

# BOARD CHARTER



Department: Executive Operations

Section: Board

Position: Chief Executive Officer

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## PURPOSE

The purpose of this charter is to guide the Board of Directors in fulfilling their stewardship obligations and provide leadership to the health service. It reflects the health service's commitment to the principles of good corporate and clinical governance.

In addition, this document should be read in conjunction with:

- TDHS By-Laws.
- The Health Services Act 1988.
- The Public Administration Act 2004.
- Directors' Code of Conduct and Guidance Notes, Public Sector standards commissioner 2006 (reprinted 2016).
- Conflicts of Interest and Duty, Victorian Public Sector Commission.
- The Victorian health services governance handbook, 2012.

## TARGET AUDIENCE

Timboon and District Healthcare Service (TDHS) Board of Directors and the Chief Executive Officer (CEO).

## BACKGROUND

Victoria's health services and ambulance service have a long-established structure of devolved governance. Positioned at 'arm's length' from the government, Victorian health services and Ambulance Victoria have separate legal status and are not part of the Crown. These services are incorporated public statutory authorities established under the Health Services Act (HSA) 1988 or the Ambulance Services Act 1986 respectively.

Health services are organised into local network entities that are governed by a board of directors. The directors of the board of public health services, public hospitals, Health Purchasing Victoria and Ambulance Victoria are appointed by the Governor-in-Council on the recommendation of the Minister for Health. Appointments to the boards of public health services, public hospitals, Ambulance Victoria and Health Purchasing Victoria are made according to the Department of Premier and Cabinets Appointment and Remuneration Guidelines for Victorian Government Boards, Statutory Bodies and Advisory Committees. Directors on the Board of a public entity are public officials under section 4 of the Public Administration Act 2004. Directors are bound by the legislative requirements of the Directors' Code of Conduct which is available from the Victorian Public Sector Commission.

## DEFINITIONS

**Department of Health:** refers to any arm or department of the Department of Health in Victoria or the Commonwealth Department of Health. Where specificity is required, additional details will be provided.

**Governance:** the act, action or manner of ensuring the appropriate functioning of the health service. Governance is authorised to The Board by the HSA.

**In Camera:** means to meet confidentially, and in private. It derives from Latin, meaning 'in a chamber'.

## Board Charter – Four Pillars

The Board Charter is built on four (4) pillars that collectively guide and direct the behaviour and actions of the Board of Directors (The Board). The pillars of the Board Charter are:

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1. Defining Governance Roles
2. Key Board Functions
3. Improving Board Processes
4. Board Effectiveness

PILLAR ONE: Defining Governance Roles	PILLAR TWO: Key Board Functions	PILLAR THREE: Improving Board Processes	PILLAR FOUR: Board Effectiveness
Board Composition	The Board and Strategy	Board Meetings	Board Member Protection
Role of the Board	The Board and the CEO	Board Meeting Agenda	Board Evaluation
Role of Individual Committee Members	Monitoring Performance	Board Papers	Board Member Remuneration
Role of the Chair	Risk Management	Board Calendar	Board Member Selection
Role of the CEO	Clinical Governance	Committees	Member Induction
Code of Conduct	Financial Governance	Affixture of Seal	Member Development
	Policy Framework	Delegation of Authority	Consumer Engagement
	Decision-Making	Board Expenditure	Conflict Declaration
	Board Communication		
	Protected Disclosure		

