

Board Finance and Performance Committee Charter



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Charter

Finance and Performance Committee

1. Purpose

The Sunshine Coast Hospital and Health Board (the Board) Finance and Performance Committee (the Committee) is responsible for assisting the Board in its oversight of Sunshine Coast Hospital and Health Service (SCHHS) financial, commercial and performance related policies, strategies and position. The committee does not replicate or replace established management responsibilities and delegations. In fulfilling its responsibilities, the Committee will observe and promote the organisational values of Integrity, Compassion, Accountability and Innovation.

2. Legislative Authority

The *Hospital and Health Boards Act 2011* (the Act) requires the Board to establish a finance committee with the functions set forth in the *Hospital and Health Boards Regulation 2012* (the Regulation). The Regulation provides that the Board may assign a different name to a committee if the name is appropriate, having regard to the committee's function. Consequently, the Board has established the Finance and Performance Committee (the Committee).

The Committee is an advisory committee of the Board and has no executive powers, unless the Board, by resolution, delegates a certain power to the Committee. The Committee may examine any matter in relation to its functions as it sees fit or as requested by the Board. Where a matter for consideration is beyond the scope of the Committee's functions, the decision is to be referred to another committee of the Board where relevant, or to the Board.

Elements of this Charter that are prescribed by legislation or regulation are shown as text in italics.

3. Functions

In accordance with section 33 of the Regulation, the Committee 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;

In accordance with the provision in the Regulation allowing the Board to assign to the Committee any other relevant function, the Board has assigned the following additional functions to the Committee:

(h) reviewing and monitoring the SCHHS Digital Health Strategy

(i) monitoring the budget and status of major capital projects

(j) strategic oversight of asset management strategies and plans.

4. Risk Management

A proactive approach to risk management will underpin the business of the Committee. The Committee will:

- (a) Identify risk, and mitigating strategies, associated with all decisions made; and
- (b) Implement processes to enable the Committee to identify, monitor and manage critical risks as they relate to the functions of the Committee.

5. Reporting

The Committee provides the following reports to the Board:

| Report | Frequency | Responsibility |
|-------------------------------|-----------|----------------------|
| Summary of Committee meetings | Monthly | Chair, F&P Committee |

The Committee receives the following reports:

| Report | Description/type | Frequency | Responsibility |
|--------------------------------------|--------------------------|-----------|----------------|
| Finance and Operational Performance | Performance against KPIs | Monthly | CFO and COO |
| Enterprise Project Management Office | Summary report | Monthly | CFO |
| Digital Health | Summary report | Monthly | HSCE |
| Asset and Infrastructure | Summary report | Monthly | HSCE |

The Committee may also receive reports as required or as requested where the report is relevant to the Committee's functions.

The Committee, via the Committee Chair, will provide written and verbal reports and recommendations to the Board highlighting issues it considers warrant Board discussion.

6. Committee Composition

The Committee consists of four members appointed by the Board. Members will be members of the Board, or, where the Board considers it does not have the necessary expertise, it may appoint an external member to the Committee.

Collectively, the Committee members will possess (or, with the consent of the Board, may obtain assistance from experts to assist them in possessing):

- Commitment to the continual improvement in financial performance
- High level of understanding of sound financial practice
- High level of understanding of best practice in financial management

- Sound understanding of health service funding and performance metrics
- Strong business acumen, a high level of competency in financial matters and the ability to analyse financial and operational management reports

In addition, the Committee may request the attendance at any meeting of any person who, in their opinion, may be able to assist the Committee in any matter under consideration.

Members are not permitted to appoint a proxy to attend a meeting on their behalf.

The Board will review the Committee's composition as required but no less than annually.

Subject to the presence of any conflict of interest all Board members are entitled to attend Committee meetings.

Standing invitees at meetings include the:

- Health Service Chief Executive
- Chief Finance Officer
- Chief Operating Officer
- Executive Director Legal and Governance.

7. Role of the Committee Chair

The Board will appoint a member of the Board to be the Chair of the Committee.

The role of the Committee Chair includes:

- Setting the Committee agenda
- Facilitating the flow of information and discussion
- Conducting Committee meetings and other business
- Ensuring the Committee operates effectively
- Reporting to the Board on the activities of the Committee.

8. Role of the Manager Board Operations

The Manager Board Operations is responsible for:

- Organising Committee meetings and Committee member attendance
- Coordinating the completion and dispatch of Committee agendas, Committee papers and briefing papers
- Preparing minutes of meetings and resolutions of the Committee
- Providing a point of reference for communications between the Committee and the Executive
- Monitoring that Committee procedures and protocols are followed.

All members have direct access to the Manager Board Operations for advice and services relating to the operation of the Committee.

9. Role of the Chief Finance Officer

The Chief Finance Officer will:

- Liaise closely with the Committee in relation to financial issues
- Ensure that all relevant financial issues and proposals are placed on the Committee's agenda and that appropriate staff members are available to brief the Committee
- Report on financial outcomes affecting the SCHHS.

