

Board Charter

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Board Charter

1. Introduction

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

The Board is responsible for the governance of HNC and this Charter sets out how the Board will uphold its governance responsibilities.

In undertaking those responsibilities, 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 should be read so that it 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 Board-approved 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 and modelled 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, the Corporations Act and Australian case law.

The Board will determine HNC’s strategic objectives and strategic direction to achieve the organisation’s vision through measurable outcomes and ensure that HNC goals are achieved.

Board composition requirements are set out in the Constitution (clause 10.1).

The Board will exercise stewardship of the organisation's resources in a manner that enables the goals to be met.

While responsible to the company and striving to advance members' legitimate interests and the charitable object of the company, the Board will also have regard to the interests of the organisation's stakeholders, including its employees clients and the broader communities where its operations have an impact.

The Board must ensure compliance with all ACNC requirements and the ACNC Governance Standards.

Individual Directors

All Directors are entitled to be heard at Board meetings, and each should bring an independent judgment to bear in the Board's decision-making.

In individually discharging his/her duties, each Director must (among other duties):

- act with reasonable care and diligence
- act honestly and fairly in the best interests of HNC and for its charitable purposes
- not misuse their position or information they gain as a Director
- disclose conflicts of interest and conflicts of duty
- ensure that the financial affairs of HNC are managed responsibly
- not allow HNC to operate while it is insolvent
- commit the time necessary to discharge effectively their role as a Director.

Acting in the best interest of HNC includes ensuring that the Director prioritises HNC's interests, even if the Director is associated with a particular stakeholder or interest group. When acting as a Director, that individual is not a representative of that stakeholder or interest group.

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

It is expected that Directors have recent professional development and training relevant to service on a Board of Directors and that this is maintained throughout the course of their service on the Board as per Board Remuneration Policy

The authority to speak to media, or to publish materials, whether electronic or print, through either conventional or social media avenues, rests with the Chair and/or CEO. This authority may be delegated to another Director(s). Authority in relation to this is outlined in the Delegations Policy.

Whether or not a Director is explicitly authorised to represent HNC, the Director should maintain high standards of conduct at all times because their actions could potentially impact negatively on HNC's reputation.

Powers, Duties & Role of the Board Chair

The duties of the Chair 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 Chair's legal and governance responsibilities include:

- setting the agenda for the matters to be considered by the Board
- seeking to ensure that the information provided to the board is relevant, accurate, timely and sufficient to keep the board appropriately informed of the performance, finances, affairs, opportunities and challenges of the organisation, and of any developments that may have a material impact on it
- seeking to ensure that communications with stakeholders, member organisations, regulators, government and other funders and the public are timely, accurate and relevant
- facilitating open and constructive communications amongst Board members and encouraging their contribution to board deliberations
- overseeing and facilitating board, committee, board member and CEO evaluation reviews and succession planning
- liaising and interfacing with the CEO as the primary contact between the Board and management

Powers, Duties & Role of the Chief Executive Officer (CEO)

As the HNC CEO appointed by the Board, they 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:

- providing strategic leadership and leading to create vision
- building strong strategic partnerships and alliances with a variety of stakeholders
- maintaining optimal governance of HNC
- providing the Board with sufficient, timely and accurate information to enable the discharge of its governance responsibilities
- oversight of the effective performance of HNC's statutory functions
- putting systems in place to comply with WHS and other statutory obligations
- ensuring that HNC has capacity, structures and practices to enable it to effectively meet the objectives of its Strategic Plan and its key performance indicators
- developing financial and business plans, strategies and budgets to ensure accountability, efficient provision of health services and the long-term financial viability of HNC
- ensuring commissioning arrangements and processes are systematically followed and result in the intended outcomes designed to meet the needs of the community
- developing strategic and operational plans for HNC to guide the delivery of programs and projects
- fostering and building an organisational culture compatible with the goals of HNC
- undertaking strategic workforce planning to meet goals and outcomes of strategic plan, as well as having a clear strategy for succession planning

For a full description of the CEO's powers, duties and roles, refer to the Delegations Policy and the CEO Position Description.

Company Secretary

The Company Secretary plays an important role in supporting the effectiveness of the board and its committees. The role of the company secretary should include:

- advising the board and its committees on governance matters
- monitoring that board and committee policy and procedures are followed
- coordinating the timely completion and despatch of board and committee papers
- ensuring that the business at board and committee meetings is accurately captured in the minutes
- helping to organise and facilitate the induction and professional development of directors.