## Pillar One: Defining Governance Roles

<b>Board Composition</b>	<p>Board members are appointed by the Governor in Council on the recommendation of the Minister for Health for periods of up to three years. The Health Services Act (s. 65T) specifies that boards of directors must have at least six and not more than twelve appointed directors. In recommending the appointments, the Minister must:</p> <ul style="list-style-type: none"> <li>• Ensure at least one director is able to reflect the perspectives of users of health services</li> <li>• Ensure women and men are adequately represented</li> <li>• Give preference to people who are not registered providers within the meaning of the Health Services Act and who are not currently, or recently, involved in providing health services.</li> </ul> <p>The HSA (ss. 34 and 115F) provides for directors to be appointed for terms of up to three years, and for them to be re-appointed for up to two subsequent terms. The HSA imposes a statutory limit of nine years on the length of time these directors may serve.</p> <p>Board members elect the chair. When a vacancy occurs on the Board (whether by resignation, death or removal), or 6 months prior to the expiry of a member's term of appointment, the Board must follow such procedures as are required by the Act or the Department of Health (DH) to fill the vacancy. Actions must comply with any guidelines or procedures issued by DH in relation to selection and recommendation of applicants.</p>
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<p><b>Role of the Board</b> <i>Vic Public Sector Board Handbook</i></p>	<p>To oversee the health service on behalf of the Minister for Health and in accordance with government policy and its legal obligations. The health service is responsible for ensuring positive health outcomes, specifically: safe, effective, patient centred care.</p> <p>The Board provides strategic leadership of the organisation whilst monitoring performance and ensuring accountability and compliance. Board members do not participate in day to day management of the health service, this is the role of the CEO and staff. The Board appoints the CEO and delegates sufficient powers to allow them to manage the health service effectively.</p> <p>Health service Boards are required to govern the health service, develop strategies, oversee financial and service performance, respond and adapt to challenges such as changing demographics and disease profiles, and meet expectations regarding regulatory and government policy requirements and standards. The Board also support development of, and approve, organisational documents such as Frameworks, Policies and Procedures to ensure the effective oversight and action of the health service.</p> <p>The Board acts and is responsible as a collective, Board Members do not act individually.</p>
<p><b>Role of Individual Committee Members</b></p>	<p>Board Members duties include:</p> <ul style="list-style-type: none"> <li>• Reading provided materials to appropriately inform decision making</li> <li>• Offering opinion and advice in relation to health service matters</li> <li>• Making decisions in conjunction with the Board</li> <li>• Participating in strategic development and planning of the health service</li> <li>• Attendance at appropriate meetings including Board meetings, committee meetings, strategic planning events and the Annual General Meeting (AGM)</li> <li>• Chair and represent on Board Committees to support the governance and oversight function of the Board.</li> </ul> <p>In discharging their duties each Board member must:</p> <ul style="list-style-type: none"> <li>• At all times act in good faith and in the best interests of the health service for the purpose of ensuring safe, effective, patient centred care.</li> <li>• Avoid conflicts of interest</li> <li>• Fulfil their duty of disclosure</li> <li>• Not misuse their position</li> <li>• Not misuse information made available via their position</li> <li>• Acquire an understanding of the business of the health service</li> <li>• Ensure they have the adequate tools and resources to engage at meetings and with the Board, including access to internet and appropriate devices</li> <li>• Exercise care and diligence and take an interest in the information available</li> <li>• Understand the information available, or ask questions until understanding is obtained</li> <li>• Apply an enquiring mind to the responsibilities placed upon him or her</li> <li>• Keep informed about the activities of the health service and monitor its affairs and policies</li> <li>• Take all reasonable steps to be satisfied as to the soundness of all decisions taken and demonstrate good stewardship of the health service</li> <li>• Undertake their duties in accordance with legislative requirements.</li> </ul>

