

D24/1420



**Far West
Local Health District**

Board Charter as at December 2023

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 the LHD Board as defined in its enabling Act¹ are to:

- 1.1 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.
- 1.2 Approve systems:
 - 1.1.1. To support the efficient and economic operation of the LHD.
 - 1.1.2. To ensure the District manages its budget to ensure performance targets are met.
 - 1.1.3. To ensure that District resources are applied equitably to meet the needs of the community served by the District.
- 1.3 Ensure strategic plans to guide the delivery of services are developed for the LHD and to approve those plans.
- 1.4 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.
- 1.5 Appoint, and exercise employer functions in relation to, the Chief Executive of the LHD.
- 1.6 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) of the Act.
- 1.7 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.
- 1.8 Approve the service agreement for the LHD under the National Health Reform Agreement².
- 1.9 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

¹ [Health Services Act 1997 \(NSW\)](#) Chapter 3 refers specifically to Local Health Districts, including the constitution, functions and membership of LHD Boards.

² [National Health Reform Agreement](#)

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.

- 1.10 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 for the provision of health services.
- 1.11 Endorse the LHD's annual report.
- 1.12 Endorse the LHD's annual Year in Review.
- 1.13 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.
- 1.14 Establish, maintain and monitor Board sub-committees, standing committees and working parties of the Board.
- 1.15 Undertake other such other functions as are conferred or imposed on it by the regulations.

2. Board's Role in Clinical Governance

- 2.1 The Board has a role in clinical governance as well as corporate governance.
- 2.2 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.³
- 2.3 Clinical Governance includes, but is not limited to:
 - 2.3.1 Leading clinical safety and quality
 - 2.3.2 Ensuring robust systems are in place to support and monitor clinical safety and quality
 - 2.3.3 Maintaining a high level overview of clinical safety and quality systems
 - 2.3.4 Managing risk by identifying early and responding.
 - 2.3.5 Identifying and tracking trends in risks to clinical safety and quality.

3 Board Meetings

- 3.1 The FWLHD Board holds at least 6 ordinary meetings each year, commencing in February through to December.
- 3.2 Of the 6 ordinary meetings, usually 3 will be held at locations outside of Broken Hill within the District.
- 3.3 The Board also holds an Annual Public Meeting, Board and Executive Planning Day and may undertake training as a group or for individual members, as necessary.

³ 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.*

- 3.4 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.
- 3.5 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.
- 3.6 The Board shall determine dates for the following year's ordinary meetings no later than the December meeting each year.

Quorum

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

Special Meetings

- 3.8 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.
- 3.9 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.
- 3.10 Where a special meeting is undertaken, only business specified in the notice of a special meeting is to be considered at the meeting.
- 3.11 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.

Officers in Attendance at Board Meetings

- 3.12 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:
 - 3.12.1 At least one representative of the executive staff.
 - 3.12.2 The Head of the Medical Staff Council, or a delegate.
 - 3.12.3 Any other person may attend any meeting of the Board as required and directed by the Board (including both ordinary and special meetings).
- 3.13 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.
- 3.14 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.

Agenda and Business Papers

- 3.15 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 usually include:
- 3.15.1 The Agenda for the meeting.
 - 3.15.2 A copy of the Minutes and action list of the previous meeting of the Board.
 - 3.15.3 A copy of the Minutes of any special meeting of the Board held since the last ordinary meeting.
 - 3.15.4 A Sub-Committee Chair's report of any meeting held since the Board's last ordinary meeting (may be in draft format).
 - 3.15.5 Reports from the Chair and Chief Executive.
 - 3.15.6 Participant Story.
 - 3.15.7 Staff Story.
 - 3.15.8 Business arising from the previous meeting.
 - 3.15.9 New business for consideration and items for discussion, with confidential items clearly marked.
 - 3.15.10 District Performance reports.
 - 3.15.11 Aboriginal Health.
 - 3.15.12 Details of a presentation to the Board, where relevant.
 - 3.15.13 Calendar of Events.
 - 3.15.14 Correspondence.
 - 3.15.15 Other Business.
 - 3.15.16 Details of the next meeting.
- 3.16 The Chief Executive will provide a draft agenda for the Board meeting to the Board Chair for approval. The Board Secretariat will prepare the papers as per the direction from the Chief Executive.
- 3.17 Board Papers are generally referred to the Board via a Board Sub-Committee, the Board Chair and the Chief Executive.
- 3.18 If a Board Member wishes to put a formal resolution at a Board meeting, he or she should:
- 3.18.1 Draft a resolution for consideration.
 - 3.18.2 Circulate the draft resolution and any background briefing paper to the Board members, Chair, Chief Executive and Board Secretariat, at least seven days prior to the meeting at which the Board member requests the matter be considered. Late Papers and resolutions proposed during the meeting can be accepted at the Board's discretion.

