

Finance and Performance Committee Charter v5.0



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Date: April 2022

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Version: v5.0

2. The Charter

This document, to be known as the Finance and Performance Committee Charter (the Charter), has been approved by the Gold Coast Hospital and Health Board (the Board). Any previous version of the Charter/Terms of Reference is hereby revoked.

The Charter establishes the Finance and Performance Committee's purpose, function, membership, guiding principles, reporting and administrative arrangements.

3. Purpose

The Gold Coast Hospital and Health Service is a statutory body under the *Hospital and Health Board Act 2011*.

The Finance and Performance Committee (the Committee) reports directly to the Board and functions under the authority of the Board in accordance with the *Hospital and Health Boards Regulation 2012*, Section 33.

The purpose of the Committee is to provide advice and make recommendations to the Board in relation to the following:

- Monitor activity performance against prescribed indicators and targets, including the scorecard and measures in the Service Agreement signed with the Chief Executive of Queensland Health.
- Review significant strategic business cases (>\$2 million) in collaboration with the Executive Committee and recommend to the Board for approval as appropriate.
- Monitor the strategic implications of the medium to long term asset management strategies of the organisation.
- Monitor performance and implementation of strategic initiatives to mitigate risk and improve quality.
- Review performance improvement initiatives recommended by the Chief Executive.

4. Scope and Function

The following statutory obligations of this Committee will be fulfilled through the functions above:

- Assessing the Gold Coast Hospital and Health Service's (GCHHS) budgets, ensuring the budgets are:
 - Consistent with the organisational objectives of the GCHHS
 - Appropriate, having regard to the GCHHS's funding and the terms of the Service Agreement with the Chief Executive of Queensland Health.
- Monitoring cash flow, having regard to the revenue and expenditure of GCHHS.
- Monitoring the financial and operating performance of GCHHS.
- Monitoring the adequacy of the financial systems, having regard to its operational requirements and obligations under the *Financial Accountability Act 2009*.
- Assessing and providing advice to the Board on financial risks and opportunities which may impact the financial performance of the organisation, and the management plans in place to mitigate risk.
- Assessing complex or unusual financial transactions and providing advice to the Board on suitability, controls and risk management.
- Any other functions given to the Committee by the Board, providing that the function is not inconsistent with the above.

5. Authority and Decision Making

The Committee has an oversight role and does not replace or replicate management's primary responsibilities and delegations, or the responsibilities of other executive management groups within the Gold Coast Hospital and Health Service (GCHHS).

The Committee is advisory in nature, and does not hold financial, procurement or any other form of delegation on behalf of the Board. The Committee is a "prescribed committee" under Part 7, s31 of the *Hospital and Health Boards Regulation 2012*. The Committee has no Executive powers, it may pass resolutions however it is not authorised to make decisions.

A resolution is validly made by the Committee, even if it is not passed at a meeting, if most of the Committee members give written agreement to the resolution and notice of the resolution is given under procedures approved by the Committee.

In discharging its responsibilities, the Committee has the following authorities:

- The Chair of the Committee can access all information and personnel that are reasonably required to fulfill the Committee Charter.
- The Chair of the Board and the Chief Executive will be consulted where information requests are considered of a private, sensitive, or confidential nature.
- The Committee may request the attendance of any member of the Executive Management Team, including the Chief Executive, or member of the Board, at a Committee meeting.
- The Committee may seek advice from external advisors, including legal or financial advisors, with approval of the Board.
- The Committee may recommend investigations, reviews, and reports on matters within its Charter.
- The Committee may recommend matters to the Board for approval or noting.
- Issues unable to be resolved by the Committee are escalated to the Board.

The Chair of the Committee has the authority to create relevant sub-committees or other subordinate bodies deemed necessary to assist the Committee in discharging its responsibilities.

6. Guiding Principles

The Committee must recognise and adhere to the principles set out in the *Hospital and Health Boards Act 2011*, *Hospital and Health Board Regulation 2012*, the *Public Service Act 2008* and the *Financial Accountability Act 2009* in carrying out the Committee's function.