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	<p><i>Note:</i> if a Board Member becomes a candidate for an election to the Parliament of Victoria or of the Commonwealth or of any other State or a Territory or to a Council within the meaning of the Local Government Act 1989 or a corresponding body in another jurisdiction, they must notify the Board of the public entity of that fact. They must not use any resources of the public entity in connection with their candidature.</p>
<p><b>Role of the Chair</b></p>	<p>The Chair must lead and manage the Board’s discussions so that:</p> <ul style="list-style-type: none"> <li>• On significant matters all important points are considered and deliberated</li> <li>• Board Members have an opportunity to ask management any questions they consider necessary</li> <li>• All Board Members have a chance to make their views known</li> <li>• Board Members with relevant experience of the matter are called upon to contribute</li> <li>• Board Members contributions are kept short and to the point</li> <li>• Complex items are considered systematically so that each aspect is dealt with once only</li> <li>• Discussion is brought to a conclusion when the item has been dealt with appropriately</li> <li>• The Board’s position or decision is succinctly summarised so that the conclusion from the discussion is clear to all participants to consider and agree what it plans to do.</li> </ul> <p>The Chair takes the lead in setting the Board’s Agenda. This is completed with input from other Board Members and the CEO.</p> <p>The Chair is the Board’s representative and is the link between the Board and the CEO between meetings. The Chair must be able to monitor CEO performance and to assess whether they are complying with the Board’s decisions and be satisfied that the delegations and authorities are properly understood.</p> <p>The Chair must ensure that all policies adopted by, or relevant to, the public entity or the Board of the public entity are provided to, or made readily accessible to, all directors of the entity.</p>
<p><b>Role of the CEO</b> <i>CEO Position Description</i></p> <p><i>TDHS Procedure – Delegation and Authorisations</i></p>	<p>The CEO is responsible to the Board for the overall management and performance of the organisation. The CEO manages the organisation according to the strategy, business and operational plans and policies approved by the Board. The CEO often has a role with the Board in development of the organisation’s strategy.</p> <p>The CEO is responsible for ensuring the Board is fully informed of matters affecting the performance of the organisation and the capacity of the organisation to achieve agreed goals and objectives or any other relevant information.</p> <p>The CEO has delegated authority as set out by the Board in the relevant Delegation of Authority document. The CEO’s responsibilities include; implementation of strategy, financial management, human resource management, risk management, articulating the organisations vision and upholding the values, setting standards and achieving compliance, representing the organisation to external stakeholders and community engagement, and provision of information to the Board.</p>
<p><b>Code of Conduct</b> <i>Code of Conduct for Directors of Victorian Public Entities 2016</i></p>	<p>The Board set the cultural intent for the organisation, as such it is important that all Board Members are beyond reproach in relation to their conduct and integrity. In accordance of the</p>

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<p><i>TDHS Policy – Integrity Governance</i></p> <p><i>TDHS Procedure – Code of Conduct</i></p>	<p>directions of a Victorian public entity all Board Members must adhere to the Code of Conduct for Directors of Victorian Public Entities, including the identified values of:</p> <ul style="list-style-type: none"> <li>• Responsiveness</li> <li>• Integrity</li> <li>• Impartiality</li> <li>• Accountability</li> <li>• Respect</li> <li>• Leadership</li> <li>• Human Rights</li> </ul> <p>To support a climate of patient safety through cultural development TDHS have developed five values. All employees, including Board Members, must adhere to and espouse the TDHS ICARE values of:</p> <ul style="list-style-type: none"> <li>• Integrity</li> <li>• Compassion</li> <li>• Accountability</li> <li>• Respect</li> <li>• Excellence</li> </ul>
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## Pillar Two: Key Board Functions

<p><b>The Board and Strategy</b></p>	<p>A prime objective of The Board is to ensure the health service meets the vision and values of the organisation and supports the vision of the Victorian Health System - safe, effective and patient centered care. Strategy is utilised to ensure this objective is achieved, particularly within the approved operating and capital budgets of the health service.</p> <p>The Board shapes the strategic directions of the health service in collaboration with management. The Board should set aside time for structured and systematic strategic planning and develop strategic directions for management to implement. The CEO reports progress of achievement against the set of strategies and priorities.</p> <p>Health service strategic planning should be aligned with the Victorian Health Priorities Framework, the State Government and the Commonwealth in order to achieve better health outcomes for the community.</p>
<p><b>The Board and the CEO</b> <i>CEO Position Description</i></p> <p><i>TDHS Procedure – Delegation and Authorisations</i></p> <p><i>TDHS TOR – Nominations and Remuneration Committee</i></p>	<p>The Board employs the CEO to implement, or operationalise, the strategic directions and intent set out by The Board. The Board provides a framework in which the CEO is expected to work and monitors achievements against agreed outcomes, including personal behaviours. The Board monitor CEO performance through the Chair and their relationship with the CEO. Additionally, performance is monitored via the Nominations and Remuneration Committee. Within this system an annual performance review will be conducted which includes feedback from all Board members.</p> <p>The CEO provides regular and systematic reporting on financial, clinical and non-clinical risk, human resources, organisational compliance and, achievements against the strategic directions and government policy, to support the Board in their governance responsibilities. The CEO also prepares policy and procedure for approval by the Board to support the operational actions of</p>