Terminology used for Board actions

- 3.19 Each Board paper is to be clearly marked with the recommended action to be taken by the Board. There are five 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 below:

Table 1: Terminology for Board actions

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

Order of Proceedings

- 3.20 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.
- 3.21 The general order of proceedings will be:
- 3.21.1 Acknowledgement of country
 - 3.21.2 Attendance and apologies of Members
 - 3.21.3 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.
 - 3.21.4 Confirm the minutes of the previous meeting, and minutes of any special meetings held since the last ordinary meeting
 - 3.21.5 Business as outlined in the agenda
 - 3.21.6 Members will be invited to raise other matters for consideration as Business Without Notice following General Business.
- 3.22 The Board may choose to consider matters in camera where necessary. In Camera sessions will be handled as outlined below.

Voting

- 3.23 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.

- 3.24 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.

Minutes

- 3.25 Minutes are recorded for Board meetings and Sub-Committee meetings. The Minutes record:
- 3.25.1 Date, time and place of the meeting.
 - 3.25.2 Names of the Chair, Members and all other persons present at the meeting and Members absent with apology.
 - 3.25.3 A summary of the business conducted at the meeting, including resolutions.
 - 3.25.4 Names of attendees providing formal advice to the Board or Sub-Committee and a summary of the advice provided.
- 3.26 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.
- 3.27 The draft Minutes, including any amendments, will be circulated by the Secretariat to all Board members as soon as practicable after the meeting. Board members will notify any amendments to the Secretariat as soon as possible.
- 3.28 The draft Minutes, including any amendment 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.
- 3.29 A record of each meeting will be made available for public access on the FWLHD website.
- 3.30 The Board Secretariat is responsible for drafting and disseminating the Minutes as above and maintaining the official record of Board Minutes.

Register of Resolutions

- 3.31 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.
- 3.32 All resolutions will be recorded chronologically, on a calendar year basis, numbered according to the date of their agreement.
- 3.33 The Secretariat will maintain a separate register of Standing Resolutions of the Board. A Standing Resolution is one that applies to the administrative functioning of the Board and is indefinite in its finalisation date.

- 3.34 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.
- 3.35 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.

Member Attendance and Leave

- 3.36 The Board Secretariat will maintain a record of 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.
- 3.37 There is an expectation that members will attend a minimum of 75% meetings per annum unless exceptional circumstances are approved by the Chair.
- 3.38 Information on Board Member attendance and leave will be provided to the Ministry of Health annually as requested.

Use of Teleconference Facilities

- 3.39 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. The Board is committed to ensuring that Board members attending by teleconference or video conference are able to engage in the meeting to the same extent as if they were present in the room.

In Camera Sessions

- 3.40 In Camera sessions are closed sessions of a Board meeting to discuss confidential matters, including but not limited to:
- 3.40.1 Board issues such as internal matters
 - 3.40.2 Board objectives and performance
 - 3.40.3 Review of the Chief Executive's performance
 - 3.40.4 Review of Executive personnel succession planning
 - 3.40.5 Discussion of government policies and their implications for the District
 - 3.40.6 Discussing legal advice and litigation.
- 3.41 In Camera sessions will generally be held at the end of a Board meeting, or as required at the discretion of the Chair.
- 3.42 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.
- 3.43 Minutes of an In Camera meeting will include:

- 3.43.1 Place, date and start time of the meeting
 - 3.43.2 The persons present
 - 3.43.3 Details of all resolutions
 - 3.43.4 Results of votes on all resolutions, if held
 - 3.43.5 Any formal objection
 - 3.43.6 Time of meeting close.
- 3.44 In order to maintain confidentiality, minutes of In Camera sessions will be filed separately from other records with access restricted as necessary. Minutes of In Camera sessions are confidential and will not be published.

