, Art and Crafts – Farming, Forestry and Land Based Business – Business and Renewable Energy – Schools/Education – Research and Monitoring – Community – Environment <p>They expect these to evolve as priorities evolve.</p>	<p>Strong (7) business/tourism representatives. Very clear remit for the BPB.</p>	<p>Large and potentially unwieldy</p>

Appendix D.

Examples of possible changes to Constitution to implement Option 2.

Note the final changes and drafting will need to be made on legal advice once the Board has decided how it wishes to proceed.

MEMBERS AND ROUNDTABLES

Changes

Enable the retention and creation of roundtables but remove the mandatory allocation of members to roundtables. Enable the board to support and resource roundtables. Sever link between roundtables and Board positions

Separate the categories of individual (general) members and group (partner) members. Create a category of Affiliate member.

8. Roundtables

- 8.1. The Foundation may from time to time by special resolution passed at a General Meeting establish a Roundtable, vary the geographic area of any one or more Roundtables and vary the number of Roundtables.
- 8.2. The Board may determine Terms of Reference, procedures and funding arrangements for Roundtables.

9.1.2 The Foundation is divided into the following categories of Member:

1. General Member - for individuals who are not Director Members;
2. Partner Members – for incorporated and unincorporated groups
3. Affiliate Members – who are members of incorporated and unincorporated groups who are Partner Members and
4. Council Member - for those Councils whose boundaries fall partly or wholly within the Biosphere Reserve; and
5. Director Members - for individuals described in clauses 22 and 23. Where a General Member is appointed as a Director under any of clause 22, such person will occupy the Membership category of Director Member during such appointment.

Voting Rights

9.3 A Member who is not an Affiliate Member is entitled to one vote at a General Meeting.

DIRECTORS

Changes

Reduce the number of Directors and provide for a skills based board based on a selection process established by the board.

Continue with the appointment arrangements set out under 22.4(b) but, if ratification by the AGM is desired, add a provision that enables an AGM to remove a director, with the board able to fill the resulting casual vacancy (ideally using the pool from the original selection process).

Increase the term for directors from 2 to 3 years apart from the Local Government director who would have a 2 year term with option of extension - 4 years term]

22.1 Number of Directors

The number of Directors comprising the Board will be no less than 5 and no more than 9.

22.2 Composition of the Board

The Board will consist of the following offices of Director:

- (a) One Director nominated by Council Members;
- (b) One Director nominated by the Traditional Owner Groups in the Biosphere
- (c) Directors selected from the communities, industries, academic institutions and land managers in the Biosphere Reserve, nominated by the Board; (6 nominees) and
- (d) one independent Director to occupy the office of Chairperson, nominated by the Board following consultation with the Minister responsible for the environment in the State of Victoria.

22.3 Alteration of Composition

Subject to the Act and this Constitution, the Foundation may from time to time by special resolution passed at a General Meeting increase or reduce the number of Directors and increase or reduce the number of Directors that may be nominated by a Membership category.

22.4 Appointment of Directors

(a) A nomination a person to occupy an office of Director must be made with prior agreement of the nominee and in accordance with the procedures determined by the Board. A nomination of a person to occupy an office of Director must be submitted in writing to the Board and, in the case of nomination by the Board, must be by resolution of the Board.

(b) The chairperson of the Annual General Meeting will declare a person nominated under this clause to be duly elected and appointed as a Director.

[(c) Members at an Annual General Meeting can vote to remove a Director. In the case of removal of a Director, the Board may fill the vacancy in accordance with the

procedures for casual vacancies set out in Clause 23.1 [This will require further discussion and development if such a clause is desired.]

22.5 Term of Appointment Generally

(a) A Director other than the Director nominated by Council Members is appointed for a term commencing at the end of the Annual General Meeting or General Meeting at which he or she was elected up to the end of the third Annual General Meeting after that election, at which time the Director will retire.

(b) The Director nominated by Council Members is appointed for a term commencing at the end of the Annual General Meeting or General Meeting at which he or she was elected up to the end of the second Annual General Meeting after that election, at which time the Director will retire.

(b) A retiring Director will be eligible for re-appointment in accordance with Clause 22.

23 CASUAL VACANCIES

Changes

Vary clause to remove “individual” – not needed.

Note Entity now refers to Council Members, Traditional Owners or Board

23.1 If a casual vacancy arises in the office of Director, the entity (Council Members, Traditional Owners or the Board) which nominated that Director is entitled to nominate their replacement, but only in accordance with the requirements of clause 22.2. The Board must appoint a person nominated under this clause as a Director.

23.2 Any Director appointed under this clause will hold office until such time as the vacating Director would have been required to retire from the office of Director, had the casual vacancy not arisen and is eligible for reappointment.

24 ALTERNATE DIRECTORS

Changes

Tighten up the use of alternate Directors

add to 24.1 “and in accordance with the policy established by the Board”

CONSEQUENTIAL CHANGES

Some consequential changes will be needed to other clauses (eg 9.1.1.2)

Appendix E

Western Port Biosphere Reserve – 2013 Governance Review

List of Interviewees

WPB Foundation Board Members and Staff		
Name	Position	Status
Rob Gell	Chair	Board Chair since March 2005
Rod Anderson	Minister for Environment's representative, DEPI	Director since November 2012 and Deputy Chair
Jeff Weir	Mornington Peninsula Round Table representative	Director since April 2007 and Treasurer
Peter Woodgate	Mornington Peninsula Round table, Alternate Director	Alternate Director since May 2000 Founding Chair of Research Committee
Gillian Collins	Frankston Roundtable representative	Director since November 2011
Cr Neil Rankine	Bass Coast Councillor	Director since December 2012
Alison Creighton	Bass Coast Manager, Environment	Alternate Director since December 2012
Steve Chapple	Mornington Peninsula Director, Sustainable Environment	Alternate Director since June 2011x
Nicola Ward	City of Casey Manager, Environment	Alternate Director since Nov 2012 Observer at Board meetings since Nov 2009
Cr David Young	Cardinia Shire Councillor	Director since November 2012
Graeme Davis	Parks Victoria Director	
Jane Jobe	Bass Coast Roundtable Representative	
Libby Jude	Parks Victoria representative	Alternate Director since June 2011
Libby Anthony	Frankston City Council Manager, Environment	Former Director
Cecelia Witton	Executive Officer	Since October 2007 Member Mornington Peninsula Round table since 2003
Former Board Members, Committee Members or other Key Stakeholders		
Jack Krohn	DPCD	Former Minister's representative and Secretary
David Nicholls	Bandicoot Recovery Coordinator	Non Board member, Active member of Research committee and project leader

Sharron Pfueller	Chair, Research Committee	Board Observer since April 2012
Anthony Hooper	CEO, Natural Resources Conservation League of Vict	Long time involvement with Cardinia Environment Committee (CEC)
Reade Smith	Former Councillor, Mornington Peninsula Shire	Significant involvement in Foundation formation. Attended 3 rd World Congress of Biosphere Reserves, Spain 2008
Elizabeth Fraser	Interim Chair of the CEC	Long time involvement in CEC. Attempted to establish Cardinia Round table
Mary Coles	Early director	Long time involvement in CEC
Susan Davies	Secretary, Western Port Swamp Landcare group. Affiliated with CEC.	Contacted but declined to comment
Ben Phillips	SEWPAC UNESCO contact	
Garrigue Pergl	Mornington Peninsula Shire – Biodiversity officer	Previous alternate director and member of research sub-committee
Ian Stevenson	Executive Officer, Westernport Catchment Committee	Member of research sub-committee