Health
Central Coast
Local Health District

CCLHD BOARD CHARTER

Contents:

1. Overview

- Local Health Districts have been established in NSW to operate public hospitals and institutions and provide health services to communities within geographical areas.
- The Central Coast Local Health District (the District) provides public health services to the communities of the Central Coast Council. The region attracts many young families and retirees and experiences higher than average population growth, particularly in the northern end of the Central Coast. The District has two acute hospitals, one sub-acute facility and provides a range of community health services from centres located across the Central Coast in addition to other community based services. Gosford is the principal referral hospital and regional trauma centre for the Central Coast and Wyong Hospital is a major metropolitan hospital while Woy Woy Hospital provides sub-acute care.
- CCLHD Vision:
    - The District's vision encompasses delivering trusted care and better health for everyone. We are unwavering in providing our community with care they trust and that matters most to them, and where all people can enjoy fulfilling lives.
- Central Coast Local Health District Strategic Plan:
    - Strategic Priorities:
        - Enhance care in our community and clinics
        - Optimise care in our hospitals
        - Enable people to live healthy and fulfilling lives
        - Build trust and improve care with Aboriginal patients
        - Our people feel valued, trusted and inspired to deliver their best
- The objective of the CCLHD Board Charter (the Charter) is to:
    - Set out the framework for governance within CCLHD.
    - Define the Board's role, primary goals and objectives.

- Articulate the authority and responsibilities of the Board and Board Members and the Board's relationship with the Chief Executive and other key governance relationships.
- Outline the composition of the Board, including appointment of Board Members and the remuneration process.
- Outline Board meeting process.

- The CCLHD Board Charter will be reviewed and reassessed by the Board annually.

2. Defining governance roles

- The CCLHD Board (the Board) is the peak governance body for the District.

2.1. Board composition

- Currently, the CCLHD Board consists of the Chair, Deputy Chair and Board members as listed. (refer Appendix A).
- Members are appointed to the Board by the Minister for Health to ensure an appropriate mix of skills and expertise to oversee and provide guidance to the District. These include:
  - expertise and experience in matters such as health, financial or business management.
  - expertise and experience in the provision of clinical and other health services.
  - representatives of universities, clinical schools or research centres.
  - knowledge and understanding of the community.
  - other background, skills, expertise, knowledge or expertise appropriate to the District.
  - at least one member with expertise, knowledge or experience in relation to Aboriginal health.
- The Chief Executive is not a Member of the Board, but under the *Health Services Regulation 2018* is entitled to attend Board meetings *ex officio.*

- At least one of the Chairs of the Gosford or Wyong Medical Staff Councils will attend Board meetings as an invitee to provide guidance and advice to the Board.
- The Executive Director Acute Care Services, the District Director, Finance and Corporate Services, District Director Quality, Strategy and Improvement and District Director Community Wellbeing and Allied Health will attend Board meetings as invitees.
- Other members of the Executive Leadership Team will attend Board meetings on an ad hoc basis as invitees to provide guidance and advice to the Board.
- The Board may invite other individuals to attend all, or part of a meeting as required.
- The CCLHD Model By-Laws also establish processes for medical, nursing and midwifery and allied health staff to nominate short lists of interested clinicians for the Minister to consider when making appointments to the Board, providing for local clinical input on the Board.
- Board Members are appointed for a specific term of up to five (5) years.
- A Member whose term of office expires is eligible for re-appointment, but may not be appointed so as to hold office for more than ten (10) years in total, whether or not the appointments are consecutive.
- The position of a Board Member is vacated if the member:
    - completes a term of office and is not re-appointed
    - is absent without notice from 4 consecutive meetings of the Board of which reasonable notice has been given to the members personally or in the ordinary course of post (except on leave granted by the Board or unless, before the expiration of 4 weeks after the last of those meetings, the member is excused by the Board for being absent from those meetings)
    - resigns, dies, becomes bankrupt or mentally capacitated
    - is convicted of certain criminal offences
    - is removed by the Minister.