Each director should be able to communicate directly with the company secretary and vice versa. The decision to appoint or remove a company secretary should be made or approved by the board.

4. Key Board Functions

The Board is responsible for:

- overseeing HNC, including HNC's control and accountability systems
- leading and shaping appropriate corporate culture, for both the Board and HNC
- appointment of CEO and review of his or her performance
- supporting the CEO in the discharge of their responsibilities
- Recruitment, retirement or removal of the CEO
- ensuring that appropriate resources are available to HNC's executive leadership team in the discharge of their duties
- setting and endorsing HNCs corporate strategy and performance objectives
- setting and periodically reviewing HNC's risk appetite and reviewing, ratifying and monitoring HNC's risk management system and internal controls, codes of conduct, clinical governance systems, policies and legal compliance
- approve major changes in organisational structure
- delegating clear responsibility and authority to the committees of the Board, the CEO and individual Directors (as applicable), regularly reviewing the Delegations Policy and updating it as needed, 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
- Financial matters, including:
 - approval of annual accounts and directors' reports
 - approval of accounting policies
 - approval of the internal audit plan

- any question of borrowing or giving security over assets
- treasury policies including foreign currency and interest rates
- bank accounts and signatories
- acceptance of audit reports including management letters
- approval of major expenditure items as per Delegations Policy

5. Board Processes

Meetings of Directors

Ordinarily, the HNC Board meets at least eight (8) times per annum to consider the business of the organisation. Of these, four (4) are usually scheduled as face-to-face meetings. Directors may join meetings using electronic means such as video or telephone conferencing. From time to time, there may be additional meetings required, either face-to-face or electronically.

Face-to-face 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 scheduled meetings in a 12 month period, they will need to show reasonable cause. The Constitution allows for automatic cessation of office where a Director is absent from all Board meetings over a consecutive period of 6 months without the prior consent of the Board (clause 10.2.3).

Tasks falling within the usual scope of office as a Director, as per the Board Remuneration Policy include:

- attendance at Board orientation
- attendance at approximately 8 Board meetings per year (subject to the Board's workload)
- preparation for Board meetings, including readings and associated tasks related to the work of the Board such as Board emails, agendas, meeting notes, discussion papers, program updates, reports
- attendance at 1-2 day Board retreat/planning event(s) per year
- attendance at 1-2 meetings of members (one being the Annual General Meeting) per year
- stakeholder briefings and/or joint meetings, Advisory Council meetings or other events (not being general meetings of HNC's members)
- participation in any internal or external Board review processes that may be conducted
- undertaking professional development training related to the role of a Director (including independently using the "annual professional development payment" noted above)

In line with the Code of Conduct, Directors must keep all Board meeting discussions and resolutions confidential, except where they are otherwise required or permitted to disclose them.

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 Constitution (clause 13.36) and 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.

Board remuneration and travel expenses incurred are covered in line with the Board Remuneration Policy.

Obtaining of Advice by Directors

Directors and Board Sub-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 Chair. 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.

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. Additionally, further requirements specific to HNC are outlined in the Board Conflicts of Interest and Related Parties Policy and Procedure. References to “conflict of interest” are to be read broadly, as including references to a Director’s conflicts of duty, and also a Director’s “material personal interests” for the purposes of the Corporations Act.

If there is a change to a Directors Declaration of Conflict of Interest Standing 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. The Board will be informed of each Director’s declared conflicts.

Indemnity and Directors/Officers Insurance

Under the Constitution (clause 5), every current and past Director, may be indemnified by HNC, to the fullest extent permitted by law, against a liability incurred by that person as an officer of HNC, including without limitation legal costs and expenses incurred in defending an action. HNC holds appropriate Directors’ and Officers’ insurance (or equivalent).

Board Meeting Agenda

Where possible, the agenda for Board meetings will be made available two weeks prior to the scheduled meeting. The Constitution requires a minimum notice period of 48 hours, but this can be waived by all Directors agreeing in writing, and the Board can also pass a resolution to specify a different minimum notice period (clause 13.2).

Other than for Board meetings called on short notice, or to deal with a specific item of business, every agenda will incorporate standing items including apologies, conflict of interest declaration, approval of previous meeting minutes, business arising from the previous minutes, Chair 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, after consulting with the Chair.

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 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 Chair of the meeting at which the proceedings took place or by the Chair of the next succeeding meeting.

The Board Calendar

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

Board Sub-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.

The Board remains responsible for considering and deciding whether to approve or adopt committee decisions or recommendations.

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 this Charter; and
- (2) effects any improvements to this Charter that the Board deems necessary or desirable.

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