

Baptist Association of NSW & ACT
Governance Resource Pack
2025

This pack aims to support churches with developing good governance processes that:

- Honour Jesus Christ as Lord
- Respect the teaching of the Bible
- Serve the church's purpose, values, and vision
- Protect unity and encourage fruitfulness in life and mission
- Meet legal requirements
- Provide a safe environment for ministry and mission

The resources are organised into six categories

- Good Governance is Great!
An introduction to the Governance Resource Pack
- What Does the Bible say?
Biblical reflections and discussion starters
- Building Blocks for Good Governance Today
Key elements that a Governance Team should ensure are in place, plus a Good Governance Checklist
- Tips for the Healthy Functioning of a Governance Team
Advice on building and maintaining a Governance Team which functions effectively, plus a Healthy Functioning Reflection Tool
- ACNC Requirements & Expectations
- Resources & Tools

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Good Governance is Great - An Introduction to the Governance Resource Pack

Good governance is great! Yes, the very word causes some people to yawn and sends shivers down the spines of others, but such reactions are often the consequences of bad processes and inappropriate behaviour. Just as a grapevine needs a trellis to lift it up otherwise the fruit will lie on the ground and rot, so good governance will combat forces that damage church health. It will also support fruitfulness in life and mission.

Generally, church governance is the basis on which a church is organised and operates. A good framework will support a church's purpose, values, and vision. It will clarify how members appoint leaders, where various levels of authority lie, and accountabilities that apply.

Governance is a specific type of leadership – oversight - that enables others, especially the Senior Pastor/Pastor and leaders of church ministries to be more effective in their service of God. It is different from operational leadership, which concerns the day-to-day management of the church. A Governance Team ensures that a church is heading in the right direction and functioning correctly rather than managing the day-to-day operational details themselves.

A church needs both types of leadership. It must allow its Senior Pastor/Pastor to give a strong, confident lead but always within the bounds of oversight that is collaborative, supportive and ensures appropriate accountability.

Examples of poor governance are many and varied! One Governance Team treated its Pastor like an employee who was expected to do what they told him to. Rather than including him as a member of the team they required him to attend meetings for the purposes of reporting and then leave. They would make decisions without consulting him and strictly limited his authority to make any changes without permission. The Pastor soon accepted a call to another church.

Another Governance Team was so weak and the Pastor so domineering that he led with barely any reference to them. This was even the case when the Governance Team knew that the decisions he forced through were not well supported by the congregation. Eventually, the Pastor was asked to leave.

No two Pastors are the same, so each church must tailor its governance model according to the personality and gifts of the person they call to lead them. In some instances, the Senior Pastor/Pastor will lead the Governance Team, as a “first among equals”, while in other instances they will not be the best person to do so, and another member of the Governance Team will take the lead. However, the Senior Pastor/Pastor should always be a full member of the Governance Team. They must also be

empowered and supported by the Governance Team to lead the day-to-day details of church life.

While there are similarities between governance processes in Baptist churches, the autonomy of the local church allows each one to determine its own approach. This has produced mixed results, and a substantial number of church health related issues are traceable to inadequate processes.

The Baptist Association of NSW & ACT (BA) values good governance. Its operational values include reference to:

“Good Governance which:

- Reflects our core values
- Encourages empowerment and accountability of decision makers at appropriate levels
- Fosters a culture of transparency in its processes and reporting
- Minimises bureaucracy and permits decisions to be made in a timely manner”

Governance always involves people coming together to discuss, debate, and make decisions. Consequently, the BA’s operational values call for:

- “Godly conduct in meetings including a preference for:
- Decision making by consensus
- Personal conduct when speaking or delivering a report or statement characterised by respect and dignity, and
- Avoiding unnecessary repetition, unbecoming language, and any breach of agreed procedures”

These principles, and the way they influence practice have helped to create a culture that honours the Lord Jesus Christ, meets legal requirements, provides a safe environment for ministry and mission, and serves the Gen1K goal.

The Church Health Team trusts that the Governance Resource Pack will help churches to develop and implement processes that protect unity and support fruitfulness in life and mission.

What Does the Bible Say?

Biblical reflections & Discussion Starters

For most Christians, the Bible is the supreme authority in matters of faith and practice and so a key reference point when developing and implementing a governance framework. However, those who hold this view may end up organising the local church differently. Baptists, Anglicans, and Presbyterians can all have a high view of the Bible and yet approach the appointment of leaders and decision-making each in their own way.