2.2. Board committee structure

- The CCLHD Committee Structure is an important mechanism to assist the Board monitor the District's obligations under the *Health Services Act 1997*.
- The Board Sub-Committees are:
    - Audit and Risk Management Committee (mandated advisory).
    - Finance and Performance Committee (mandated governance).
    - Health Care Quality Committee (mandated governance).
    - Consumer and Community Committee (advisory).
    - Aboriginal Health Partnership Advisory Council (advisory).
    - People and Culture Committee (governance).
    - Research Committee (governance).
- The following legislated Committees have also been established reporting via the Chief Executive through to the Board:
    - CCLHD Clinical Council (mandated advisory).
    - Medical and Dental Appointments Advisory Committee, including Credentials (Clinical Privileges) Sub-Committees (mandated/advisory).
    - Medical Staff Councils (MSCs) (mandated/advisory). 2 meetings of the combined MSCs are held each year.
- The Board Chair will nominate the Chairs and/or Board Representatives of the Board Sub-Committees in accordance with any legislated or Ministry requirements (refer Appendix B).
- CCLHD Executive Committees report to the Board through the Board Sub-Committees and/or through the Chief Executive.
- CCLHD Operational/Consultative and Divisional/Service Committees report to the CCLHD Executive Committees through reports, minutes and/or representation or through the Chief Executive and/or the Executive Leadership Team.
- If required, the Board may request the Chief Executive to establish a new committee.

2.3. Role of the Board

- The Board will guide and direct the District though establishing and oversighting effective governance and risk management frameworks for the District, setting its strategic directions and monitoring its performance.
- More generally, the Board is responsible for establishing and maintaining effective health service systems that meet the needs of the community.
- The Board has specific statutory functions, outlined in section 28 of the *Health Services Act 1997*. Those functions are to:
    - ensure governance/compliance with Legislation and/or policies related to the Board and its sub-committees
    - ensure effective clinical and corporate governance frameworks are established to support standards of patient care and services and to approve those frameworks.
    - approve systems to support the efficient and economic operation of the District, to ensure it manages its budget and meets performance targets, and to ensure District resources are applied equitable to meet the health and wellbeing needs of the Central Coast community.
    - ensure strategic plans to guide the delivery of services are developed for the District and to approve those plans.
    - seek the views of providers and the Central Coast community on the District's policies and confer with the Chief Executive on how to encourage community and clinician involvement in planning services.
    - advise providers and consumers of health services, and other members of the community served by the District, as to the District's policies, plans and initiatives for the provision of health services.
    - provide strategic oversight of, and monitor, the District's financial and operational performance under the State-wide

performance framework against the identified performance measures in the Service Agreement.
    - confer with the Chief Executive on operational targets and performance measures to be negotiated in the Service Agreement and approve the Agreement.
    - liaise with the Boards of other Districts on both local and state-wide initiatives for the provision of health services.
    - enter the annual performance agreement with the Chief Executive required by Health Executive Services provisions of the *Health Services Act 1997.*
    - appoint the District's Chief Executive (with the concurrence of the Secretary), and exercise employer functions in relation to, the Chief Executive.
    - monitor the performance of the Chief Executive.
    - ensure the number of senior executives employed to enable the District 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 *Health Services Act 1997*.
    - such other functions as are conferred or imposed on it by the *Health Services Regulation 2018*.
- Work Health and Safety
    - Under the *Work Health and Safety Act 2011*, Board Members have obligations as 'persons who conduct a business or undertaking' (PCBU)
    - The Board and the Chief Executive are responsible for having health and safety systems implemented across the District to eliminate/minimise workplace injuries; as well as injury management plans in returning injured employees to work (including external employment) and must discharge their duties to the extent that they have the capacity to influence or control the matter.

- These functions are in the nature of governance oversight and the Board or Board Committee should not undertake a day to day management and/or operational role.
- The Board must not exercise a function in a way that is inconsistent with the exercise of a function by the Secretary (including a function that has been delegated by the Secretary).

2.4. Role of the Chair

- The role of the Chair is specified in the *NSW Government Boards and Committees Guidelines* (September 2015)
- The Chair will be aware of the requirements of the Board as per:
    - *The Health Services Act 1997*
    - *The Ministry of Health Corporate Governance & Accountability Compendium*
    - *CCLHD Board Terms of Reference*
    - *NSW Health Policy Directives for which the Board (or Board Members) has a responsibility*
- The Chair is responsible for leading the activities of the Board by:
    - ensuring that the Board performs its functions, acting within any relevant statutory powers, legal obligations and complies with approved policies relevant to the entity (including whole of government policies).
    - liasing with the relevant Ministers, Secretary and Chief Executive
    - developing the capability of the Board and its members
    - reviewing the performance and contribution of members
    - facilitating the conduct of meetings to allow frank and open discussion, including:
        - ensuring that Board Members have the resources/information they require to make appropriate decisions.
        - ensuring that matters are dealt with in an orderly, efficient manner.

