

## Western NSW Local Health District

### Board Charter

LHD Boards are responsible for setting the strategic direction and overseeing an effective governance and risk management framework for the District, while ensuring high standards of professional and ethical conduct are maintained. The Board, particularly the Board Chair, is responsible for holding the Chief Executive accountable for their performance.

### 1. Functions of the Board

The specific functions of LHD Board as defined in its enabling Act <sup>1</sup> are to:

- Ensure effective clinical and corporate governance frameworks are established to support the maintenance and improvement of standards of patient care and services by the local health district and to approve those frameworks
- Approve systems:
  - To support the efficient and economic operation of the LHD
  - To ensure the District manages its budget to ensure performance targets are met
  - To ensure that District resources are applied equitably to meet the needs of the community served by the District
- Ensure strategic plans to guide the delivery of services are developed for the LHD and to approve those plans
- Provide strategic oversight of and monitor the LHD's financial and operational performance in accordance with the State-wide performance framework against the performance measures in the performance agreement for the District
- Appoint, and exercise employer functions in relation to the Chief Executive of the LHD
- Ensure that the number of NSW Health Service senior executives employed to enable the LHD to exercise its functions, and the remuneration paid to those executives, is consistent with any direction by the Health Secretary or condition referred to in section 122 (2)
- Confer with the Chief Executive of the LHD in connection with the operational performance targets and performance measures to be negotiated in the service agreement for the District under the National Health Reform Agreement
- Approve the service agreement for the LHD under the National Health Reform Agreement
- Seek the views of providers and consumers of health services, and of other members of the community served by the LHD, as to the District's policies, plans and initiatives for the provision of health services, and to confer with the Chief Executive of the District on how to support, encourage and facilitate community and clinician involvement in the planning of District services
- Advise providers and consumers of health services, and other members of the community served by the LHD, as to the District's policies, plans and initiatives

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<sup>1</sup> [Health Services Act 1997](#), Chapter 3 refers specifically to Local Health Districts. Chapter 3, Part 2, Division 2 refers specifically to the constitution, functions and membership of LHD Boards.

- for the provision of health services
- Endorse the LHD's annual report
  - Liaise with the boards of other LHDs and specialty network governed health corporations in relation to both local and State-wide initiatives for the provision of health services
  - Undertake other such other functions as are conferred or imposed on it by the regulations.

### 1.1 Board's Role in Clinical Governance

The Board has a role in clinical governance as well as corporate governance. Clinical governance is about patient-centred care. According to the Australian Commission on Safety and Quality in Health Care, clinical governance is a system through which organisations are accountable for continuously improving the quality of their services and safeguarding high standards of care; achieved by creating an environment in which there is transparent responsibility and accountability for maintaining standards and by allowing excellence in clinical care to flourish<sup>2</sup>.

Clinical Governance includes:

- Leading clinical safety and quality
- Ensuring robust systems are in place to support and monitor clinical safety and quality
- Maintaining a high level overview of clinical safety and quality systems
- Managing risk by identifying early and responding.

### 1.2 Board Sub-Committees

In accordance with the Health Services Act 1997 Local Health District - Model By-Laws, the Board will establish a number of sub committees. These will include but not limited to:

- Audit and Risk,
- Finance and Performance, and
- Quality and Safety.

The Board will also participate in the Medical and Dental Appointments Committee (although it is not a sub-committee of the Board).

Finance and Performance, Quality and Safety, and Medical and Dental Appointments Committees will be chaired by a Board member nominated by the Board Chair. Other sub-committee members will be appointed as prescribed in the Model By-Laws.

Each sub-committee will include a minimum of two Board members. All Board members are to participate in at least one sub-committee. Each Board member's term of appointment for each sub-committee will be determined by the Board Chair in consultation with the Board and will be guided by the relevant terms of reference. A copy of the minutes of each sub-committee is to be included in the Board business papers (refer to section 2.4).

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<sup>2</sup> Australian Commission on Safety and Quality in Health Care 2012, from Scally G, Donaldson LI. *Clinical governance and the drive for quality improvement in the new NHS in England BMJ 1998; 317 61.*

### 1.3 Committees of the Organisation

To improve clinician engagement, the Board has established the following committees:

- Medical Staff Executive Council
- District Clinical Council

The operation of each committee is laid out in the District Model By-Laws. A copy of the minutes of each committee is to be included in the Board business papers (refer to section 2.4).

## 2. Board Meetings

The WNSWLHD Board holds 11 meetings each year, commencing in February through to December.

The Board also holds an Annual Public Meeting, Board Planning Day and may undertake training as a group or for individual members as necessary.

Board meetings are the primary vehicle through which decisions are made and direction given to the Chief Executive for the strategic direction of the District in accordance with the adopted Strategic Plan.