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	<p>the organisation.</p> <p>The CEO supports the Board in understanding the current health environment, legislation and requirements and facilitates their discussion through information provision. The CEO will prepare discussion documents to support decision making of the Board.</p> <p>The Board ensures that the appropriate resources are available for the CEO to perform their duties and gives authority through the Delegations and Authorisations procedure.</p>
<p><b>Monitoring Performance</b>  <i>CEO Position Description</i></p> <p><i>TDHS Procedure – Delegation and Authorisations</i></p> <p><i>Guide to NSQHS</i></p> <p><i>TDHS TOR</i></p> <p><i>Governance Evaluator</i></p>	<p>The Board monitors the performance of the organisation, the performance of the CEO and its own (Board) performance. The Board has a structured and regular system of performance monitoring, auditing and reporting whilst focusing on effective use of resources. The monitoring systems are aligned with the Health Services’ strategic directions and priorities and current legislative, Government policy and ethical requirements.</p> <p>The Board utilises sub committees to monitor performance and have oversight of specific areas. Sub committees report to the Board and must have Terms of Reference (TOR) which direct the actions of the Committee. Sub-committee TOR must be approved by The Board.</p> <p>Internal reporting and monitoring systems include:</p> <ul style="list-style-type: none"> <li>• Internal strategic and business plans</li> <li>• Frameworks, policy and procedure</li> <li>• Financial, corporate and clinical governance reports</li> <li>• Risk management systems.</li> </ul> <p>External reporting and monitoring systems include:</p> <ul style="list-style-type: none"> <li>• Government frameworks</li> <li>• Government reporting and feedback, particularly information from the Victorian Health Information Agency (VAHI).</li> </ul> <p>The Board is responsible for monitoring their own performance and development and has systemised processes for review and evaluation, including benchmarking against like organisations.</p> <p>The Board monitors and evaluates the performance of the CEO and sets key performance areas aligned with the strategic priorities of the Health Service.</p>
<p><b>Risk Management</b>  <i>TDHS Framework – Risk Management</i></p>	<p>The Board is responsible for understanding the corporate and clinical risks associated with the Health Service’s care and service delivery. The Board approves a risk management framework, monitors effective risk management, confirms policy and determines the Health Service’s risk appetite and culture in line with legislative and regulatory requirements.</p> <p>The role of the Board is not to eliminate risk but to interpret and determine the risk appetite and appropriateness given the expectations of key stakeholders and expected service outcomes outlined in strategy. The Board monitors the exposure, mitigation and management of risk.</p>
<p><b>Clinical Governance</b>  <i>Clinical Governance Quality &amp;</i></p>	<p>The Board has responsibility under the Health Services Act 1988 to ensure that effective and accountable systems are in place to support safe, effective, high quality care. The Board are responsible for the monitoring and improvement of the quality, safety and effectiveness of the</p>