        - ensuring that processes are in place to meet the reporting obligations of the Board and Board Sub-Committees.
        - ensuring that processes are in place to ensure all actions are monitored and completed.
        - ensuring that formal minutes are kept of all meetings.
    - The Chair has an oversight role in respect to the appointment of the District's Chief Executive by the Board. In addition, the Chair also enters into the Annual Performance Agreement with the Chief Executive and undertakes his/her annual performance review as provided for under the Health Executive Service Framework.
    - The Chair will attend meetings of the NSW Health Council of Chairs and provide feedback to Board Members.
    - The Chair will evaluate the performance of individual members and make recommendations to the Minister as required.
    - The Chair will ensure that the performance of the Board will be evaluated at least annually.

2.5. Role of the Deputy Chair

- The Deputy Chair is appointed following the submission of an Instrument of Appointment to the Ministry of Health for approval.
- The Deputy Chair will act and exercise all the functions of the office of the Chair during the Chair's absence.

2.6. Role of individual members

- The role of the Board Member is not one of direct representation of any particular sectional interest, rather a Member of the Board must carry out their role and functions in the interests of the District and the Central Coast community as a whole.
- As outlined in the NSW *Health Corporate Governance & Accountability Compendium* (December 2012), the general legal duties applicable to Board Members are:
    - compliance with laws and policy directives

- requirement to comply with relevant legislation including regulations. For Public Health Organisations, the relevant Act is the *Health Services Act 1997.*
- requirement to comply with the *NSW Government Boards and Committees Guidelines*, and the *PD2015_049 - NSW Health Code of Conduct.*
- fiduciary duties of good faith
    - duty to act honestly and properly for the benefit of the District.
    - duty to disclose interests in matters before the Board, including potential conflicts of interest.
    - duty not to divert (without properly delegated authority), The District's property, information and opportunities.
- duty to act honestly and properly for the benefit of the District.
    - 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 District, 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 District 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.
    - Board Members will provide a completed Declaration of Interest Form on appointment, with the information contained

within the form to be included CCLHD Conflicts of Interests Register. The Member will update this form annually.

- duty not to misuse the District's property, information or opportunities
  - Duty of confidentiality of information about the affairs of the Board or the District 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 Chair, the Chief Executive and the Manager Corporate Communications are available to provide advice to Members as required.
    - the use of the District's property, information or opportunities must be authorised by the Board and be for the benefit of the District.
- 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 District'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 District, a Board Member is justified in trusting the Officer to perform the duties honestly.

- Board Members will attend Board meetings and participate in discussion and decision making processes.
- Board Members will attend Board Sub-committee meetings as required.

2.7. Role of the Chief Executive

- The role of the Chief Executive is set out in section 24 of the *Health Services Act 1997.* The Chief Executive manages and controls the affairs of the District.
- The Chief Executive is, in the exercise of his/her function, accountable to the Board.
- The Chief Executive will ensure that the Chair and Board Members are provided with sufficient resources/information to enable to the Board to make informed and appropriate decisions.
- The Chief Executive will provide appropriate administrative support to the Board.

3. Key Board functions

3.1. The Board and strategy

- The Board will liaise with the Chief Executive and the Executive Leadership Team to determine the long term strategic direction for the District.
- The Board will endorse the Strategic Plans developed for the District.
- The Board will ensure that processes are in place to ensure the evaluation of the implementation and ongoing monitoring of the District's Strategic Plans.
- External factors that have significant impact on the operation of the District will be reported to the Board for discussion, analysis and recommendation.

3.2. The Board and the Chief Executive

- The Chair will make recommendations to the Minister for the appointment of the Chief Executive and, where it considers it appropriate to do so, make recommendations concerning the removal

of the Chief Executive. In both instances, the Chair will liaise with the Board to confirm the Board's consensus.

- Matters pertaining to the performance of the Chief Executive may be escalated to the Board Chair via a senior executive. The Chair will then refer the matter to the Board for discussion.
- The Board may delegate authorities to the Chief Executive, either permanently or for a set period of time.

3.3. Monitoring

- The Board will monitor and evaluate the performance of the District through the Board Finance & Performance Committee in particular and other Board sub-committees in general.
- The Chair of the Board Finance & Performance Committee will be a Member of the CCLHD Board and will provide a report to each meeting of the Board.
- The Service Agreement between the District and NSW Health will be reviewed and approved by the Board.

3.4. Risk management

- As per Ministry of Health *PD2022_023 – Enterprise-wide Risk Management,* the Board will:
  - Ensure an effective risk management framework (including risk appetite and risk tolerance) is established and embedded in to the clinical and corporate governance processes of the District.
  - Seek information from the Chief Executive as necessary to satisfy itself that risks are being identified and mitigation strategies are in place and effective
- The Board will monitor and evaluate the District's risk management approach and frameworks through the Audit & Risk Management Committee.
- The CCLHD Executive Leadership Committee will have responsibility for the overall governance of the District's Enterprise-wide Risk Management Framework.