Baptists read the Bible and conclude that they should practice congregational government. According to Don McLellan, “Congregational government is a form of church government in which the local church is autonomous and at which the major decisions affecting the church are made by the members. It is a form of government which while demanding the separation of church and state stresses the priesthood of all believers and operates on the assumption that the Holy Spirit will guide the decision-making process to conclusions commensurate with the will of God.” (Leadership and Baptist Church Governance, Graeme Chatfield. Ed. (Eastwood, NSW: Morling Press, 2005)

Congregational government is a long-held Baptist distinctive, and the BA requires all affiliated churches to adopt practices in keeping with it. However, Brian Winslade acknowledges “There’s a kind of groaning or wrestling over whether congregational government as we have come to know it is the best fit in a post-modern 21st century”. (Understanding Congregational Government in the 21st Century) Winslade goes on to affirm his personal conviction regarding the efficacy of congregational polity for the 21st century but also recognises that there can be a difference between principles and practices saying, “no longer do we simply accept the patterns and models that have been handed down to us from our forebears; we need to wrestle with them and understand their relevance for ourselves.”

Each Baptist church is autonomous and so at liberty to develop and implement its own governance framework. However, any Baptist Church that recognises the Bible as its authority in all matters of faith and practice will respect its teaching. To this end the following reflections may be helpful:

1. Jesus is Lord

Colossians 1:15-20 says, “The Son is the image of the invisible God, the firstborn over all creation. For in him all things were created: things in heaven and on earth, visible and invisible, whether thrones or powers or rulers or authorities; all things have been created through him and for him. He is before all things, and in him all things hold together. And he is the head of the body, the church; he is the beginning and the firstborn from among the dead, so that in

everything he might have the supremacy. For God was pleased to have all his fullness dwell in him, and through him to reconcile to himself all things, whether things on earth or things in heaven, by making peace through his blood, shed on the cross.”

Jesus is Lord. He is head of the church. The local church is His creation; it exists by Him and for Him. Therefore, any governance framework must serve Him by supporting unity and encouraging fruitfulness in life and mission. Also, those who serve in the governance team must be sincere in submitting to His leadership and seeking first His kingdom.

Discussion Starters

How does your Church’s approach to governance champion the Lordship of Christ?

Is there anything in your Church’s governance policies, processes, or practices, that risks compromising the Lordship of Christ? If so, then how will you respond?

2. All Christians are ministers – the priesthood of all believers

1 Peter 2:4-5 say, “As you come to Him, the living Stone – rejected by humans but chosen by God and precious to Him – you also, like living stones, are being built into a spiritual house to be a holy priesthood, offering spiritual sacrifices acceptable to God through Jesus Christ.”

Congregational government is based on the belief that every member of the local church is a priest before God. While in Old Testament times people relied on human mediators to represent them before God, the Lord Jesus Christ brought that to an end. By His once-for-all atoning sacrifice the Lord Jesus opened the way to God for all who will repent of their sins and confess Him Lord. The moment a person does that God sows the Holy Spirit deep within their nature. Consequently, they share Christ’s priestly status and have no need for a human mediator. Together with all other believers they have the right and authority to read, interpret and apply the Bible. They can hear God’s voice and share the insights He gives them. God does not only speak through pastors and church leaders but also through every believer.

Discussion Starter

How does your Church’s approach to governance champion the priesthood of all believers?

Is there anything in your church’s governance policies, processes, or practices, that risks compromising the priesthood of all believers? If so, then how will you

respond?

3. God calls and gifts some for leadership

Ephesians 4:11-12 say, “So Christ Himself gave the apostles, the prophets, the evangelists, the pastors and teachers, to equip His people for works of service, so that the body of Christ may be built up”.

While every Christian is a minister not all are called to, or gifted for, leadership. Ephesians 4, along with 1 Corinthians 12, Romans 12, and 1 Timothy 3, all indicate that God calls some to leadership and gifts them accordingly.

1 Timothy 3 describes leadership as a noble task signalling that it should only be undertaken by those who are spiritually and morally qualified. Character is of paramount importance when appointing leaders in the local church.

Ephesians chapter 4 shows that God designed leadership to bring the best out of others, equipping the whole church for works of service, so that the body of Christ may be built up.

Any governance framework should include appropriate measures to ensure that those appointed to leadership are of suitable character, called and gifted.

Recognising that leadership is a spiritual gift, any governance framework should support and empower those who are appointed to exercise it. Leaders must be allowed to lead within clearly defined parameters.

Discussion Starters

How does your Church’s approach to governance champion God’s gift of leadership?

Is there anything in your Church’s governance policies, processes, or practices, that risks compromising God’s gift of leadership? If so, then how will you respond?

4. In the Bible, some leaders govern well and others badly

1 Kings chapter 12 is an example of bad leadership. It tells the story of Rehoboam, who succeeded Solomon as king of Israel. It shows him to be arrogant and dumb. When the people asked him to work them a little less hard than his father had, promising to serve him if he did, Rehoboam ignored the counsel of the elders who had served his father well preferring to take the advice of his equally arrogant peers. The result was catastrophic with ten of twelve tribes rebelling and establishing a separate kingdom. Be warned!

Acts chapter 6 is an example of good leadership. When confronted by a significant operational need the Apostles recognised the importance of delegating authority to others so that they could continue to focus on the

responsibilities which God had given to them. Also, they invited the “whole group” (v5) into the process of appointing those who would serve. The results were quite spectacular. Not only was the operational need met but also “the word of God spread. The number of disciples in Jerusalem increased rapidly, and a large number of priests became obedient to the faith.” (v7) Good governance is great!