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<p><i>Credentialing Committee TOR</i></p> <p><i>TDHS Framework – Clinical Governance</i></p> <p><i>TDHS Framework – Service Capability</i></p>	<p>health services. To support this the Board will:</p> <ul style="list-style-type: none"> <li>• Establish and maintain a Quality and Clinical Governance sub-committee. The sub-committee will work in accordance to the TOR, approved by the Board of Directors</li> <li>• Endorse the Clinical Governance Framework and clinical structure as a means to ensuring the safety and quality of care provided to our patients, residents and clients</li> <li>• Maintain governance oversight of clinical risks and ensure appropriate mitigation strategies are in place.</li> </ul>
<p><b>Financial Governance</b></p> <p><i>Victorian Integrity Governance Framework</i></p> <p><i>TDHS Procedure – Delegation and Authorisations</i></p>	<p>The Board has responsibility under the Health Services Act 1988 to ensure the effective and efficient use of resources both financial and capital. Financial and capital resources are ultimately utilised to ensure the efficient delivery of safe, effective and patient centred care.</p> <p>The Board are responsible for the management, maintenance and monitoring of the physical and financial resources of the health service. To support effective stewardship the Board will:</p> <ul style="list-style-type: none"> <li>• Establish and maintain a Finance and Audit sub-committee (named Audit Committee). The sub-committee will work in accordance to the TOR, approved by the Board of Directors</li> <li>• Review the Victorian Integrity Governance Framework annually, and, utilising the assessment tool, develop a localised action plan for continuous improvement</li> <li>• Maintain governance oversight of financial risks and ensure appropriate mitigation strategies are in place.</li> </ul>
<p><b>Policy Framework</b></p> <p><i>TDHS By-Laws</i></p> <p><i>TDHS Policy – Document Control</i></p> <p><i>Appendix 1 – TDHS Document Control System Map</i></p>	<p>As part of corporate and clinical governance, the Board has oversight of a common framework that ensures the Health Service’s obligations, strategic directions and values are translated into clear and consistent policies, guidelines, expected outcomes, procedures and related documents that support decision-making.</p> <p>The Health Service’s By-Laws describe powers, as are necessary, to enable the Board to carry out its functions, including the powers to make, amend or revoke By-Laws. The Board is responsible for making, amending or revoking By-Laws, subject to ratification from the Secretary of the Department of Health and Human Services.</p> <p>The Board approves governance policies and frameworks which direct and provide overarching framework for the organisational procedures. Board Members are required to adhere to all health service policies.</p> <p>Please refer to <i>Appendix 1 – TDHS Document Control System Map</i> for an overview of the document system that supports governance and operations at TDHS.</p>
<p><b>Decision-Making</b></p> <p><i>Vic Public Sector Board Handbook</i></p>	<p>Good decision making is the essence to the Health Service’s chances of achieving sustainable success. Board members have individual responsibility to act in the best interests of the organisation and to ensure the delivery of safe, effective, patient centered care.</p> <p>Board Members have a duty to acquaint themselves with the necessary facts on which to base decisions, seeking further information if they need it, request expert opinion if they think it is required and express any concerns they might have. Seeking and questioning information at the initiation of a process will ensure better outcomes and mitigate long term risk.</p>