- The District's high and extreme Risk Register will be reviewed quarterly by the Executive Leadership Committee and a Risk Report will be provided to the Board for review and noting.

3.5. Policy Framework

- The District's Policy Governance framework is managed by the Corporate Governance Unit.
- The Policy & Procedure Implementation Committee (PPIC) is responsible for the review and approval of all District policies, procedures and guidelines. Current versions are published on the District's intranet.
- The District has in place a governance process to ensure that all Ministry Policy Directives are implemented. The process is monitored by the PPIC and reported to the Executive Leadership Committee with issues escalated to the Board through the Chief Executive.
- Policy Directives that include a Board responsibility are submitted to the Board at the next available meeting.

3.6. Stakeholder communication

- The Consumer and Community Committee has been established to provide overarching governance to the District's Consumer Engagement Framework and to develop and implement communication strategies to actively engage with consumers and the community.
- The Board will seek the advice of the Chief Executive and the Consumer & Community Committee to ensure that all stakeholders have access to relevant information about the District, its performance and operation
- Relevant stakeholder representation will be included in the membership of the District's committees where required.
- Members will be expected, on occasions, to attend health service-related activities in a representative capacity to strengthen the two-way communications process between the Board and the community.

3.7. Decision-making

- The Chief Executive will ensure that the Chair and Board Members are provided with sufficient resources and information to enable the Board to make informed and appropriate decisions.
- Only a Member of the Board (not Invitees) may vote at a meeting of the Board.
- Any matter put to the vote at any meeting of the Board is to be decided by a show of hands or by secret ballot if requested by a member attending the meeting.
- A decision supported by a majority of the votes cast at a meeting of the Board at which a quorum is present is the decision of the Board.
- The Board may, if it thinks fit, transact any of its business by the circulation of papers among all the members of the Board and a resolution in writing, approved in writing by a majority of these Members, is taken to be a decision of the Board.
- A resolution approved by the Board is to be recorded in the minutes of the meetings of the Board.
- 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 (3) months from the date of that meeting.

4. Board Meeting Processes

4.1. Board meetings

- Ordinary meetings of the Board will be held each month with the exception of January when a decision will be made by Board Members

in December of the previous year as to whether a meeting will be held to discuss urgent items that are unable to be held over to the February meeting.

- An annual meeting schedule will be distributed to the Membership prior to January each year.
- The quorum for each meeting of the Board will be 50% of the membership plus 1.
- The Board may, if it thinks fit, transact any of its business at a meeting at which Members (or some Members) participate by telephone or other means, but only if any Member who speaks on a matter before the meeting can be heard by the other Members.
- A Member participating from a remote location will be regarded as being present at the meeting for the purposes of the calculation of a quorum.
- The Chair may call a special meeting of the Board and will provide notice to each Member at least 7 days prior to the meeting.
- The Chair may hold an 'in camera' meeting at the end of any ordinary or special meeting for matters to be dealt with in confidence.
- A CCLHD Annual Public Meeting will be held in November each year.

4.2. Board meeting agenda

- Issues for inclusion on the Board Agenda will only be raised by the following:
    - Board Chair and Members
    - CCLHD Chief Executive
    - CCLHD Senior Executive
- The Chair and the Chief Executive will approve issues for inclusion on the Agenda.
- Issues for submission to the Board will be accompanied by a Briefing Note which outlines the key issues and recommendations.
- Late items will only be included on the Agenda with the approval of the Chair.

4.3. Board papers

- The Agenda and papers for any meeting of the Board will be circulated electronically at least seven (7) business days prior to the meeting.
- Late papers will only be added to the meeting papers at the discretion of the Chair.
- Board Members are expected to have reviewed all meeting papers to enable appropriate discussion and decision making to occur at the meeting.
- The Minutes of Board Meetings are required to be publicly available.

4.4. Committees and Councils

- The following Committees/Councils, mandated by the *CCLHD Model By-Laws* have been established:
  - Audit & Risk Management Committee
  - Finance & Performance Committee
  - Health Care Quality Committee
  - CCLHD Clinical Council
  - Site Medical Staff Councils (combined meeting held bi-annually)
  - Medical & Dental Appointments Advisory Committee / Credentials (Clinical Privileges) Sub-committees
- The following additional Committees have also been established as sub-committees of the Board:
  - Aboriginal Health Partnership Advisory Council
  - Consumer & Community Committee
  - People and Culture Committee
  - Research Committee
- The following Executive Governance Committees have been established:
  - Executive Leadership Committee (ELC)
- The Board may request the Chief Executive to establish additional Committees as required.
- Members may be required to sit on Board committees as a Chair or as a Member.