The relevant principles from the above-mentioned legislation are contained in **Appendix 1** of this Charter. The Committee must also conduct itself in accordance with the GCHHS values below:

Values	
Integrity	To be open and accountable to the people we serve
Community First	To have the patients and the community's best interest at heart
Excellence	To strive for outstanding performance and outcomes
Respect	To listen, value and acknowledge each other
Compassion	To treat others with understanding and sensitivity

7. Relationships

The Committee reports directly to the Board. The Committee may recommend matters to the Board for approval or noting.

The Committee and other Committees of the Board may refer matters between each other for deeper analysis or investigation and reporting back within the terms of reference of the referring committee.

At the discretion of the Committee Chair, representatives of relevant GCHHS groups may be invited to attend meetings on behalf of their respective representative group.

Following each Committee meeting, the Committee Chair will provide a summary report to the Board.

8. Reporting

The Committee will provide prompt and constructive reports on its findings directly to the Board, highlighting issues it considers are not being adequately addressed by management, particularly those issues which could present a material risk or threat to the GCHHS.

The Chair may give a verbal or written report at any meeting of the Board at the invitation of the Chair of the Board.

The Draft Committee Workplan shown at **Appendix 2** has been developed in line with the responsibilities and key performance indicators outlined in the Charter. Each year, the Draft Committee Workplan will form the basis of an Annual Committee Workplan to be developed throughout the year to include additional discussion items as and when required.

The Committee provides the following reports:

Recipient	Report	Frequency	Responsibility
Board	<i>Finance and Performance Committee Minutes</i>	<i>After each meeting</i>	<i>Secretariat</i>
Board	<i>Finance and Performance Committee Chair summary report</i>	<i>After each meeting</i>	<i>Chair</i>

The Committee may also receive reports or presentations from other employees or external agencies as and when required or where relevant to the Committee's functioning. The standing reports include:

Report	Frequency	Responsibility
<i>Finance and Performance Report</i>	<i>Each meeting</i>	<i>Chief Finance Officer</i>
<i>Finance and Activity Flash Report</i>	<i>Each meeting</i>	<i>Chief Finance Officer</i>
<i>Executive Performance on a Page Report</i>	<i>Each meeting</i>	<i>Chief Finance Officer</i>

<i>Transformation Office Overview / Quarterly Project Report</i>	<i>Quarterly</i>	<i>Executive Director, Strategy, Transformation and Major Capital</i>
<i>Aboriginal and Torres Strait Islander KPI Report</i>	<i>Quarterly</i>	<i>Executive Director, Corporate Affairs</i>

9. Key Performance Indicators

The Committee will regularly monitor the HHS's performance against relevant Service Agreement Key Performance Indicators specifically related to Performance and Funding.

10. Membership

The Committee shall have at least three (3), members of the Board. All Committee members are to be appointed by the Board. The Board Chairman is an ex-officio member of the Committee. Additional members can be considered by the Chair of the Committee and recommended to the Board for approval. Current Committee membership is outlined at **Appendix 3**.

Chairperson

- The Chair will be appointed by the Gold Coast Hospital and Health Board
- In the absence of the Chair, an alternate Board member may be nominated by the Chair of the Board until the Board appoints another Committee Chair or the existing Committee Chair returns
- The Chair is responsible for ensuring that an induction process is undertaken for all new members
- The Chair may delegate that the induction be performed by another Finance and Performance Committee member or the Secretariat.

Standing Invitees

The following persons shall be invited to attend each meeting:

- Board Directors
- Chief Executive
- Chief Finance Officer
- General Manager, Surgical and Critical Care
- General Manager, Medicine
- General Manager, Emergency and Specialist Services
- Executive Director, Corporate Affairs
- Executive Director, Strategy, Transformation and Major Capital
- Executive Director, People and Operations.

Whilst it is expected that the occupants of the abovementioned positions will be in attendance, where special circumstances prevent their attendance, appropriate staff in their absence can and should attend (but not vote).

Proxies

Proxies are not permitted if the member is unable to attend meetings.