Written notice of an ordinary meeting (whether delivered by ordinary post or electronic means), and any amendments to the ordinary meeting hours of meeting, is to be given by the Chief Executive, or the Board Secretariat, to each Member and each person invited by the Board to attend the meeting, at least seven days before the meeting.

The Board shall determine dates for the following year's ordinary meetings no later than the December meeting each year.

### 2.1 Quorum

The quorum for a meeting of the Board is a majority of its Members.

### 2.2 Special Meetings

The Chief Executive has the power to call a special meeting of the Board at the direction of the Board Chair or within 48 hours of receipt of a written request for a special meeting signed by at least three members of the Board. A special meeting must be held within seven days of receipt of a request to hold a special meeting.

The Chief Executive, or Board Secretariat on behalf of the Chief Executive, is to provide at least 24 hours written notice to Board Members of the special meeting and the business to be considered at the meeting. Any materials related to the business to be discussed at the special meeting is to be provided to Board Members and each person invited to attend the meeting by the Board at least 24 hours before the meeting.

Where a special meeting is undertaken, only business specified in the notice of a special meeting is to be considered at the meeting.

Where notice of a special meeting is provided less than 48 hours before the meeting, papers for the meeting will only be distributed electronically with hard copies to be made available at the meeting.

### 2.3 Officers in Attendance at Board Meetings

The Chief Executive is to attend Board Meetings in an ex officio capacity. The Board is to invite the following people to attend its meetings:

- At least one representative of the executive staff
- Any other person to attend any meeting of the Board (including both ordinary and special meetings) as required.

The Board may exclude any person (other than a Member or the Chief Executive) from attending any meeting or part of a Board meeting. The Board may exclude the Chief Executive, or his or her nominee, where the business under consideration relates to the conduct or performance of the Chief Executive.

All officers in attendance to Board Meetings are required to maintain confidentiality of Board discussions other than as required by law or when they have been given the proper authorisation to disclose such information.

### 2.4 Agenda and Business Papers

The Business Papers for each ordinary Board meeting will be available electronically and/or hard copy five calendar days before the meeting. Members will be sent an email when the papers are available. Papers will include:

- The agenda for the meeting
- A copy of the minutes of the previous meeting of the Board
- A copy of the minutes of any special meeting of the Board held since the last ordinary meeting
- A copy of Committee minutes (as listed in section 1.2) since the Board's last ordinary meeting (may be in draft format)
- Reports from the Chair and Chief Executive
- Business arising from the previous meeting
- New business for consideration with confidential items clearly marked
- Details of a presentation to the Board, where relevant.

The Chief Executive will authorise the agenda for the Board meeting in consultation with the Board Chair. The Board Secretariat will prepare the papers as per the direction from the Chief Executive.

Board Papers are generally referred to the Board via a Board Sub-Committee, the Board Chair, the Chief Executive or the District Executive. Where a Board Member wishes to have a matter discussed at a Board meeting, he or she should advise the Chief Executive or Board Secretariat who will arrange for its inclusion on the agenda.

A covering brief that states the purpose, background, issues or status, recommendations, risk assessment and resource requirements and any linkages with District, Ministry of Health or Government strategy and policy, should support each agenda item. The covering brief will enable Members to prepare for the meeting, and create informed and focused discussion. The covering brief will also include a draft resolution to guide Members to understand the outcome required through the paper.

Late Papers will be accepted at the Board's discretion.

## 2.5 Terminology used for Board actions

Each Board paper is to be clearly marked with the recommended action to be taken by the Board. There are four agreed terms that are to be used for Board papers and that will also be used in Board resolutions. These are defined in Table 1.

Table 1: Terminology for Board actions

TERMINOLOGY	APPLICATION
<b>Declare</b>	Members declare any conflict of interest, pecuniary interest in relation to an agenda item
<b>Receive</b>	Indicates the Board has been presented with a report/ paper.
<b>Endorse</b>	Shows the Board agrees with the point of view or proposition put forward in the agenda paper.
<b>Approve</b>	Items for approval where the Board is the final approval
<b>Noting</b>	Provided for the information of members

## 2.6 Order of Proceedings

The Board Chair will preside over Board meetings, or the Deputy Board Chair where the Chair is unavailable. The Chair will call a meeting open once there is a quorum present.

The general order of proceedings will be:

- Attendance and apologies of Members
- Chair will ask Members to declare any pecuniary interests and other conflicts of interest on the agenda; and where conflicts exist the Board will decide how they will be handled.
- Confirm the minutes of the previous meeting, and minutes of any special meetings held since the last ordinary meeting
- Business as outlined in the agenda
- Members will be invited to raise other matters for consideration as Business Without Notice following General Business.

The Board may choose to consider matters in camera where necessary. In Camera sessions will be handled as outlined in section 2.12.