10. Role of the Chief Operating Officer

The Chief Operating Officer will:

- Provide advice and report to the Committee on all relevant areas of accountability including analysis of activity performance against key performance indicators and metrics
- Ensure all relevant operational performance matters are brought forward to the Committee.

11. Conduct of Committee Meetings

11.1 Committee Agenda and Papers

The Committee Chair, CFO, COO and Manager Board Operations are responsible for preparing agendas in line with the committee work plan and any other matters that fit within the remit of the committee's functions and priorities.

All Committee papers must be approved by the relevant Executive Director and the HSCE prior to being submitted to the Manager Board Operations for distribution to Committee members

11.2 Meetings and attendance

Meetings of the Committee are to be held at the times and places the Committee Chair decides. Unless otherwise agreed, the Committee will meet monthly.

Exceptional circumstances aside, Committee members will be provided with at least 48 hours' notice of meetings.

11.3 Quorum

A quorum for a meeting of the Committee is one-half of the number of its members, or if one-half is not a whole number, the next highest whole number.¹

11.4 Presiding at Meetings

The Committee Chair is to preside at all meetings of the Committee at which the Committee Chair is present. If the Committee Chair is not present, a member of the Committee chosen by the members is to preside.

11.5 Decision making

As an advisory committee the recommendations of the Committee will be regarded as a collective decision or advice unless there is material dissension.

If consensus cannot be reached, the Chair of the Committee reserves the right to escalate the matter to the Board.

The minority view will be recorded in the minutes of the meeting and placed before the Board.

11.6 Minutes

The Committee must keep minutes of its meetings and a record of any written resolutions made by it.²

The Manager Board Operations is responsible for taking the minutes.

Board members are responsible for ensuring minutes are accurate and reflect a true and correct record of the procedures and decisions of meetings.

¹ HHBA, Schedule 1, Section 4.

² HHBA, Schedule 1, Section 7(1).

Minutes of Committee meetings are available to all members on Convene.

11.7 Confidentiality

All attendees at Board or Committee meetings are required, as officers and or fiduciaries of Sunshine Coast Hospital and Health Service, to keep confidential all information presented to (whether written or oral) or discussed at Board and Committee meetings. Following each assessment, the Board will consider what, if any, actions need to be taken to improve Committee performance.

12. Written Resolutions/Out of session

Items would typically only be managed out of session in agreement with the Committee Chair when the item is urgent and must be considered before the next scheduled meeting.

13. Committee Work Plan

The Manager Board Operations, in consultation with the Committee Chair and the CFO and COO shall maintain an annual work plan for the Committee. The annual work plan shall identify the key matters for consideration and actions required by the Committee during the year and allocate those matters and actions to a relevant meeting(s). The annual work plan enables the Committee, the Chief Executive and the Executive to be aware of and plan for the year.

14. Evaluation of Committee Performance

The Committee will undertake an annual self-assessment of its performance, including its performance against the requirements of this Charter and the performance against the annual work plan. This self-assessment will feed into the annual Board and Committee performance review.

15. Business Rules

The Committee Charter should be read in conjunction with the Board Charter which outlines the general governance provisions that apply to the Board Committee meetings.

16. Publication of this Charter

A copy of this Charter will be made available at www.schhs.health.qld.gov.au

17. Interpretation

The following terms when used in this Charter have the meaning given to them below:

| | |
|------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Act | <i>Hospital and Health Boards Act 2011</i> (Qld) |
| The Board | The Sunshine Coast Hospital and Health Board, comprised of members appointed by the Governor in Council, by gazette notice, on the recommendation of the Minister |
| Committee | The SCHH Board Finance and Performance Committee |
| Executive | The SCHHS Executive team |
| Service | A Hospital and Health Service established under the Act. |
| Minister | Minister for Health and Ambulance Services |
| Regulation | <i>Hospital and Health Boards Regulation 2012</i> (Qld) |

| | |
|-------|------------------------------------------------------------------------------------------|
| SCHHS | Sunshine Coast Hospital and Health Service – a statutory body established under the Act. |
|-------|------------------------------------------------------------------------------------------|

18. Revision History

Document history

| Date | Nature of amendment |
|-----------------|-----------------------------------------------------------------------------------------|
| 4 December 2012 | Removal of sentence under membership. |
| 17 March 2014 | Name change and minor amendments to functions |
| October 2016 | Addition to standing invitees |
| July 2018 | Changes to Executive titles |
| July 2019 | Ability to appoint external members to the Committee and changes to executive attendees |
| November 2020 | Full revision of Charter in line with Board governance review |
| May 2022 | Full revision of Charter |

19. Next review

This Charter will be reviewed in June 2023.

This Charter was approved by the Board at its meeting on 7 June 2022.

Ms Sabrina Walsh

Chair, Sunshine Coast Hospital and Health Board