Flying Minutes

- 3.45 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.
- 3.46 A Flying Minute will take the usual format of a Board Paper as outlined above, 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.
- 3.47 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.
- 3.48 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.

4 Annual Public Meeting

- 4.1 The Board is to hold an Annual Public Meeting in December each calendar year. The Annual Public Meeting is to be open to all members of the public, with the public able to address the meeting.
- 4.2 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.
- 4.3 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.
- 4.4 Minutes of the Annual Public Meeting will not be recorded; however, a summary of the proceedings may be recorded for the Board

5 Board and Executive Planning Day

- 5.1 The Board will hold a Planning Day each year with the Executive. The Planning Day will be used by the Board to determine the strategic direction for the District the coming year. This will include reviewing and updating the District's vision and long-term strategic plans and priorities. This will enable the Executive to translate the Board's strategic plans and priorities into annual business plans with deliverable outcomes.
- 5.2 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 Executive for planning purposes.

6 Board Training

- 6.1 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.
- 6.2 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.
- 6.3 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.

7 Declarations of Interest

- 7.1 All Board members are required to disclose conflicts of interest on an ongoing basis to the Board and the Board secretariat. For the avoidance of doubt, a Board Member must declare any conflict of interest that arises in the course of a meeting.
- 7.2 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.
- 7.3 Board members are required to update their key personnel declarations, as requested by the Chief Executive.
- 7.4 Board members are encouraged to declare other interests that do not conflict with the interests of the Local Health District but may be relevant to Board discussions.

8 Complaints and Disputes

- 8.1 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.
- 8.2 All complaints concerning Board matters, and / or the Board, must be made in writing and provide particulars of the complaint. The identity of the Complainant must be disclosed. Anonymous complaints will not be accepted.

9 Spokesperson and Representation

- 9.1 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.

10 Board Evaluation

- 10.1 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:
- 10.1.1 Board Membership
 - 10.1.2 Board Meetings
 - 10.1.3 Board Sub-Committees
 - 10.1.4 Board Functions and Responsibilities
 - 10.1.5 Board Member Orientation and Development
 - 10.1.6 Board Leadership, Teamwork and Management Relationships.
- 10.2 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.

11 Standing Committees of the Board

- 11.1.1 The FWLHD Board is to establish the following committees to provide advice or other assistance to enable the Local Health District perform its functions under the Act. Those committees are to include:
- 11.1.2 Audit and Risk
 - 11.1.3 Finance, Performance and Workforce
 - 11.1.4 Safety and Quality
 - 11.1.5 Aboriginal Health and Workforce
 - 11.1.6 such other committees as the Board determines.
- 11.2 The criteria under which these structures and forums function are set out in the *Corporate Governance and Accountability Compendium for NSW Health*⁴ and in the *NSW Health Model By-laws*.
- 11.3 Each of these committees has established Terms of Reference.
- 11.4 The Board is also required to establish a Medical and Dental Appointments Advisory Committee that advises the Chief Executive on issues related to medical appointments. Subcommittees of that committee (eg credentialing committees) may be established with limited delegated authorities.
- 11.5 The Local Health District (under the auspices of the Chief Executive) is to establish the following structures and forums to provide input for medical, nursing and allied health staff:
- 11.5.1 Medical Staff Councils.
 - 11.5.2 Hospital Clinical Councils.

11.5.3 A Local Health District Clinical Council.

11.6 The criteria under which these structures and forums function are set out in the Model By-laws.

11.7 FWLHD may enter into agreements with other LHDs or partner organisations, such as the University Department of Rural Health, to share resources where this provide economies of scale, such as establishing a single Medical and Dental Appointments Advisory Committee, and sharing services across ICT, research and ethics.