Whilst it is expected that the occupants of the Standing Invitees will be in attendance, where special circumstances prevent their attendance, appropriate staff in their absence can and should attend (but not vote).

11. Quorum Arrangements

The quorum for the Committee meetings will comprise of 50% of members, or if 50% is not a whole number, the next highest whole number, including the Chair. Ex-officio and external members should not be included in the count when determining the number needed for a quorum and they should not be counted when determining if a quorum is present.

Members participating in a meeting by use of technology, such as teleconferencing, are taken to be present at the meeting.

12. Frequency of Meetings

The Committee will meet monthly (except in January), and the schedule of meetings will be agreed in advance. The Chair may call additional meetings as required.

13. Secretariat

The Secretariat support function will be provided by the Corporate Affairs division. The role of the Secretariat is outlined in the GCHHS Board Charter and includes the preparation of meeting papers and administrative support. The Secretariat will prepare and maintain a corporate file of the Committee's records.

Files must be kept securely and confidentially in accordance with the requirements of the *Public Records Act 2002*. Records must also be retained in accordance with Queensland Government's General Retention and Disposal Schedule for Administrative Records. In general, papers considered by the Committee are retained permanently.

14. Agenda, Papers, Minutes, Reports and Summary

The agenda should be set allowing for appropriate consultation to include emerging issues and emphasis on the most significant risks and threats.

Agenda

- Members wishing to place items on the agenda must notify the Secretariat at least fifteen (15) working days prior to the scheduled meeting.
- The agenda must be cleared by the Chair prior to distribution to members.
- Agenda and relevant (supporting) papers will be sent out to all members four working (4) days prior to the meeting.
- Late agenda items will be tabled at the discretion of the Chair.

Papers, Submissions and Reports

Papers in respect to agenda items are to be supplied to the Secretariat no later than ten (10) working days prior to the scheduled meeting via email to gchhsboard@health.qld.gov.au.

- Papers must be submitted on the correct cover paper template, available from the Secretariat.
- All papers must be submitted in Word format (as per Committee cover paper template), unless otherwise agreed.
- The numbers and names of electronic attachments must mirror the numbers and names used in the cover paper.

- Papers are quality reviewed by the Secretariat and cleared by the Executive Director, Corporate Affairs prior to distribution to the Committee.

Minutes

- Minutes of meetings will be prepared by the Secretariat within five (5) business days of the meeting.
- Minutes (and action items) must be cleared by the Chair within seven (7) business days of the meeting, subject to confirmation by the Committee at the next meeting, prior to distribution to Members and other board directors.
- Minutes will be distributed to all Members and other board directors immediately, once cleared by the Chair.
- Minutes are included in the meeting papers, and are taken as draft until they are ratified at the next meeting of the Committee.
- Minutes should comply with the Minuting Guidelines as detailed in the Board Charter.

15. Urgent Out of Session Matters

Items can be managed out-of-session where the item is urgent and must be considered before the next scheduled meeting. Out-of-session matters must be minuted at the next meeting of the Committee.

16. Conflict of Interest

To meet the ethical obligations under the *Public Sector Ethics Act 1994*, members must declare any conflicts of interest, whether actual, potential, apparent, or likely to arise, and manage those in consultation with the Chair. In relation to specific agenda items of Committee meetings, real, potential, or apparent conflicts of interest are to be advised at the beginning of each Committee meeting. A register of conflicts of interest will be maintained by the Secretariat.

Committee members (and other attendees) must, at the start of the meeting, declare any conflicts of interest whether actual, potential, or perceived. The Chair of the Committee must require the conflicted person to leave the room while the remaining members determine whether the conflicted person is entitled to attend the meeting for the discussion.

17. Confidentiality

Members of the Committee may receive information that is regarded as 'commercial-in-confidence', clinically confidential or have privacy implications. Members acknowledge their responsibility to maintain confidentiality of all information that is not in the public domain.

18. Committee Performance and Professional Development of Members

The Committee will review its performance on annual basis, including compliance (or otherwise) with the Charter, the results of which is to be provided to the Board. The Board may commission an external peer review of the Committee's performance at its discretion.

