

# Board Charter

Policy owner: HNC Board  
Policy contact: Company Secretary  
Draft approved by: HNC Board  
Approval date: 27 April, 2021

# Board Charter

## 1. Introduction

The purpose of the Board Charter (the Charter) is to set out the powers, roles, processes and functions of the Board of Directors for Healthy North Coast Ltd (HNC) trading as North Coast Primary Health Network.

In undertaking its responsibility, the HNC Board derives its authority to act from the HNC Constitution (the Constitution) and the Corporations Act 2001 (Cth) (the Corporations Act). Any power, role, responsibility, process or function of the Board outlined in this Charter is consistent with the requirements of the Constitution and the Corporations Act and the provisions of this Charter should be read in such a way. This Charter is supplemented by other organisation policies, manuals, terms of reference for Board committees/sub-committees and the like.

## 2. Vision and Values

The HNC vision is “healthy people in North Coast communities”. In achieving this vision, HNC has four strategic priorities. These are:

- Grow high-performance teams focussed on quality
- Commissioning for health equity using evidence and innovation
- Deliver better health outcomes through leadership and collaboration
- Strengthen the primary care health system

The key values underlying the HNC vision are:

- Respect
- Integrity
- Collaboration
- Innovation
- Results driven
- Have fun

## 3. Governance Roles

### Powers, Duties & Role of the Board

The standards and conduct adopted by the Board will reflect the standards for corporate governance practised and promoted by HNC and other highly regarded companies which can be looked to as leaders and models. This will be in addition to the standards and conduct prescribed by the Constitution and the Corporations Act.

The Board will determine HNC strategic objectives and broad policies which must aim to achieve the organisation’s vision, through measurable outcomes.

The Board will set the overall strategic direction that is necessary to ensure that HNC goals are achieved and will exercise stewardship of the organisations resources in a manner that enables the goals to be met.

While responsible to the members of the organisation, the Board will have regard to the interests of the organisation as a whole, including its employees, its clients and to the organisation's social responsibilities to the communities where its operations have an impact.

### **Individual Directors**

All Directors are entitled to be heard at all meetings and should bring an independent judgment to bear in decision-making.

In individually discharging his/her duties, each Director serving on the Board must:

- exercise care and diligence
- act in good faith, and in the best interests of HNC
- not improperly use his/her position or misuse HNC information; and
- commit the time necessary to discharge effectively his/her role as a Director.

Each Director gives an undertaking to attend any induction or orientation program designed specifically for the Board. Such programs may be tailored to suit individual needs and requirements.

Additionally, it is preferred that individuals joining the Board of HNC are graduates of the Company Directors Course delivered by the Australian Institute of Company Directors (AICD). If they have not previously completed the Course, it is expected that they undertake it, or an alternative course approved by the Board, within the first six months of joining the Board.

The authority to speak to media, or to publish materials, whether electronic or print, through either conventional or social media avenues, rests with the Chairperson and/or CEO. This authority may be delegated to another Director(s).

### **Powers, Duties & Role of the Board Chairperson**

The duties of Chairperson arise from his or her position as the duly elected senior non-executive officer of HNC and the responsibility for presiding over the official business of HNC and the Board.

The Chairperson's duties include:

- ensuring the Board performs its roles and functions
- managing the relationship between the Chief Executive Officer (CEO) and the Board
- managing the business of the Board and presiding over its meetings, resolving differences between Directors and seeing that decisions are reached promptly
- ensuring that all relevant issues are on the agenda and that all Directors receive timely, relevant information to enable them to be effective members
- ensuring that each Director fully participates in the Board's activities
- advising the Board, after appropriate consultation with all Directors, on candidates for appointment as CEO; also making recommendations to the Board on the retirement or removal of the CEO
- promoting the interests of HNC as a whole in relation to the members, governments, other public organisations, other companies and the public generally.

## **Powers, Duties & Role of the Chief Executive Officer**

As the HNC CEO appointed by the Board, he or she is responsible to the Board for directing and promoting the efficient operation and development of the organisation, consistent with HNC objectives.

The CEO's duties will include:

- exercising executive stewardship of HNC's resources
- being responsible to the Board for the development of the organisation and its sustainable and viable operation, including the profits, cash and costs of its business
- preparing and submitting to the Board organisational budget(s)
- ensuring that such action is taken as is necessary to secure the timely and effective implementation of the objectives, policies, strategies and plans set by the Board and of other decisions taken by or on behalf of the Board
- ensuring that safety, health and environmental performance of HNC is implemented in line with the policies agreed by the Board
- ensuring that adequate career development, succession and remuneration arrangements exist for Senior Officer positions and the organisation generally and that talented managers are retained and developed
- leading the processes for communicating to, and consulting with, employees
- keeping the Chairperson and the Board informed as appropriate on his or her involvement in stakeholder relations, including relations with the members, governments, other public organisations, other companies and the public generally
- regularly keeping the Chairperson and the Board informed as appropriate on all matters that may be of importance to HNC.