Any governance framework should ensure that a church allows its leaders to lead but with healthy measures for accountability. It will also ensure that those who lead engage with the church over major decisions.

Discussion Starters

How do the two different, yet complementary, roles of governance and operational leadership function in your church?

What signals that a Governance Team is leading badly?

How do your Church's governance policies, procedures, and practices ensure transparency and accountability?

5. In the Bible there are distinct types of leadership

Acts 6:2-4 tells how “the Twelve gathered all the disciples together and said, ‘It would not be right for us to neglect the ministry of the word of God in order to wait on tables. Brothers and sisters, choose seven men from among you who are known to be full of the Spirit and wisdom. We will turn this responsibility over to them and will give our attention to prayer and the ministry of the word.’”

Governance concerns the oversight of a church's affairs, in keeping with its mission, values, vision, direction and rules. It delegates the day-to-day leadership and management of the church to the Senior Pastor/Pastor who works with others to implement the policies, processes, and strategic plan of the church and is accountable to the Governance Team.

In a smaller church it is usually the case that the same people are involved in both governance and operations. When this is the case such people must be clear about which “hat” they are wearing at any moment. In other words, when they meet as part of the Governance Team then it is oversight they must provide. However, when they participate in the day-to-day running of the church then the “hat they wear” is one of operations.

Any governance framework should clearly delineate between governance and operations.

Discussion Starters

How do the two different, yet complementary, roles of governance and leadership function in your Church?

Do the people in your Church understand who is responsible for decision-making?

Do the people in your Church understand how decisions are made?

6. In the Bible, the character of a leader is of paramount important

By listing the spiritual and moral qualifications of elders and deacons 1 Timothy 3 shows that the character of any leader is of paramount important.

Leadership is a noble task to be undertaken by appropriately qualified people. Indeed, when Acts chapter 6 says that “the Twelve” invited “the whole group” to “choose seven men from among you who are known to be full of the Spirit and wisdom” the inference is that those selected had been tested and affirmed.

The way in which a leader manages their spiritual and moral life will impact their effectiveness. When the Apostle Paul wrote to his young friend Timothy he urged him to watch his life and doctrine closely (1 Timothy 4:16). In other words, Timothy was to hold himself accountable, living a transparent life and making appropriate choices. Also, he was to hold tenaciously to the truth of the gospel remaining faithful to its life-giving message.

Any governance framework should include appropriate measures for appointing leaders that include testing and affirming their character, as well as their capacity and sense of call.

Discussion Starters

How does your Church assess the character, call, and capacity, of its leaders?

How does your Church induct its leaders?

How does your Church support, review, and develop its leaders?

7. In the New Testament leadership is always collective

Mark 3:13-14 say, “Jesus went up on a mountainside and called to Him those He wanted, and they came to Him. He appointed twelve”.

Acts 6:5 tells how the church appointed seven to be deacons.

Acts chapter 14:23 tells how Paul and Barnabas appointed a plurality of elders in each church.

In the New Testament leadership is always collective This is important because there is wisdom in the counsel of many. Also, a plurality of leaders helps to

ensure transparency and accountability. However, it also appears that one of the leadership team takes on a primary leadership role – a sort of “first among equals” – in the way that the Apostle James did at the Council of Jerusalem. (Acts 15:13)

Any governance framework should ensure that there is a plurality of leadership. It would be inappropriate for the Senior Pastor/Pastor of a church to dominate, just as it would for a member of the congregation to dominate. Someone once said, “The Senior Pastor/Pastor’s job is never to be a despot; but it is to prevent anyone else from being a despot!”

At the same time, a Governance Team needs a leader, a “first among equals” who can steer it where it needs to go. Often this will be the Senior Pastor/Pastor but in some instances will be another Team member.

Discussion Starters

How does your Church ensure that leadership is collective?

How does your Governance Team set about appointing its team leader? Is this the best approach? Are there other approaches the team could take?

Elements of Good Governance Today

Governance is a specific type of leadership – oversight - that enables others, especially the Senior Pastor/Pastor and leaders of church ministries to be more effective in their service of God. It is different from operations, which concerns the day-to-day leadership and management of the church. A Governance Team ensures that a church is functioning correctly rather than directing the functions of the church itself. For example, a Governance Team is responsible for overseeing the management of church finances. However, in doing so it is usual for day-to-day tasks like banking, paying bills, completing business activity statements, producing of reports, and drafting budgets to be done by others such as a treasurer, a church bookkeeper, or a Finance Committee. The Governance Team delegates responsibilities to such people within the established policies and procedures of the church and ensures appropriate accountabilities are in place.

Effective leadership needs the wisdom, counsel, accountability and support of good governance to move a church toward fruitfulness in life and mission. Good governance validates, empowers, reviews and evaluates but does not interfere in the day-to-day details. It authorizes the Senior Pastor/Pastor and others to lead the church forward within the boundaries that exist.