The Committee will develop an annual workplan based on the workplan provided at **Appendix 2**. The work plan is linked to Board and Committee functions, the GCHHS Strategic Plan and Service Agreement, and details the activities to be completed by the Board and its Committee during the financial year.

The Committee will be evaluated in terms of its performance against the approved Charter and the annual work plan through an annual self-assessment process (refer Appendix 4).

The Chair may provide Committee members with feedback on their contribution to the Committee's activities, and periodically arrange professional development for Committee members.

19. Changes and/or Review of the Charter

The Charter may be altered following Committee consultation, endorsement by the Chair of the Committee, and approval by the Board. The Charter will be reviewed annually.

This Gold Coast Hospital and Health Board Finance and Performance Committee Charter was formally approved by the Gold Coast Hospital and Health Board on 19 April 2022.



Signature

Ian Langdon

Board Chair

Gold Coast Hospital and Health Board

20. Document Control

Date	Nature of Amendment	Version
16 February 2021	Revised Charter to align with new branding template approved by the Board – refer HB21-02C1	v3.0
12 August 2021	Amendment Committee membership as approved on 26 May 2021 by the Board – refer HB21-05C2	v3.1
12 August 2021	Amendment to Invited Attendees in section 10 – Membership.	v3.2
12 August 2021	Amendment to the <i>Hospital and Health Boards Act 2011</i> to reflect changes current as at 30 April 2021, and review of all other legislation.	v3.3
12 August 2021	Amendment of Committee Workplan – Appendix 2.	v3.4
21 September 2021	Revised Charter approved by the Board – refer HB21-09C1	v4.0
10 March 2022	Minor amendments to formatting following the annual review of the charter.	v4.1
19 April 2022	Revised Charter approved by the Board – refer HB22-04C1	v5.0

Contact for enquiries and proposed changes:

Contact	Board and Executive Services
Phone	5687 0516 or 5687 0514
Email	gchsboard@health.qld.gov.au

Appendix 1 – Legislation

Hospital and Health Boards Act 2011 (Current as at 9 September 2021)

“Division 4, Guiding Principles of Act - 13 - Guiding principles:

- (1) The following principles are intended to guide the achievement of this Act’s object—
 - (a) the best interests of users of public sector health services should be the main consideration in all decisions and actions under this Act;
 - (b) there is a commitment to ensuring quality and safety in the delivery of public sector health services;
 - (c) there is a commitment to achieving health equity for Aboriginal people and Torres Strait Islander people;
 - (d) there is a commitment to the delivery of responsive, capable and culturally competent health care to Aboriginal people and Torres Strait Islander people;
 - (e) providers of public sector health services should work with providers of private sector health services to achieve coordinated, integrated health service delivery across both sectors;
 - (f) there should be responsiveness to the needs of users of public sector health services about the delivery of public sector health services;
 - (g) information about the delivery of public sector health services should be provided to the community in an open and transparent way;
 - (h) there is a commitment to ensuring that places at which public sector health services are delivered are places at which—
 - (i) employees are free from bullying, harassment and discrimination; and
 - (ii) employees are respected, and diversity is embraced; and
 - (iii) there is a positive workplace culture based on mutual trust and respect;
 - (i) there should be openness to complaints from users of public sector health services and a focus on dealing with the complaints quickly and transparently;
 - (j) there should be engagement with clinicians, consumers, community members and local primary healthcare organisations in planning, developing and delivering public sector health services;
 - (k) opportunities for research and development relevant to the delivery of public sector health services should be promoted;
 - (l) opportunities for training and education relevant to the delivery of public sector health services should be promoted.
- (2) A person must have regard to the guiding principles when performing a function or exercising a power under this Act”.