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	<p>Key considerations around decision making should be:</p> <ul style="list-style-type: none"> <li>• What is the proposed outcome of the decision? (Why are we doing this?)</li> <li>• Does it align with the strategic intent of the organisation? (Should we be doing this?)</li> <li>• Have we been presented with adequate information? (What are we doing?)</li> <li>• Will the key assumptions hold up?</li> <li>• What is the risk involved?</li> </ul> <p>The Board collectively makes decisions. Collective decision making involves more people and increases legitimacy and acceptance of the end decision. Where able Board decision making will be consensus. Where consensus cannot be achieved a majority vote will determine the outcome. Where there is a spilt vote, the Board Chair will determine the outcome. In this instance all efforts will be made to support the Board to come to a consensus or majority vote.</p> <p>Individual biases and collective distortions must be avoided so as not to undermine the effectiveness of the Board as a whole. Each Board Member is accountable for self-reflection and monitoring to ensure any biases are noted and managed. Additionally, Board Members are accountable for ensuring any conflicts of interest are raised and appropriately discussed, before that member is enabled to be a part of decision making. If a Board Member is uncertain if they have a conflict of interest can they raise their concern directly with the Board Chair, Chair of the relevant sub-committee or the Board as a whole.</p>
<p><b>Board Communication</b></p>	<p>Effective communication, including robust conversation and consideration of many viewpoints, is fundamental to effective governance. The Board will ensure appropriate time is allocated in meetings for discussion of items and provide a safe environment that allows for the raising and consideration of differing viewpoints and opinions.</p> <p>The Board will communicate with the CEO predominantly via the Board Chair and sub-committee Chairs. In turn, the CEO will correspond directly with the Board Chair and the sub-committee Chairs, ensuring streamlined, transparent and effective communication. Additionally, committee agendas and associated papers constitute communication and should be concise, effective and serve a specific purpose.</p> <p>The CEO will be responsible for communicating with the rest of the organisation and the community excluding planned and exceptional circumstances. An example of a planned circumstance is the Annual General Meeting which is predominantly developed and led by The Board.</p>
<p><b>Protected Disclosure</b> <i>Protected Disclosures Act 2012 Guideline</i></p>	<p>The Protected Disclosures Act 2012 provides for the disclosure of improper conduct by public bodies and public officials, for the protection of those who come forward with a disclosure. The Board and the Health Service has an obligation to protect people against detrimental action that might be taken against them if they choose to make a protected disclosure. The Board and the Health Service are committed to the highest standards of ethics and probity in its performance of its duties and the delivery of its services to the community.</p>

## Pillar Three: Improving Board Processes

### Board Meetings

The Board meeting is the Board Member’s key source of information and venue for Board

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<p><i>Vic Public Sector Board Handbook</i></p>	<p>Decision-making.</p> <p>The Board meeting is the governance process in which Board Members obtain and exchange information with senior management and each other, share responsibility for the Health Service’s performance, delegate authority, discuss and make decisions and monitor strategic objectives and organisational performance. All Board Members should contribute through effective communication at meetings to achieve collective outcomes.</p> <p>Board meetings are held monthly with additional subcommittee meetings and workshops held regularly. A secretariat is provided to support coordination of papers and minute taking. Board members are required to attend a minimum of 80% of Board meetings.</p> <p>The Board may opt to have an In Camera Session during a Board meeting. In Camera Sessions include only Board members and non-board members are excused. In Camera Sessions allow The Board to speak about sensitive matters in private and with confidentiality. Some decisions may be made during an In Camera Session, where a decision is made that decision must be formalised in the minutes. Only the decision is minuted, the sensitive conversation is not required to be minuted. The Board may opt to minute topics of conversations discussed, for future reference.</p>
<p><b>Board Meeting Agenda</b></p>	<p>The Chair will consult with the CEO in preparation of the Agenda for Board meetings. Board Members all have access to request items to be added to the Agenda.</p> <p>The Agenda for Board meetings aids the flow of information and shapes the discussion by the Board. The structure of the Agenda enables discussion to proceed in matters For Decision, For Discussion and For Information.</p>
<p><b>Board Papers</b></p>	<p>Board papers are a key source of information for Board Members and form the basis for monitoring, discussion and decision making. Board papers are distributed in advance of the Board meeting in electronic format. Board papers will be distributed to Board Members no later than five days prior to the next Board Meeting. Where papers are time sensitive they will be provided at the earliest opportunity. The CEO will make every effort to ensure papers are provided in a timely manner.</p>
<p><b>Board Calendar</b> <i>Committee Annual Work Plans</i></p>	<p>An annual calendar of Board meetings including subcommittee meetings is distributed to all Board Members.</p> <p>A calendar scheduling key dates for reports, audits and other Board related information is distributed annually, labelled as the Committee Annual Work Plan, and updated as required.</p>
<p><b>Committees</b> <i>Sub Committees’ Terms of Reference:</i></p>	<p>The Board has established a number of Committees, each with its own Terms of Reference, to provide a mechanism for concentrated focus on a particular area of interest to the Board. It is intended that as a result of the Committee’s activities, the discussion of issues at the Board’s meeting can be more advanced and focused.</p> <p>Committee’s should:</p> <ul style="list-style-type: none"> <li>• Ensure that the Board’s governance responsibilities are performed across the full range of the Health Service’s activities</li> <li>• Deal with matters that do not require the attention of the full Board</li> <li>• Investigate matters thoroughly prior to presenting them to the Board for consideration.</li> </ul>

