



CODE OF CONDUCT

POLICY

PURPOSE

The purpose of this document is to set out clear conduct protocols for members of Diesel Traction Tasmania Inc, trading as the Launceston and North East Railway (L&NER).

OBJECTIVE

L&NER aims to ensure that personnel within the Association are aware of the expectations regarding their behaviour towards their commitments and responsibilities, including legal requirements, their colleagues and wider community.

SCOPE

This policy is applicable to Members, Service Providers and Contractors of L&NER.

POLICY STATEMENT

Compliance with law

All Members, Service Providers and Contractors shall comply with laws relevant to their roles and responsibilities within the Association including but not restricted to financial, safety, environmental, privacy, and fair dealing.

Respect in the workplace

All Members, Service Providers and Contractors shall treat their colleagues fairly and respectfully. L&NER will not accept any kind of discriminatory, abusive or threatening behaviour, harassment or victimisation.

Social Media Management

Members of the Association shall not make public statements (including social media/websites) regarding the affairs of L&NER or any other organisation without consent from the Board of Management.

Responsibilities of Board Members

In addition to general Code of Conduct requirements, Board Members shall ensure compliance specifically to their duties and responsibilities, including legal, on the Board of Management as determined by Legislation, ie

1. Associations Incorporation Act 1964 (the Act)
2. Associations Incorporation Regulations 2017 Statutory Rules 2017, No 72
3. Associations Incorporation (Model Rules) Regulations - Statutory Rules 2017 (Model Rules)
4. Diesel Traction Tasmania Inc trading as L&NER Rules of Association (Rules of Association)



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Legal Duties of Board Members

1. Duty to act in good faith and for proper purpose :

The duty of Board Members to act in good faith requires them to act honestly, fairly and loyally in furthering the best interests of L&NER.

Board Members shall:

- put the interests of L&NER above their own when making board decisions;
- act only for proper purposes – when decisions are made, they shall be for the purpose of benefitting L&NER;
- understand the Association's Rules of Association, the power conferred on the Board under the Act and ensure the Board only makes decisions within the scope of that power.

The duty of Board Members to act for a proper purpose requires that they use their powers for the purpose for which they were given, and not for any other purpose. Proper purpose is making decisions which will help the Association to achieve its purpose or objective, ie for what the Association is set up to do.

2. Duty to act with reasonable care, skill and diligence:

Board Members shall :

- monitor and make decisions about the strategic direction, and ensure the Association is trading while solvent;
- take the role seriously and give sufficient time, thought and effort to undertake tasks including meeting preparation and commitment to regular meeting attendance;
- use skills, knowledge and expertise for the benefit of the Association;
- diligence requires Board Members be
 - thorough in their decision making,
 - keep up to date with developments in the Association's business,
 - ask for more information and seek out skills or professional advice if needed to make a decision, however
 - make independent decisions using the advice of those experts.

Board Members shall :

- make sure the financial affairs of the Association are managed responsibly, have robust financial controls in place to ensure the resources are used effectively and appropriately in the pursuit of L&NER's purpose;



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It is required that Board Members :

- read and understand financial statements, and enquire if they do not understand them or if it 'doesn't look right',
 - make sure there are the resources required to carry out the work by reviewing the financial position,
 - ensure strong financial controls are implemented, and there is compliance to those requirements.
- not allow the Association to operate while it is insolvent
 - Board Members should be well placed to meet the duty by regularly reviewing the Association's financial position. If a Board Member reasonably suspects that the Association is not in a financial position to pay all of its debts when they become due, then reasonable steps must be taken to prevent the Association from incurring further debt.

3. Duty to not dishonestly use position or information

Board Members hold a position of power and trust in the Association which will include access to confidential and important information. Neither position nor information shall be used to gain personal advantage or benefit, but only used to benefit the Association. Board Members shall not use their position or information gained from their position to benefit themselves, family members, friends or associates, or use it to harm the Association.

This includes with-holding and/or non-disclosure of records and information that is relevant to the progress and operation of Launceston and North East Railway. Records and information collected during Board Membership shall be placed in the L&NER Records Management System and at all times remains the property of L&NER. Disclosure of any records shall only be done so with the approval of the full Board.

Information discussed at board meetings shall remain confidential, unless it is authorised by the board for information to be released to members.

4. Duty to disclose and manage conflicts of interest

A wide range of conflicts of interest situations can potentially occur. Duty of disclosure relates to actual and potential conflicts of interest that may arise for a Board Member where their own interests, or those of a family member, friend or associate clashes with the interests of the Association, or where the Board Member may improperly benefit from their position on the Board.

When a Board Member becomes aware they have a conflict of interest, they must



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disclose the conflict of interest to the Board as soon as possible and the Board Member take no further part in board decisions that relate to that conflict of interest. A record shall be kept of the conflict of interest, together with the steps taken by the Board Member to avoid the risk of the conflict of interest arising.

While the Board may agree that the Board Member could still participate in board decisions relating to that disclosed conflict of interest, it is the better course of action to avoid participating in the decision relating to the conflict of interest.

The legal duty relates to how the conflict of interest situation is disclosed and managed.

A register shall be kept by the Secretary/Public Officer of the Association's declarations of conflicts of interest, and Board Members must ensure the register is up-to-date in order to properly manage any conflicts of interest that may arise.

Consequences of breach of conduct by Members

Due to the consequences for the Association and its membership, the Board shall treat an allegation of breach of conduct, or duties and responsibilities by a Member with seriousness and urgency.

The Board Members' role is to impartially investigate the information provided for the allegation of breach. This shall be done respectfully and with procedural fairness for the purpose of establishing the facts to form a fair and just conclusion for all involved, and above all maintain the integrity of the Organisation. In the event a Member does not consider they can remain impartial, it may be a consideration they declare a conflict of interest.

The Secretary, on receiving an allegation of a breach and/or breaches of conduct by a Member, shall convene a meeting of the Board at the earliest opportunity to:

- Establish the validity of the allegation/s
- Complete an investigation of the allegation/s
- Consider what, if any, action shall be taken.

Dependent upon the outcome of the investigations, the Board shall consider the gravity of the allegation/s, and the existence of any previous formal letters of warning, to determine whether to:

- Give the Member a formal Letter of Warning, the third of which will invoke expulsion from the Association by the Board in accordance with Section 33 (1) of the Rules of Association.
- Send a 'Show Cause' letter to the Member, requesting why the Board should not proceed against the Member.
- Issue the Member with a notice of Disciplinary Action, should the Board determine to



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do so. This may include:

- Cancellation of their Membership of the Association, which would make them ineligible to hold a position on the Board.
- Have criminal charges laid against the Member.

Should the Board proceed with expulsion of a Member under Section 33 of the Rules of Association, the Member has the right of appeal as set out in Section 34 - Appeal against Expulsion of those Rules.

Maintaining Disciplinary Records

The Secretary shall ensure the record of any disciplinary action taken against a Member shall not be removed or destroyed but retained for a minimum of 10 years of the last action taken.

These records shall be available and provide the basis of any decision by the Board to grant or refuse a future nomination for membership under Section 5 – Membership of Association or the Rules of Association to a person previously expelled.

References & Documents

- Associations Incorporation Act 1964 www.legislation.tas.gov.au
- Associations Incorporation Regulations 2017 Statutory Rules 2017, No 72
- Associations Incorporation (Model Rules) Regulations - Statutory Rules 2017 (Model Rules)
- Diesel Traction Tasmania Inc trading as L&NER Rules of Association (Rules of Association)
- Justice Connect – Not -for-profit Law Governance and legal duties of office holders (Tasmania) www.nfplaw.org.au