Public Service Act 2008 (Current as at 1 July 2021)

“Division 1, management and employment, Section 25 - The management and employment principles:

- (1) Public service management is to be directed towards—
 - (a) providing responsive, effective and efficient services to the community and the Government; and
 - (b) maintaining impartiality and integrity in informing, advising and assisting the Government; and
 - (c) promoting collaboration between Government and non-government sectors in providing services to the community; and
 - (d) continuously improving public service administration, performance management and service delivery; and
 - (e) managing public resources efficiently, responsibly and in a fully accountable way; and

- (f) promoting the Government as an employer of choice; and
 - (g) promoting equality of employment opportunity.
- (2) Public service employment is to be directed towards promoting—
- (a) best practice human resource management, including through the application of positive performance management principals; and
 - (b) equitable and flexible working environments in which all public service employees are—
 - (i) treated fairly and reasonably; and
 - (ii) remunerated at rates appropriate to their responsibilities; and
 - (c) a diverse and highly skilled workforce drawing from Government and non-government sectors; and
 - (d) employment on tenure as the default basis of employment for employees in the public service, other than for non-industrial instrument employees.

Subsections (1) and (2) are the management and employment principles”.

Financial Accountability Act 2009 (current as at 2 June 2021)

“Section 61 - Functions of accountable officers and statutory bodies

- (1) Accountable officers and statutory bodies have the following functions—
- (a) to achieve reasonable value for money by ensuring the operations of the department or statutory body are carried out efficiently, effectively and economically;
 - (b) to establish and maintain appropriate systems of internal control and risk management;
 - (c) to establish and keep funds and accounts in compliance with the prescribed requirements;
 - (d) to ensure annual financial statements are prepared, certified and tabled in Parliament in accordance with prescribed requirements;
 - (e) to undertake planning and budgeting for the accountable officer’s department or the statutory body that is appropriate to the size of the department or statutory body;
 - (f) to perform other functions conferred on the accountable officers or statutory bodies under this or another Act or a financial and performance management standard”.

Hospital and Health Boards Regulation 2012 (Current as at 30 April 2021)

“Part 7 Committees of boards: 31 Prescribed committees

- (1) For schedule 1, section 8(1)(b) of the Act, the following committees are prescribed—
- (a) a safety and quality committee;
 - (b) a finance committee;
 - (c) an audit committee under the *Financial and Performance Management Standard 2009*, section 35.
- (2) The board establishing the committee may assign a different name to a committee mentioned in subsection (1), if the name is appropriate having regard to the committee’s functions”.

“Section 33, Functions of a finance committee

- (1) A finance committee established by Service’s board has the following functions—
- (a) advising the board about the matters stated in paragraphs (b) to (g);
 - (b) assessing the Service’s budgets and ensuring the budgets are—
 - (i) consistent with the organisational objectives of the Service; and
 - (ii) appropriate having regard to the Service’s funding;

- (c) monitoring the Service's cash flow, having regard to the revenue and expenditure of the Service;
- (d) monitoring the financial and operating performance of the Service;
- (e) monitoring the adequacy of the Service's financial systems, having regard to its operational requirements and obligations under the *Financial Accountability Act 2009*;
- (f) assessing financial risks or concerns that impact, or may impact, on the financial performance and reporting obligations of the Service, and how the Service is managing the risks or concerns;

Examples of financial risks or concerns for paragraph (f)—

- the accuracy of the valuation of fixed assets
- the adequacy of financial reserves

- (g) assessing the Service's complex or unusual financial transactions;
- (h) any other function given to the committee by the Service's board, if the function is not inconsistent with a function mentioned in paragraphs (a) to (g).

Examples of functions for paragraph (h)—

- Performance and resource management functions".

Appendix 2 – Example Committee Workplan

The Draft Committee Workplan has been developed in line with the responsibilities and key performance indicators outlined in the Charter. Each year, the Draft Committee Workplan will form the basis of an Annual Committee Workplan to be developed throughout the year to include additional discussion items as and when required. This document will constantly be updated, and the below table is designed to give an indication only. The Committee does not meet in January.