## 2.7 Voting

Resolutions of the Board will usually be made by general agreement through discussion of the matter under consideration. However, at times a vote may be required. Only Board Members are permitted to vote. Any matter put to the vote is to be decided by a show of hands. Members may choose to abstain from a vote. A decision is supported by a majority of the votes cast at a meeting where a quorum is present. Where a vote is tied, the Board Chair will have a second deciding vote.

Where a vote is to take place, the Chair will ask Members for a show of hands for those who support the recommendation put forth; then ask for a show of hands of those Members who do not support the recommendation put forth; and will seek confirmation of any Members who choose to abstain from the vote.

The final outcome of a vote will be recorded as either the item was supported or not supported. Vote counts will not be recorded. However, a Member may request their position be minuted.

A Member may request a secret ballot. The Board Secretariat will be the returning officer

and will prepare and distribute ballot papers to Board Members present. Members will provide their completed ballot paper to the Board Secretariat who will count the votes in front of the Board Chair and Chief Executive. The Board Secretariat will declare the number of votes for, the number of votes against, with illegitimate votes counted as abstaining votes.

### **2.8 Minutes**

Minutes are recorded for Board meetings and Sub-Committee meetings. The Minutes record:

- Date, time and place of the meeting
- Names of the Chair, Members and all other persons present at the meeting and Members absent with apology
- A summary of the business conducted at the meeting, including resolutions
- Names of attendees providing format advice to the Board or Sub-Committee and a summary of the advice provided.

Business conducted at Board meetings that is considered confidential, for example relating to commercial sensitivity, will be included in a separate set of Minutes clearly marked as Confidential.

The Draft Minutes, including any amendments, will be submitted to the next meeting for confirmation. After they are confirmed they will be signed by the Chair as a true record of the proceedings of the previous meeting. A record of each meeting will be made available for public access on the WNSWLHD website.

The Board Secretariat is responsible for drafting and disseminating the Minutes as above and maintaining the official record of Board Minutes.

### **2.9 Register of Resolutions**

The Board Secretariat will maintain a register of all resolutions agreed by the Board. The Register will include the date of the meeting the resolution was agreed to; the specifics of the resolution; a unique resolution number; and progress updates against the resolution where required. All resolutions will be recorded chronologically, on a calendar year basis, numbered according to the date of their agreement.

An extract of the Register will be included in the business papers for Board meetings showing incomplete resolutions requiring further action to be completed or implemented and an extract showing all resolutions passed by the Board during the previous 12 months.

The Board may, at any ordinary or special meeting, vary or rescind any resolution carried at any previous meeting of the Board, but only if the motion to vary or rescind the resolution has been included in or with the notice of the meeting. If a motion to vary or rescind a resolution is considered at a meeting of the Board and is not carried, the motion is not to be reconsidered by the Board during the period of three months from the date of that meeting.

### **2.10 Member Attendance and Leave**

The Board Secretariat will maintain a record Member attendance at Board and Sub-Committee meetings. Board Members should notify the Board Chair if they are unable to attend a Board meeting or the Committee Chair if they are unable to attend a Committee meeting, for planned; and unplanned circumstances.

There is an expectation that members will attend a minimum of 9 meetings per annum unless exceptional circumstances are approved by the Chair.

Information on Board Member attendance and leave will be provided to the Ministry of Health annually as requested.

### **2.11 Use of Teleconference Facilities**

The Board or Sub-Committee may approve the use of teleconference or videoconference facilities to conduct a meeting where a Board Member is unable to be physically present or where circumstances recommend a virtual meeting be held. Such facilities are only to be used where all members can be heard and are able to participate in the meeting.

### **2.12 In Camera Sessions**

In Camera sessions are closed sessions of a Board meeting to discuss confidential matters, including but not limited to:

- Board issues such as internal matters
- Board objectives and performance
- Review of the Chief Executive's performance
- Review of Executive personnel succession planning
- Discussion of government policies and their implications for the District
- Discussing legal advice and litigation.

In Camera sessions will generally be held at the start of a Board meeting, or as required at the discretion of the Chair.

The Chief Executive will attend In Camera as requested. The Board may request the presence of any other persons at In Camera sessions as necessary.

Minutes of In Camera sessions will not generally be recorded, except to note that the Board held an In Camera sessions including if there were any attendees present.

Exceptions where minutes will be recorded include when there is a resolution to be noted as a decision of the Board or an action requiring follow-up. Minutes of an In Camera meeting will include:

- Place, date and start time of the meeting
- The persons present
- Details of all resolutions
- Results of votes on all resolutions, if held
- Any formal objection
- Time of meeting close.

In order to maintain confidentiality, minutes of In Camera sessions will be filed separately from other records with access restricted as necessary.