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	<p>The Board's Committees are:</p> <ul style="list-style-type: none"> <li>• Audit (Finance)</li> <li>• Clinical Governance, Quality &amp; Credentialing</li> <li>• Community Participation</li> <li>• Nomination and Remuneration</li> <li>• Timboon Clinic Transition.</li> </ul> <p>The Board remains accountable for decisions of the Board Committees. The Committees are Chaired by Board members All Board Committees act on behalf of and report to the Board.</p>
<b>Affixture of Seal</b>	<p>The official seal of the Health Service shall be affixed to any document requiring execution under seal by resolution of the Board. The seal can be affixed by the Chair or any two Board Members.</p> <p>The seal shall be kept in the health service safe and a register of all documents to which the seal is affixed shall be maintained.</p>
<p><b>Delegation of Authority</b>  <i>TDHS Procedure – Delegation and Authorisations</i></p>	<p>The Ministerial Directions to the Financial Management Act 1994 require that the Health Service adopts financial delegations of authority which conform to the requirements of the directions and that the delegations are reviewed annually.</p> <p>The Board approves the Delegation and Authorisations Procedure which sets out the responsibility to specific positions within the organisation to undertake certain actions in respect to their areas of responsibility.</p> <p>The Board delegates authority to the CEO to implement the delegations throughout the organisation.</p>
<b>Board Expenditure</b>	<p>To support the functions of the Board specific budgets are allocated. The Board must demonstrate effective stewardship in expenditure related to Board matters. The Board Chair and the CEO will liaise regarding the allocated budgets and how best to prioritise their use and expenditure.</p>

## Pillar Four: Board Effectiveness

<b>Board Member Protection</b>	<p>Board members will not be held personally liable for anything done or omitted to be done in good faith when carrying out their duties. Any liability resulting from an act or omission attaches instead to TDHS. The Victorian Managed Insurance Association (VMIA) provides relevant insurances for TDHS.</p>
<b>Board Evaluation</b>	<p>Good governance principles set the standard of evaluations and reporting. The aim of the Board evaluation is to continually improve the performance of the Board and the Health Service.</p> <p>Constructive evaluation of the Board demonstrates continuous improvement efforts and it assists the Board's growth and effectiveness. The Board will undertake formal evaluation processes on a regular basis.</p>