February	March	April	May	June	July	August	September	October	November	December
Finance Performance Report I Moody	Finance Performance Report I Moody	Finance Performance Report I Moody	Finance Performance Report I Moody	Finance Performance Report I Moody	Finance Performance Report I Moody	Finance Performance Report I Moody	Finance Performance Report I Moody	Finance Performance Report I Moody	Finance Performance Report I Moody	Finance Performance Report I Moody
Finance and Activity Flash Report – I Moody	Finance and Activity Flash Report – I Moody	Finance and Activity Flash Report – I Moody	Finance and Activity Flash Report – I Moody	Finance and Activity Flash Report – I Moody	Finance and Activity Flash Report – I Moody	Finance and Activity Flash Report – I Moody	Finance and Activity Flash Report – I Moody	Finance and Activity Flash Report – I Moody	Finance and Activity Flash Report – I Moody	Finance and Activity Flash Report – I Moody
Deep Dive (Topic TBC)	Deep Dive (Topic TBC)	Deep Dive (Topic TBC)	Deep Dive (Topic TBC)	Deep Dive (Topic TBC)	Deep Dive (Topic TBC)	Deep Dive (Topic TBC)	Deep Dive (Topic TBC)	Deep Dive (Topic TBC)	Deep Dive (Topic TBC)	Deep Dive (Topic TBC)
Transformation office verbal update – S Kumar	Transformation office verbal update – S Kumar Finance and Performance Committee Charter review – S Dixon	Transformation Office Overview / Quarterly Project Report – S Kumar	Transformation office verbal update – S Kumar	Transformation office verbal update – S Kumar	Transformation office verbal update – S Kumar	Transformation Office Overview / Quarterly Project Report – S Kumar	Transformation office verbal update – S Kumar	Transformation office verbal update – S Kumar Annual self-assessment – Chair	Transformation office verbal update – S Kumar	Transformation Office Overview / Quarterly Project Report – S Kumar
Budget setting process (SLA negotiations) – R Calvert/ I Moody		Budget preparation 2021/22 – I Moody	Preliminary Budget – I Moody							
Review of special payments over \$5000 and Gifts and Benefits Register – I Moody		Quarterly Aboriginal and Torres Strait Islander Update – S Dixon	Review of special payments over \$5000 and Gifts and Benefits Register – I Moody		Quarterly Aboriginal and Torres Strait Islander Update – S Dixon	Review of special payments over \$5000 and Gifts and Benefits Register – I Moody		Quarterly Aboriginal and Torres Strait Islander Update – S Dixon	Review of special payments over \$5000 and Gifts and Benefits Register – I Moody	

Appendix 3 – Membership as of 19 April 2022

Member	Committee Membership Type	Initial Board Appointment Date	Current Tenure Cessation Date
Ms Teresa Dyson	Chair and Member	18/05/2016	31/03/2026
Mr Ian Langdon	Member	18/05/2012	31/03/2024
Mr Michael Kinnane ESM	Member	18/05/2018	31/03/2026
Mr Peter Dowling AM	Member	10/06/2021	31/03/2024
Prof Cindy Shannon AM	Member	18/05/2020	31/03/2024

Appendix 4 – Finance and Performance Committee Self-Assessment Tool

	Strongly agree	Agree	Undecided	Disagree	Strongly disagree
Membership					
1. The size of the Committee is appropriate to the business and the responsibilities in the Charter					
2. The Committee has an appropriate balance of skills, knowledge and experience					
3. Reviewed reports provided by management on key finance and performance matters					
Meetings					
4. The Committee meets regularly throughout the year and the number of meetings is appropriate for the business and the responsibilities of the Committee.					
5. Sufficient member attendance at all meetings					
6. The agenda and meeting papers are provided well in advance of meetings					
7. Minutes are taken and appropriately circulated to members in a timely manner, and to the Board					
Governance					
8. Any potential, actual or perceived conflicts have been appropriately managed in line with agreed policies and processes					
9. Executive management are readily accessible to discuss confidential matters privately as required					

10. Reviewed the Committee Charter					
11. Evaluated Committee Performance					
12. Developed and followed an annual forward meeting and work plan					
13. Appropriate balance between financial matters and performance					
14. Appropriate / adequate governance-oriented coverage of HHS services					
15. All members of the Committee have opportunities to participate					
<i>Other comments</i>					