Baptist Churches use different terminology to describe the groups of leaders that provide oversight. Eldership, Diaconate, Ministry Leadership Team, Board, and various other terms are applied to such groups. For the purposes of the Governance Pack, “Governance Team” applies.

Key elements of good governance include:

1. Constitution

A church’s constitution is its key governing document. It should set out the church’s charitable purpose and that it operates on a not-for-profit basis. It should include rules relating to membership, the appointment of leaders, and decision-making.

For guidance when drawing up, or revising, a constitution for a church that is an unincorporated association visit:

<https://nswactbaptists.org.au/gen1k/health/church-constitution-guidance>

2. Purpose, Values, & Vision

The Governance Team is responsible for overseeing the clear articulation of the church’s purpose, values, and vision.

“Purpose” is why a church exists. It is determined biblically. A church does not

need to create its own reason for existing but rather understand what the Bible teaches about why God created it.

“Values” are the things the members of a congregation treasure. They are the underlying forces that drive behaviour.

No Governance Team can impose a set of values on a congregation, although the promotion of aspirational values in keeping with the Bible is a good thing.

However, it is the realised values that shape culture, and the Governance Team must help the church to clarify what its values are.

“Vision” is a future destination – a word picture of what the congregation believes God wants the church to be and do. It must be more than a flowery statement that looks good on the church website. It should be concrete enough to bring people together to achieve it.

Purpose, values, and vision represent the heart of a local church. Clarity about these elements can move people to action, increase ownership, provide focus, and help in decision making about ministries, structures, opportunities, and budgets.

Any governance team should:

- ensure that the church is regularly reminded of its purpose
- champion a prayerfully and collaboratively agreed vision
- take careful note of the values the church shares and people share

Helpful advice on clarifying purpose, values, and vision is in the Resources & Tools section.

3. Strategic Planning

The Governance Team is responsible for overseeing the development and implementation of strategy.

A strategic plan is a series of goals, and the order in which they will be undertaken, to help a church get from where it is to where it believes God would have it be.

A strategic plan is important because without it a vision may seem too big and unachievable, a congregation may be diverted by that which is not relevant to its vision, and there is no substantive reference point for the evaluation of progress.

A good strategic plan will take account of a church’s context. In developing it a Governance Team should conduct a realistic assessment of the church’s current demography and practical resources. It should also consider the demography of the community in which God has set it and recognise how neighbouring churches are ministering and evangelising.

A good strategic plan will be based on a church’s purpose, values, and vision.

A good strategic plan will be S.M.A.R.T (Specific; Measurable; Achievable; Relevant; Time Specific). It will clearly describe objectives, ministry initiatives, key accountabilities, and the enablers required.

For guidance on developing and implementing a strategic plan visit:

<https://nswactbaptists.org.au/gen1k/health/strategic-planning>

4. Roles & Responsibilities

The Governance Team is responsible for overseeing the defining and documenting of key roles and responsibilities in the life of the church.

An important element of effective teamwork is role clarity. This includes what a person's role is, the level of delegated authority they have, and to whom they are accountable.

All team members play informal roles depending on their personality.

Recognising and understanding these informal roles is helpful for healthy relationships and effective team performance.

A Governance Team should ensure that all those who minister in the life of the church are clear about what is expected of them, who they should report to, and who they can approach for support.

Helpful advice on building healthy teams is in the Resources & Tools section.

5. Appointment, Support, & Review of Staff

The Governance Team is responsible for overseeing the appointment, empowerment, support, and review of the Senior Pastor/Pastor, any Associate Pastors, and any other staff.

Most Baptist churches have at least one paid staff member, with this usually being someone who is appointed to the role of pastor. The BA provides advice on the remuneration of staff, and this is available from the Baptist Ministry Centre Finance Team.

The BA's Managing the Call process provides helpful advice to churches that are searching for a new pastor.

The BA has released guidance on the difference between Employment and Spiritual Appointment. It is important that a church recognises the difference between these two approaches and determines on what basis it will engage its pastor.

Should a church decide to employ its pastor then the Governance Team should ensure that appropriate people policies and review procedures are in place.

To access the BA's Managing the Call booklet visit:

<https://nswactbaptists.org.au/wp-content/uploads/2023/11/2021-Managing-the-call-booklet-1.pdf>

To access the BA's guidance on the difference between Employment and Spiritual Appointment visit:

<https://nswactbaptists.org.au/resources/employment-vs-spiritual-appointment>

To access the BA's range of people policy templates, visit:

<https://nswactbaptists.org.au/template-people-policies>

Should a church engage a pastor on an employment contract then the Governance Team is responsible for supporting them with a healthy review process.

For guidance on Pastoral Reviews visit:

<https://nswactbaptists.org.au/gen1k/health/pastoral-review-package>

6. Resources & Budgeting

The Governance Team is responsible for overseeing the management of all resources, including buildings and finances. It should ensure that appropriate insurances are in place and that finances are well-managed.