12 Role of the FWLHD Board Chair

12.1 The Chair is the leader of the Board, the official representative and spokesperson for the Board and the principal link between the Board and the Chief Executive. The role of the Board Chair is specified in the NSW Government Boards and Committees Guidelines, and are as follows:

12.2 The Chair is responsible for leading the activities of the board or committee. The Chair's responsibilities include:

12.2.1 Ensuring that the board or committee performs its functions, acting within any relevant statutory powers, legal obligations and complying with approved policies relevant to the entity (including whole of government policies).

12.2.2 Facilitating the conduct of meetings to allow frank and open discussion.

12.2.3 Ensuring individual members make an effective contribution.

12.2.4 Developing the capability of the board or committee and its members.

12.2.5 Facilitating the flow of information to members and stakeholders.

12.2.6 Liaising with the relevant Ministers, Secretary and Chief Executives.

12.2.7 Reviewing the performance and contribution of members.

13 Role of the FWLHD Board Deputy Chair

13.1 The FWLHD Board Chair may appoint a Deputy Chair, in consultation with the Board.

13.2 If the Chair is unavailable, the Deputy may take on the responsibilities of the Chair on a temporary basis.

14 Role of the Board Directors

14.1 Board members are appointed for the good of the organisation and are not there to represent the group or interest that nominated them. The role of the Board Member is not one of direct representation of any particular sectional interest, rather they must carry out their role and functions in the interests of the organisation and the community it represents as a whole.

14.2 Directors are expected to be forthright in meetings, to be adequately prepared and consider all aspects of any issue that influences the strategic direction of the organisation. The Board

⁴ [Corporate Governance and Accountability Compendium for NSW Health](#)

Directors must respect the FWLHD Executive's operational role in Execution of the Board strategy. Outside the Boardroom Directors must support all Board decisions to stakeholders. The Board members are required to be bound by an agreed Code of Conduct.

- 14.3 The *Corporate Governance and Accountability Compendium for NSW Health*⁵ defines the roles and responsibilities for Directors in Section 3.4.

Compliance with Laws and Policy Directives

- Requirement to comply with relevant legislation including regulations.
- Requirement to comply with the Department of Premier and Cabinet Conduct Guidelines for Members of NSW Government Boards and Committees, and the NSW Health Code of Conduct.

Fiduciary duties of good faith

- Duty to act honestly and properly for the benefit of the organisation.
- Duty to disclose interests in matters before the board, including potential conflicts of interest.

Duty not to divert (without properly delegated authority) the organisation's property, information and opportunities.

Duty to act honestly and properly for the benefit of the organisation.

- A board member must not act in self-interest and must at all times avoid any conflict between their duty to the board and the health organisation, and their own or third party interests.
- A board member has an overriding and predominant duty to serve the interests of the board and the health organisation, in preference, wherever conflict arises, to any group of which he or she is a member or which elected him or her.
- A board member has a duty to demonstrate leadership and stewardship of public resources.

Duty to disclose interest

- A board member must disclose to the board any direct or indirect interest the member has in a matter before them.
- A statutory form of this duty is set out in the Health Services Act 1997. It requires a board member to remove themselves from deliberation and voting on a matter in which they have a direct or indirect pecuniary interest.

Duty not to misuse the organisation's property, information or opportunities

- Duty of confidentiality of information about the affairs of the board or its organisation obtained as a board member.
- Release of information by a board member must be both lawful and either required by law or authorised by the board.

- The use of the organisation's property, information or opportunities must be authorised by the board and be for the benefit of the organisation.

Duty of care and diligence

- Board members are required to exercise care and diligence in the exercise of their powers.
- A board member need show no greater skill than may reasonably be expected from a person of his/her knowledge and experience.
- A board member is not required to give continuous attention to the organisation's affairs – the duties are intermittent to be performed at and in preparation for board meetings.
- Where duties may properly be left to an officer of the organisation, a board member is justified in trusting the officer to perform the duties honestly.

15 Review of Charter

- 15.1 The FWLHD Board Charter shall be reviewed every year in July.