- The CCLHD Committee Structure will be reviewed each year by the Chief Executive and Executive Leadership Team and submitted to the Board for endorsement and recommendations.

5. Board effectiveness

5.1. Board Member selection

- Board Members are appointed by the Minister for Health using the selection criteria mandated by the *Health Services Act 1997* that ensures an appropriate mix of skills and expertise to oversee and provide guidance to the District (Refer Section 2.1 – Board Composition).

5.2. Director induction and development

- Newly appointed Board Members will meet with the Chair and the Chief Executive prior to the first meeting of the Board and will be provided with information relevant to the District and the role of the Board.
- In addition to any training provided by the Ministry, the Chair and the Chief Executive will organise education and training days as required.
- Board Members may, with the approval of the Chair, attend conferences and other forums specific to their Board roles and responsibilities.

5.3. Director protection

- The Corporations Law does not apply to local health districts and, as such, Board Members are not subject to the criminal and civil penalty regimes under that Legislation.
- Section 133B of the *Health Services Act 1997* provides additional protection from personal liability for the Board, a Member of the Board or a person acting under the direction of the Board or the District, in relation to acts or omissions done in good faith for the purposes of executing that or any other Act.

- The Treasury Managed Fund Contract for Coverage for Public Health Organisations includes directors and officers cover, which provides an indemnity for actions committed by Board Members or Committees in good faith for the purpose of discharging their governing Board or Committee duties.

5.4. Board evaluation

- A self-evaluation of the Board's performance against the Terms of Reference will be held as part of the annual review of the Board's Terms of Reference.
- The CCLHD Board Charter will be reviewed annually by the Board and updated as required.

6. Director Remuneration

- Board Members will be remunerated for attendance at Board meetings as per Ministry of Health *IB2013_013 – Remuneration – Local Health District and Speciality Network Board Members*.
- Board Members will be remunerated quarterly with payment to be coordinated by the Corporate Governance Unit. It is the responsibility of Board Members to ensure that meeting attendance claim forms are correct.
- Claims for reimbursement of expenses will be authorised by the Chair prior to the expense being incurred. Such claims are to be submitted to the Corporate Governance Unit for processing.
- It is expected that claims for travel will only be submitted for travel to areas outside of the Central Coast and will not include travel to and from Board meetings.

7. References:

- Health Services Act 2017
- Health Services Regulation 2018
- Central Coast Local Health District By-Laws
- Corporate Governance Compendium
- Work Health and Safety Act 2011
- NSW Health Guidelines for Boards: WHS and Due Diligence
- IB2013_013 – Remuneration – Local Health District and Speciality Network Board Members
- PD2022_023 – Enterprise-wide Risk Management (NSW Health Policy Directive)

Appendix A

CCLHD Board Membership

Name	Position	NHRA Appointment Criteria	Appointment Date - up to an including
Professor Donald MacLellan	Chair		31 December 2024
Mr Greg Healy	Deputy Chair	Expertise and experience in health management, business management and financial management	31 December 2024
Mr Timothy Ebbeck	Member	Expertise in health management, business management and financial management	31 December 2024
Dr Brent Jenkins	Member	Expertise in health management, business management and financial management	31 December 2024
Mr Robert King	Member	Understanding local community issues	31 December 2025
Dr William Munro	Member	Expertise and experience in the provision of clinical and other health services (MSC nominated)	31 December 2025
Ms Sarah Winter	Member	Knowledge and understanding of the community served by the District.	31 December 2025

Appendix B

CCLHD BOARD
Representation on Mandatory/Advisory Committees

Committee	Board Representative	Status
Audit and Risk Management Committee	Professor Donald MacLellan	Ex Officio
Finance and Performance Committee	Mr Greg Healy	Chair
	Professor Donald MacLellan	Member
	Mr Timothy Ebbeck	Member
Health Care Quality Committee	Vacant	Chair
	Professor Donald MacLellan	Member (A/Chair)
Medical and Dental Appointments Advisory Committee (MDAAC)	Mr Robert King	Chair
	Dr William Munro	Member
Consumer and Community Committee	Ms Sarah Winter	Chair
	Mr Robert King	Member
Research Committee	Dr Brent Jenkins	Chair
	Professor Donald MacLellan	Member
People and Culture Committee	Mr Robert King	Chair
	Ms Sarah Winter	Member