For Information about insurance visit:

<https://www.baptistinsurance.com.au>

For information for Church Secretaries & Treasurers visit:

<https://nswactbaptists.org.au/resources/church-treasurers-and-secretarys-handbook>

For information about bookkeeping and accounting services visit:

<https://www.balanceservices.org.au>

For information about banking and loans visit:

<https://bfs.org.au>

7. Communication

The Governance Team is responsible for ensuring honest and timely communication of information in the life of the church. It may wish to develop

and implement a communications strategy that addresses the challenges of communicating all sorts of information to all sorts of people.

Internal communications may include information about upcoming events, rosters, and pastoral needs.

External communications may include promoting the church in the wider community, sharing the gospel, and engaging with newcomers to services and events.

The ways by which people ordinarily give and receive information are various and increasing. Also, preferences may vary according to age. Consequently, a simple survey of the members of the congregation may help the Governance Team to understand the best forms of internal communication. These could include:

- In-service announcements
- A weekly paper Bulletin, or the like
- An electronic Bulletin
- A website
- A closed Facebook Group
- A WhatsApp Group
- Emails
- Texts

It is important to maintain a consistent communications strategy so that members of the congregation know what to expect. It is also important to review the communications strategy periodically.

From time to time there will be matters for communication of high importance. These may include information about vision and strategy, extra-budgetary expenditures, the appointment of staff, or news that staff are moving on. The communications strategy should recognise when a matter is of high importance and ensure that appropriate measures enable communication to happen as widely as possible.

8. Church Size

Dr Timothy Keller writes, “A church’s functional style, its strengths and weaknesses, and the roles of its lay and staff leadership will change dramatically as its size changes.” (Leadership and Church Size Dynamics)

A Governance Team should be aware that there are various size cultures, and a growing church may struggle to graduate from one to the next if appropriate changes do not occur.

A Governance Team should also be aware that while change is usually an event, transition is the process surrounding it. People can struggle to transition therefore it is important to employ effective change management strategies. The

BA's Consultancy Team can assist with this. For more information email health@nswactbaptists.org.au

For more information about "Leadership and Church Size Dynamics" visit:
https://rpc-download.s3.amazonaws.com/Leadership_and_Church_Size_Dynamics.pdf

9. Legal & Ethical Obligations

The Governance Team is responsible for ensuring legal and ethical integrity. It should develop and implement policies and procedures that comply with various laws including, but not limited to:

- Workplace Health & Safety
- Privacy and Data Security
- Employment Laws
- Child Safety Regulations
- Anti-Discrimination Laws
- Australian Taxation laws

Conflicts of interest can sometimes occur, especially in smaller churches where members of the same family may be on the Governance Team or staff. A Governance Team can address this with the help of an appropriate Conflicts of Interest Policy. Sample policies are in the Resources & Tools section.

10. Safe Church

The Governance Team is responsible for ensuring that appropriate safe church policies and procedures are in place.

The BA is committed to creating safe spaces in local church contexts. It is committed to ministry which honours God, values people, is respectful, and protects from harm and abuse. Safe ministry is more than legal obligations. It is an outworking of what the Bible calls "true religion" (James 1:27) and an expression of what God requires of all His people (Micah 6:8).

Any Governance Team should ensure that its church has completed the Safe Church Check and continues to meet its Safe Church standards.

More information about Creating Safe Churches can be found at:

<https://creatingsafespaces.org.au>

11. Performance & Accountability

The Governance Team is responsible for ensuring the regular review of all aspects of church life, including its own performance.

Churches often have measures in place to review their paid staff but not the Governance Team, the various ministries, or themselves.

The BA's Church Health Assessment Tool (CHAT) can support churches in reflecting on their own performance. It is a qualitative survey that invites participants to assess the church across a range of important aspects. More information about the CHAT is available in the Resources & Tools section.

The BA also encourages churches to measure and track quantitative measures including:

- The number of attendees
- The number of baptisms
- The number of people active in ministry
- The number of people being discipled
- The number of people in leadership development
- The number of people released by the church to train for ministry, or to go out into ministry, or to participate in a church plant
- The average giving per attendee

The BA has created simple definitions for each of the above. More information is available from the Church Health Team health@nswactbaptists.org.au

The BA also has a team of trained consultants who can facilitate the review of a Governance Team's performance. More information is available from the Church Health Team health@nswactbaptists.org.au

Good Governance Checklist

- ☐ Our constitution is up-to-date and serves the church's mission and ministry
- ☐ Our church understands its God-given purpose, has clearly articulated values, and has a clear vision for the future
- ☐ Our church is implementing a strategic plan
- ☐ Our church has role descriptions for its leaders
- ☐ Our church has up-to-date policies and procedures for the appointment and review of its staff and leaders
- ☐ Our church has a budget that supports its mission and ministry
- ☐ The members of our Governance Team understand church size dynamics
- ☐ The members of our Governance Team understand their legal and ethical responsibilities and operate accordingly
- ☐ Our church has completed the Safe Church Check and operates accordingly
- ☐ The Governance Team measures and tracks relevant church health markers

Key Tips for the Healthy Functioning of a Governance Team

The following tips may support the healthy functioning of a governance team:

1. Clarity

Speaking in his podcast “Leading Through – Part 3”, Andy Stanley says: “You cannot lead a strong organization without extraordinary clarity” and “Our mandate, as leaders, is to be clear even when things are not certain”.