## **4. Key Board Functions**

The main functions of the Board in carrying out its role are as follows:

- appointment of CEO and review of his or her performance
- supporting the CEO in the discharge of his or her responsibilities
- setting and endorsing objectives, policies and strategies
- approve major changes in organisational structure
- delegating clear responsibility and authority to the committees of the Board, the CEO and monitoring and reviewing regularly the performance of those who hold delegated powers
- keeping under review the general progress and long-term development of the organisation in the light of the political, economic and social environments in which it operates
- defining the powers to be reserved to the Board
- monitoring the financial state and performance of the organisation (including investment and finance plans), determining the desired financial objectives and approving the budget
- ensuring that HNC adheres to appropriate standards and values and that proper policies are developed and followed in relation to:

- a) compliance with laws
- b) safety, health and environment matters
- c) corporate and clinical governance
- determining that the organisation accounts are true and fair
- determining that satisfactory arrangements are in place for auditing the organisation's financial affairs, including selecting and recommending any changes to auditors
- ensuring appropriate workforce strategies including adequate career development, succession and remuneration arrangements.

## 5. Board Processes

### Meetings of Directors

The HNC Board meets at least six (6) times per annum to consider the business of the organisation.<sup>1</sup> Of the six (6) meetings, up to four (4) may be face-to-face meetings. Directors may join meetings using electronic means such as video or telephone conferencing.

Board meetings are held in any location agreed to by the Board. It is expected that Directors will attend all meetings unless they are on leave or cannot attend due to exceptional circumstances. Should a Director miss more than two meetings in a 12 month period, they will need to show reasonable cause.

Additionally, Directors are expected to attend strategic planning and professional development days/workshops, and general meetings of the company.

Board members are to prepare for Board meetings by completing readings and associated tasks related to the work of the Board e.g. Board emails, agendas, meeting notes, discussion papers, program updates, documents uploaded on web-based portals, reports etc.

The CEO and/or managers may also attend meetings of the Board on request.

At times, a decision of the Board may be required between meetings. Where it is impracticable to call a special meeting prior to the decision needing to be made, a Circular Resolution may be used for making the decision, in accordance with the guidelines set out in the Board Circular Resolutions Procedure. It is expected that Circular Resolutions would be used in limited circumstances only and where the decision was of an urgent nature.

### Obtaining of Advice by Directors

Directors and organisational committees have access to the advice of external experts, at the expense of HNC, when reasonably required. Requests for such advice are made by Directors at meetings of the Board or directly to the Chairperson. Requests must be assessed as to whether they are appropriate, necessary and affordable, and must be endorsed by the Board. Advice obtained is made available to the whole Board.

---

<sup>1</sup> Please note that the Board Remuneration Policy states that there may be up to 14 meetings per annum.

## **Conflicts of Interest**

The Board observes general Conflict of Interest guidelines which apply if there is, or may be, a real or perceived conflict between the personal or other interests of a Director and the business of HNC.

If there is a change to a Directors Declaration of Conflict of Interest form, this is to be provided to the company secretary as soon as possible, and before the next meeting of the Board, to make amendment to the Conflict of Interest Register.

## **Indemnity and Directors/Officers Insurance**

Every Director/Officer, and past Director/Officer of the Company may be indemnified by HNC, to the fullest extent permitted by law, against a liability incurred by that person as an officer of the Company, including without limitation legal costs and expenses incurred in defending an action.

## **Board Meeting Agenda**

The agenda for Board meetings will be made available two weeks prior to the scheduled meeting.

Every agenda will incorporate standing items including apologies, conflict of interest declaration, approval of previous meeting minutes, business arising from the previous minutes, Chairperson and CEO reports and budget and performance reports. These will be followed by other and new business.

If a Board member would like to add an item to the agenda, it is to be provided to the Company Secretary at least six (6) working days before the meeting is scheduled to take place.

In exceptional circumstances, Board members may table new business items at the meeting — this is to be kept to a minimum.

## **Board Minutes**

The Board must cause minutes of all proceedings of general meetings, of Board meetings and committees formed by the Directors to be entered, within one month after the relevant meeting is held, in books kept for the purpose.

The Board must cause all minutes to be signed by the Chairperson of the meeting at which the proceedings took place or by the Chairperson of the next succeeding meeting.

## **The Board Calendar**

As the Board meetings receive minutes and reports from various Committees, the Board and Committee calendars will be scheduled to align ensuring well-timed and propitious reporting to the Board.

## **Board Committees**

The Board may, in its absolute discretion, establish one or more committees to provide advice and recommendations to the Board on specified matters.

The Board may delegate any of the Board's powers to committees consisting of Directors or other persons as the Board sees fit.

## 6. Continuing Improvement

The Board, at least biennially, will undertake a performance evaluation of itself that:

- (1) compares the performance of the Board with the requirements of its charter; and
- (2) effects any improvements to the Board charter deemed necessary or desirable.

The performance evaluation will be conducted in such manner as the Board deems appropriate.