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<p><b>Board Member Remuneration</b> <i>Board Remuneration: Guidance for Public Hospitals and MPS 2021</i></p>	<p>The Board members are remunerated under Section 34(2)(b) of the Act.</p> <p>Travel and Personal Expenses arrangements under Section 34(2)(a) of the Act, a Director is entitled to be paid reasonable expenses incurred in holding office as a Director of the board.</p>
<p><b>Board Member Selection</b></p>	<p>The Board members are appointed by the Governor in Council on the recommendation of the Minister for Health. Applications and selection processes are conducted in accordance with The Department selection process.</p>
<p><b>Board Member Induction</b> <i>Board Director Induction</i></p>	<p>To enable new Board Members to become as effective as possible in their new role as quickly as possible they will undertake a structured orientation program. The Chair of the Board will lead the program whilst the CEO will ensure the resources are available to the new Board Member.</p> <p>Introduction to the Victorian public health corporate and clinical governance systems, current relevant legislation and statutory responsibilities, the Health Service, key stakeholders and role and responsibility of a Board Member will be included in the orientation.</p> <p>The Department hosts an annual induction seminar for new and reappointed Board Members.</p>
<p><b>Board Member Development</b></p>	<p>Education and training sessions are regularly conducted by The Department for Board Members. A calendar of sessions is posted on the Department's website. Resource tools and information is provided through the Department and can be accessed through the website. The Health Service also provides opportunity for Board development throughout the year.</p> <p>Board members are responsible for actioning their own professional development and any resourcing beyond that provided by The Department is the responsibility of the individual.</p>
<p><b>Consumer and Stakeholder Engagement</b> <i>TDHS Framework - Consumer Engagement</i></p>	<p>The Board is committed to the active involvement of consumers and stakeholders at all levels of the Health Service, to promote improved service delivery, responsiveness and consumer experience outcomes.</p> <p>Consumer and stakeholder engagement refers to the range of strategies and activities in which they are involved in the planning, service delivery and evaluation of health care.</p>
<p><b>Conflict Declaration</b></p>	<p>A conflict of interest involves a conflict between a person's public duty as a Director on the board of a health service and their private interests, which could improperly influence the performance of their duties and responsibilities as a director. Board Members must not allow a conflict of interest to compromise their position, nor must they place themselves in a position where there is an actual or substantial possibility of conflict between a personal interest, or a duty owed elsewhere. It is the Board Member's duty to act in the best interests of the health service (unless permission of the Board is obtained).</p> <p>Board Members at times cannot completely avoid conflicts of interest, however it is how they are disclosed and managed that is important. Board members must declare any real or potential conflicts of interest. Where a Board Member is uncertain if there is a conflict they should raise the issue directly with the Board Chair prior to the meeting.</p> <p>During a meeting it is the duty of Board Members to give notice and declare to the Board when a conflict or possible conflict arises. The member may or may not be required to leave the</p>

# BOARD CHARTER



Department: Executive Operations

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Position: Chief Executive Officer

meeting for that item depending on the conflict declared. The Board must record such circumstances and the outcomes in its minutes.

# BOARD CHARTER



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## KEY ALIGNED DOCUMENTS

TDHS By-Laws

## KEY LEGISLATION, ACTS & STANDARDS

Conflicts of Interest and Duty, Victorian Public Sector Commission

Directors' Code of Conduct and Guidance Notes, Public Sector standards commissioner 2006 (reprinted 2016)

Health Services Act 1988

Public Administration Act 2004

Victorian health services governance handbook, 2012

## REFERENCES

Board Director Toolkit, Department of Health 2017

*Boards That Work*, Kiel G & Nicholson G, 2002

Building Better Governance, Commonwealth of Australia 2007

Building Board Capability, Department of Health 2012

Department Health and Human Services Website 2019

Directors Code of Conduct, Victorian Public Services Commission 2016

Directors Tool Resources Australian Institute of Company Directors, 2015

National Safety and Quality Health Service Standards 2019

Numurkah District Health Service, Guidelines, Expected Outcomes and Procedures

Numurkah District Health Services Governance Policies 2007

Section 4 of the Public Administration Act 2004

The Victorian Health Services Governance Handbook, Department of Health 2013

## EVALUATION

The Board Chair, in conjunction with the Board of Directors, with support from the Chief Executive Officer and executive team will monitor the functioning of the Board in relation to the Board Charter. The Board of Directors will review, evaluate and approve the Board Charter.

## DOCUMENT DEVELOPMENT / REVIEW PROCESS

This document will be reviewed and updated every two years or following substantial changes to relevant legislation, regulation or safety and quality standards.

### Prepared / Reviewed by

Name	Position
Rebecca Van Wollingen	Chief Executive Officer

### Approved by

Committee Name	Moved by	Date
Board of Directors	Ashley Nesseler & Chris Stewart	18/10/2021

Department: Executive Operations

Section: Board

Position: Chief Executive Officer

## Appendix 1 – TDHS Document Control System Map