A Governance Team should be clear about:

- The provisions in the church’s constitution
- Its role and responsibilities
- Its reporting requirements to church members
- The purpose, values, and vision of the church
- The church’s strategic plan
- Its relationship to the Senior Pastor/Pastor including the delegated* authority that person has, their reporting requirements, and how they will be reviewed
- How any conflicts of interest will be managed

* It is common to think in terms of five different levels of delegation:

Level 5: The Senior Pastor/Pastor is empowered to fully decide and act in an area of church life. The Governance Team would only expect a report at its regular meetings but not at other times. Members of the Governance Team do not get involved in decision making in this area. E.g. Running Sunday Services

Level 4: The Senior Pastor/Pastor is empowered to decide and act in this area of church life however the Governance Team would expect to be notified immediately a decision was taken or implemented in this area. The Governance Team does not decide but does need to be informed. E.g. Dealing with a staff conflict, child safety issue, significant pastoral matter, or certain risks.

Level 3: The Governance Team would expect the Senior Pastor/Pastor to raise the issue with them, to discuss it and seek their advice on it but, in the end, would grant the Senior Pastor/Pastor the capacity to make the decision on what should happen. The Governance Team would expect open conversation E.g. Adopting a new program that fitted well with the existing church vision and strategic priorities, or a proposal about a teaching program.

Level 2: The Governance Team would expect the Senior Pastor/Pastor to raise the issue with them, to discuss it and bring a recommendation of a way forward.

However, all would agree that this decision is really a governance level decision and needs to be made by the Governance Team. E.g. Adopting a new program that the church has not been involved in before.

Level 1: All recognise that this decision belongs with the Governance Team and the Senior Pastor/Pastor may need to abide by the decision. E.g. Establishing a review process for the Senior Pastor.

This framework is useful when clarifying the role, responsibilities, and authority of the Senior Pastor/Pastor. It is equally useful when clarifying the roles, responsibilities and authority of others who minister in the life of the church.

“R.A.C.I.” is another tool that many Governance Teams use to support clarity. It stands for Responsible, Accountable, Consulted, and Informed. For more information enter RACI in your web based search engine.

2. Membership

Membership of a church Governance Team should not be open to anyone but rather those who have been tested and affirmed by the church. It is important that all members of a church Governance Team:

- Understand the role, responsibilities, and commitment involved (Ensuring this may require potential nominees to meet with the current chairperson, or the Senior Pastor/Pastor, to understand the workings of the Governance Team.)
- Affirm the Church’s Statement of Faith
- Support the Church’s vision
- Are of good character
- Testify to a sense of call
- Are appointed as per the rules in the Church’s constitution

3. Appointment

Baptist churches are free to make appointments to their Governance Teams as they see fit. Some churches encourage Church Members to prayerfully consider who should be appointed and submit nominations accordingly. Nominees are then voted on at a Church Members’ Meeting.

Other churches will also require that nominations are processed and affirmed by the current Governance Team, or by a Nominations Committee, before being voted on by Church Members.

It is not the role of the BA to stipulate how its member churches should elect their Governance Teams. However, the BA does call for processes that are

prayerful, well-considered, and that aim to involve all Church Members. Examples of appointment processes may be found in the Sample Constitutions that form part of the Guidance for Baptist Churches when Drawing Up or Revising a Constitution, which is available in the Resources & Tools section.

All Baptist churches should have role descriptions for the members of their Governance Team. It is recommended that anyone who is approached about being nominated speak with the Senior/Sole Pastor, or the chairperson of the Governance Team, about what is involved before allowing their name to go forward.

Some Baptist churches invite prospective appointees to join the Governance Team in an observer capacity. The parameters for such an arrangement differ from church to church. Normally observers are entitled to contribute to Governance Team discussions but may not vote on decisions to be made. Such “internships” could run for six, or twelve, months so providing prospective nominees with firsthand experience of what is involved.

Many Baptist Churches have introduced limits on the number of terms a person can serve on a Governance Team before having to take a break. This is important both for the person, themselves, and for the church. Providing for a sabbatical allows the person who has been serving to rest and be refreshed. It also allows others in the church who may be called and gifted to serve.