### **2.13 Flying Minutes**

The Board may be required to consider a matter in between ordinary meetings. Where it is impractical to call a Special Meeting to consider a matter, a Flying Minute may be used. Flying Minutes are to be used in limited circumstances only and where a decision is of an important and urgent nature.

A Flying Minute will take the usual format of a Board Paper as outlined in Section 2.4, with a recommendation that Members can vote for or against or abstain. All Flying Minutes are to be approved by the Board Chair and Chief Executive prior to distribution. A Flying Minute will be distributed via email with Board Members asked to confirm their vote on the Flying Minute to the Board Secretariat by a specified date.

The number of responses for a Flying Minute, whether for or against, must meet the quorum provisions, that is a majority of Board Members must support or negate the recommendation by the due date. If the Flying Minute is not approved, the recommendation must be referred to the next ordinary meeting of the Board.

A report on the outcome of the Flying Minute, indicating the number of votes for and against a recommendation, as well as the number of members who abstained or did not respond, is to be provided to the next ordinary meeting for noting by the Board and the resolution from the Flying Minute is to be included in the minutes of the meeting.

### **3. Annual Public Meeting**

The Board is to hold an Annual Public Meeting between 1 July to 31 December each calendar year. The Board will typically hold its meeting in October. The Annual Public Meeting is to be open to all members of the public, with the public able to address the meeting.

At the Annual Public Meeting, the Board will present a report on the affairs of the Local Health District since the last annual public meeting, including audited financial statements for the Local Health District.

The Chief Executive and Board Secretariat will make suitable arrangements for the Annual Public Meeting in consultation with the Board Chair. The proposed format for the Annual Public Meeting will be considered at least two months before the meeting is to take place.

The Board Chair will invite local parliamentary, key business and community representatives to the Annual Public Meeting. Details for the Annual Public Meeting are to be advertised in at least one newspaper circulating generally in the area of the Local Health District and by such other means (including on the Internet) as the Board determines.

Minutes of the Annual Public Meeting will not be recorded; however, a summary of the proceedings may be recorded for the Board.

### **4. Board Planning Day**

The Board will hold a Planning Day each year. The Planning Day will be used by the Board to determine the strategic direction for the District. This will include reviewing



and updating the District's vision and long-term strategic plans and priorities. This will enable the District Executive to translate the Board's strategic plans and priorities into annual business plans with deliverable outcomes.

The Chief Executive will make suitable arrangements for the Planning Day, including development of the agenda, in consultation with the Board Chair. The agenda and other documentation for the Planning Day will be distributed to Board Members at least seven calendar days prior to the meeting date.

Minutes of the Planning Day will be recorded and circulated for confirmation to the next ordinary Board meeting. Confirmed minutes from the Planning Day will be circulated to the District Executive for planning purposes.

## **5. Board Training**

Board Members are able to receive training to help them fulfil the requirements of their position. Board Members may request such training for consideration and approval by the Board Chair and Chief Executive.

The Board may undertake training tailored to its specific needs annually. The specific requirements for training are to be determined by the Board each year.

The Ministry of Health may undertake a training program for Board Members. The Ministry of Health will also hold an annual conference for members of all Local Health District and Specialty Health Network Board Members.

## **6. Conflicts of Interest**

The Board Secretariat will maintain a register of all conflict of interest. This will be an agenda item on all meetings. Any changes are to be advised to the Secretariat and recorded in the meeting minutes when declared.

## **7. Complaints and Disputes**

Complaints concerning Board matters and/or made to the Board directly will be handled by the Board Chair, with support from the Chief Executive where necessary. Where a complaint or dispute involves the Board Chair, the matter will be handled by the Deputy Board Chair.

## **8. Spokesperson and Representation**

The Board Chair will be the Board's spokesperson for all matters discussed by the Board, unless otherwise specified by the Board or the Board Chair.

## **9. Board Evaluation**

The Board will undertake an annual self-evaluation each December. The evaluation toolkit will be distributed by the Board Secretariat with a due date for return by Board Members. The evaluation will include a self-evaluation of:

- Board Membership
- Board Meetings
- Board Sub-Committees
- Board Functions and Responsibilities

- Board Member Orientation and Development
- Board Leadership, Teamwork and Management Relationships.

The Board Secretariat will compile the results and provide a report for the Board's consideration at its February meeting. Recommendations for any improvements arising from the evaluation findings will be implemented by the Board Chair and Chief Executive as determined by the Board.

## 10. Review of Charter

The WNSWLHD Board Charter shall be reviewed every two years.

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Version Control and change history:

<b>Version</b>	<b>Date from</b>	<b>Date to</b>	<b>Amendment</b>
1.0	01.03.17	01.05.19	Original Version
2.0	01.05.19	05.05.21	Includes committees
2.1	05.05.21	01.02.23	Changes to committees
3.0	01/02/23		