4. Induction Process for New Members

A Governance Team will find it helpful to develop a simple induction process for new members. Joining a Governance Team can be a little intimidating, especially if the other members are longstanding. While new members should have been introduced to the workings of the Governance Team when they were contemplating allowing themselves to be nominated, a meeting with the chairperson, or Senior Pastor/Pastor, is a good opportunity to revisit how the team functions and answer any questions the new members have. Introducing a new member to a team of any sort invariably affects the dynamics. Bruce Tuckman’s stages of group development is a classic articulation of this – “forming-storming-norming-performing”. All team members would do well to acquaint themselves with these dynamics.

For more information on stages of group development visit:

<https://www.wcupa.edu/coral/tuckmanStagesGroupDevelopment.aspx>

5. Team Covenant

The members of a Governance Team may agree a covenant with one another to support the healthy functioning of the team. Such a covenant will be prayerfully and thoughtfully agreed by the whole team. It will articulate various elements that team members believe are essential to working well together. Team members will agree to abide by the standards represented by the covenant and give the others permission to hold them to account.

It should be noted that such a covenant belongs to the team that agreed it. When new members are added to a team then it should not be assumed that the covenant continues but rather a new covenant should be agreed by the new team.

6. Consensus & 'Cabinet Responsibility'

The way in which a Governance Team makes decisions, and the way in which such decisions are communicated, will undoubtedly affect church health.

Taking time to build consensus is vital for unity, shared understanding, and clear direction. Ensuring that all voices are heard, and that all views are well-understood, will help towards decisions that members of the team will feel they can support. Spreading discussion over multiple meetings may allow members of the team to hear God's voice; and saturating difficult decisions in prayer will always be essential.

Once consensus has been reached then it is incumbent on all members of the Governance Team to support the consensus publicly, even if they took a different view in the discussions that led to the decision that was made. Horror stories about Governance Team recommendations being brought to church members' meetings for approval and then members of the Governance Team speaking against them are all too commonplace and are precisely that: horror stories. That is no way for a Governance Team to operate and any member who in all good conscience does not feel able to support a recommendation should resign from the Governance Team before speaking against it at a Church Members' Meeting.

7. Meetings

A Governance Team will need to meet for prayer, discussion, and to make decisions. Important considerations for meeting together include:

- Frequency of Meetings

How often will the team meet, and when will the meetings take place?

Establishing a regular rhythm is helpful e.g., the Governance Team will meet on the first Monday evening of each month from 7:30pm – 10pm.

- **Length of Meeting**
The chairperson should ensure that meetings finish at a reasonable hour! A good guide for an evening meeting is that no item on the agenda should be started after 10pm.
- **Chairperson**
One of the Governance Team should act as chairperson and steer the meeting through the agenda.
- **Formal versus Informal**
It can be tempting for members of a Governance Teams to adopt an informal approach to team business. While a certain amount of informality is welcome a Governance Team must never forget that it fulfils a very important role in the life of a church. Every effort should be made to ensure that it does this effectively. Team members should be provided with an agenda well in advance of the meeting and come having prayerfully considered the contributions they want to make. Accurate minutes of meetings should be made, circulated to all members of the Governance Team, and kept on file for future reference.
- **Conduct**
The Governance Team of any church is on holy ground and members must conduct themselves accordingly. Candour is important and all team members should be encouraged to speak the truth, but only ever in love. Confidentiality is important and some matters are to remain between team members. Consensus is important and, having reached consensus, all team members must support it publicly.
- **Prayer**
Prayer must saturate the work that a Governance Team does. Team members must be people of prayer themselves, and generous amounts of time must be given to praying together. Some Governance Teams have found it helpful to build time for prayer into each meeting. Others have structured meetings in such a way that time is given to business at one meeting and exclusively to prayer at the next.
- **Agenda**
Any meeting of a Governance Team should work to a clear agenda that has been provided to team members well-enough in advance for them to come prepared.
When drawing up the agenda the person responsible should be careful to include standing items as well as invite items for consideration from team members.
Standing items may include the following:

- Vision and strategy, including setting the overall direction of the church, developing and monitoring strategic directions, ensuring healthy change management, etc
- Fiduciary responsibilities, including finances, property, risk management, legal compliance, safe church, etc
- Church program responsibilities, including evaluating and assessing the effectiveness of church ministries
- High level problem solving, including crisis management
- Supporting, empowering, and reviewing the Senior Pastor
- Assessing the Leadership Council's own effectiveness
- Conflicts of Interests
A Governance Team may find it helpful to develop a Conflicts of Interests policy. Sample policies are available in the Tools & Resources section.
- Minutes
Accurate minutes of meetings should be made, circulated to all members of the Governance Team within a week of the meeting taking place and kept on file for future reference.
It may be helpful for the minutes to highlight the actions points arising from each meeting along with the people responsible.
Minutes should be approved at the next meeting of a Governance Team and any matter arising reported on until it has been resolved.

8. Communications

Good governance is founded on trust. When people trust their leaders then they are more inclined to follow their lead. A Governance Team can help build trust by ensuring honest and timely communications in the life of the church.

Communication is two-way and at the same time as being careful to provide relevant information to the church a Governance Team must be careful to collect relevant information from the church. Providing people with appropriate opportunities to feedback on important matters is wise. Surveys, forums, comment groups, focus groups, and a multitude of listening exercises can all be used to facilitate this.

In some circumstances engaging external facilitators to oversee the collection of feedback is helpful and the BA has a team of consultants who can assist. For more information email health@nswactbaptists.org.au

Healthy Functioning Reflection Tool

Each member of the Governance Team should rate the following statements and then the whole Team should compare answers and reflect on where improvements could be made

	Strongly Disagree	Disagree	Unsure	Agree	Strongly Agree
The Governance Team is clear about each of the bullet points listed in section 1, above (p18)					
The appointment process for members of the Governance Team considers each of the bullet points in section 2, above (p19)					
The appointment of members of the Governance Team involves church members in a prayerful and well-considered process					
There is an induction process for new members of the Governance Team					
The Governance Team has an up-to-date Team Covenant					

	Strongly Disagree	Disagree	Unsure	Agree	Strongly Agree
The practices of the Governance Team help to build consensus					
Once consensus has been reached all members of the Governance Team support it publicly					
Governance Team meetings are well-run					
The Governance Team gives adequate time to prayer					

ACNC Requirements & Expectations

In Australia, most churches register with the Australian Charities and Not-for-Profits Commission (ACNC). This provides benefits such as tax concessions and reduced regulatory burdens in relationship to reporting and auditing. To maintain registration, however, a church must be able to demonstrate that it complies with six minimum governance standards:

Standard 1: Purposes and not-for profit nature

A charity must be not-for-profit and work towards its charitable purpose. It must be able to demonstrate this and provide information about its purposes to the public.

Standard 2: Accountability to members

A charity that has members must take reasonable steps to be accountable to its members and provide them with adequate opportunity to raise concerns about governance.

Standard 3: Compliance with Australian laws

A charity must not commit a serious offence, such as fraud, under any Australian law or breach a law that may result in a penalty of sixty penalty units or more.

Standard 4: Suitability of Responsible People

A charity must take reasonable steps to:

- be satisfied that its Responsible People (such as board or committee members or trustees) are not disqualified from managing a corporation under the Corporations Act 2001 (Cth) or disqualified from being a Responsible Person of a registered charity by the ACNC Commissioner, and
- remove any Responsible Person who does not meet these requirements.

Standard 5: Duties of Responsible People

A charity must take reasonable steps to make sure that its Responsible People are subject to, understand, and perform the duties set out in Governance Standard 5.

Standard 6: Maintaining and enhancing public trust and confidence in the Australian not-for-profit sector

A charity must take reasonable steps to become a participating non-government institution if the charity is, or is likely to be, identified as being involved in the abuse of a person either:

- in an application for redress made under section 19 of the National Redress Scheme for Institutional Child Sexual Abuse Act 2018 (Cth) (Redress Act), or
- in information given in response to a request from the National Redress Scheme Operator (Secretary of the Department of Social Services) under section 24 or 25 of the Redress Act. (ACNC (2022) *ACNC Governance Standards*)

NOTE

Captured under Standard 3, above, is the obligation for churches to comply with various laws including:

- Workplace Health and Safety
- Privacy and data security
- Employment Laws
- Child Safety regulations
- Anti-Discrimination Laws
- Australian taxation laws

It is important for churches to consider their legal obligations in relationship to good governance. While these obligations are imposed by secular governing bodies, they are not in conflict with how Christians are instructed to live out our lives as followers of Jesus Christ.

The ACNC has provided further information in *Governance for Good: A Guide for Responsible People*, which can be found at:

www.acnc.gov.au/tools/guides/governance-for-good-acncs-guide-for-responsible-people

Resources & Tools

Church Constitution Guidance:

<https://nswactbaptists.org.au/gen1k/health/church-constitution-guidance>

Purpose, Values, & Vision Pack:

“Coming Soon”

Strategic Planning:

<https://nswactbaptists.org.au/gen1k/health/strategic-planning>

CHAT (Church Health Assessment Tool)

<https://nswactbaptists.org.au/gen1k/health/chat>

Building Healthy Teams Pack:

“Coming Soon”

Remuneration Guidelines:

<https://nswactbaptists.org.au/resources/remuneration-information>

Managing the Call

<https://nswactbaptists.org.au/wp-content/uploads/2023/11/2021-Managing-the-call-booklet-1.pdf>

Employment v Spiritual Appointment Guide

<https://nswactbaptists.org.au/resources/employment-vs-spiritual-appointment>

Pastoral Review Pack

<https://nswactbaptists.org.au/gen1k/health/pastoral-review-package>

Leadership and Church Size Dynamics

https://rpc-download.s3.amazonaws.com/Leadership_and_Church_Size_Dynamics.pdf

Sample Conflicts of Interest Policies

Freeman to add link

For more support with matters related to governance in churches please contact the Church Health Team via health@nswactbaptists.org.au